Hanging in the Balance

The Future of Financial Aid

September 2025

"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

Agenda

- Blue and Gold: A familiar name with a new message
- Federal financial aid update
- Satisfactory academic progress (SAP) – time to degree
- Resources
- Questions

Blue and Gold: A familiar name with a new message

Blue and Gold: A familiar name with a new message

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: A familiar name with a new message

What about families that earn over $100,000?

CALIFORNIA'S MIDDLE-CLASS SCHOARSHIP

- California resident or AB540
- Eligible to complete the FAFSA or CA Dream Act Application
- CSU, CCC bachelor's degree program, or UC
- Income/Assets up to $234,000 (2024-25)
- Must be eligible for financial aid
- Award amounts vary

CALIFORNIA STUDENT AID COMMISSION

Blue and Gold: A familiar name with a new message

RESULTS:

61% of CA undergrad transfers pay no tuition

72% of CA undergrad transfers receive grants & scholarships

61% of CA undergrad transfers graduate with no student loan debt

The average amount of grants and scholarships awarded to eligible CA students last year was $24,000.

Federal financial aid update

Federal financial aid update

The OBBB ACT

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

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

Federal financial aid update

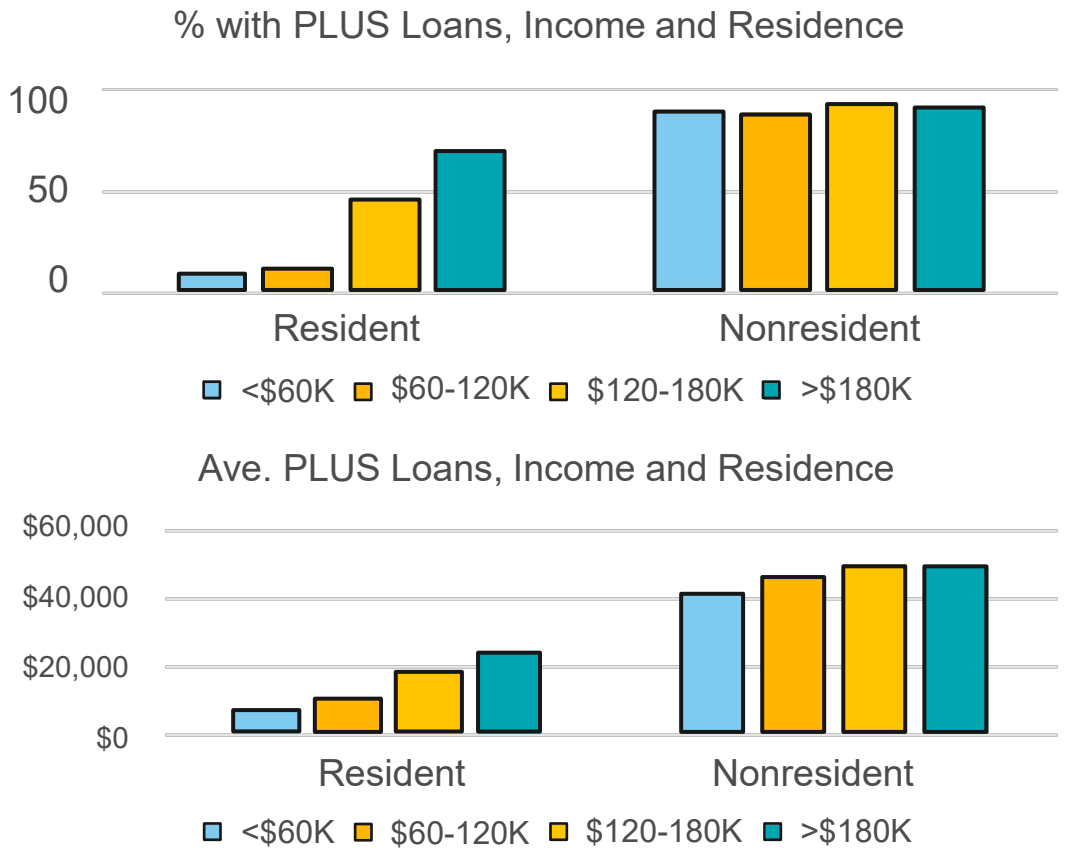
Undergrad student loans (beginning the 2026-27 award year)

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

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



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

Financial aid time to degree requirements

Satisfactory academic progress (SAP) – time to degree

What is SAP?

Federal regulations require students to make Satisfactory Academic Progress (SAP) to remain eligible for federal financial aid (including Pell Grants, Direct Loans, etc.). SAP is a set of standards that schools must establish and apply consistently to all students, regardless of whether they are currently receiving aid.

The goal is to ensure students are progressing adequately towards completing their degree or certificate within a reasonable period.

Satisfactory academic progress (SAP) – time to degree

The three evaluation measures of SAP

- ✓ Qualitative
- ✓ Quantitative
- ✓ Maximum Time Frame/Time to Degree

Satisfactory academic progress (SAP) – time to degree

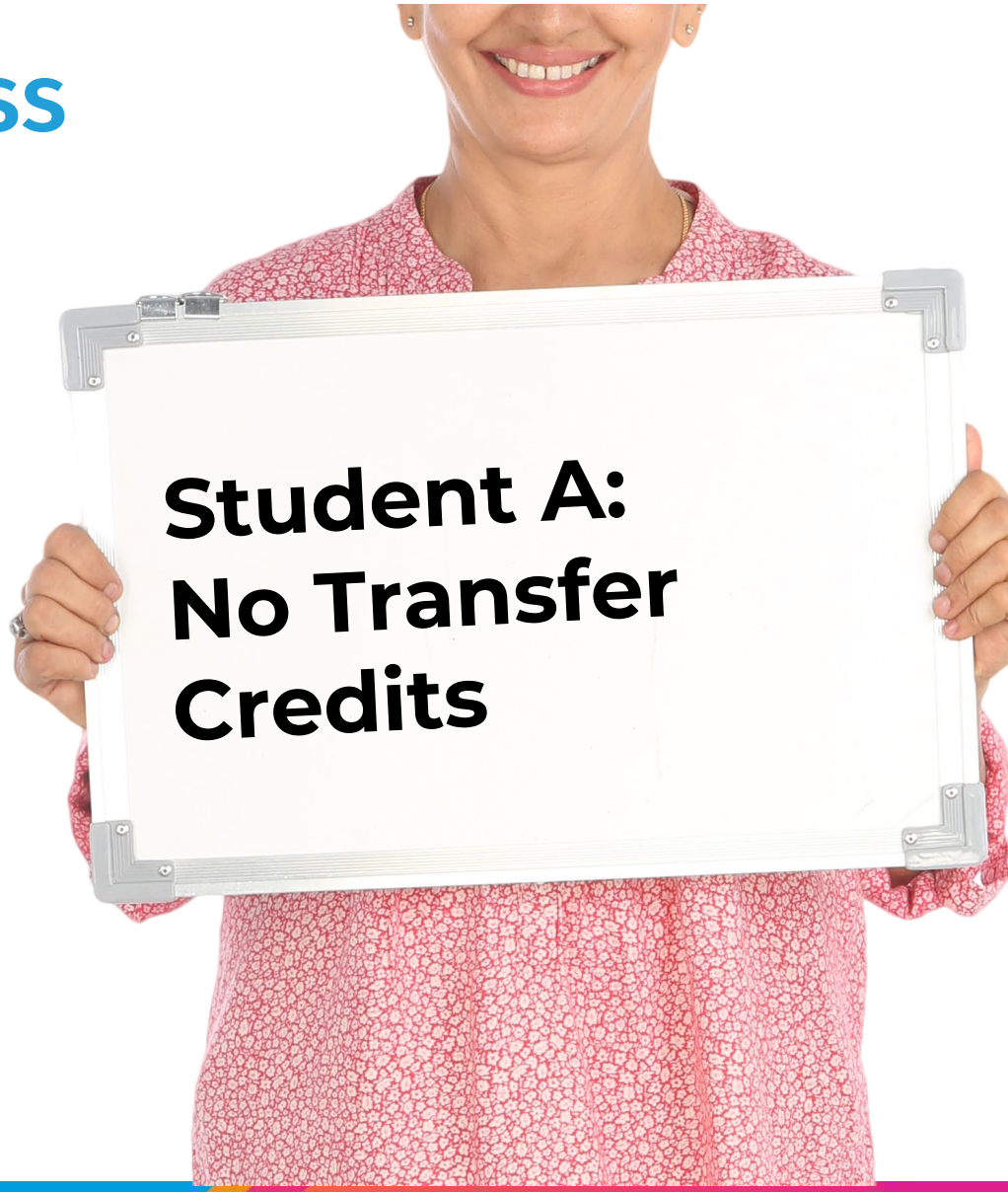
The impact of transfer credits

- ✓ Count as attempted credits
- ✓ Accelerate a pathway to the 150% limit

Satisfactory academic progress (SAP) – time to degree

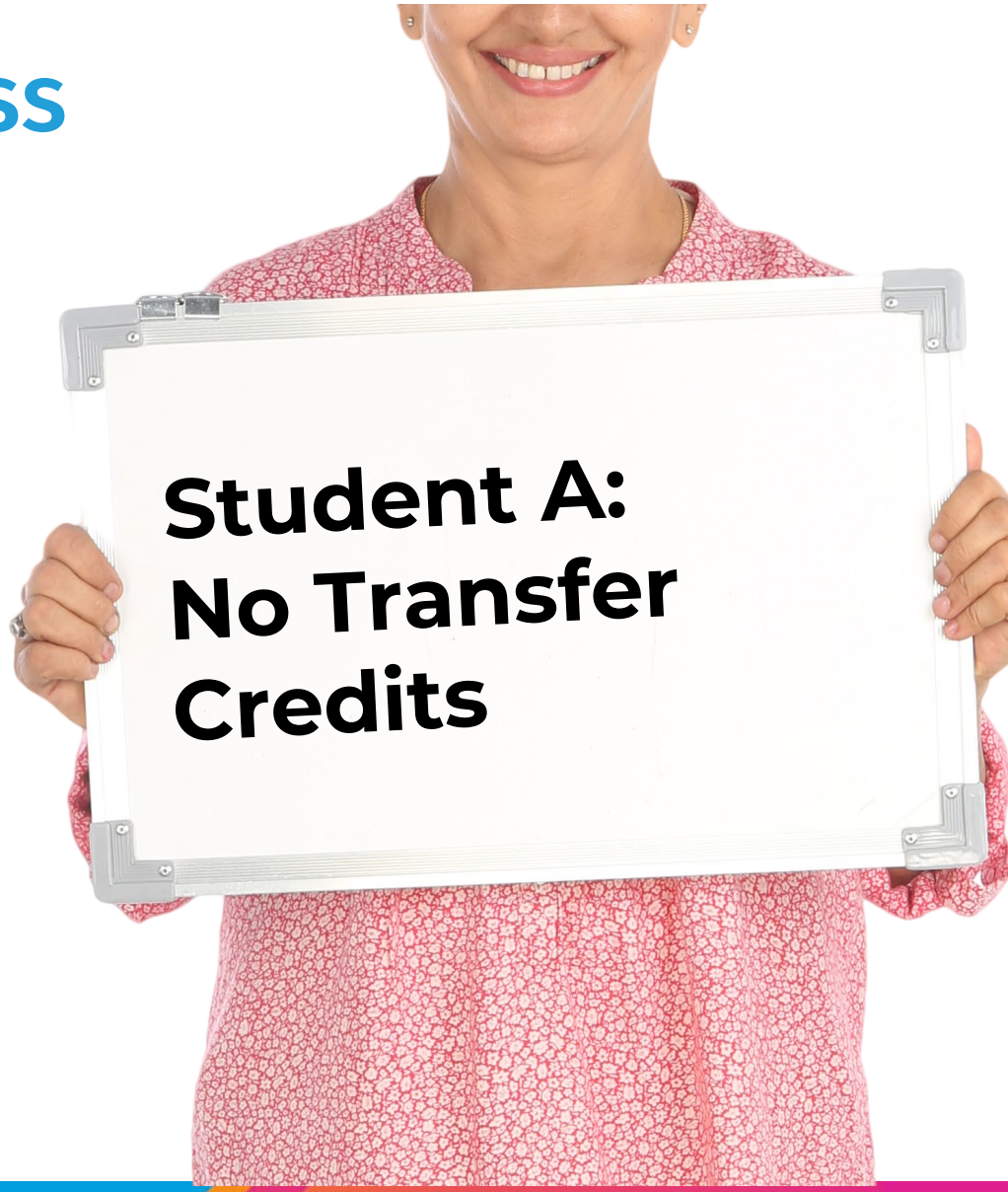
Student A – Bachelor's Degree - 120 Credit Program

180 Credit Buffer



Satisfactory academic progress (SAP) – time to degree

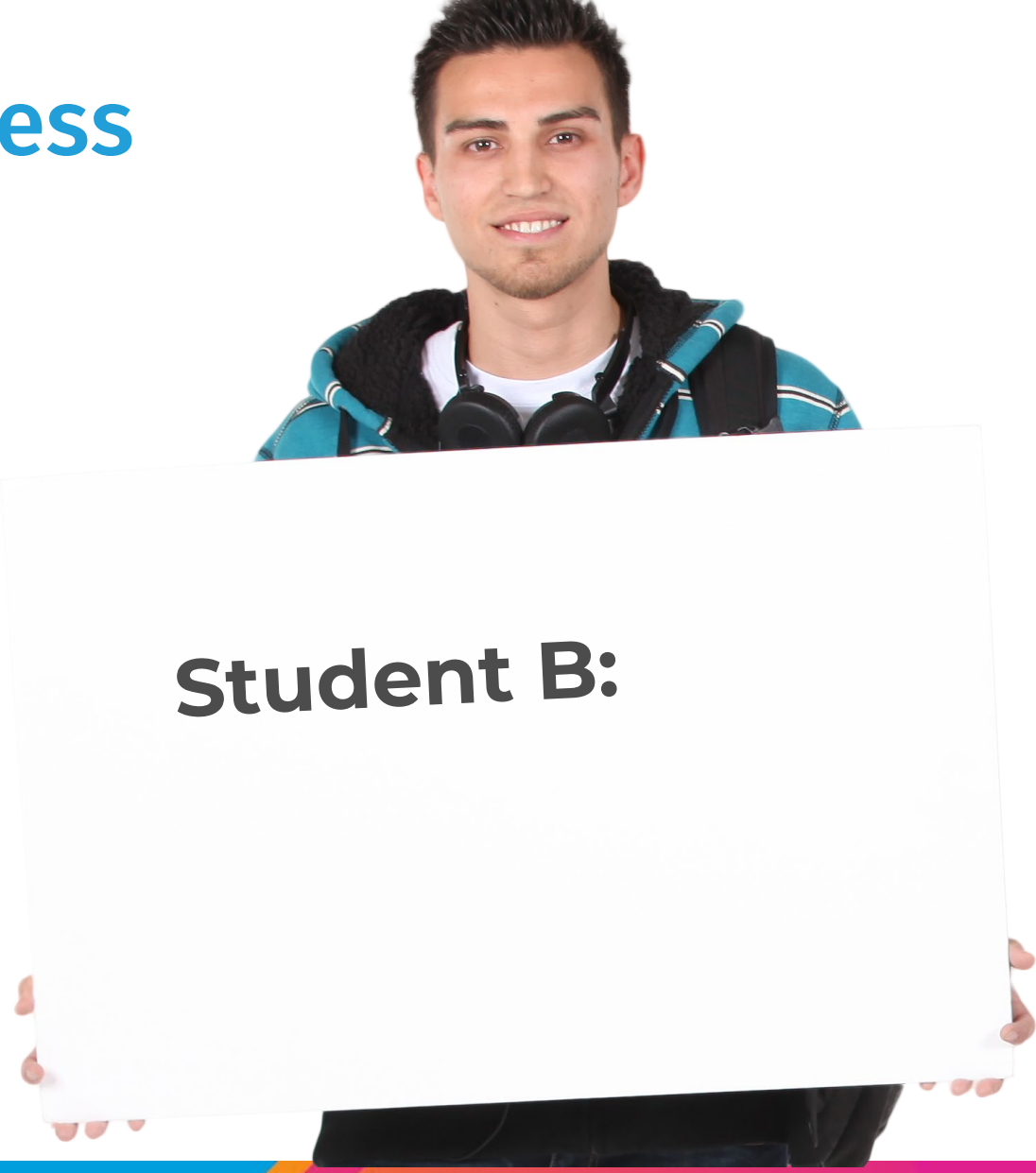
Student A – Bachelor's Degree - 120 Credit Program



Satisfactory academic progress (SAP) – time to degree

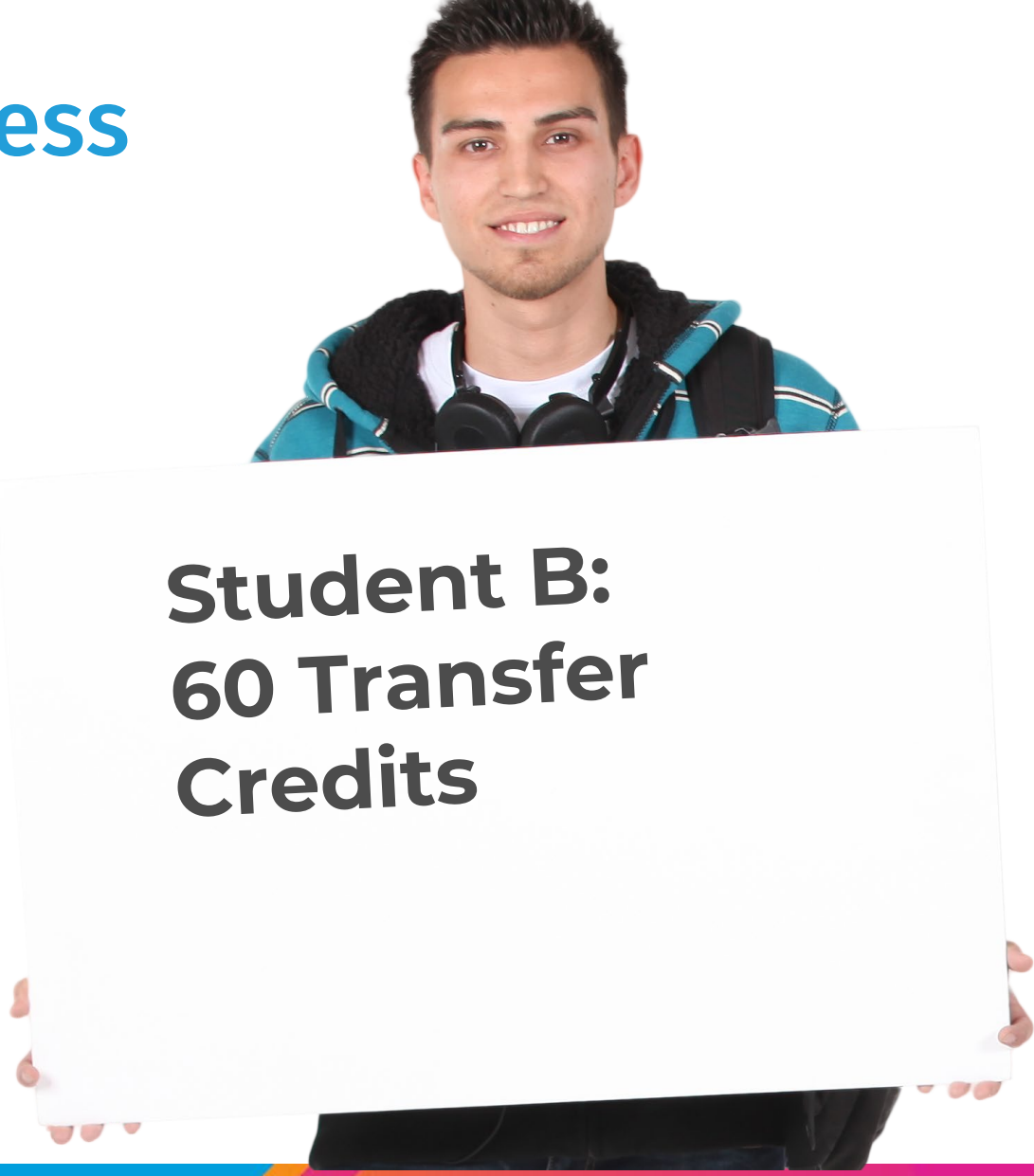
Student B – Bachelor's Degree - 120 Credit Program

180 Credit Buffer



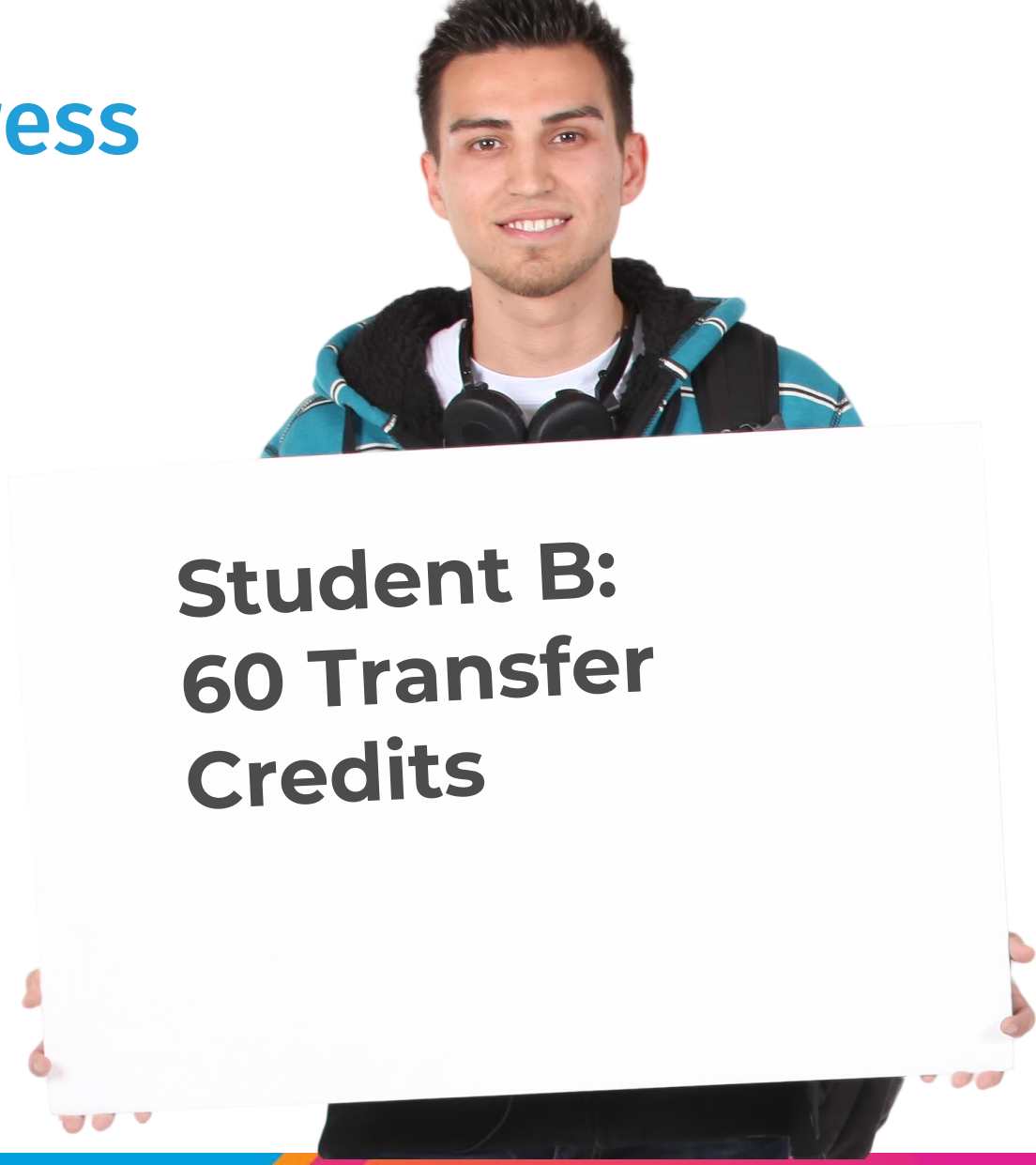
Satisfactory academic progress (SAP) – time to degree

Student B – Bachelor's Degree - 120 Credit Program



Satisfactory academic progress (SAP) – time to degree

Student B – Bachelor's Degree - 120 Credit Program



Satisfactory academic progress (SAP) – time to degree

Three ways students attempt excess credits

- ✓ Changing majors
- ✓ Taking non-degree applicable courses
- ✓ Withdrawing from classes

Satisfactory academic progress (SAP) – time to degree

What happens when SAP is not met?

FINANCIAL AID WARNING:

- ✓ First time student fails to meet SAP
- ✓ Student can still receive aid
- ✓ Students are expected to correct their academic deficiencies during the warning period

Satisfactory academic progress (SAP) – time to degree

What happens when SAP is not met?

FINANCIAL AID DISQUALIFICATION:

- ✓ Do not meet SAP after warning period or immediately if completing the degree with max timeframe is impossible
- ✓ No longer eligible for aid

Satisfactory academic progress (SAP) – time to degree

Financia Aid Appeals

Common appeal grounds:

- ✓ Death of a relative
- ✓ Serious injury or illness of the student
- ✓ Other special circumstances

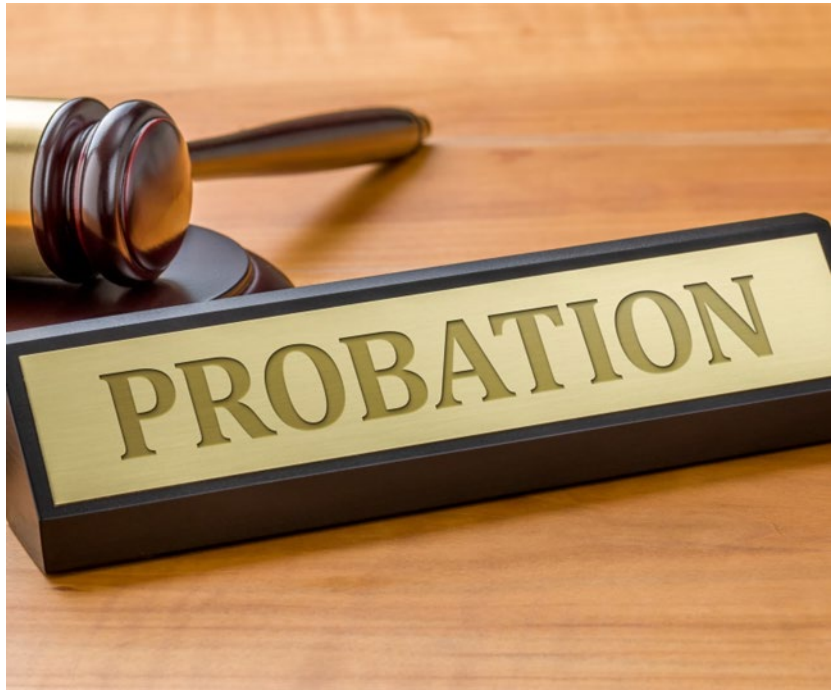
Required documentation:

- ✓ Written statement
- ✓ Supporting documentation
- ✓ An academic plan

Satisfactory academic progress (SAP) – time to degree

Financia Aid Probation:

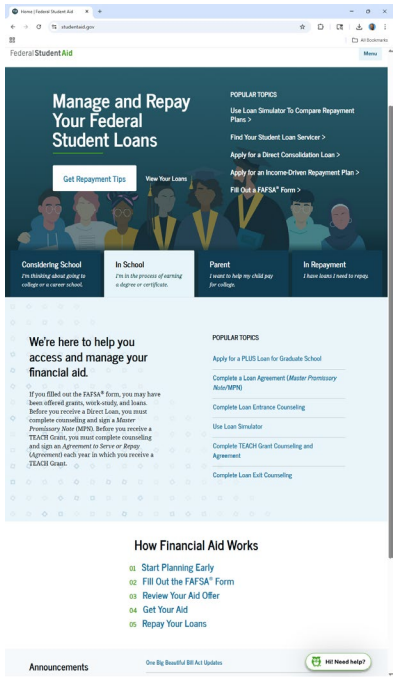
If an appeal is approved, the student is placed on financial aid probation for one payment period and must adhere to the specific terms of the academic plan. If they meet the requirements, their eligibility may be reinstated.



Resources

Resources

studentaid.gov



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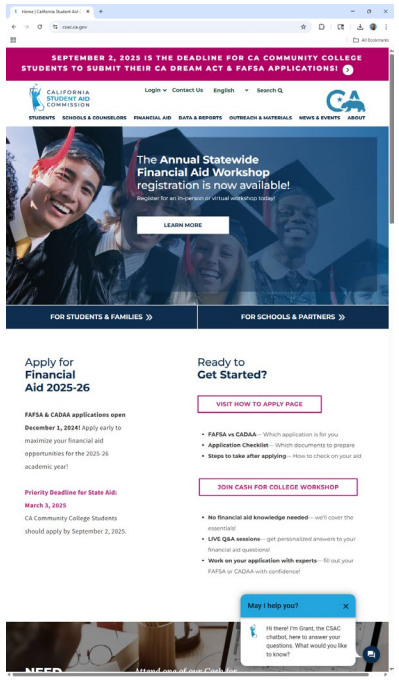

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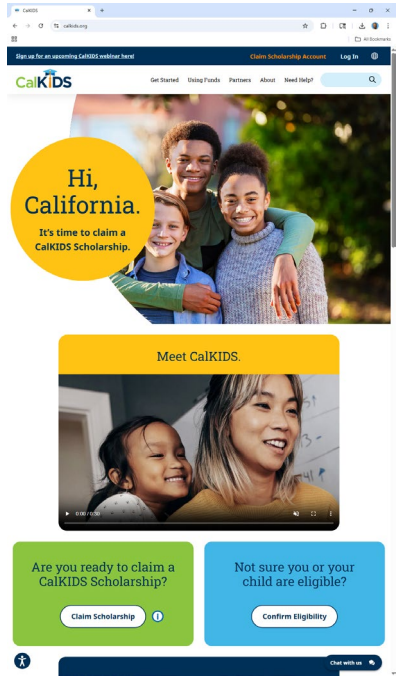
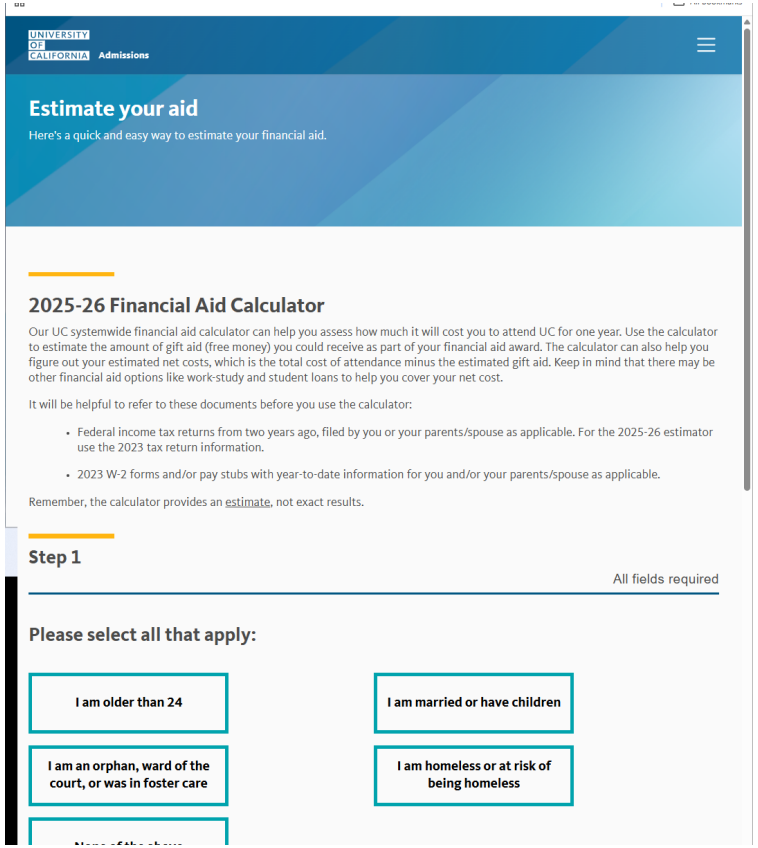


Resources

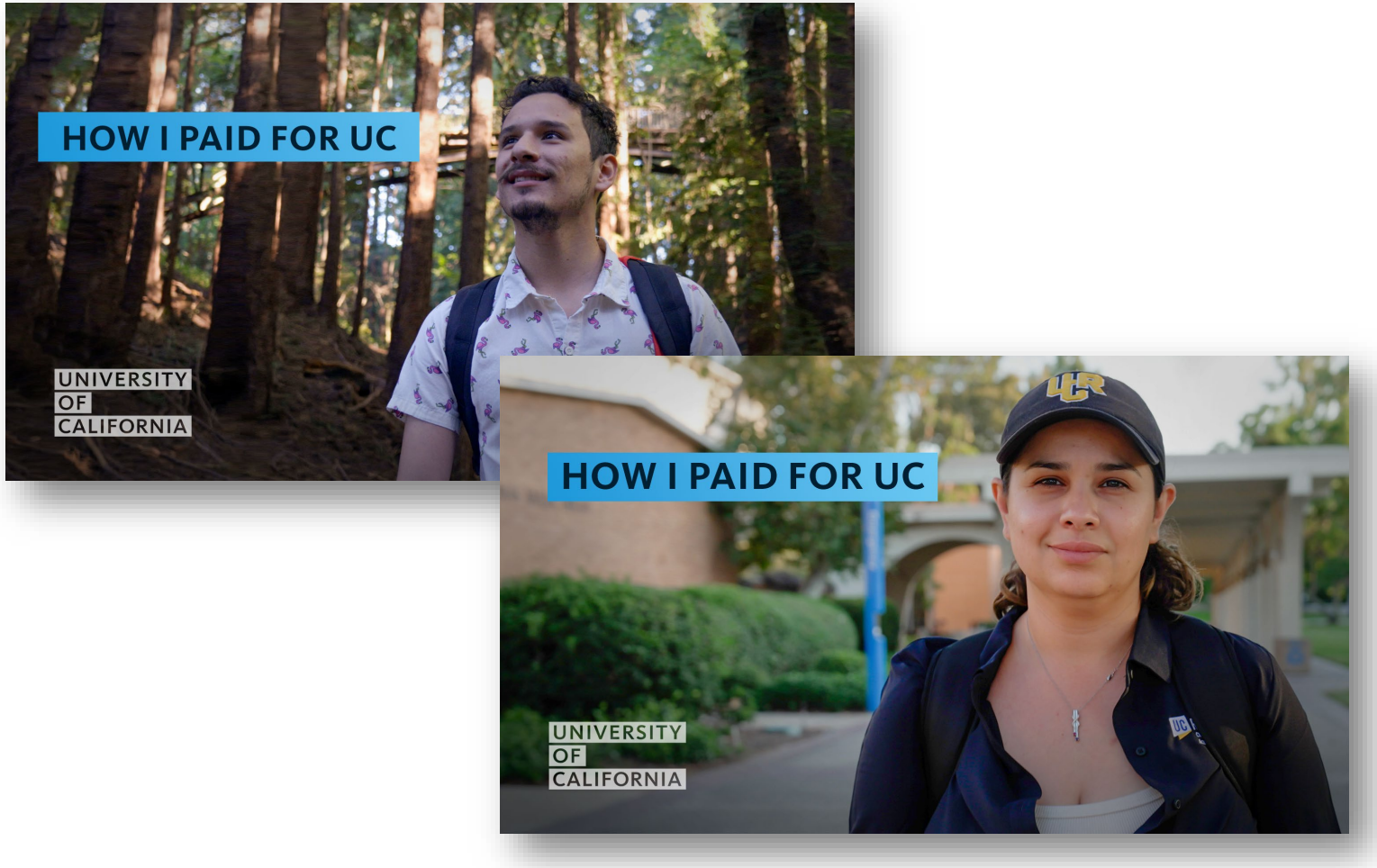
UC tuition & financial aid site

UC financial aid calculator



Resources

UC
YouTube

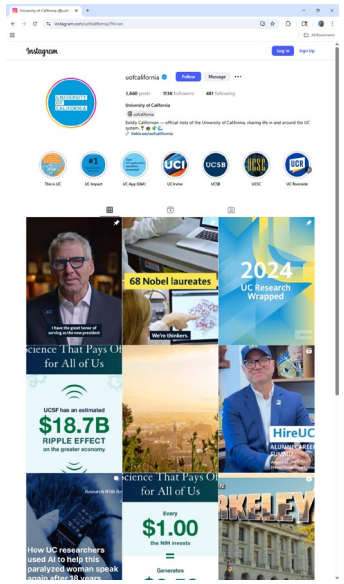


Resources

Social media

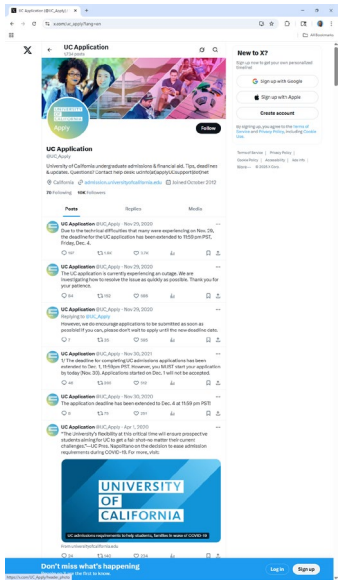
Instagram:

@uofcalifornia



X:

@UC_Apply

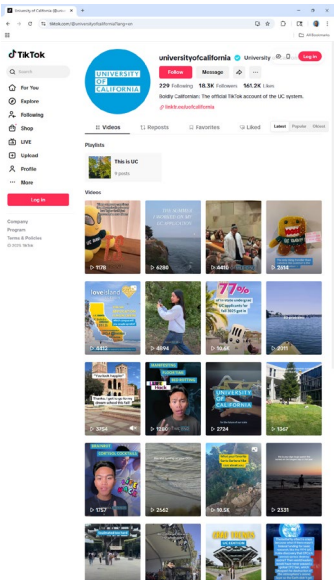


Facebook:

University of California

TikTok:

@universityofcalifornia



Thank You