

Patrick Register – Winter Advising Forum – February 12, 2015

**UC Santa Cruz
Financial Aid - Then and Now**

Agenda

- Financial Aid at the University of California
- Abbreviated UC Financial Aid Primer
- Hot topics in Financial Aid

UC Financial Aid

A basic value of the University of California is that the University should serve a diverse student body. Inherent in such a value is a concern that financial considerations not be an insurmountable obstacle to student decisions to seek and complete a University degree.¹

1) The Regents of the University of California, University of California Financial Aid Policy, January 1994

UC Financial Aid

The primary goal of the University's undergraduate financial aid programs is to ensure that the University remains financially accessible to all academically eligible students.

The University expects a *partnership between students, parents, state and federal governments*, and the University to finance a student's education. ¹

1) Office of the President, Annual Report on Student Financial Support, March 2013

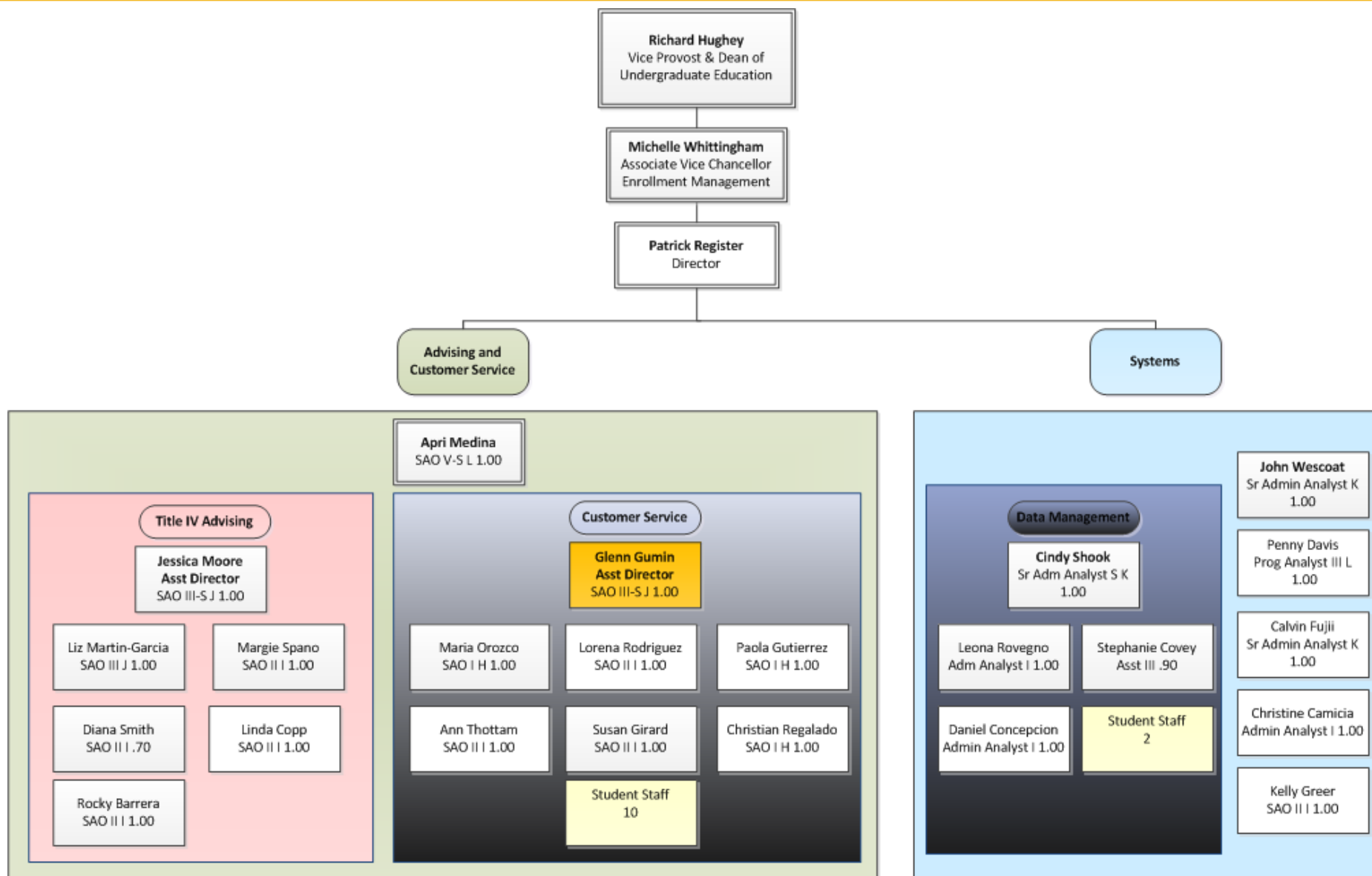
UC Financial Aid

University grant funds are provided by a return-to-aid policy, in which a fixed percentage of tuition and student fees are set aside to fund needy students.

If tuition and fees do not increase, but other costs continue to increase, the unmet need of our students will grow.

- UC tuition and fees have not increased since 2011

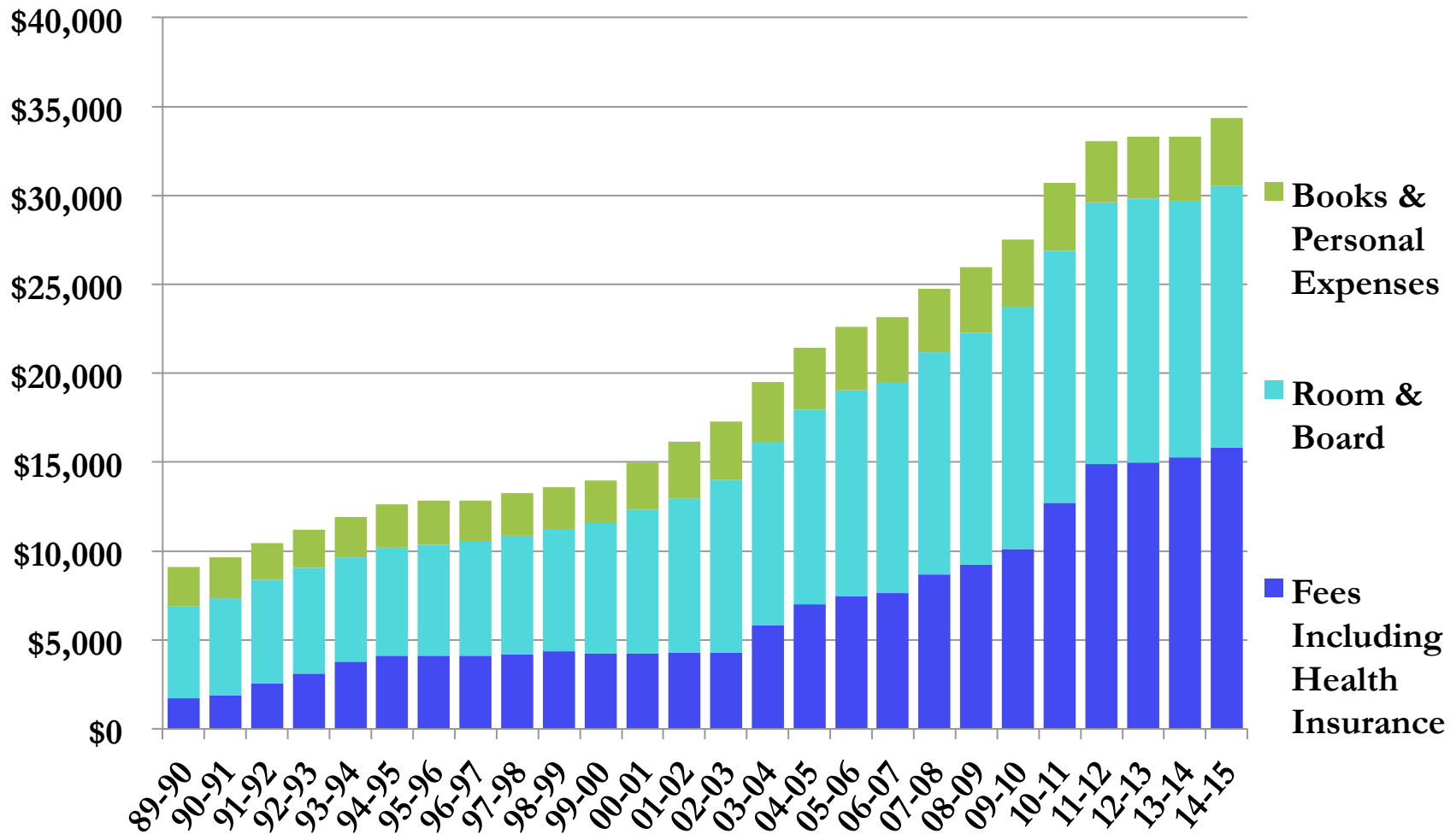
Financial Aid & Scholarship Office Structure



UGRD Financial Aid – 1990 vs. 2014

	1989-1990	2013-2014
3-Qtr Avg. Enrollment	8,577	15,088
Aid Recipients	3,433	12,136
% Receiving Aid	40%	76%
Total Gift Aid	\$9,707,277	\$175,302,627
Total Student Loans	\$5,341,921	\$55,692,035
Total Work-Study	\$1,110,507	\$2,428,323
Total Aid Awarded	\$16,159,705	\$233,422,985

UGRD On-Campus Budget 1990 - 2015



UGRD Estimated Cost of Attendance 2015-16

ESTIMATED 2015-16 UNDERGRADUATE BUDGETS - FALL, WINTER AND SPRING TERMS

	On-Campus	Off-Campus	Commuter
Tuition and Fees**	\$14,009	\$14,009	\$14,009
Room and Board*	\$15,123	\$9,891	\$4,698
Books and Supplies*	\$1,449	\$1,449	\$1,449
Transportation*	\$576	\$1,272	\$1,659
Personal Expenses*	\$1,818	\$1,899	\$2,157
Campus Health Insurance*	\$2,776	\$2,776	\$2,776
Total California Resident Budget	\$35,751	\$31,296	\$26,748
Non-Resident Tuition	\$24,022	\$24,022	\$24,022
Total Non-California Resident Budget	\$59,773	\$55,318	\$50,770

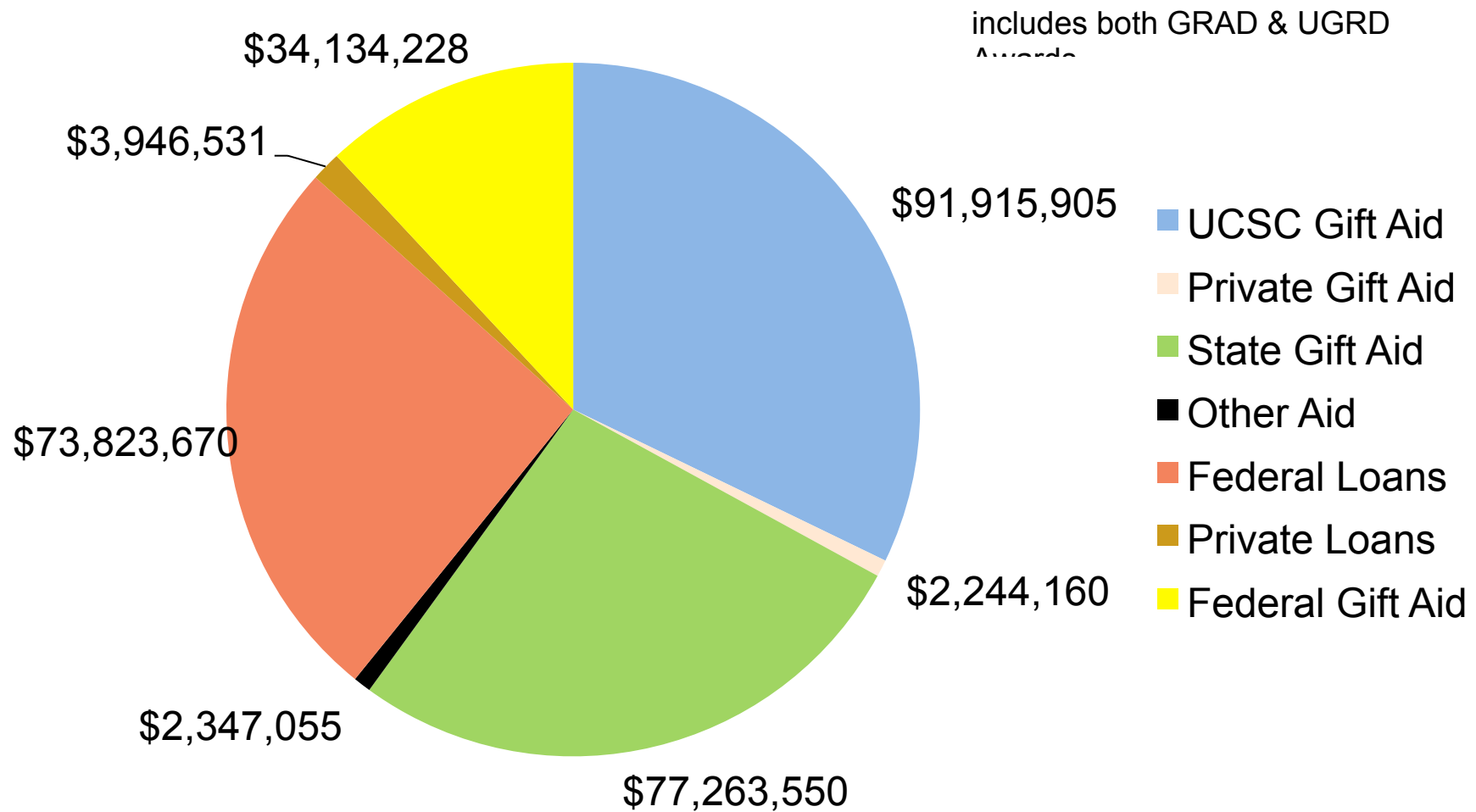
Major Changes in Fin Aid (besides Costs)

- GI Bill (1944)
- California Student Aid Commission (1955)
- Title IV – Higher Education Act (1965)
- UC Education Financing Model (1994-98)
- Loan Industry Reforms (2007)
- Non-profit vs. for-profit (on-going)

Major Fund Sources of Aid

- Pell/SEOG (Federal)
- Work Study (Federal)
- Direct Loans (Federal)
- Cal Grant/Chafee (State)
- Middle Class Scholarship (State)
- University Grant/Blue & Gold (Institutional)
- Fellowships (Fed/State/Inst/Private)
- Waivers (State/Institutional)
- Scholarships (Fed/State/Inst/Private)
- TA/Internship (Institutional/Private)
- Veterans Benefits (Fed/State)

Financial Aid by Source – 2013-14



The UC Education Financing Model:

The Total Cost of Attendance

Less **A reasonable contribution from parents**

Less **Grants from federal and state programs**

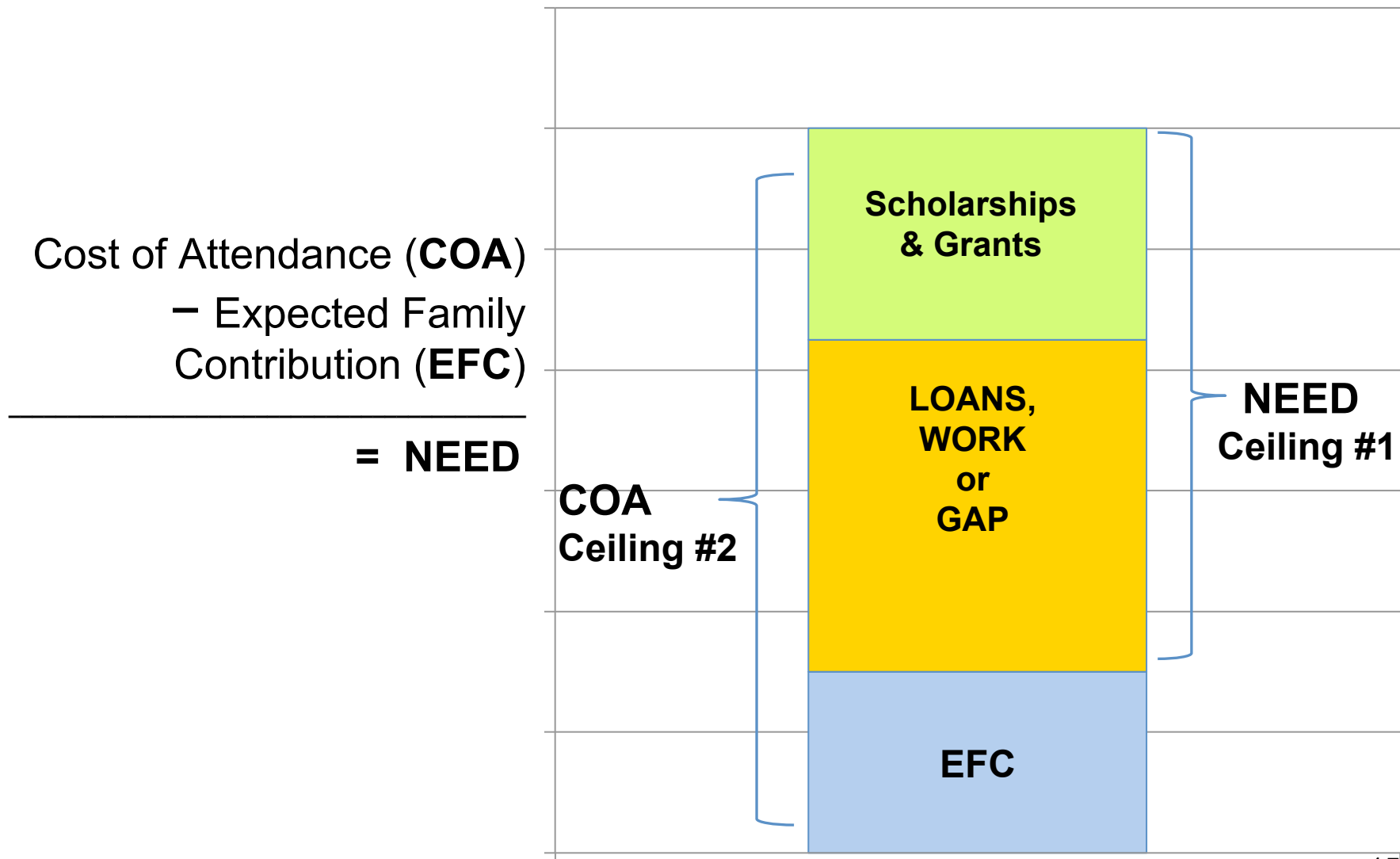
Less **A manageable student contribution from work and borrowing**

Equals **University grant aid needed**

Packaging Aid

- ❖ Financial Aid offices determine aid eligibility using the federal formula (FM)
 - ❖ Some schools also use institutional formula for institutional funds (IM)
- ❖ “Packages” aid depending on availability of funds
- ❖ Financial Aid award notification communicated with students and includes:
 - ❖ Award amount/aid programs for which student is eligible
 - ❖ Disbursement methods and time frames
 - ❖ Terms and conditions of each award

Understanding “Need”



Packaging – Order of Operations

We award need based aid first, parent loans last

First in last out

- ❑ Pell Grant (Entitlement award)
- ❑ Cal Grant
- ❑ UC Grant
- ❑ FSEOG
- ❑ Subsidized loan
- ❑ Work Study
- ❑ Perkins Loan
- ❑ Unsubsidized loan
- ❑ Parent loan/Unmet need

Unmet Need

Who has it, what causes it, and what can we do about it?

- Dreamers, Foster Youth, Students with Dependents, Middle-Income
- Lack of funding = lack of options, non-covered expenses, problems with EFC calculation
- Counselling, aid adjustments, more counselling

Hot Topics in Financial Aid

- Satisfactory Academic Progress

- Federal Work-Study

- Educational Finance Model

- Unmet Need

- University Student Insurance Plan (USHIP)

- Non-Resident Aid

- Loan Indebtedness

- CA Middle Class Scholarship

- Customer Service

- Self-Help Level

- Federal Regulations (R2T4)

- Blue & Gold Promise

- Summer Aid

- Scholarships