

Looking to the future and a debt free UC

Ensuring Transfer Success Conference
University of California
California Community Colleges

ENSURING
TRANSFER SUCCESS
CONFERENCE

UNIVERSITY
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CALIFORNIA



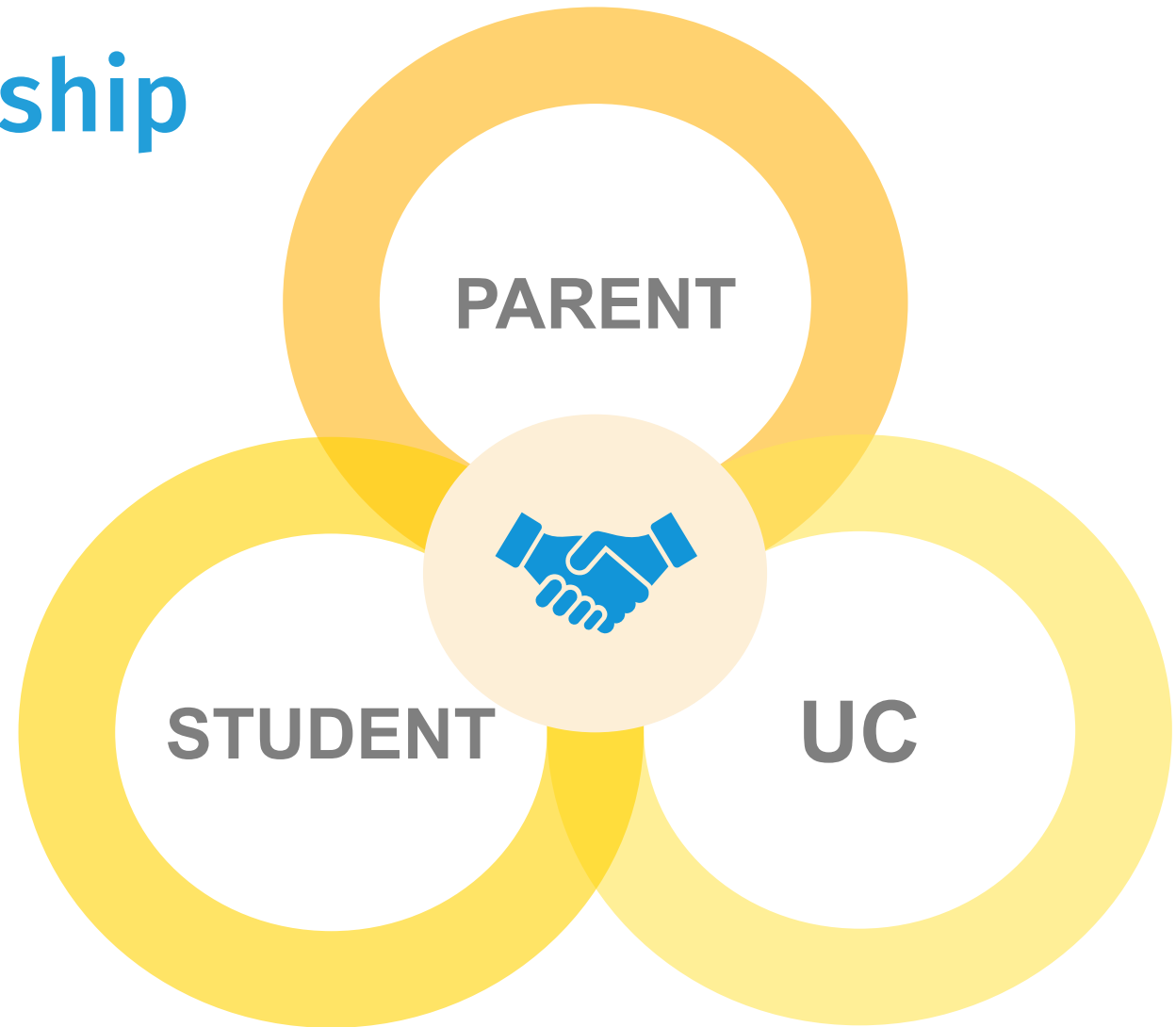
Introduction



Today's Session

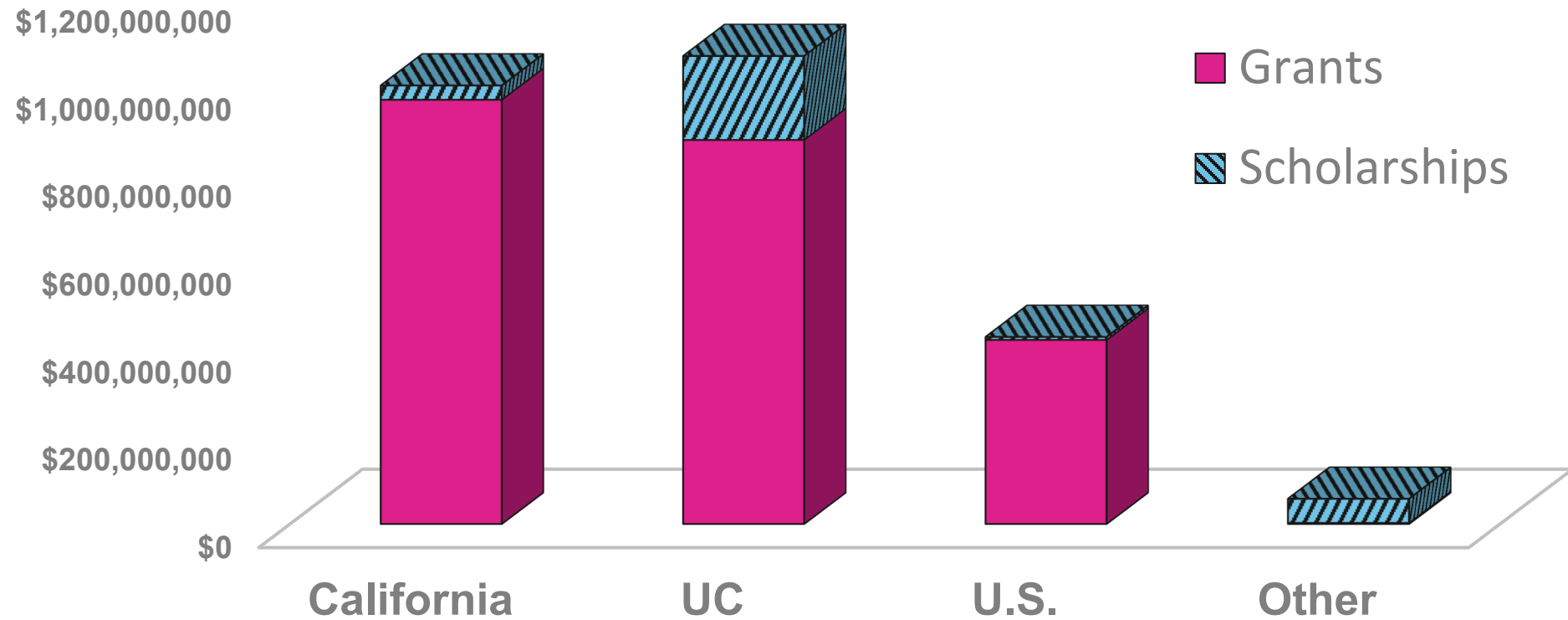
- 01** Review of UC's financial aid philosophy
- 02** The future of UC financial aid
- 03** FAFSA simplification: better FAFSA better future
- 04** Financial aid related resources

Financing partnership



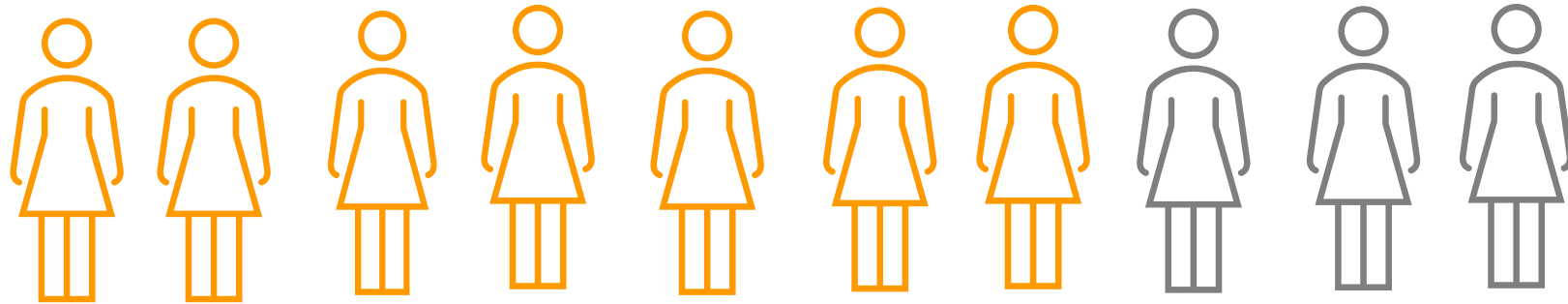
Big results for California students

\$2.5B in grants and scholarships



Big results for CCC transfers

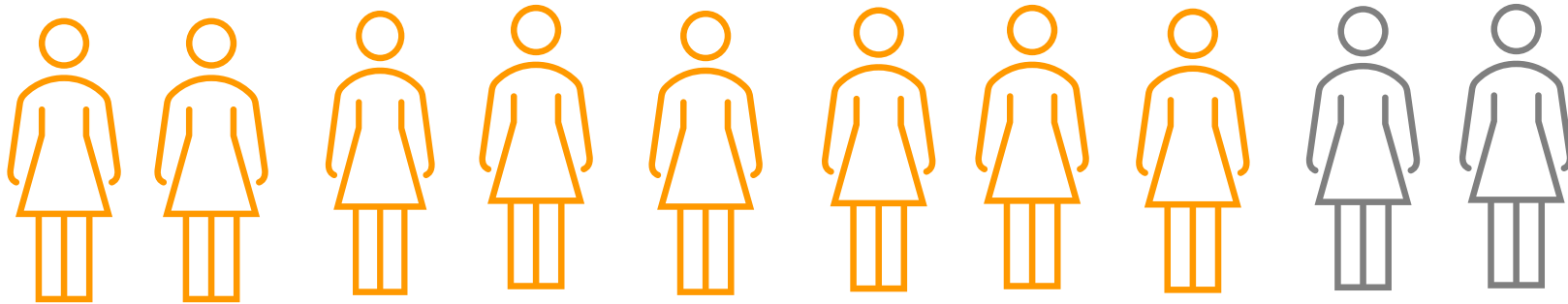
Nearly **65%** of CA



transfers pay no tuition because of grants & scholarship aid

Big results for CCC transfers

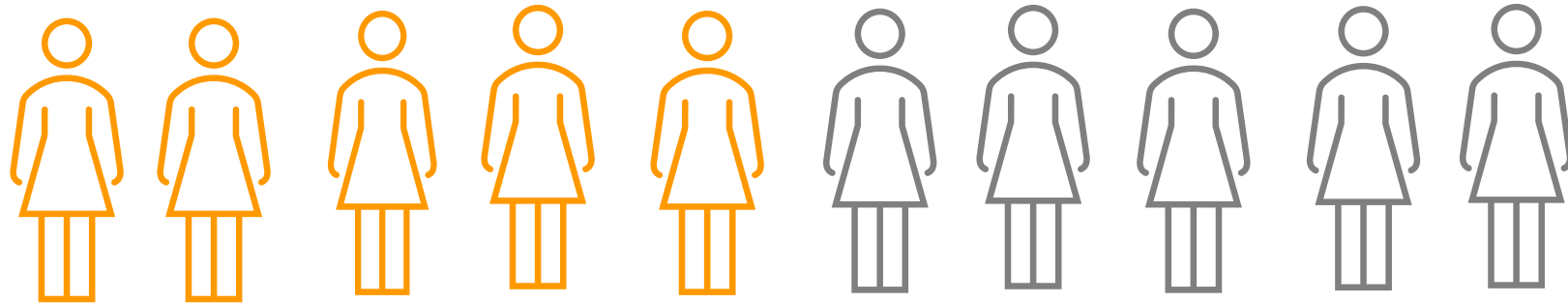
Over **80%** of CA



transfers pay no tuition because of grants & scholarship aid

Big results for CCC transfers

Nearly **50%** of CA



transfers graduate with no student loan debt

The future of financial aid at UC

Two noteworthy UC aid programs

Path to Debt-Free UC

**Native American
Opportunity Plan**

Path to Debt-Free UC



Michael V. Drake M.D.
UC President



Gavin Newsom
California Governor



California Legislature
State Assembly &
Senate

What is the Path to Debt-Free UC?

California definition:

Student contribution of \$7,900

Student would work part-time

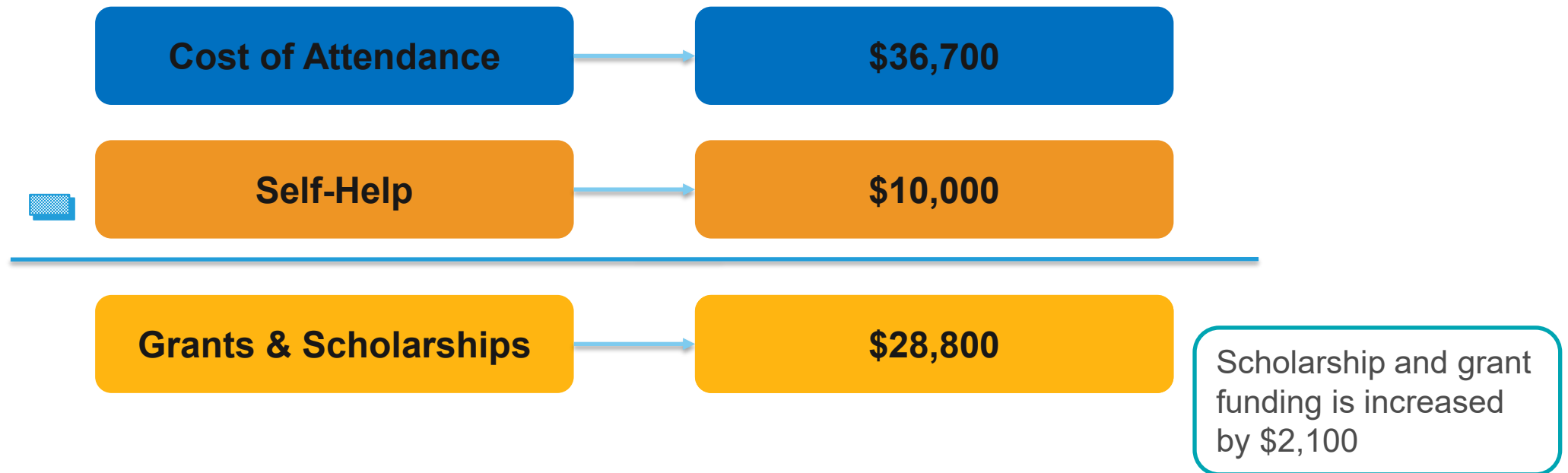
(20 hours or less per week)

- Work-study
- Service learning
- On or Off-campus work



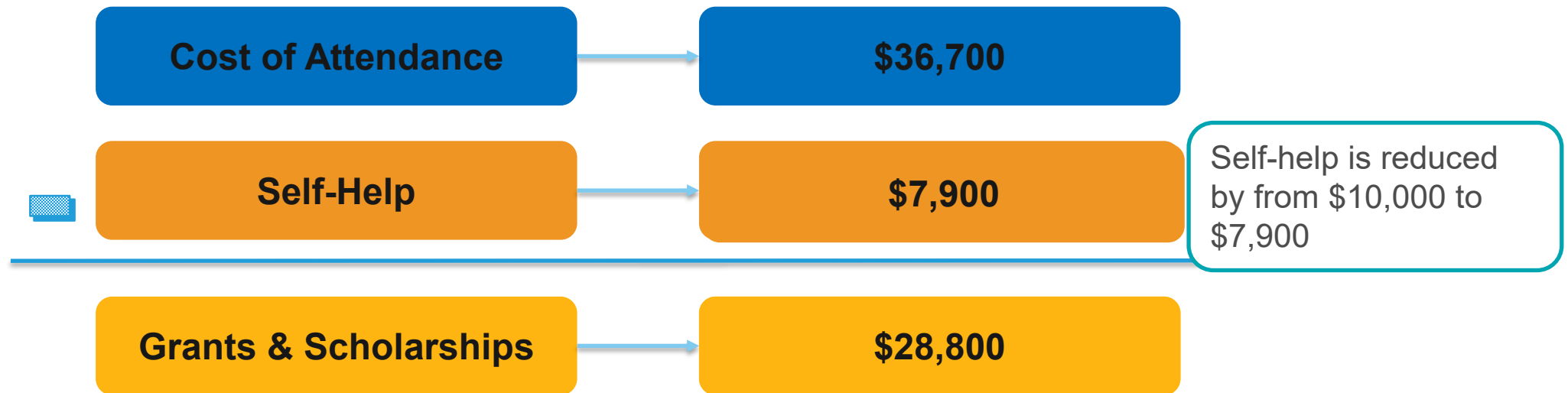
Path to Debt-Free UC: financial aid

UC Financial aid



Path to Debt-Free UC: financial aid

UC Financial aid



Path to Debt-Free UC: Student earning example

Students works 36 weeks of the calendar year

$\$7,900 / 36 \text{ weeks} = \219.44

California minimum wage:

$\$15.50$ per hour

16 (hours per week)

$\times \$15.50$ (per hour)

$\$248.00$ gross ($\$226.79$ net)




Path to Debt-Free UC: communications to students

Eligible students...

- May still see loans in their financial aid offer and will retain the right to borrow
- Will receive communications informing them of that they have been selected for the Path to Debt-Free program along with their augmented aid offer

Path to Debt-Free UC: 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.



To learn more and to find out if your child qualifies, visit 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. CalKIDS participants may also establish individual accounts with ScholarShare 529, California's 529 College Savings Plan.

To learn more about California's ScholarShare 529 College Savings Plan, its investment objectives, tax benefits, risks, and costs, please see the Plan Description at ScholarShare529.com. Read it carefully. Check with your home state to learn if it offers tax or other benefits such as financial aid, scholarship funds or protection from creditors for investing in its own 529 plan. Consult your legal or tax professional for tax advice. Investments in the Plan are neither insured nor guaranteed and there is the risk of investment loss. If the funds aren't used for qualified higher education expenses, a federal 10% penalty tax on earnings (as well as federal and state income taxes) may apply. Non-qualified withdrawals may also be subject to an additional 2.5% California tax on earnings. TIAA-CREF Tuition Financing, Inc. (TFI), Plan Manager. TIAA-CREF Individual & Institutional Services, LLC, Member FINRA, distributor and underwriter for California's ScholarShare 529. 2246272

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Path to Debt-Free UC: 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



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Path to Debt-Free UC: 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



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Native American Opportunity Plan (NAOP)

UC's Native American Opportunity Plan (NAOP) ensures that in-state systemwide Tuition and Student Services Fees are fully covered for California students who are also enrolled in federally recognized Native American, American Indian, and Alaska Native tribes.



Native American Opportunity Plan (NAOP)

Requirements

- Enrolled in a federally recognized Native American, American Indian, or Alaskan Native tribe
- Meet UC's California residence for tuition purposes or AB540 requirements
- UC undergraduate or graduate student enrolled in a state-supported degree program
- Apply for financial aid by submitting the FAFSA or California Dream Act application by the March 2 priority deadline

FAFSA simplification: better FAFSA, better future

What is the FAFSA Simplification Act?

Background:

- The Consolidated Appropriations Act 2021 & 2022 amended HEA of 1965 and FAFSA
- The Department of Education phased implementation began during 2021-22
- The 2024-25 award year will see the full implementation



What we know

- 2024-25 application opening Dec 2023
- SAI Replaces EFC
- Changes in Need Analysis
- Expanded access to Pell Grants
- A streamlined application process

The screenshot shows the Federal Student Aid (FAFSA) website homepage. At the top, there is a navigation bar with the text "An official website of the United States government." and "Help Center | English | Español". Below this, the "Federal Student Aid" logo is displayed, along with navigation links for "FAFSA", "Loans & Grants", "Repayment", and "Loan Forgiveness". A search icon and "Log In | Create Account" are also present.

The main content area features a large banner with the heading "Get Money to Pay for School" and the text "Use the Free Application for Federal Student Aid (FAFSA®) form to apply for financial aid for college or graduate school." To the right of this text is a large graphic of the "FAFSA form" logo, which includes illustrations of students and a laptop.

Below the banner, there are two buttons: "Start a New Form" and "Edit Existing Form". A link "2024-25 FAFSA Form" is also visible. A section titled "2024-25 FAFSA Form" contains these buttons. Below this, there is a link: "Need to access last year's form? Start or Edit a 2023-24 Form".

A dark blue section titled "Check FAFSA® Deadlines for the State You Live In" contains a form with two dropdown menus: "School Year" and "State of Residence", a "Find Deadlines" button, and a link "View All FAFSA Deadlines".

At the bottom, there are three white boxes with icons and text:

- Who Should Complete This?** (Person icon): Any student, regardless of income, who wants to be considered for federal, state, and school financial aid programs, which includes scholarships, grants, loans, and Federal work-study.
- How Long Will it Take?** (Clock icon): It takes most people less than an hour to complete, including gathering any documents or data needed.
- What Do I Need?** (Checklist icon):
 - Verified StudentAid.gov account
 - Social Security Number
 - Parent or spouse contributor email addresses
 - Income and asset information, if required

What students and parents need to know

- **2024-25 Application Cycle:**
Dec 2023-March 2, 2024

The screenshot displays the FAFSA 2024-25 application interface. At the top left, it says 'FAFSA FORM 2024-25' and 'Student Raya Tran'. The main heading is 'Understanding the FAFSA Form', with '3 of 4' steps indicated. The current step is 'What To Expect', with a timer showing 'How long will this take? 1 hour'. A text box explains that every contributor must provide consent for federal student aid eligibility, and that tax information can be obtained automatically from the IRS. At the bottom, there are 'Previous' and 'Continue' buttons.

What students and parents need to know

- **2024-25 Application Cycle:**
Dec 2023-March 2, 2024
- **Contributors:** The Student and Parent(s)

FAFSA[®] FORM 2024-25 Student Raya Tran

Understanding the FAFSA[®] Form
2 of 4

Contributors to the FAFSA[®] Form



Parents or Spouses
Your answers on the FAFSA form will determine if any contributors need to be identified. These contributors will complete their own sections of the form and are asked to provide personal and financial information, but will not become financially responsible for your education.



How to Invite
Contributors will need to log in with their own FSA ID to provide their information. To invite a contributor to your FAFSA form, you'll need to provide their name, date of birth, Social Security number, and email address.

Information or Documents You May Need ^

You might need the following information or documents as you fill out the FAFSA form:

- Tax returns
- Records of child support received
- Current balances of cash, savings, and checking accounts
- Net worth of investments, businesses, and farms

Previous Continue

What students and parents need to know

- **2024-25 Application Cycle:**
Dec 2023-March 2, 2024
- **Contributors:** The Student and Parent(s)
- **FSA ID:** All Contributors will need to have an FSA ID



Key Change – FSA ID Requirement

All students and contributors must create a StudentAid.gov account to complete the FAFSA® form online.

To log in to their accounts, students and contributors will use their FSA IDs (account username and password).

Even if a contributor doesn't have a Social Security number, they can still get an FSA ID to fill out their portion of the student's FAFSA form online.

NOTE: A student must be a U.S. citizen or eligible noncitizen to be eligible for federal student aid.



What students and parents need to know

- **2024-25 Application Cycle:** Dec 2023-March 2, 2024
- **Contributors:** The Student and Parent(s)
- **FSA ID:** All Contributors will need to have an FSA ID
- **Professional Judgments Guidance Updated:** Reflects UC's current practices

The screenshot shows the FAFSA 2024-25 application interface for Student Raya Tran. The progress bar indicates the user is on step 1, 'Personal Circumstances', with other steps being 'Demographics', 'Financials', 'Colleges', and 'Signature'. The current section is 'Student Other Circumstances', which asks: 'At any time on or after July 1, 2023, was the student unaccompanied and either (1) homeless or (2) self-supporting and at risk of being homeless?'. The 'No' option is selected. Navigation buttons for 'Previous' and 'Continue' are visible at the bottom.

What are we still waiting for?

Application Opening Date: TBD (will open in December 2023)

Federal Student Aid

A better FAFSA® process means a better future for everyone.

AWARD YEAR 2024-2025

Full implementation is right around the corner.

40 years since the last major changes to FAFSA®

Congress passed the FUTURE Act and FAFSA® Simplification Act, making it easier to apply for federal student aid ensuring more people can qualify.

Connecting more people with more funds.

Streamlining application questions.

Developing a better user experience.

930,000 additional Pell Grant award recipients (estimated).

Connecting over 7 million students with more than \$114 billion in aid.

- Knowledge Center
- Training Center
- Financial Aid Toolkit
- FSA Partner Emails
- Customer Service Center

The support you need and deserve. Now and in the future.

BETTER FAFSA®
BETTER FUTURE

financialaidtoolkit.ed.gov/bfbf

What are we still waiting for?

Financial Aid Estimator and Preview Tools

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What are we still waiting for?

2024-25 FAFSA Outreach Campaign

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What are we still waiting for?

Policy Guidance

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financialaidtoolkit.ed.gov/bfbf

Sign up for updates!

[StudentAid.gov](https://studentaid.gov)

Financial Aid Toolkit

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Federal Student Aid
An OFFICE of the U.S. DEPARTMENT of EDUCATION



Better FAFSA® Better Future Timeline

June 2023



UC resources

Resources

UC Tuition and Financial Aid

<https://admission.universityofcalifornia.edu/tuition-financial-aid/tuition-cost-of-attendance/tuition-stability-plan.html>

UC Financial Aid Videos

<https://www.youtube.com/watch?v=1MWsGbilfdE&list=PLwL0JPr9mVI3HbkycPjbvRNtH4vgreSzG>

UC Info Center

<https://www.universityofcalifornia.edu/about-us/information-center>

Thank You