
UC financial aid

Empowering students for fall 2025 admissions

September 2024

UNIVERSITY OF CALIFORNIA
COUNSELOR
CONFERENCE

UC financial aid

AGENDA

- FAFSA simplification
- Financial aid in flux
- Blue and Gold Opportunity
- 2025-26 FAFSA
- CalKIDS
- Resources



In this presentation:

- We will take a look at what has been regarding FAFSA simplification and the challenges it created as well as the volatility of the financial aid world of over the past few years.
- We will cover where we are today by discussing the UC financial aid philosophy also known as the Blue and Gold Opportunity and its impact on California students.
- We will look into the future by letting you in on what is currently known about the 2025-26 financial aid application cycle.
- Hopefully this isn't new news, but we will also take a look at the CalKIDS program.
- And lastly, we will plug our financial aid related resources.



As you all know the FAFSA saw its first major overhaul in over 30 years during the last application cycle and, to put it plainly, the rollout was a disaster. Let's look at what happened...

2024-25 FAFSA Challenges

NEEDS ANALYSIS CHANGES

- New formula
- More Pell
- Some Pell loss

DELAYED DATA

- Mid-March trickle
- Late March to April
- Delayed aid offers

DATA QUALITY ISSUES

- Data errors
- Calculation discrepancies

MIXED STATUS FAMILIES

- ID verification process issues
- CADAA workaround
- FASFA ID verification waived

DISBURSMENTS CONCERNS

- Summer aid no issues
- Fall disbursements pending

2024-25 introduced the first major overhaul of Needs Analysis in nearly 3 decades. Although the expectation is that this will result in increased Pell eligibility and Pell dollars for many, a subset of students, including those from families with multiple college enrollees, may experience changes in their financial need assessment and subsequent Pell eligibility.

The Department of Education significantly delayed the distribution of FAFSA data to colleges and universities. Beyond being late, initial data transfers in mid-March were minimal, with batches containing fewer than ten applicants. The majority of data wasn't received until late March to mid-April, severely impacting our ability to process financial aid packages in a timely manner. But that's not all...

Not only was the delivery of FAFSA data to institutions significantly delayed, but a substantial portion of the data received contained errors or was unusable due to calculation discrepancies.

Mixed-status families faced significant challenges completing the FAFSA due to identity verification requirements for parents lacking Social Security numbers. While the California Dream Act Application offered a temporary solution for state aid, it excluded students from federal aid consideration. Fortunately, a limited number of families utilized this option before the Department of Education implemented a waiver for ID verification, allowing broader FAFSA access.

Now, heading into the fall, timely aid disbursements were of a concern for schools. We will not know the impact until this fall, but early indicators suggest that schools will be able to disburse aid when needed. A couple of UC campuses were able to use 2024-25 FAFSA data to fund their summer sessions without any disbursement issues to report.

FAFSA simplification

Admissions & Financial Aid Timeline Impact

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Prior to 2017-18	-	-	-	FAFSA Opens, Schools Get Data	Admissions Offers Begin	March 2 Deadline: Fin Aid Offers	-	May 1 SIR First-year	June 1, SIR Transfers
2017-18 to 2023-24	FAFSA Opens, Schools Get Data	-	-	-	Admissions Offers Begin	March 2 Deadline: Fin Aid Offers	-	May 1 SIR First-year	June 1, SIR Transfers
2024-25	-	-	-	FAFSA Opens,	Admissions Offers Begin	Schools Begin to Get Data w/ Errors	Fin Aid Offers	May 2 Deadline. May 15 SIR First-year	June 1, SIR Transfers



Note: The years listed reflect the FAFSA application, not the academic year

The implementation of the "Better FAFSA" in 2024-25 introduced significant shifts in the traditional admissions and financial aid timeline.

Pre-2017-18: The FAFSA opened in January with a March 2 priority deadline. Tax estimates were required, aligning with the April 15 tax filing deadline. Campuses operated within this established timeline, providing preliminary financial aid offers before student commitment dates.

Click

2017-18 to 2023-24: The FAFSA launch shifted to October, better aligning with admissions cycles. Tax reporting transitioned to using prior-year tax data. These changes had minimal impact on admissions and financial aid timelines.

Click

2024-25: Widespread technical issues delayed the FAFSA opening until late December. Subsequent system failures extended disruptions into January, affecting both students and institutions. In response, the FAFSA deadline was extended to May. Consequently, financial aid offers were pushed back to April, leading to a two-week SIR deadline extension for freshmen.



Recent developments have introduced uncertainty within the financial aid landscape.

Federal factors

2023-24 and prior	2024-25 and beyond	Outcomes
Pell Grants maximum increased	FAFSA sees critical service disruptions	Pell Grants increased (+\$105M)
	Needs analysis changed Pell Grant eligibility requirements changed	Families ability to pay decreased (-\$110M)
	Emergency Aid flexibility	

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At the federal level in 2023-24 we saw an increase in the maximum Pell Grant. In the 2024-25 cycle marked a period of substantial change in the financial aid landscape. Federal policy shifts, including those outlined in the FAFSA Simplification Act, significantly impacted the financial aid ecosystem. The ways in which student could qualify for Pell Grants changed in the effort to expand the number of students eligible for that program and we received additional flexibility for awarding emergency aid.

Overall we've seen an increase in pell grants awarded were slightly outpaced by the deemed families ability to pay.

State factors

<p>2023-24 and prior</p> <p>Middle Class Scholarship Program sees major changes (~800% more UC qualify)</p> <p>College Corps</p> <p>Learning-Aligned Employment Program</p> <p>Cal Grant Reform talks</p> <p>Other new programs</p>	<p>2024-25 and beyond</p> <p>Middle Class Scholarship funding volatility</p> <p>Cal Grant Reform tabled</p> <p>Learning Aligned Employment Program ended</p>	<p>Outcome</p> <p>Cal Grant continue to cover tuition for eligible UC students</p> <p>Middle Class Scholarship fund for this year only.</p>
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At the State level, the 2023-24 academic year marked a period of significant change and expansion in higher education financial aid. State funding surged, leading to a dramatic expansion of the Middle Class Scholarship program. New initiatives like College Corps and the Learning Aligned Employment Program emerged.

In 2024-25 state-level financial aid funding experienced volatility, particularly with the Middle Class Scholarship, which faced substantial budget cuts before ultimately receiving increased funding. The discontinuation of the Learning Aligned Employment Program and the postponement of Cal Grant reform further contributed to the uncertainty.

At this point Cal Grants continue to offer the same benefit for UC students by covering systemwide tuition and fees. Middle Class Scholarship program funding and program eligibility will depend on the 2025-26 State budget which will not be finalized until June 2025. Stay tuned...

UC factors

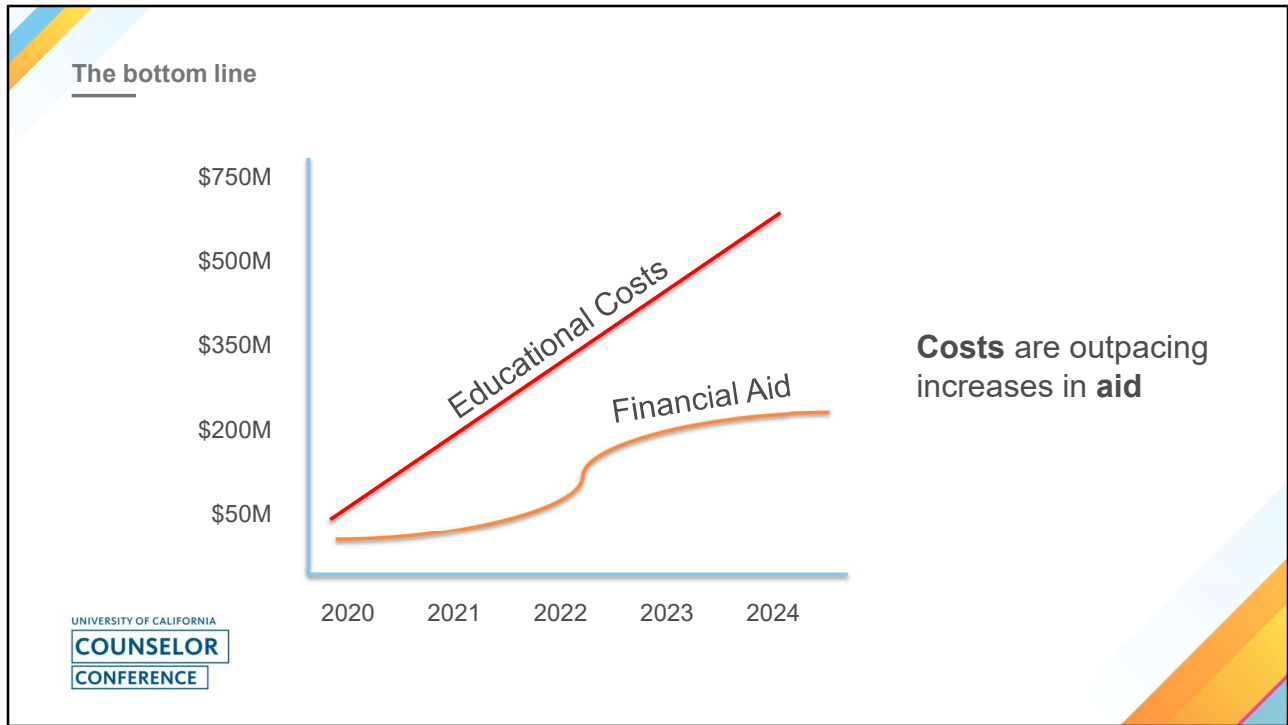
2023-24 and prior	2024-25 and beyond	Outcome
<p>Cohort tuition Debt-Free UC Native American Opportunity Plan Non-tuition costs increases due to dramatic inflation</p>	<p>Non-tuition costs continue to increases due to dramatic inflation Debt-free expands UC Student Health Insurance Program premiums increase Special populations: Undocumented, parenting students, foster youth</p>	<p>\$209M aggregate increase in cost due to inflation</p>

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Prior to 2023-24 the UC system introduced the Cohort Tuition model, launched pilot programs such as Debt-Free UC and the Native American Opportunity Plan, while grappling with rising costs of attendance due to inflation.

For this year we saw a second consecutive year of increases to the cost of attendance due to inflation and increased health insurance premiums. In addition, the Debt-free program has moved into it's second phase assisting the most needy students and the university continues to consider the needs of special populations.

Inflation's impact on non-tuition items persists as the biggest driver of increased costs for UC students



What does this boil down to? Well, despite overall increases in funding at the federal, state and university level, we are seeing the costs are still outpacing available aid.



Even with the uncertainty, UC students continue to benefit from one of the most generous financial aid programs in the country. UC's Blue and Gold Opportunity consolidates UC financial aid programs and serves as our commitment to affordability and predictability for California students and families.

Something for every Californian

Blue
&
Gold

01 **\$0 in tuition** for most California families that earn up to \$100,000

02 **Path to debt-free UC** for the neediest Californians

03 **Tuition predictability** for all students

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There are three aspects that California students benefit from.

- Based on how aid is funded most California families earning up to \$100,000 pay no tuition to attend UC.
- The neediest Californians are provided a Path to a debt-free UC with the option of working part-time to cover their costs not covered by grants and scholarships
- Lastly, tuition predictability is built into this plan for all students. Students can expect their tuition to be set for up to 6 academic years.

So how does this play out for California students... *Click*

Results for California students

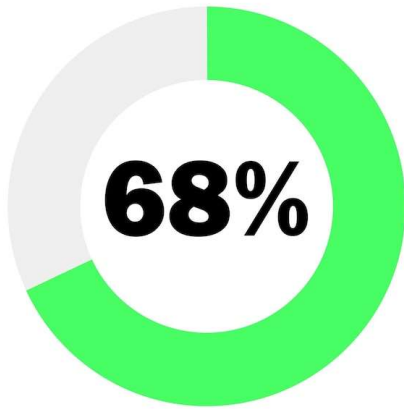
\$2.9 billion

in grants and scholarships available to
California students

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Well, based on our latest data California students attending UC received \$2.7B in grants and scholarships.

Results for California students



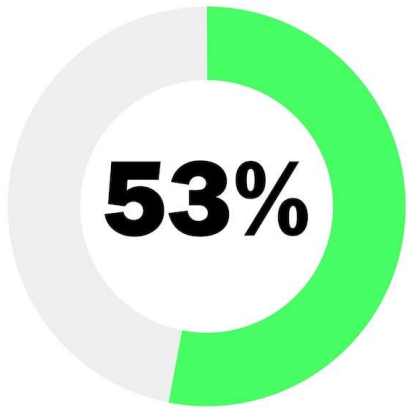
of California undergrads receive grants and scholarships, with an average award of \$20,000

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At UC almost two-thirds of college students from California benefit from financial aid in the form of grants and scholarships.

And with an average award of \$20,000, many students are receiving funds beyond tuition to assist with housing, meals, books, supplies, transportation, and personal expenses.

Results for California students

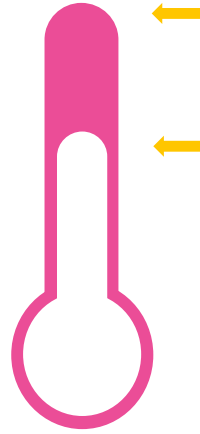
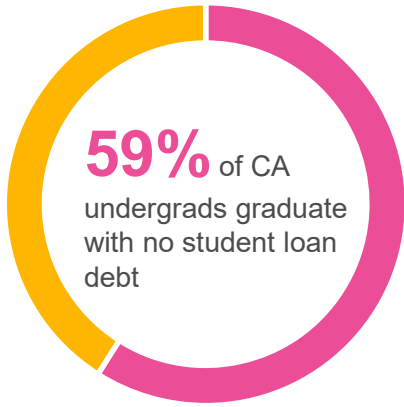


of California undergrads pay \$0 in tuition because of grant and scholarship aid

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Over half of California undergraduates attend UC tuition-free due to grants and scholarships.

Results for California students



\$28,000
National average

\$18,000
UC average

UC students' monthly payments average **6%** of their post-graduation earnings



UC Accountability Report
2024, Chapter 2.3.2

Nearly 60% graduate debt-free, and those who do borrow typically owe 25% less than the national average.



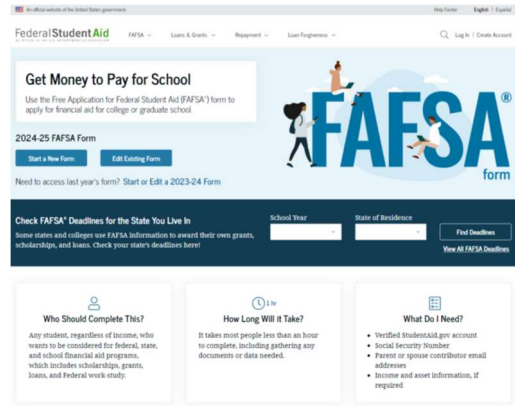
For the 2025-26 application cycle we are keeping our fingers crossed that things go smoothly.

2025-26 FAFSA

What we know

- **FAFSA opening date** for all students by December 1
- **Priority deadline** March 2, 2025
- **Need analysis formula** will remain the same as 2024-25
- **Data delivery** should be on time
- **Mixed status family ID verification waiver** extended

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Here is what we currently know.

The FAFSA will open for a small number of users and institutions on October 1 as a testing phase. The plan is for it to open for all students by December 1. Those hope is to not have a repeat of the issues we saw in 2024-25.

The priority deadline remains March 2, 2025.

There will be no changes to the need analysis formula for 2025-26, so families will be put through the same needs test.

Fingers crossed that schools will being to receive student data in a timely manner

Mixed status families will continue to benefit from the ID verification waiver for the 2025-26 year which will allow them to complete the application process.



Another state funded program that we want to highlight is CaKIDS. The California Kids Investment and Development Savings Program (CaKIDS) was launched in 2022 by the State of California with a clear mission: make it easier for more children to save for their future education. Administered by the ScholarShare Investment Board, CaKIDS takes the initiative by automatically offering newborns (as of 7/1/2022) and eligible low-income public school children in California an initial seed deposit, along with other potential financial incentives. This ensures that they can start their college and career savings journey right from the beginning.

As of June 2024, nearly 7,000 UC students received \$3.6 million dollars from this program.

CaKIDS

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

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

With free money for college!

CaKIDS 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. CaKIDS can help families boost their children's college savings and increase access to higher education.

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To learn more and to find out if your child qualifies, visit CaKIDS.org today!



CaKIDS
The first step toward college

The California Kids Investment and Development Savings Program (CaKIDS) is a children's savings account program, administered by the ScholarShare Investment Board, an agency of the state of California. CaKIDS will provide children born in California with college savings.

Eligible low-income students can already have accounts with up to \$1500 for college.

CaKIDS

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

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The first step toward

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When the program kicked off accounts were created for all low-income students enrolled in California public schools, 1st-12th grade during the 2021-22 academic year. Beyond that, low income first graders during the 2022-23 year and beyond are eligible.

CaKIDS

Eligible low-income public-school students receive a:

- \$500 auto deposit in a CaKIDS Account
- \$500 additional deposit for eligible students who are foster youth
- \$500 additional deposit for students who identify as homeless

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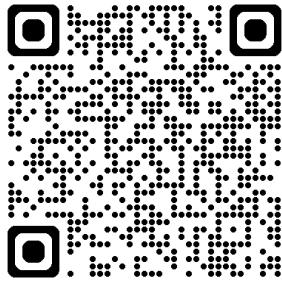
The initial seed deposit for eligible students is \$500.

An additional \$500 will be deposited for those students who are verified as foster youth.

And an additional \$500 deposit will be added for students who identify as homeless.

CaKIDS

Confirm eligibility/claim account



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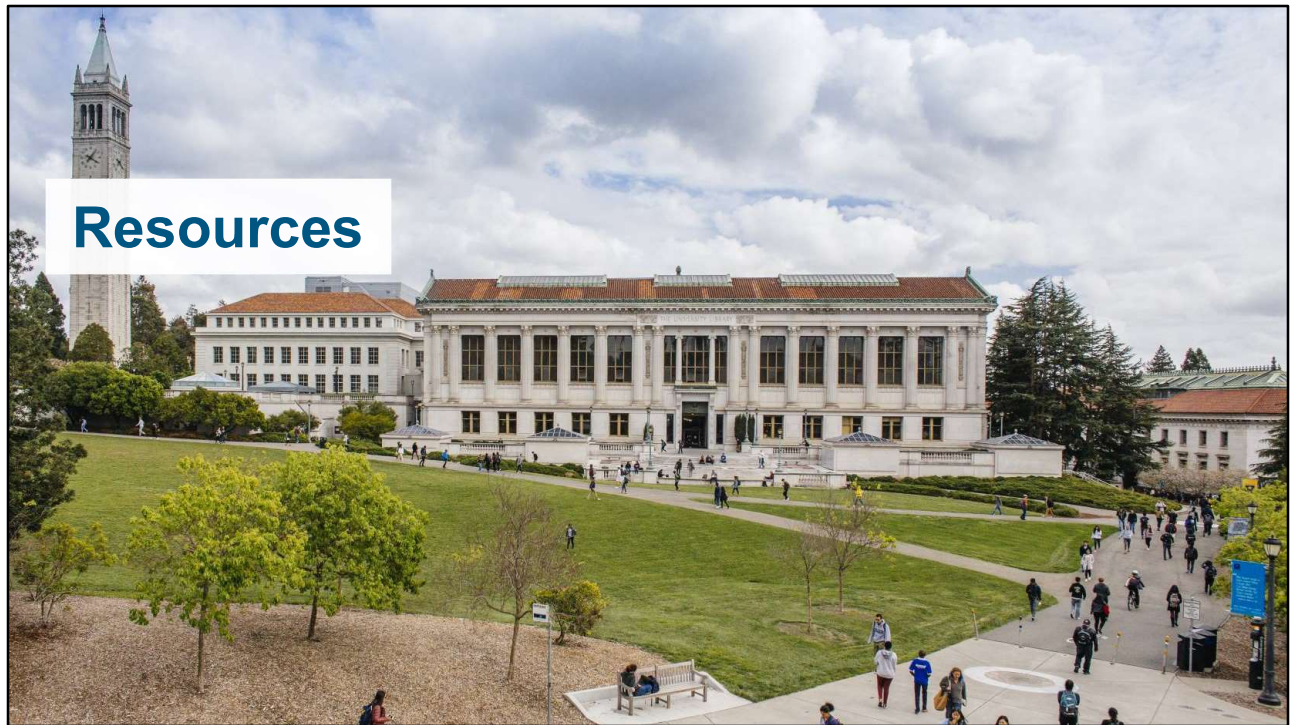
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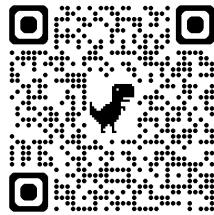
Students can confirm and claim their account using this QR code



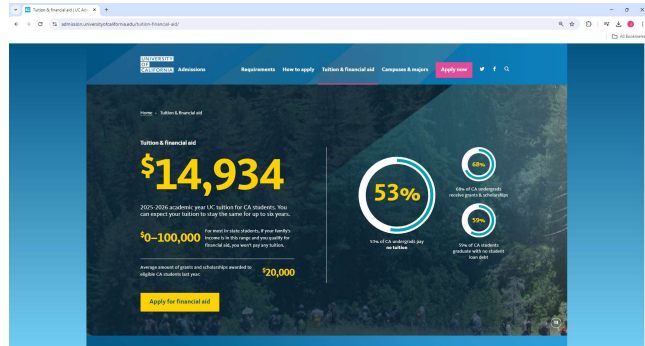
As promised, here are some resources that you students and their families can utilize to learn more about UC financial aid.

UC tuition and financial aid website

Updated for 2025-26
including the latest
information on UC cost
and financial aid programs



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First is the UC tuition and financial aid website. This site has information on all UC costs, financial aid programs, links to campus specific financial aid sites, and our newly developed financial aid calculator.

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

Financial aid calculator

Launched March 2024
this calculator gives perspective California students an estimate of aid and net costs.



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CALIFORNIA Admissions Requirements How to apply Tuition & financial aid Campuses & majors [Apply now](#)

Home > Tuition & financial aid > Estimate your aid

Estimate your aid

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

2024-25 Financial Aid Calculator

The systemwide Financial Aid Calculator provides a simple way for you to estimate the amount of gift aid (grants and scholarships) you could receive, assuming you apply for all aid programs for which you are eligible. It also provides an estimate of your net costs (estimated total cost of attendance minus estimated gift aid eligibility). Net costs can be covered by other types of aid, like federal workstudy, student loans and parent loans.

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

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 2024-25 estimator use 2022 tax return information.
- 2022 W-2 forms and/or pay stubs with year-to-date information for you and/or your parents/spouse as applicable.
- For married students, references to "student" tax information also include any earnings from your spouse.

Nonresidents can use this calculator to view the estimated average cost of attendance for their chosen campus. Nonresidents who are eligible for federal financial aid can use the [federal student aid estimator](#) for an estimate of federal Pell grant eligibility.

Tuition & financial aid

- [Apply for financial aid](#)
- [Types of aid](#)
- [How aid works](#)
- [Estimate your aid](#)
- [Tuition & cost of attendance](#)
- [Glossary & resources](#)
- [Estimate your aid](#)

Will my financial aid offer cover ALL costs of attending UC?

While many students receive financial aid that covers the cost of tuition and fees, all financial aid applicants are expected to pay for a share of their cost of attendance through working and borrowing.

Step 1 All fields required

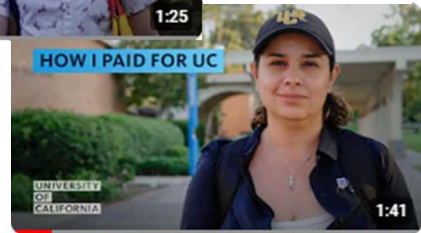
Please select the option that best describes you

This calculator, launched in March 2024, is fully functional for California students and includes the new federal calculation for determining financial need. To keep the application simple there are some assumptions built in. However, it provides California families with the best estimate of their net costs. We are continuing to on enhancing this tool with a plan to include more functionality for nonresident students and information on ways to cover net costs expected in the next cycle.

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

Financial aid videos

New videos highlighting the student experience

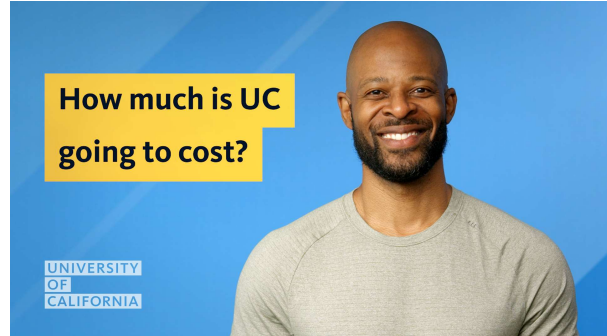


During last cycle we produced two new videos that highlight the student experience paying for college at UC. These short clips are engaging and allow students who didn't think they could attend UC because of costs to explain in their own words that it is possible.

Resources

Updated “How much is UC going to cost?” video

- Direct/indirect costs
- Estimate aid
- Applying for aid



We have recently updated the “How much is UC going to cost?” video. This short clip highlighting:

- UC’s financial aid programs
- Explaining costs
- Tools for estimating aid
- And how to apply for aid

Resources

New Financial aid postcard

Highlights UC aid programs and support for our diverse student population

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Your UC opportunity is knocking.

Discover UC's expanded **Blue and Gold Opportunity Plan**, our commitment to affordability and predictability for California students. It has something for every Californian:

- 60%** tuition: For most services, their average \$20,000 a year students pay no tuition.
- Path to a debt-free UC:** Nearly 50 percent of California students graduate with no debt.
- Predictable tuition costs:** Your tuition cost will stay the same for up to six years. The average student graduates in just over 4 years.

By investing in our students, we invest in the future of California.

Learn more about our financial aid program.

Estimate your aid with our systematic Financial Aid Calculator.

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Join our vibrant community. UC is for people like you. And people not like you. There's no such thing as a typical UC student. That's a big part of what makes UC special.

- Transfer:** Nearly 30 percent of UC students transfer from California community colleges. Each UC campus offers dedicated support through transfer student centers.
- Veterans:** UC values our over 4,000 military-connected students and supports their academic journey. Campus veteran resource centers offer dedicated assistance.
- Student Parents:** UC campuses offer financial services centers and financial aid to support you in balancing academic and family life.
- Native Americans:** UC's Native American Opportunity Plan reflects the university's commitment to supporting the land's original residents by providing tuition-free education for California students who are also enrolled in federally recognized Native American, American Indian and Alaskan native tribes.

Learn more about what you can get from financial aid.

In the UC counselor resource library you will find a new two-sided financial aid postcard with information on UC financial aid support for our diverse student population. The postcard includes QR codes that take you directly to UC financial aid sites and tools.



Questions

Thank you

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