Dollars & Sense

Decoding Financial Aid

Ensuring Transfer Success

September 2026

ENSURING TRANSFER SUCCESS CONFERENCE

UNIVERSITY OF CALIFORNIA

California Community Colleges

Housekeeping

- For closed captioning, click on the “Show Captions” button.
- Questions can be submitted via the Zoom Q&A. Questions will be answered live at the end of the presentation.
  - Not all questions may be answered in the allotted time for this session. Campus-specific questions are best directed to that campus.
- Recordings and presentation materials will be posted in the coming weeks to the Vision Resource Center and the UC Counselors Website.

Technical support is available. Email conferences@foundationccc.org.

Agenda

1

Undergraduate Financial Aid at UC

What the aid program looks like, and what a UC degree returns.

2

Federal and State Aid Updates

What changed for 2026-27, and who it affects.

3

Deciphering the Financial Aid Offer

How to read an offer with a student and compare it to another.

SECTION ONE

Undergraduate Financial Aid at UC



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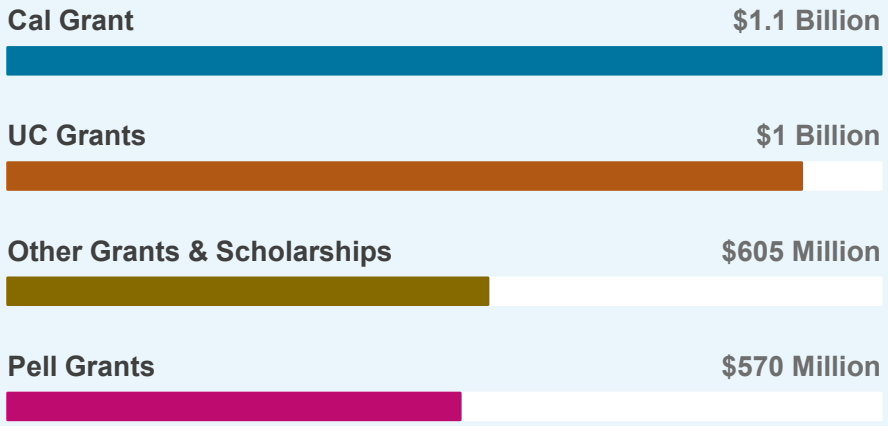
Blue and Gold: UC Financial Aid at a Glance

Blue and Gold is how UC awards all types of financial aid — our strategy to make a UC education accessible and affordable for California students.

$3 Billion+

in grants and scholarships awarded to UC students every year

WHERE THE AID COMES FROM



62%

TUITION COVERAGE

of CA transfer students pay no UC tuition. Most families earning up to $100,000 pay $0.

65%

MINIMIZED DEBT

of CA transfer students graduate with no student loan debt, using aid plus part-time work.

72%

GRANTS & SCHOLARSHIPS

of CA transfer students receive grant aid. UC undergraduates average $24,000 each.

All

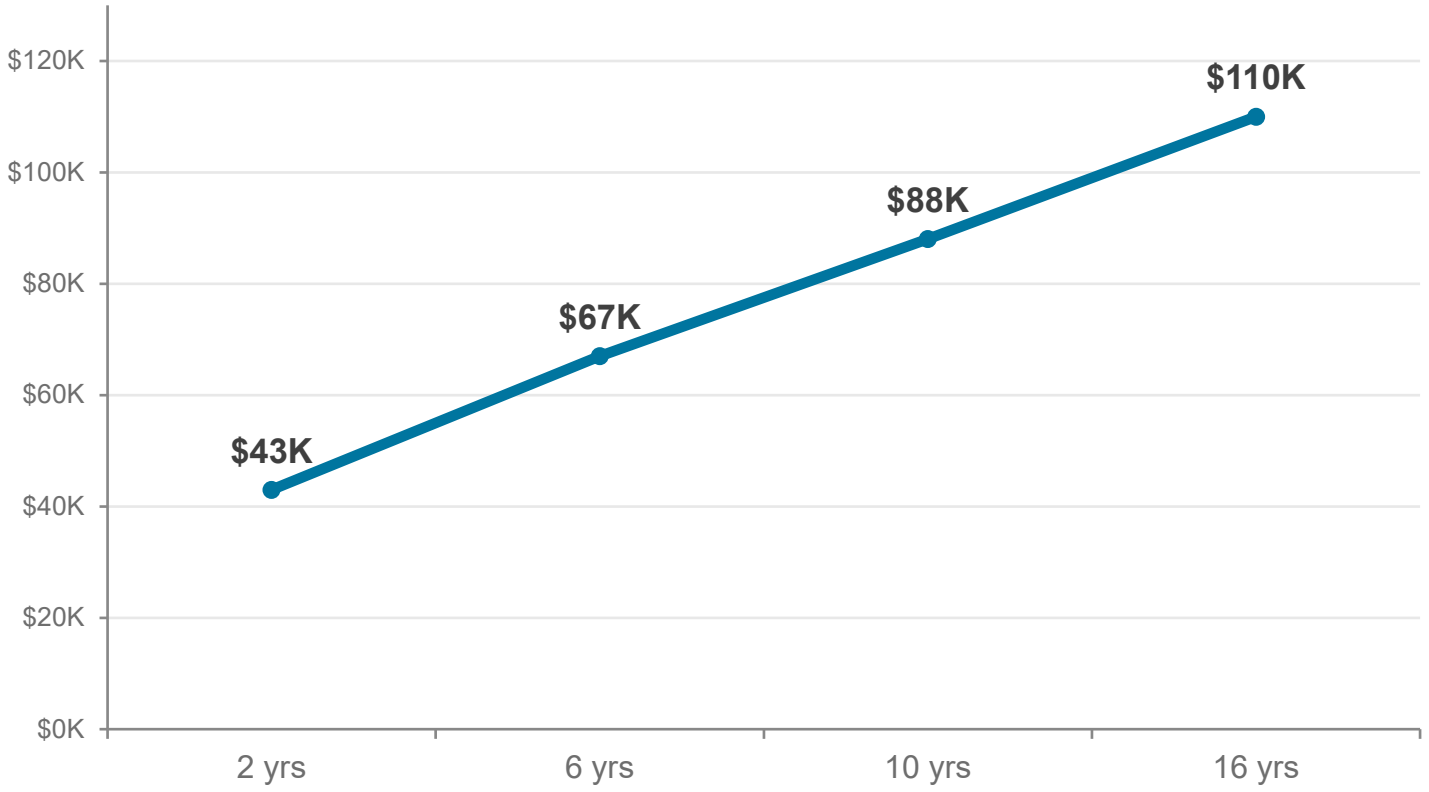
TUITION PREDICTABILITY

students benefit — tuition is locked at enrollment for up to six years.

Transfer figures are for UC's California transfer students. The $24,000 average grant is for all UC undergraduates.

The Personal Value of a UC Degree

MEDIAN EARNINGS AFTER GRADUATION



4–6 yrs

to break even on the cost of the degree

36%

of UC's lowest-income students become top 20% income earners

27%

own a home 8 years out — vs 14% of similarly aged Americans

UC Office of the President, Fiat Lux: What Is the Value of a UC Degree? (2021)

People Who Say College Isn't Worth It Haven't Seen This Data

CUMULATIVE EARNINGS, FIRST 20 YEARS

$2.1 million

+$1.23M vs. high school only

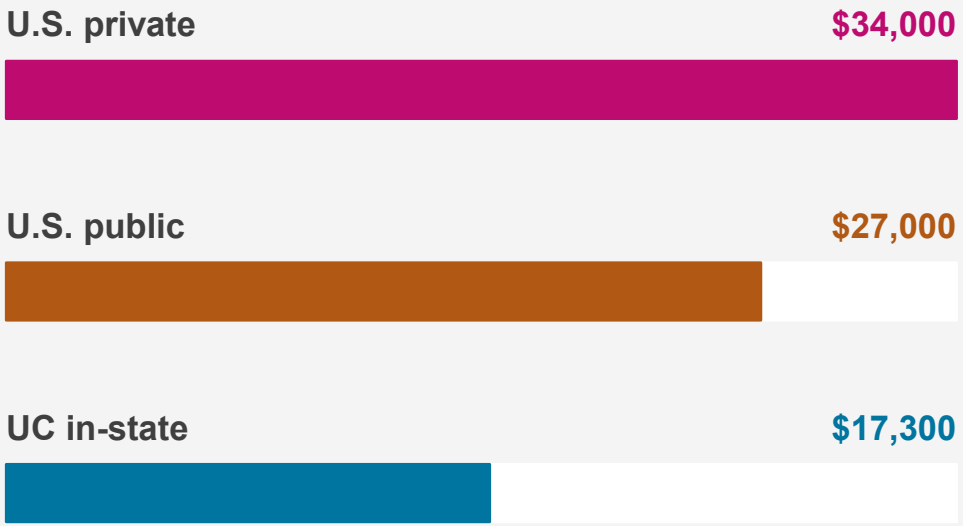
+$439K vs. all CA bachelor's holders

65%

of UC's California transfer students graduate with zero student loans

Most UC low-income undergraduates out-earn their parents within three years of graduating.

AVERAGE DEBT AT GRADUATION



UC students borrow about half what students at U.S. private institutions do.

UC Newsroom, July 2026, from UC Office of the President economic-benefits data. Transfer figure is for UC's California transfer students.

SECTION TWO

Federal & State Aid Updates



Federal & State Aid Updates

FEDERAL AID

Enrollment level affects loan eligibility

Slides 10–13

New Parent PLUS borrowing caps

Slides 14–17

STATE AID

Middle Class Scholarship funding

Slides 18–20

Then: the good news, and where UC funding is growing.

Enrollment Levels & Borrowing

Federal aid update · 1 of 2

Less-Than-Full-Time Enrollment Reduces Loans

Students enrolled less than full-time may receive reduced federal student loans.

FULL-TIME THRESHOLDS

12 units

per term — Undergraduate

By program

Graduate full-time status is defined by the program

IF UNITS DROP, SO DOES THE LOAN OFFER



−25% 9 units is 75% of a 12-unit load — the offer scales down proportionally, not off a cliff.

When Does the Loan Reduction Take Effect?

Full-time at disbursement	… then later drops courses	Already part-time at disbursement
Enrolled full-time when the loan is disbursed	Full-time at disbursement, then drops below 12 units	Enrolled less than full-time when the loan is disbursed
Full loan for the current term	**Loan reduced in the next term — unless enrollment makes up for the fall shortfall**	**Loan reduced in the current term**

EXCEPTION Reduced enrollment in spring terms is adjusted within the term. Timing and reconciliation vary by campus.

What This Means for Your Students

Advise students to meet with the financial aid office about part-time enrollment before schedules are finalized.

Make sure students know about Basic Needs Offices and other campus support services that assist with financial emergencies.

A student who drops below full-time to protect a GPA is making a reasonable choice — but not a free one.

New PLUS Loan Limits

Federal aid update · 2 of 2

New Parent PLUS Borrowing Caps

$20,000

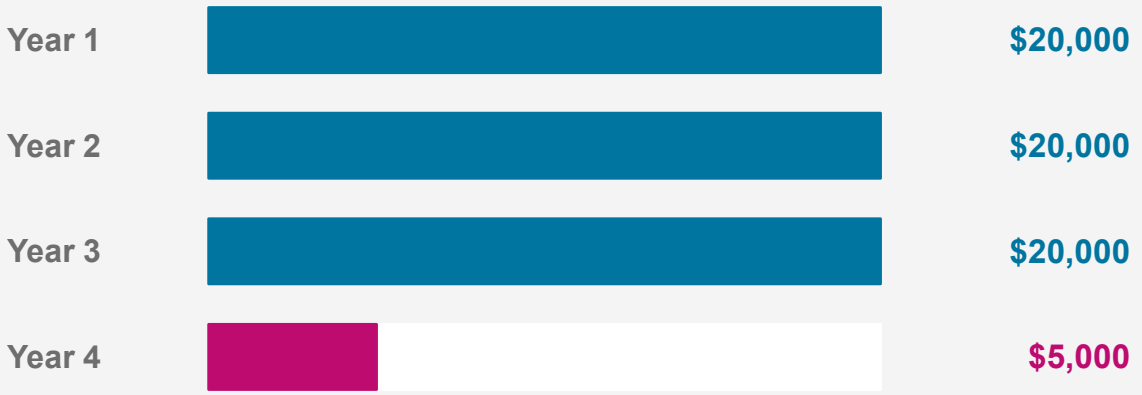
Annual borrowing cap

$65,000

Lifetime cap per student

New caps take effect for new borrowers in Fall 2026.

HOW THE LIFETIME CAP STACKS UP



The $65,000 lifetime cap is roughly 3¼ years of borrowing at the annual maximum.

Few Borrowers, but Heavy Reliance

6%

of UC undergraduates use Parent PLUS loans

>50%

of CA resident Parent PLUS borrowers exceeded the new annual cap

>90%

of nonresident Parent PLUS borrowers exceeded the new annual cap

2024–25 borrowing data.

What This Means for Your Students

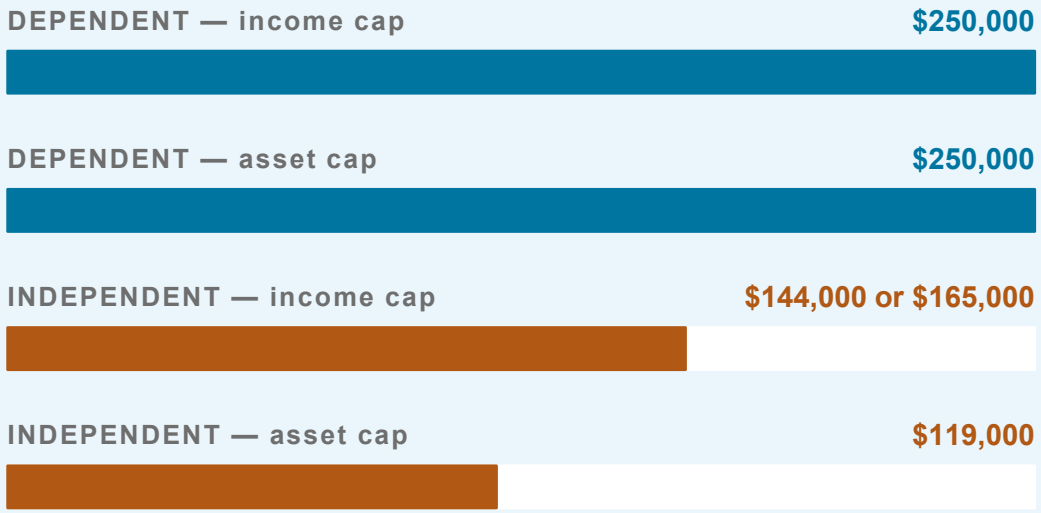
Direct families who need to borrow beyond the new limits to the financial aid office to discuss private loan options.

Middle Class Scholarship

State aid update

Middle Class Scholarship 2026–27: Tighter Caps, Smaller Awards

ELIGIBILITY CAPS · HOUSEHOLD INCOME & ASSETS



Independent income cap varies by marital status. Bars are drawn to the same scale, against the $250,000 maximum.

AWARDS SHRINK IN 2026–27

AVERAGE AWARD PER STUDENT

2025–26 **$3,000** → 2026–27 **$2,000**

−$1,000 per student

TOTAL PROGRAM FUNDING

2025–26 **≈$1B** → 2026–27 **$680M**

−$320M in total funding

About 100,000 UC students receive the scholarship each year.

What This Means for Your Students

Advise recipients to plan for a smaller award as they build their budgets for the year.

Smaller awards may lead some students to work more hours or borrow — though most UC undergraduates still graduate debt-free.

What good news is there?

The Good News

Worse proposals avoided

We avoided several worse proposals, including deeper cuts to Pell Grants — $570 million a year at UC.

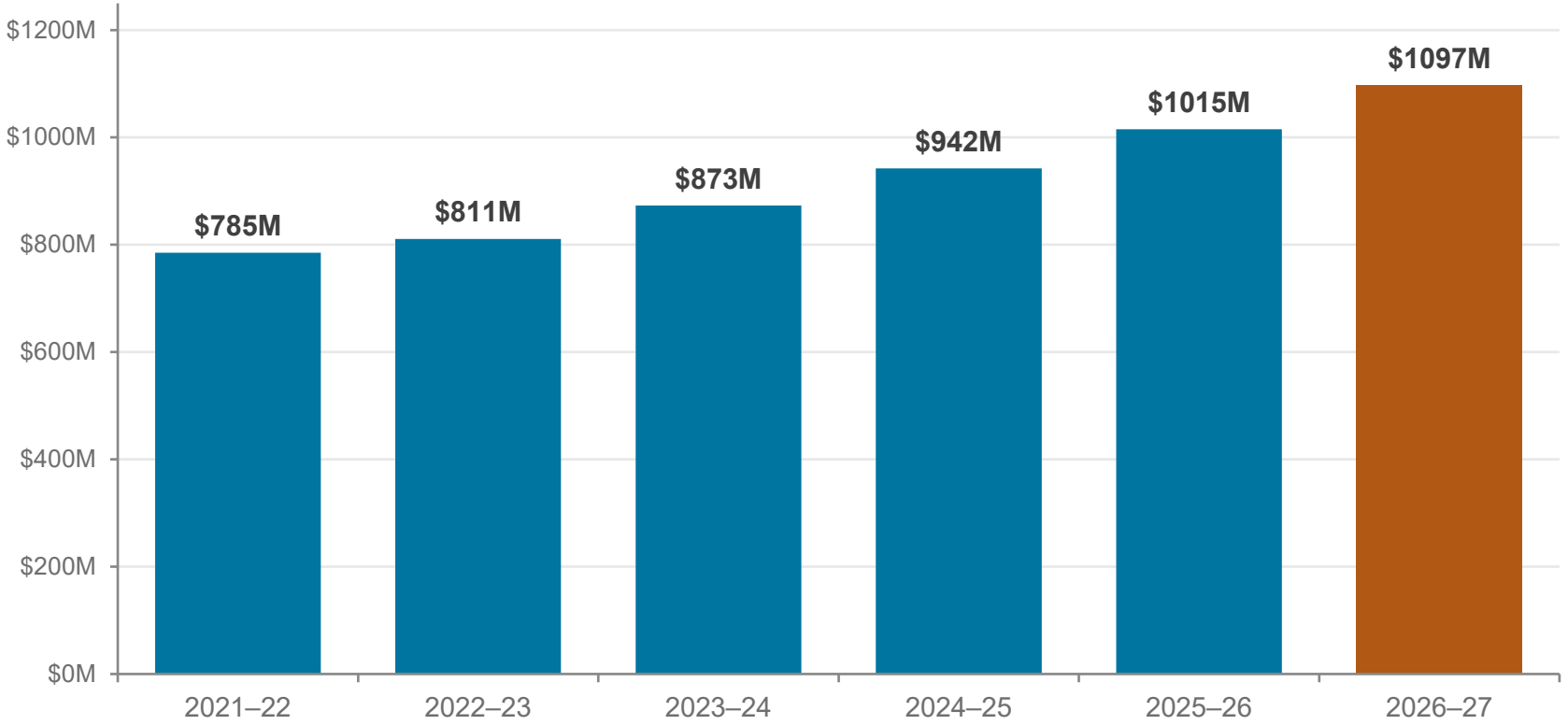
Advocacy continues

Advocacy for further changes continues. None of this is the final word.

More UC Grant money

The renewal of the Tuition Stability Plan means more UC Grant (USAP) money for students.

Continued Growth in UC Grant Funding



+$311.9M

in additional USAP funding generated since the Tuition Stability Plan began in 2022–23.

SECTION THREE

Deciphering the Financial Aid Offer



Two Documents, Two Different Jobs

Every admitted student who applies for aid gets two documents from each campus.

THE CAMPUS OFFER

Looks different at every campus and lives in that campus's portal. Useful, but hard to compare side by side.

THE COLLEGE FINANCING PLAN

A federal template. Same fields, same order, at every school — including the ones that aren't UC.

This is the one page students can lay side by side.

Anatomy of the College Financing Plan

1. **Student name & date issued**
   Check the aid year matches — 2027–28.

2. **Estimated Cost of Attendance**
   Tuition, housing, food, books, transport. An estimate, not a bill.

3. **Student Aid Index**
   Comes from the FAFSA. Not what the family will pay.

4. **Grants & Scholarships**
   Gift aid. Never repaid — this is what lowers the cost.

5. **Net Price**
   Cost of attendance minus gift aid. Compare on this.

6. **Loans & Work-Study Options**
   Loans are repaid; work-study must be earned.

7. **Campus contact & next steps**
   Who to call, plus any campus-specific message.

Highlighted fields cause most of the confusion. The U.S. Department of Education publishes blank and annotated versions of this form at ed.gov — both public domain.

What a UC College Financing Plan Looks Like Filled In

Sample Student · Student ID 000000000 · Date issued: March 2026 · University of California, 2026–27

ESTIMATED COST OF ATTENDANCE

Tuition and fees	**$17,388**
Housing and food	**$21,200**
Books and supplies	**$1,400**
Transportation	**$3,700**
Other education costs	**$3,700**
Estimated Cost of Attendance	**$47,388**

SCHOLARSHIP AND GRANT OPTIONS

Federal Pell Grant	**$7,400**
Institutional grants	**$12,300**
State grants	**$15,588**
Scholarships from your school	**$2,000**
Total Grants and Scholarships	**$37,288**

LOAN & WORK OPTIONS

Direct Subsidized Loan	**$3,500**
Direct Unsubsidized Loan	**$2,000**
Total Loan Options	**$5,500**
Federal Work-Study	**$3,000**
Total Work	**$3,000**

Student Aid Index
0

Net Price
$10,100

$10,100 net price − $5,500 loans − $3,000 work-study = $1,600 still to cover.

Cost figures are UC's published 2026–27 averages for a California resident living on campus. Aid amounts are illustrative.

Net Price Is the Comparison Number

Cost of Attendance

the sticker price

–

Grants & Scholarships

gift aid

=

Net Price

what the family pays

Loans and work-study are not subtracted. They are how a family pays the net price — not a discount on it.

Two campuses can offer very different amounts of aid and still leave a family with the same net price — or the reverse.

Sort Every Line Into One of Two Columns

GIFT AID — NOT BORROWED

- Federal Pell Grant
- Cal Grant
- UC Grant
- Middle Class Scholarship
- Campus & outside scholarships

SELF-HELP — BORROWED OR EARNED

- Federal Direct Student Loan
- Parent PLUS Loan
- Federal Work-Study

Only the left column reduces what a family owes. Parent PLUS is now capped at $20,000 a year and $65,000 per student.

Two Offers, Side by Side

Illustrative figures — not real campus numbers.

CAMPUS A		CAMPUS B	
Cost of attendance	**$48,000**	Cost of attendance	**$38,000**
Grants & scholarships	**$30,000**	Grants & scholarships	**$24,000**
Federal Direct Loan offered	**$5,500**	Federal Direct Loan offered	**$5,500**
Work-study offered	**$3,000**	Work-study offered	**$2,500**
Total aid offered	**$38,500**	**Total aid offered**	**$32,000**

Campus A offers $6,500 more. So which student pays less?

The Number That Decides It

NET PRICE — WHAT THE FAMILY ACTUALLY PAYS

CAMPUS A

$18,000

$48,000 − $30,000

CAMPUS B

$14,000

$38,000 − $24,000

Campus B costs $4,000 less a year — $16,000 across four years.

…even though Campus A advertised $6,500 more in total aid.

What to Check on Every Offer

1

Find the net price.

Ignore the “total aid” headline.

2

Check the housing assumption.

On campus, off campus, or at home changes the cost.

3

Separate gift aid from loans and work-study.

Only gift aid reduces what the family owes.

4

Ask which awards renew.

Some are one year only — year two can look very different.

Thank You

Questions?

Session materials and recordings will be shared in late September.