

A UC Education Is Affordable

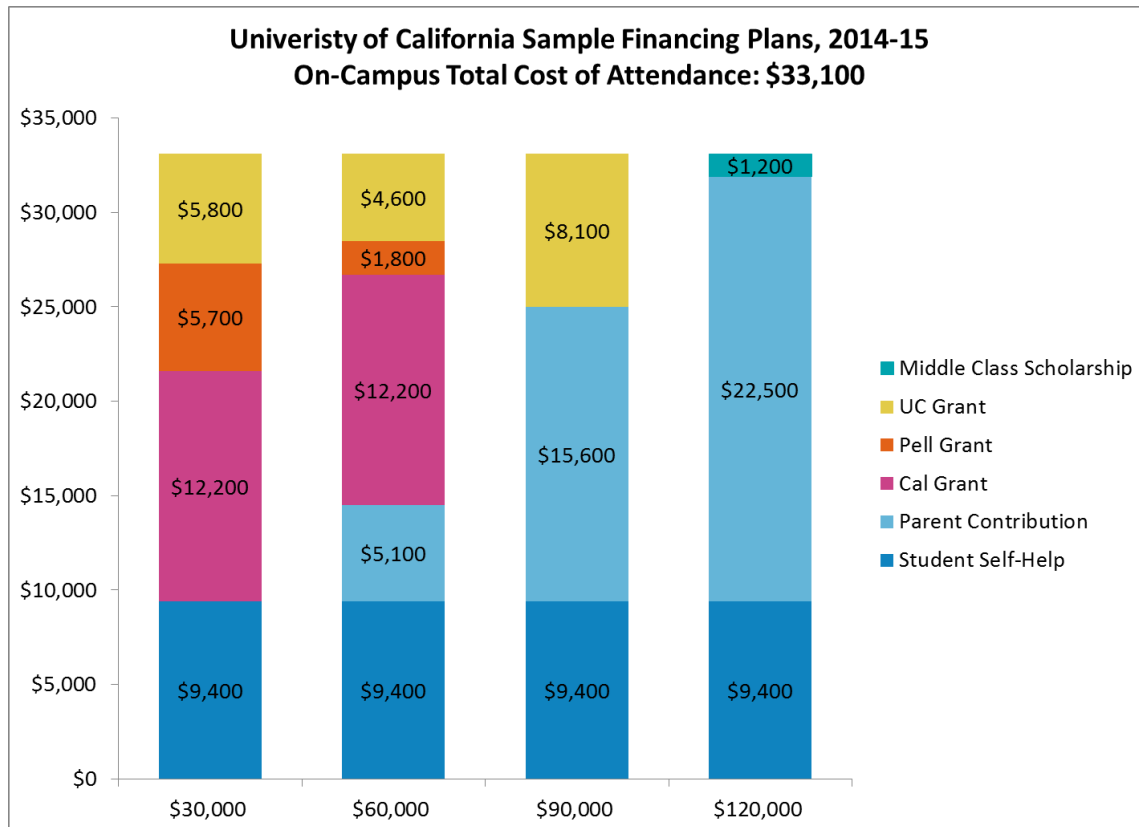
To ensure that finances are not a barrier to eligible students, the University of California offers one of the most generous and progressive financial aid programs in the nation. UC's goal is to provide sufficient grant funding to keep students' need to work and borrow at manageable levels that allow students to make steady progress toward completing their degrees on time and to meet their loan repayment obligations after graduation.

Students, parents, and UC each plays an important role in paying for a student's education.

- Students: Students are expected to cover part of the cost of attendance through manageable levels of working and borrowing.
- Parents: Parents are expected to contribute based on their financial resources and circumstances.
- UC covers the remaining costs with grant aid from a variety of sources. Each campus determines grant eligibility and how to meet it using federal, state and UC's own gift aid resources.

TYPICAL FINANCIAL AID PACKAGE, 2014-15

The chart below shows how all students, regardless of income level, are expected to contribute to their total cost of education through loans or work.



Types of Financial Aid by Fund Source

UC Aid

- Need-based grants funded primarily from UC's long-standing policy of setting aside 33 percent of increases in tuition and Student Services Fee revenue.
- Scholarships awarded based on academic achievement or specialized talent, funded mostly from private gifts.
- Tuition exemptions and waivers, such as those for veterans, that are aligned in most cases with actions taken by the Legislature.
- Institutional loan and work-study programs, which represent a tiny fraction of institutionally funded aid.

State and Federal Aid

- Pell Grants are federally funded need-based grants.
- Cal Grants are state-funded need-based grants.
- The Middle Class Scholarship Program — which, according to statute, phases in over four years beginning in 2014–15 — will cover 40 percent of tuition and fees for students whose family income is up to \$100,000 when the program is fully implemented in 2017-18.
- Federal loan and work-study programs.

UC's Blue and Gold Opportunity Plan

Additionally, the UC Blue and Gold Opportunity Plan ensures that eligible California students with annual family incomes up to \$80,000 with financial need will have their systemwide tuition and fees covered by gift aid — a combination of federal Pell Grants, Cal Grants, and UC grants and scholarships. The plan covered an estimated 70,000 UC students in 2013–14. Most students covered through the Blue and Gold Opportunity Plan have sufficient financial need to qualify for grants in excess of fee levels to help cover other expenses as well, such as campus fees, housing, food, books and transportation.

Who Gets Aid?

- Over 55 percent of all California resident undergraduates pay no systemwide tuition or fees.
- In 2013–14, UC's average total cost of attendance was \$32,400. However, the average net cost for the lowest-income UC undergraduates, after factoring in financial aid, was \$10,700, while the net cost among all students was \$21,500. (Updated figures for 2014–15 are not yet available).
- In 2012–13, 76 percent of UC undergraduates received \$2.9 billion of financial support including grants, scholarships, loans and work-study awards.
- In 2012–13, approximately 65 percent of UC undergraduates received grants/scholarships aid averaging \$15,417 per recipient.

UC Borrowers Accumulate Less Debt than their Counterparts at Other Institutions

UC students' debt at graduation has increased in recent years, but remains manageable and well below the national average.

- Nearly half of UC's 2012–13 graduating class had no student loan debt. For students who did borrow, the average UC debt after graduation was about \$18,850, well below the national average of \$29,400.

Do Out-of-State Students Receive Financial Aid?

UC's financial aid program does not provide aid to nonresident undergraduates to help with the cost of Nonresident Supplemental Tuition, which in 2014–15 is an additional \$22,878 on top of in-state tuition. Because of the higher tuition for nonresident students, which includes a 33 percent return to financial aid, and since very few of them qualify for need-based financial aid, it is estimated that California undergraduates receive an extra \$30 million in institutional financial aid directly attributable to UC's enrollment of nonresident students.