

---

# Hanging in the Balance

The Future of Financial Aid

September 2025

UNIVERSITY OF CALIFORNIA  
**COUNSELOR**  
CONFERENCE

---

**“As we take on the challenges  
that lie ahead we will  
recommit to the values that  
made UC so successful.”**

— UC President James B. Miliken



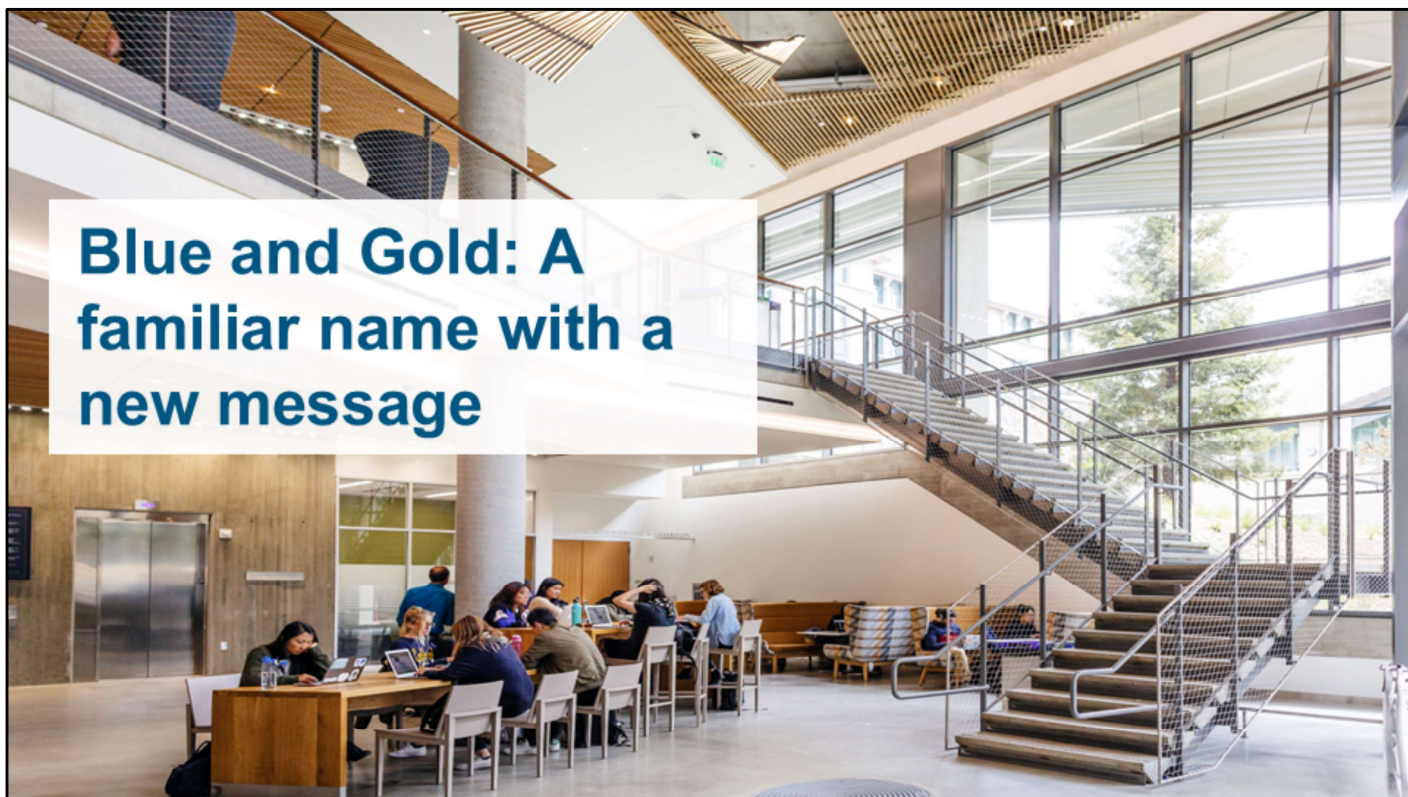
In this era of uncertainty, the University of California reaffirms its commitment to its core values, particularly its dedication to ensuring access to higher education for all students. Drawing on the principle that has been fundamental to our success—providing opportunity to a diverse range of individuals—the UC system remains resolute in its mission to serve as an engine of social mobility. The university pledges to navigate the current landscape by continuing to ensure that qualified California students have a pathway to a world-class education, regardless of their background or circumstance. This unwavering focus on accessibility is a direct reflection of the values that have defined the UC system, and it is the key to confronting the challenges of today and building a more equitable future.



## Hanging in the balance: the future of financial aid

### **Agenda**

- Blue and Gold: A familiar name with a new message
- Federal financial aid update
- CalKIDS
- Resources
- Questions



## Blue and Gold: A familiar name with a new message

Working with the State of California, the UC continues its long history of offering one of the nation's most generous financial aid programs. For years, the **Blue and Gold Opportunity Plan** has been a key part of this commitment. However, the name didn't fully capture the complete range of our work to make higher education accessible.

To build on this strong foundation, we're updating our brand. The name **Blue and Gold** will now be used as an umbrella term for all our financial aid initiatives. This new branding honors the strong reputation the name has already earned while allowing us to describe the full scope of UC's commitment to ensuring all California students can pursue their educational dreams.



## Blue and Gold is UC financial aid

**Blue and Gold** is how we award all types of financial aid at UC and is our strategy to make a UC education accessible and affordable for California students:



### TUITION COVERAGE

**Most** California families that earn up to \$100,000 pay \$0 in UC tuition

### MINIMIZED DEBT

**Many** California students graduate debt free with the help of financial aid and part-time work

### TUITION PREDICTABILITY

**All** students benefit from UC tuition policy



**Blue and Gold** rests on three core pillars that underscore our commitment to affordability:

1. Most California students from families that earn up to \$100,000 pay no tuition to attend UC.
2. And many California students graduate debt free with the help of financial aid and part-time work.
3. Lastly, all students benefit from UC's tuition policy which sets tuition at the time they first enroll and locks it in for up to 6 years. This provides families with some predictability when it comes to costs.

<https://admission.universityofcalifornia.edu/tuition-financial-aid/types-of-aid/blue-and-gold-opportunity-plan.html>

Blue and Gold is UC financial aid

## What about families that earn over \$100,000?

### California's Middle-Class Scholarship

- California resident or AB 540
- Eligible to complete the FAFSA or CA Dream Act Application
- CSU, CCC bachelor's degree program, or UC
- Income/Asset Cap \$234,000 (2025-26)
- Must be eligible for financial aid
- Amount varies



UNIVERSITY OF CALIFORNIA  
**COUNSELOR**  
CONFERENCE

Even for California families earning more than \$100,000, there are still financial aid options. The California Middle-Class Scholarship provides funding to families with incomes up to \$234,000.

The scholarship amount is not fixed and is determined by a formula that accounts for the student's total cost of attendance. From this cost, all other financial aid is subtracted, including federal, state, and institutional grants. The formula also factors in a student's expected "self-help" contribution and, for dependent students, a parental contribution based on income. The final award amount can vary significantly and is contingent on the state's annual budget allocation.

<https://www.csac.ca.gov/middle-class-scholarship>

## Blue and Gold is UC financial aid



54% of CA undergrads pay no tuition



67% of CA undergrads receive grants & scholarships



63% of CA undergrads graduate with no student loan debt

Average amount of grants and scholarship awarded to eligible CA students last year: **\$22,000**



UC's financial aid programs yield significant results for California students.

**54%** of California undergraduates pay no UC tuition thanks to the financial aid they receive.

**67%** of students receive grants and scholarships, and with an average of offer of **\$22,000** many students receive funds to assist with education costs beyond just tuition.

**63%** of students complete their undergraduate degree without needing to borrow student loans.

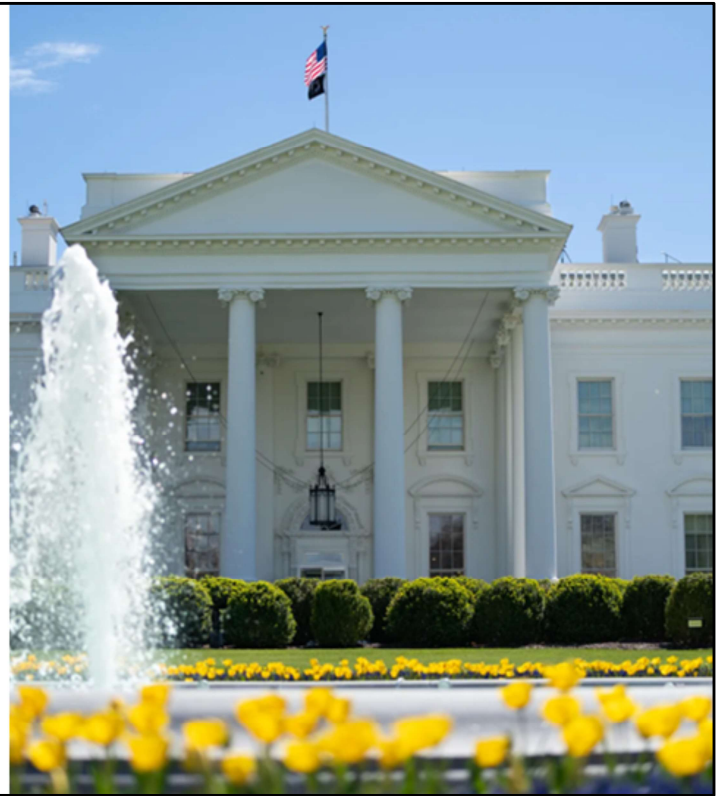


Now for the one you've all been waiting for: federal financial aid. As you know, there have been some significant changes.

## Federal financial aid update

### The OBBB Act

- ✓ Signed into law: July 4, 2025
- ✓ Senate's version prevails (less damaging to federal financial aid)



The 'One Big Beautiful Bill' was signed into law by the President on July 4, 2025. Fortunately, the final version of the new law more closely resembles the Senate's version of the bill, which, while still impactful, was less damaging to financial aid programs than the House's initial proposal.

## Federal financial aid update

### Pell Grants (effective July 1, 2026)

- ✓ Cuts to students receiving enough aid to cover the full cost of attendance
- ✓ Less than 100 UC students
- ✓ About \$110,000 in lost Pell Grants



Let's look closer at the Pell Grant changes. Fortunately, the most severe cuts proposed in the House version did not make it into the final bill. The cuts are now limited to Pell Grant recipients whose entire cost of attendance is already fully covered by other gift aid. At UC, we estimate this impacts approximately less than 80 students, potentially leading to a collective loss of about \$110,000 for those students. This group could include students on full-ride athletic scholarships or other substantial merit-based awards that completely offset their need to work or borrow



## Federal financial aid update

### Undergrad student loans (beginning the 2026-27 award year)

- ✓ Prorated based on enrollment
- ✓ Most UC students not impacted
- ✓ Impacted part-time students (students with accommodations or those close to graduation)



For undergraduate student loans, the only significant change is that students enrolled part-time will now have their federal Direct Loan eligibility pro-rated based on their enrollment level. This is less of a concern for UC students compared to many other institutions, as the vast majority of our undergraduates attend full-time. However, this change could pose burdens on students enrolled part-time due to accommodations or those nearing graduation who might reduce their course load."

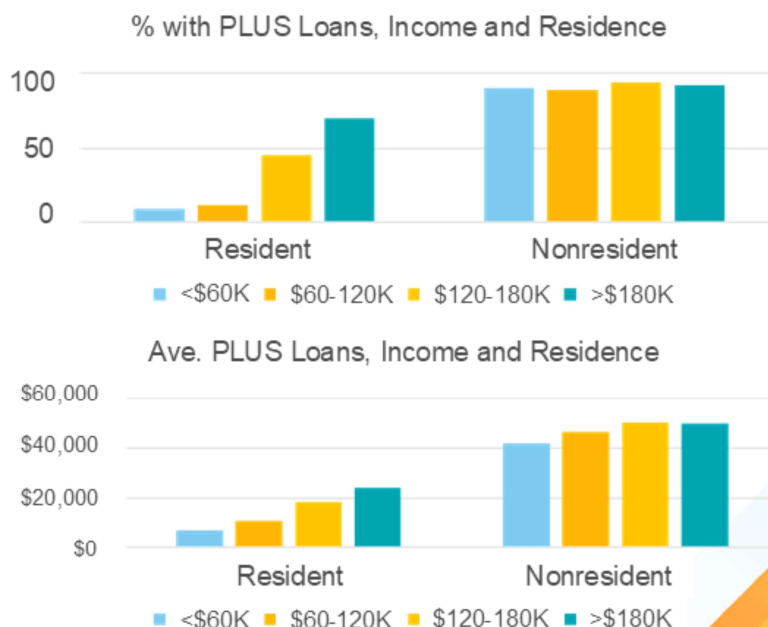


## Federal financial aid update

### Parent PLUS Loans (Effective July 1, 2026)

- ✓ An annual limit of \$20,000 per dependent student
- ✓ Cumulative limit of \$65,000 per student
- ✓ At UC, only 6% have PLUS, but those who borrow rely heavily on the program
- ✓ Nonresidents and high-income borrow the most

UNIVERSITY OF CALIFORNIA  
**COUNSELOR**  
CONFERENCE



A significant change impacts the federal Parent PLUS loan program, which many families rely on to help finance their children's education. The new law caps how much parents of dependent students can borrow:

An annual limit of **\$20,000 per year per dependent student**.

A cumulative limit of **\$65,000 per student**.

While only about 6 percent of UC undergraduates in any given year have parents who borrow through Parent PLUS, those who do often rely heavily on the program. Nearly half of these borrowers currently exceed the new \$20,000 annual threshold. This could leave parents looking for alternative loan options or other financing means for nearly \$50 million in borrowing, although it is unclear how much of that borrowing is out of necessity versus convenience. It's worth noting that many of the largest Parent PLUS loans are taken out by upper-income and out-of-state families. Furthermore, approximately 30 percent of UC students have parents with more than \$65,000 in accumulated PLUS loan debt upon graduation, indicating a substantial impact from the cumulative cap."

## Federal financial aid update

### UC is working to identify:

- ✓ Ways to mitigate impacts
- ✓ Current UC financial aid program vulnerabilities
- ✓ Impacts on other federal aid programs
- ✓ Impacts on special student population



We are currently conducting a deeper analysis of the possible student and parent loan needs that will arise from these changes. This analysis will inform the steps we can take to provide alternatives for families that need them. Unfortunately, there is very little that UC can do to directly make up for cuts to the federal Pell Grant program, as these are federal appropriations.

We are also looking at currently UC financial aid program vulnerabilities. For example, a combination of programs assist UC students to graduate debt free or with less debt and those programs rely on federal and state grant aid. In the long-term, we have concerns about our ability to fully meet the goals under the UC Compact, especially if Pell Grants face significant cuts in future years, as proposed in the President's budget."

Another area we are looking at is the Parent PLUS loan program changes. The caps on borrowing appear to impact non-resident students more than California residents. Whether this has any impact on enrollment decisions remains to be seen, but since most of the large borrowing is done by high-income families, it may be more a matter of convenience than affordability for them.

The President's budget for next year proposes drastic reductions to Pell Grants, Work-Study, and other financial aid and campus support programs. The proposed reductions to Pell Grants for needy UC students alone would be substantial, estimated at \$123 million, which would increase their self-help by about \$1,200 per student. This highlights a broader trend of federal funding challenges.

We are also running analysis for impacts on special student populations. As one example, Undocumented students are ineligible for federal financial aid, so they are not directly impacted by the changes to federal financial aid outlined in this bill. However, the administration's broader posture towards undocumented individuals has led some of our students from mixed-status families to opt out of filing for federal financial aid. In other words, some U.S. citizen students with an undocumented spouse or parent are choosing to file a California Dream Act Application instead of the FAFSA. Right now, these numbers are relatively small, but it's a trend we are monitoring.



On a brighter note, and although CaKIDS has been around for a few years, we don't want to miss the opportunity to remind you all of it again. The CaKIDS program is a powerful initiative designed to give California children a head start on saving for college or career training. It's a key part of the state's mission to make higher education more accessible and to foster a college-going culture from the very beginning of a student's life.

**CalKIDS**

**CalKIDS** provides low-income California public school children with up to \$1500 for college

**CalKIDS  
gives your child  
a real chance  
for a brighter  
future.**

**With free  
money for  
college!**

CalKIDS is a new program from the State of California that provides up to \$1,500 in free money for college to eligible public school students. CalKIDS can help families boost their children's college savings and increase access to higher education.

UNIVERSITY OF CALIFORNIA  
**COUNSELOR  
CONFERENCE**



**To learn more and to find  
out if your child qualifies,  
visit [CalKIDS.org](http://CalKIDS.org) today!**



**CalKIDS**  
The first step toward college

The California Kids Investment and Development Savings Program (CalKIDS) is a children's savings account program, administered by the ScholarShare Investment Board, an agency of the state of California. CalKIDS will provide children born in California with college savings accounts, including seed deposits and other potential incentives, to help pay for future qualified higher education expenses. To learn more about CalKIDS or opt out of the program entirely, please see the Program Terms and Conditions at [CalKIDS.org](http://CalKIDS.org). CalKIDS requirements may also establish individual

The program automatically enrolls eligible children in a college savings account and provides an initial deposit from the state for up to \$1,500.

## CalKIDS

### Current school-aged student eligibility:

- ✓ Low-income California public school students
- ✓ Enrolled in 1st-12th grades during the 2021-2022 academic year
- ✓ Low-income first graders during the 2022-23 and subsequent academic years

UNIVERSITY OF CALIFORNIA  
**COUNSELOR**  
CONFERENCE

CalKIDS  
gives your child  
a real chance  
for a brighter  
future.

With free  
money for  
college!

CalKIDS is a new program from the State of California that provides up to \$1,500 in free money for college to eligible public school students. CalKIDS can help families boost their children's college savings and increase access to higher education.



To learn more and to find  
out if your child qualifies,  
visit [CalKIDS.org](https://CalKIDS.org) today!



**CalKIDS**  
The first step toward college

The California Kids Investment and Development Savings Program (CalKIDS) is a children's savings account program, administered by the ScholarShare Investment Board, an agency of the state of California. CalKIDS will provide children born in California with college savings accounts, including seed deposits and other potential incentives, to help pay for future qualified higher education expenses. To learn more about CalKIDS and all of the program's details, please see the Program Terms and Conditions at [CalKIDS.org](https://CalKIDS.org). CalKIDS participants may also establish individual

This is what you need to know:

- Children who are born in California on or after July 1, 2022, or who are eligible low-income public school students (grades 1-12), are automatically enrolled in the program. They don't have to do anything to get the initial state contribution.
- A CalKIDS account is created in the child's name, and the funds are held for them. The program also encourages families to open a matching ScholarShare 529 college savings account to contribute their own funds.
- All money deposited into the ScholarShare 529 account—both the state's initial deposit and any family contributions—can grow tax-free. The funds can be used for a wide range of qualified education expenses at eligible colleges, universities, and trade schools.



## CalKIDS

### Eligible low-income public school students receive a:

- ✓ \$500 auto deposit in a CalKIDS account
- ✓ \$500 additional deposit for eligible students who are foster youth
- ✓ \$500 additional deposit for students who identify as homeless

CalKIDS  
gives your child  
a real chance  
for a brighter  
future.

With free  
money for  
college!

CalKIDS is a new program from the State of California that provides up to \$1,500 in free money for college to eligible public school students. CalKIDS can help families boost their children's college savings and increase access to higher education.

UNIVERSITY OF CALIFORNIA  
**COUNSELOR**  
CONFERENCE



To learn more and to find  
out if your child qualifies,  
visit [CalKIDS.org](https://CalKIDS.org) today!



**CalKIDS**  
The first step toward college

The California Kids Investment and Development Savings Program (CalKIDS) is a children's savings account program, administered by the ScholarShare Investment Board, an agency of the state of California. CalKIDS will provide children born in California with college savings accounts, including seed deposits and other potential incentives, to help pay for future qualified higher education expenses. To learn more about CalKIDS and all of the program's details, please see the Program Terms and Conditions at [CalKIDS.org](https://CalKIDS.org). CalKIDS accounts may also establish individual

Eligible low income or English learner public school students will receive an initial deposit of \$500.

An additional \$500 can be added for those who are foster youth or homeless.

CalKIDS

Confirm eligibility & claim account



UNIVERSITY OF CALIFORNIA  
**COUNSELOR**  
CONFERENCE

CalKIDS  
gives your child  
a real chance  
for a brighter  
future.

With free  
money for  
college!

CalKIDS is a new program from the State of California that provides up to \$1,500 in free money for college to eligible public school students. CalKIDS can help families boost their children's college savings and increase access to higher education.



To learn more and to find  
out if your child qualifies,  
visit [CalKIDS.org](https://calkids.org) today!



**CalKIDS**  
The first step toward college

The California Kids Investment and Development Savings Program (CalKIDS) is a children's savings account program, administered by the ScholarShare Investment Board, an agency of the state of California. CalKIDS will provide children born in California with college savings accounts, including seed deposits and other potential incentives, to help pay for future qualified higher education expenses. To learn more about CalKIDS and out of the account activity, please see the Program Terms and Conditions at [CalKIDS.org](https://calkids.org). CalKIDS accounts may also establish individual

Confirming eligibility is quick and easy. Students can log on Scholar Share to [CalKIDS.org](https://calkids.org) or scan the QR code provided here to confirm eligibility and claim their account.

<https://calkids.org/>






To support you in assisting your students, here are some resources that your students should be aware of.

Resources

# studentaid.gov



UNIVERSITY OF CALIFORNIA  
**COUNSELOR**  
**CONFERENCE**

eral court issued an injunction preventing the U.S. Department of Education from implementing parts of the Saving on a  
 tion (SAVE) Plan and other IDR plans. We are assessing the ruling and will continue to update [StudentAid.gov/saveaction](#)  
 information.

e United States government.
 [Help Center](#)
[Submit a Complaint](#)

**entAid**
[FAFSA® Form](#)
[Loans and Grants](#)
[Loan Repayment](#)
[Loan Forgiveness](#)
[Log In](#)
[Create A](#)

## Learn More About Student Loan Debt Relief

[Debt Relief Information](#)

[View Frequently Asked Questions](#)

### POPULAR TOPICS

[Apply for Aid Using the FAFSA® Form >](#)  
[Complete a Master Promissory Note \(MPN\) >](#)  
[Apply for a Direct PLUS Loan >](#)  
[Learn About Public Service Loan Forgiveness](#)  
[View Your Loan Information >](#)

#### School

out going to  
er school.

#### In School

I'm in the process of earning a  
degree or certificate.

#### Parent

I want to help my child pay for  
college.

#### In Repayment

I have loans I need to

Studentaid.gov is the site that holds all information about federal financial aid. It is also the sight that students will go to Scholar Share file their FAFSA.

<https://studentaid.gov/>

Resources

csac.ca.gov

UNIVERSITY OF CALIFORNIA  
COUNSELOR  
CONFERENCE

REGISTER TO ATTEND AN ANNUAL STATEWIDE FINANCIAL AID WORKSHOP!

CALIFORNIA STUDENT AID COMMISSION

Login Contact Us English Search Q

VOTE CALIFORNIA

STUDENTS SCHOOLS & COUNSELORS PROGRAMS DATA & REPORTS OUTREACH & MATERIALS NEWS & EVENTS ABOUT

GRANTS 4 STUDENTS LOGIN HERE

BETTER FAFSA, CADAA CLICK HERE

ALL IN FOR FAFSA/CA DREAM ACT CLICK HERE

APPLY FOR FINANCIAL AID

The Free Application for Federal Student Aid (FAFSA) and the California Dream Act Application for 2024-25 is now open. Check our website for updates or sign up for our CSAC email Listserv for "Students and Families".

Students attending California Community Colleges for the 2024-25 academic year should also apply by May 2 and no later than September 3, 2024.

The Sacramento Kings' Wish for FAFSA... MESSAGE FROM THE KINGS HEAD COACH

1 SUBMIT THE FAFSA OR CADAA

Submit the FAFSA. Unless you're an undocumented eligible student, then submit the CA Dream Act Application.

2 LOGIN TO WG4S AND CONFIRM GPA

May I help you?

Hi there! I'm G chatbot, here to answer your questions. What do you need to know?

The California Student Aid Commission or CSAC site has all the information pertaining to state funded financial aid programs and this site is linked to the CADAA for those students who are eligible to apply.

<https://csac.ca.gov/>

## Resources

### UC tuition & financial aid site:

- ✓ Blue & Gold
- ✓ Financial aid application information
- ✓ Important dates and deadlines



#### Tuition & financial aid

# \$15,384

2026-2027 academic year UC tuition for CA students. You can expect your tuition to stay the same for up to six years.

**\$0-100,000** For most in-state students, if your family's income is in this range and you qualify for financial aid, you won't pay any tuition.

Average amount of grants and scholarships awarded to eligible CA students last year: **\$22,000**



54% of CA undergrads pay no tuition



67% of CA undergrads receive grants & scholarships



63% of CA students graduate with no student loan debt

[Apply for financial aid](#)

A UC degree is worth it. And we can help you

For information pertaining to UC financial aid, the UC Tuition & Financial Aid site has been updated with the latest information

<https://admission.universityofcalifornia.edu/tuition-financial-aid/>

## Resources

### 2025-26 Financial Aid Calculator:

- ✓ Updated launched March 2025
- ✓ Fully functional for California resident, AB540, and nonresident users
- ✓ Provides Pell grant estimates for those FAFSA filers
- ✓ Veteran benefits estimates
- ✓ Additional functionality planned for 2026

UNIVERSITY OF CALIFORNIA  
**COUNSELOR**  
CONFERENCE

UNIVERSITY OF CALIFORNIA  
COUNSELOR CONFERENCE

## Estimate your aid

Here's a quick and easy way to estimate your financial aid.

### 2025-26 Financial Aid Calculator

Our UC systemwide financial aid calculator can help you assess how much it will cost you to attend UC for one year. Use the calculator to estimate the amount of gift aid (free money) you could receive as part of your financial aid award. The calculator can also help you figure out your estimated net costs, which is the total cost of attendance minus the estimated gift aid. Keep in mind that there may be other financial aid options like work-study and student loans to help you cover your net cost.

It will be helpful to refer to these documents before you use the calculator:

- Federal income tax returns from two years ago, filed by you or your parents/spouse as applicable. For the 2025-26 estimator use the 2023 tax return information.
- 2023 W-2 forms and/or pay stubs with year-to-date information for you and/or your parents/spouse as applicable.

Remember, the calculator provides an *estimate*, not exact results.

#### Step 1

All fields required

Please select all that apply:

I am older than 24

I am married or have children

I am an orphan, ward of the court, or was in foster care

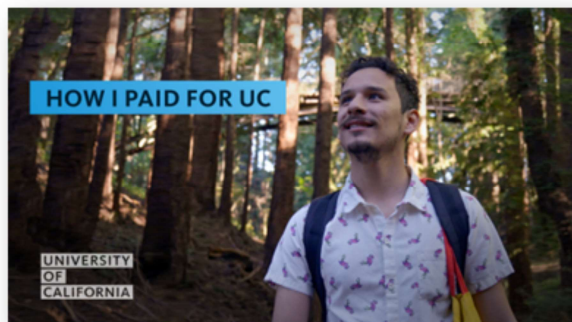
I am homeless or at risk of being homeless

And includes the latest systemwide financial aid calculator which has been equipped with additional functionality. The tool now provides pell grant and veteran education benefit estimates and is fulling functional for California residents, AB540, and nonresident users.

<https://admission.universityofcalifornia.edu/tuition-financial-aid/estimate-your-aid.html>

## Resources

### UC YouTube



The UC Admissions and Financial Aid YouTube Channel hosts several financial aid clips that are short and informative.

<https://www.youtube.com/playlist?list=PLwL0JPr9mVI3HbkycPjbvRNtH4vgreSzG>



## Resources

## Social Media

Instagram:

@uofcalifornia



UNIVERSITY OF CALIFORNIA  
**COUNSELOR**  
**CONFERENCE**

X:

@UC\_Apply



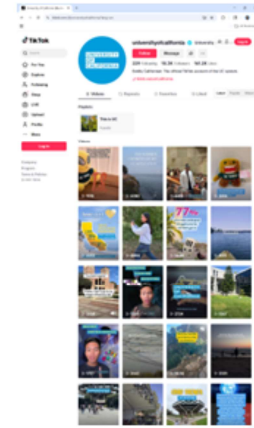
Facebook:

University of California



TikTok:

@universityofcalifornia



And lastly, be sure to connect to UC on Instagram, X, Facebook, and TikTok



---

# Thank you

UNIVERSITY OF CALIFORNIA  
**COUNSELOR**  
CONFERENCE