

UCLA

UCLA Affordability

Ronald W. Johnson
Director,
Financial Aid Office

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UC is affordable

- **First, Students must:**
 - Apply for admission in **November**
 - File FAFSA and GPA Verification Form between **January 1st and March 2nd**
- **Immediately** provide documentation to financial aid office as requested
- Expect to borrow and work part time

Financial Aid at UCLA

Partnership Approach

- Student & Family
 - Primarily who is responsible to pay
- University Programs
 - Available to help families meet remaining costs
- Additional Sources of Funding
 - Federal & State
 - Private entities/sector and gifts previously made to UCLA
- Loans and Part-Time Work
 - Included in most financial aid packages

Financial Aid at UCLA

Schedule

- April to June
 - Provisional Award Letters (ePAL) [subject to verification]
 - Requests for additional documents

- June to August
 - Documentation review
 - Financial Aid Notification (eFAN)
 - Summer school

- July to August
 - Student Orientation Program(s)

- Thursday, September 27, 2012
 - Instruction begins

Financial Aid at UCLA

What is Financial Aid?

- Any financial resource to help the student and family pay for an educational related expense

- Major Forms
 - **Gift Aid**
 - Scholarships
 - Grants
 - **Self-Help Aid**
 - Loans
 - Work-Study (Part-Time Employment)

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Gift Aid - Scholarships

- Recognition of academic achievement or special talents
 - Applied for some by submitting the *UC Admission Application*
- UCLA Scholarship Resource Center
 - Online at <http://www.ugeducation.ucla.edu/src/>
- Check out private organizations, ...
 - But BEWARE of 'Fee for Service' scams

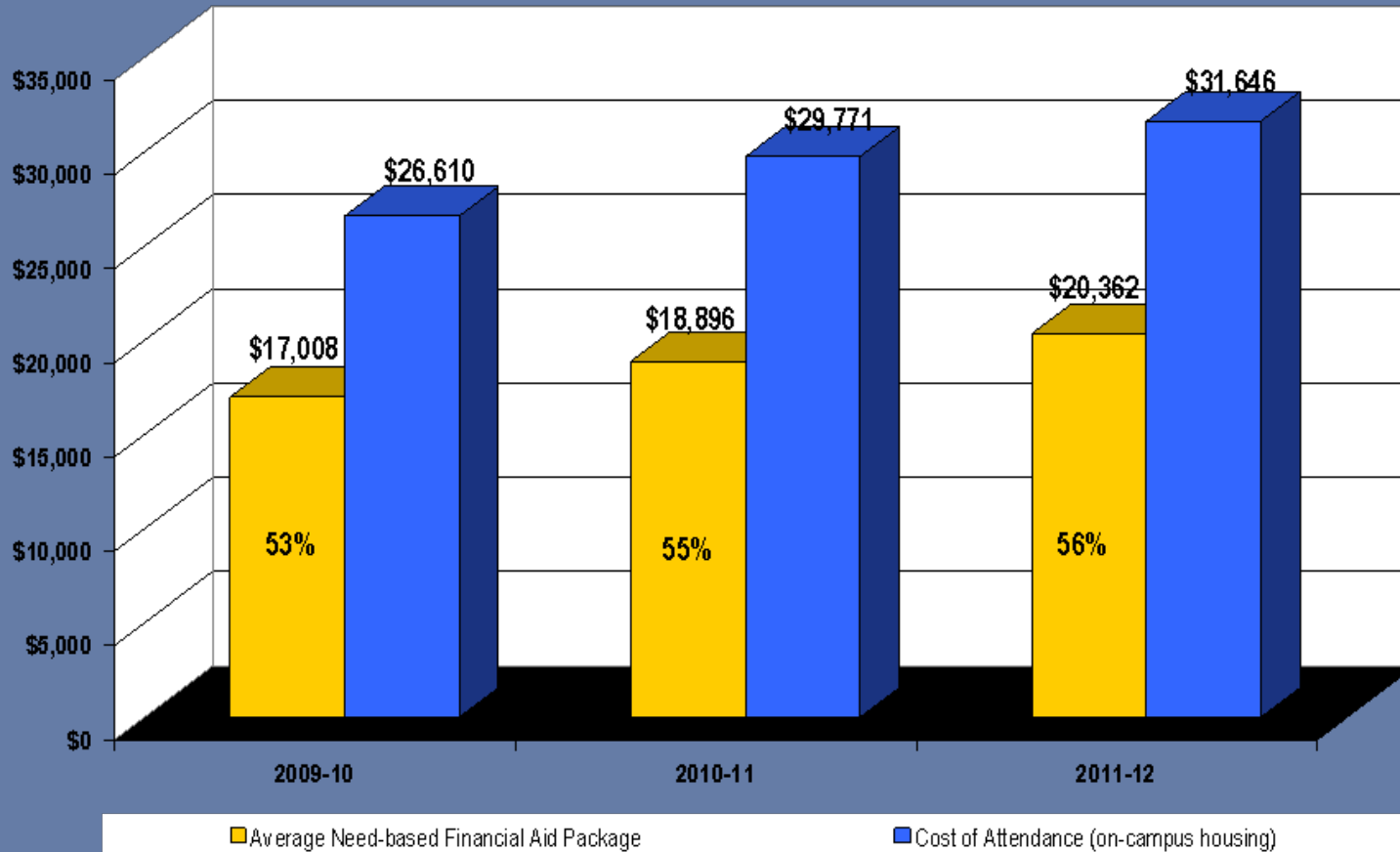
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Gift Aid - Grants

- Primarily 'need-based' awards
 - *Federal Pell Grant*
 - *Scholarship Recognition Award*
 - *Supplemental Educational Opportunity Grant (SEOG)*
 - *Cal Grant A*
 - *Cal Grant B*

Financial Aid at UCLA

UCLA Undergraduates: Average Need-Based Financial Aid Package, Percentage of Students Receiving Need-Based Financial Aid & Cost of Attendance



Loans: Investing in the Future

- Education loans available to families and students at **ALL INCOME LEVELS**.
- Typical UC student's 10-yr. loan repayment is manageable
 - Around \$200/month – less than most car payments!
- Borrowing can enable you to work less, to graduate sooner!

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Self-Help Aid - Loans

- Need-Based
 - *Direct Subsidized Loan* (undergrad only)
- Non-Need-Based
 - *Direct Unsubsidized Loan*
 - *Direct Parent Loan* (also unsubsidized)
 - Private Loan

Loans at Post-Enrollment

- Various repayment plans
- *Direct Consolidation Loan*

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Direct Subsidized Loan (Need-Based)

- Eligibility determination
 - Using submitted FAFSA info and federal guidelines

- Terms
 - 6.8% interest rate (7/1/12 thru 6/30/13)
 - Starts accruing at graduation/separation or drops below half time enrollment
 - 6-month grace period
 - 10-year standard repayment term
 - Alternative repayment plans available

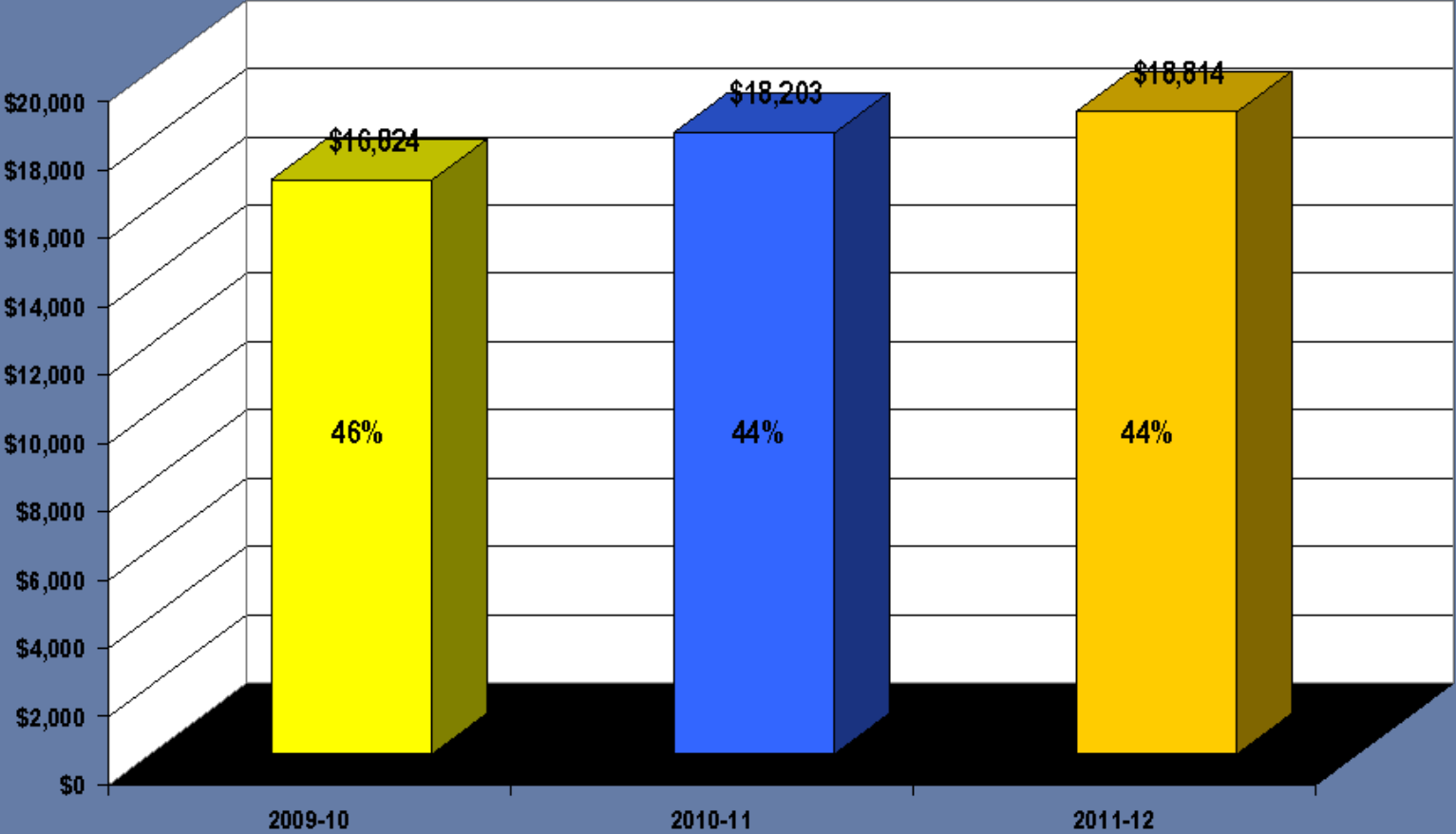
Financial Aid at UCLA

Direct Unsubsidized Loan (Non-Need-Based)

- Eligibility Determination
 - Using submitted **FAFSA** info and federal guidelines
- Terms
 - 6.8% interest rate (7/1/12 thru 6/30/13)
 - Starts accruing at disbursement
 - 6-month grace period
 - Begins at graduation/separation
 - 10-year standard repayment term
 - Alternative repayment plans available
- Tip to Avoid CAPITALIZATION
 - Pay interest while in school and during grace, *otherwise accrued interest will be added to principal at completion of grace period*

Financial Aid at UCLA

UCLA Undergraduates: Average Debt Burden upon Graduation & Percentage of Students Graduating with Loans



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Direct PLUS Loan (Non-Need-Based)

- *Parent Loan for Undergraduate Students (PLUS)*
- Eligibility determination
 - *Total Cost of Attendance minus Financial Aid*
- Terms
 - 7.9% interest rate (7/1/12 thru 6/30/13)
 - Repayment begins 60 days after the loan is fully disbursed, but can be deferred until after the student graduates/separates or drops below half time
- More information
 - Loan guides at www.fao.ucla.edu/publications.html
 - Federal Direct Loans website: www.studentloans.gov

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Private Loans (Non-Need-Based)

- Eligibility determination
 - *Cost of Education* minus *Financial Aid*
- Funded by banks and private lending institutions
- NOT federally regulated
- Deferred repayment *may* be possible, *but interest accrues while in school*
- Various and variable interest rates
- MUST BE
 - US citizen or permanent resident
 - Credit worthy
 - Enrolled at least half-time
- *READ THE PROMISSORY NOTE CAREFULLY*

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Direct Loan (DL) – Application & Process

1. Receive *Provisional Award Letter (ePAL)*
2. Submit *Student Intends to Register Form (SIR)*
3. Receive a *Financial Aid Notification (eFAN)*
 - a. Complete a Debt Management Session
www.loans.ucla.edu
 - b. Accept/Reject award(s) on eFAN
4. Read & sign promissory note
 - a. Go to the DL website for master promissory note at:
<https://studentloans.gov/myDirectLoan/index.action>
5. School certifies; transmits loan eligibility to DL
6. Loan disburses to student BruinBill (on/after disbursement date)

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Self-Help Aid - Federal Work-Study

- Part-time employment opportunities
- Wages subsidized by U.S. government
- On-Campus & off-campus jobs available
- Student receives pay for hours worked
- Income reduces amount of loan needed
- Work-Study job can...
 - ...provide a rewarding supplement to the college experience
 - ...aid in improving time-management
 - ...help to develop job-related skills & employment connections
- UCLA Work-Study at www.fao.ucla.edu/workstudy

Financial Aid at UCLA

How is 'Eligibility' Calculated?

- Begin with *Cost of Attendance (COA)*
 - Also referred to as 'budget' or 'cost of education'
- Minus *Estimated Family Contribution (EFC)*
 - Indication of overall strength
 - Amount family (meaning parent & student) could potentially contribute if needed
- Equals *Need-Based Eligibility*

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- Financial aid offer:

- Total cost of attendance (“student budget”)

- Subtract gift aid (grants and scholarships)

= Student/Family Share of Cost*

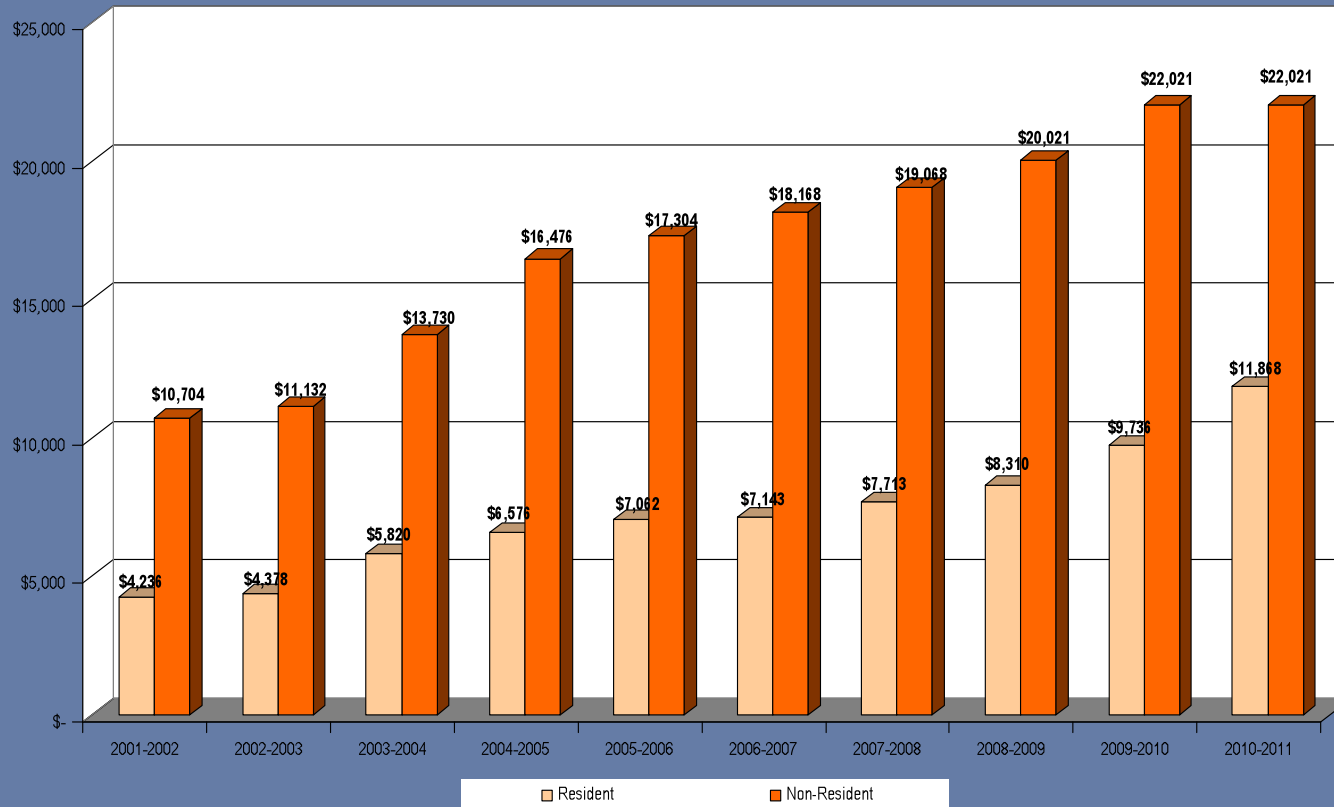
*Sources of payment – parents (in some cases), work, loans, outside scholarships

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- 2012 - 2013
 - *UCLA Budget for Undergraduates*

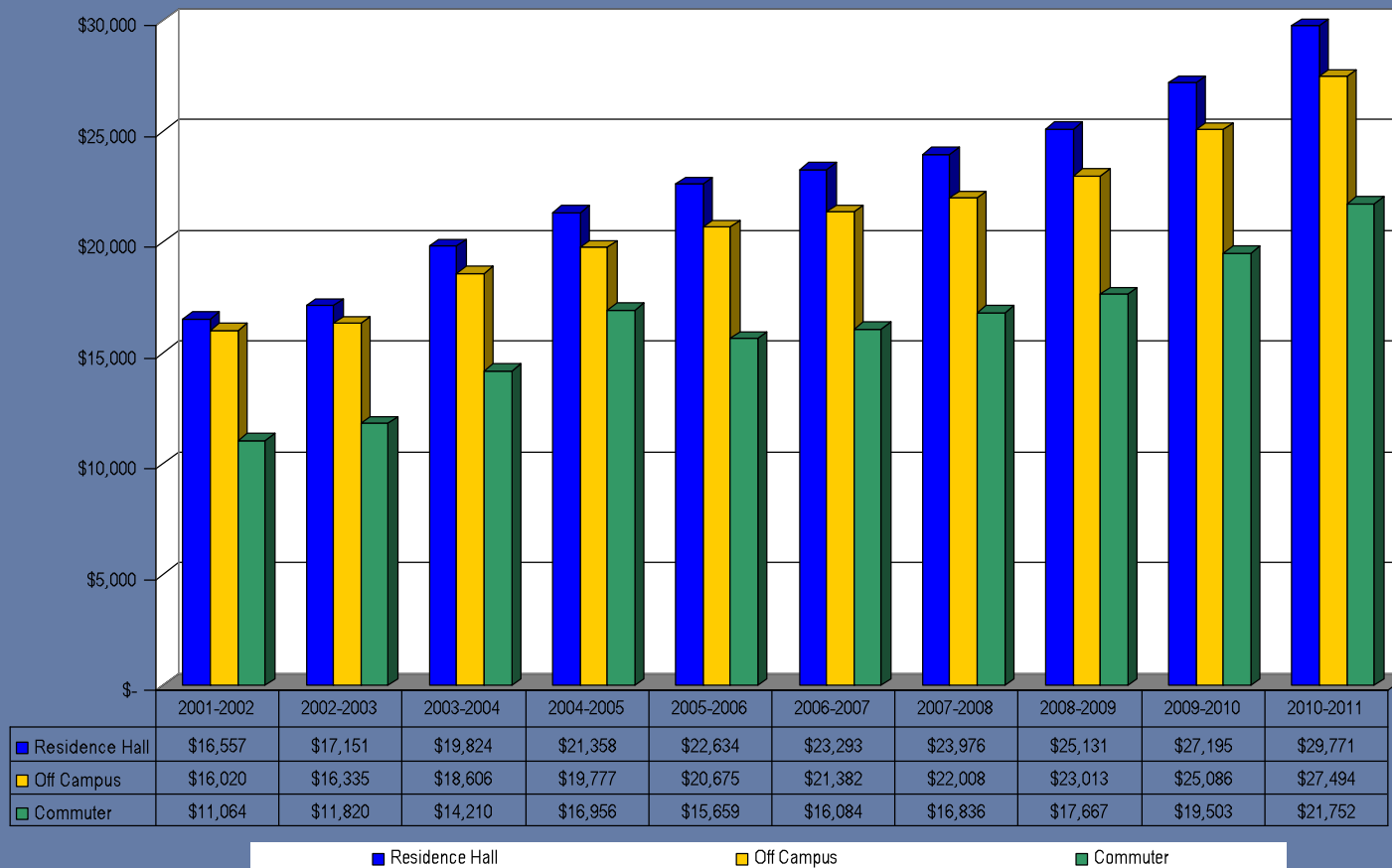
	At Home	On Campus	Off Campus
Fees*	\$12,685	\$12,685	\$12,685
Books & Supplies	\$1,521	\$1,521	\$1,521
Room & Board	\$4,422	\$14,208	\$10,335
Transportation	\$1,794	\$786	\$1,413
Personal	\$1,683	\$1,383	\$1,644
Health Insurance	\$1,323	\$1,323	\$1,323
TOTAL**	\$23,521	\$31,999	\$29,014

Undergraduate Tuition



NOTE: Non-Resident students are required to pay both the resident and non-resident tuition.

Undergraduate Student Financial Aid Budgets California Residents



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Estimated Family Contribution (EFC)

- Determined by federal formula & guidelines
 - Variables include
 - Parents' and student's Adjusted Gross Income
 - Income taxes paid
 - Total assets (excluding principal residence)
 - Age of oldest parent
 - Number in household
 - Number in college
 - Additional Financial Information
 - Education credits, work-study earnings, scholarships and grants reported in AGI

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Sample Package

- Begin with a *Cost of Attendance* of **\$32,781**
- Minus a *Student Contribution* of **(\$300)**
- Minus a *Parent Contribution* of **(\$1,400)**
- Equals a *Need-Based Eligibility* of **\$31,081**

Financial Aid at UCLA

Sample Package (cont.)

- *Need-Based Eligibility* of **\$31,081**
- Financial Aid Package
 - *Cal Grant B* of \$1,551
 - *Pell Grant* of \$3,900
 - *Scholarship Recognition Award* of \$16,174
 - *Work-Study* of \$1,500
 - *Perkins Loan* of \$2,750
 - *Direct Subsidized Loan* of \$3,500
 - *Direct Unsubsidized Loan* of \$2,000
 - *PLUS Loan* of \$1,406
- Financial Aid Package totals **\$32,781** (or COA)

Typical CC Transfer at UC

- Enrolls full time and graduates in 2.4 years
- Works fewer than 20 hours per week
- Borrows while enrolled
- Obtains employment within 4 months
- Earns an average of \$37K with liberal arts BA and \$44K for science and math BS
- Has monthly student loan repayments of around \$200 reflecting loans from UC based on 6.8% interest rate and a 10-yr term – lower monthly payments are available for student loans

The Real Cost

Tips on Managing Cost

Paying Up-Front Costs

- **Only a portion of the shared cost has to be paid up front;**
 - UC housing charges and fees are divided equally by quarter/semester.
 - Likewise, financial aid* is disbursed in equal installments by term.

*Grants, scholarships or loans (work-study awards or other required student employment must be earned.)

Blue and Gold Plan – no tuition paid out of pocket from student or family

- California Resident with total family income under \$80,000 per year
- 4-years of undergraduate study only
- Apply on-time for financial aid
- Demonstrate financial need
- No special application
- No special mention on financial aid award

Payment Plans/Credit Cards

- UC campuses have options to spread out UC tuition and fee payments.
 - “Lump-Sum” payments can be deferred; make smaller, more even-sized monthly payments by electing a payment plan option.
 - Some UC campuses permit use of certain credit cards to pay tuition and fees.

Bring Down Expenses

- Finishing at UC *as soon as possible*
 - Take required courses first, electives second
 - Complete 15 units per each quarter or semester – that's full time!
 - Attend summer school (aid is available!).
- Applying for outside scholarships
- Working part time

Bring Down Expenses

- Roommates – the more, the less
- Rent Required Text Books – big savings!
- Recommended Texts – use reserve copy at library
- Travel Cost - purchase airline tickets way ahead of time or on sale, and car ride-share
- On Campus Meal Plans – less is more
- Zip-Car – leave own car at home

Financial Assistance for Specific Populations

- U. S. Military Veterans
- Former Foster Youth
- Student Parents
- Undocumented
- Families with changed income

Veterans

- Most of UC's student veterans transfer to UC from a community college
- Federal law no longer allows a Vet to have simultaneously the benefits of both a Cal Grant and also Chapter 33 education benefits for tuition and fees.
- Tip: Try to save Chapter 33 benefits to use when attending a higher cost program!

Former Foster Youth

- Each campus has liaison to work with incoming former foster youth
- Independent student for financial aid eligibility; foster youth benefits are treated as scholarship, so do not reduced grants
- Assistance for school breaks

Student Parents

- UC is “family friendly” for student parents
- Campuses have support services and social activities for students with children

Family housing may be available on or near campus

- Child care costs may be added to student budget

Undocumented Students

- May be exempt from nonresident tuition at UC (\$22,878 per year) if student attended a CA high school for at least three years and graduated, and is eligible for AB 540 status at UC.
- Must submit an “AB 540” application/affidavit directly to campus
- Outside agency loans, grants or scholarships are the only option if students are not eligible for AB 540 status

Who are Undocumented Students?

If you are not a U.S. citizen or legal permanent resident and do not currently possess a green card, visa, or other legal documentation, you are considered an undocumented immigrant.

<http://www.youtube.com/watch?v=jI7J2b3t4WU&feature=related>

California Dream Act of 2011

The California Dream, Act of 2011, authored by Assembly Member Gil Cedillo (Los Angeles), became law through the passage of two Assembly Bills, [AB 130](#) and [AB 131](#).

[Letter from President Yudof - UCOP](#)

AB540/AB130/AB131

The U.S. Census Bureau estimates that in the year 2000, approximately 2.5 million undocumented youth under age 18 were living in the U.S.

- Each year, over 65,000 undocumented students graduate from U.S. high schools.
- 40% of all undocumented students live in California.
- In 2001, between 5,000-8,000 students in California were eligible for AB540.
- In 2004, 17 California high school Valedictorians were undocumented.
- Many undocumented students have aspirations to attend college.
- Many undocumented students have excelled as honors students, class valedictorians, and active members of their communities.

<http://ab540.ucla.edu/documents/AB540ANNUALREPORT2009.pdf>

AB540

To be eligible under AB 540, students must meet the following criteria:

- Attended a California High school for three years.
- Graduated or will graduate from a **California high school** or have attained a **G.E.D.**
- Registered or are currently enrolled in an accredited institution of **higher education in California.**
- Filed or will file an **affidavit** as required by individual institutions, stating that you will apply for legal residency as soon as possible.

<http://ab540.org/>

AB130

AB130 is now in effect (1/01/12) and allows for AB540 undocumented students attending public colleges and universities to apply for and receive scholarships derived from **non-state funds**, which include many **private scholarships**

http://www.csac.ca.gov/dream_act.asp

AB131

- AB131 allows AB540 undocumented students to apply for **Cal Grant awards and for grants and scholarships awarded by California public colleges and universities.**
- AB131 will be implemented in two parts:
 - Starting **January 1, 2013** students will be eligible for UC institutional aid
 - **For the fall term of the 2013-14 school year**, students will be eligible for Cal Grants.

SAADAS

The **S**tudent **A**id **A**pplication for **D**REAM **A**ct **S**tudents (SAADAS)

- The SAADAS application is used to determine financial need for AB540 undocumented students.
- Developed proactively by UCLA's Financial Aid office.
- The SAADAS can be obtained online at: www.fao.ucla.edu by selecting the Forms tab.

[2012-2013 California DREAM Act Guide](#)

California DREAM Act Application

Developed by the California Student Aid Commission and introduced on April 2, 2012.

Will replace the current SAADAS by academic year 2013-2014.

The California Dream Application is used by AB540 undocumented students to determine financial need.

http://www.csac.ca.gov/dream_act.asp

Timelines for applying for scholarships and financial aid:

Academic year 2012-2013

Private scholarships (AB130): ongoing since 1/01/12

- **Must complete the SAADAS or CA DREAM Act application by June 1, 2012 for continuing students and June 29, 2012 for new students.**

- [Scholarship Resource Center](#)

Timelines for applying for scholarships and financial aid:

Academic year 2012-2013

UC Institutional Aid (AB131)

- **Must complete the SAADAS or CA DREAM Act application by June 1, 2012 for continuing students and June 29, 2012 for new students.**
- **University funds will be available for the Winter 2013 and Spring 2013 quarters only.**

Timelines for applying for scholarships and financial aid:

Academic Year 2013-2014

Cal Grants(AB131)

- Eligible students must complete the California DREAM Act Application (again) beginning January 1, 2013 to March 2, 1013(priority deadline for all grants)
- Verify GPA

Financial Aid at UCLA

Change in Family Circumstances

- “What to do?”
 - Contact the Financial Aid Office
 - www.fao.ucla.edu for listing of counselors/departments
 - Be prepared to provide documentation
 - Loss of income (retirement or other)
 - Death or birth of family members
 - Divorce of parents
 - Unanticipated unemployment
 - Natural disaster
 - Unforeseen out-of-pocket medical expenses

Financial Aid at UCLA

Additional Notes

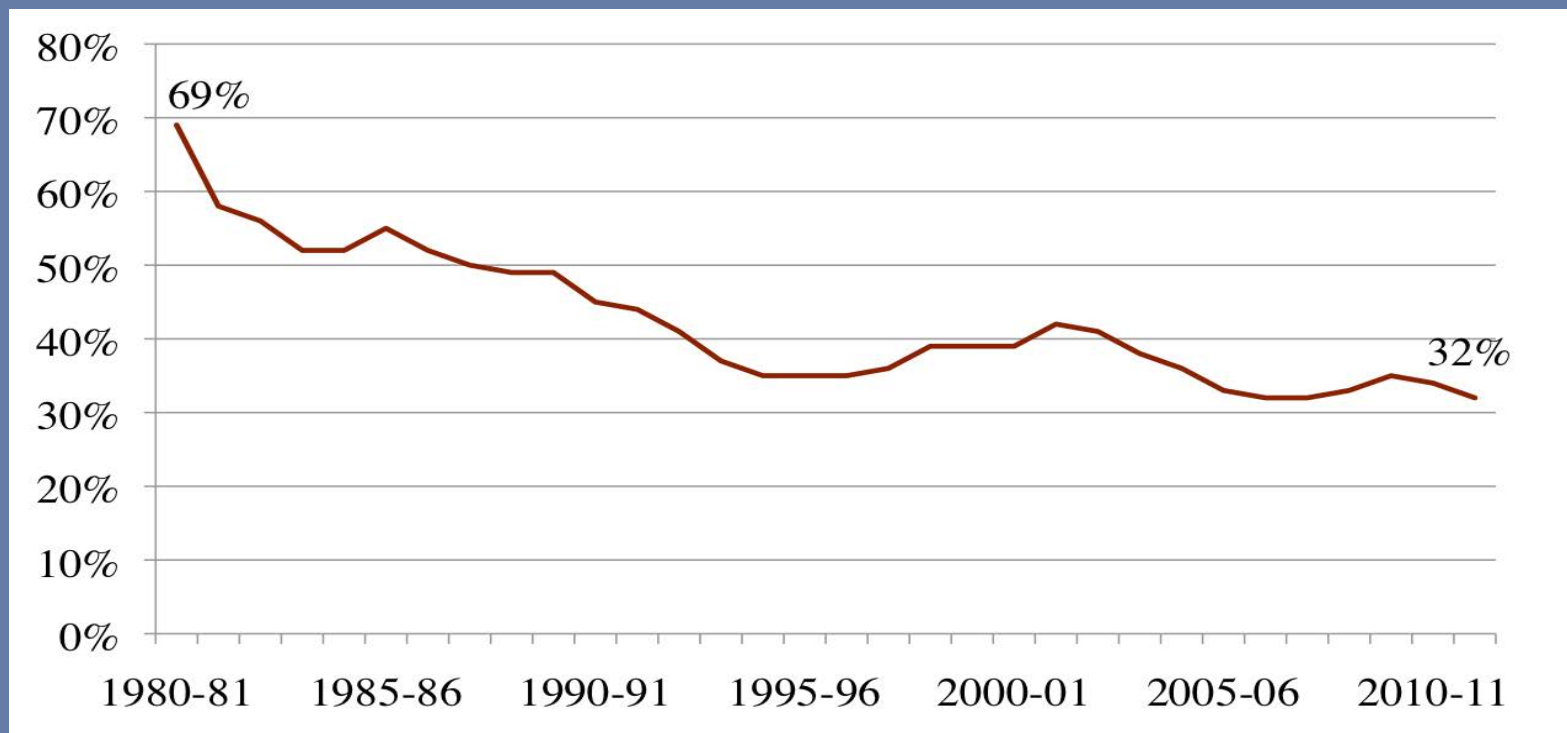
- Policies vary from university to university, including UC campuses
- 56% of all UCLA undergraduates receive some form of financial aid
- UCLA FAO awarded \$100 million in need-based University grant aid during 2011-12 academic year
- DEADLINES ARE IMPORTANT
 - File annual FAFSA (at www.fafsa.gov) **EARLY**
- Late filers *may be excluded from consideration for certain types of aid*

Challenges in the Current Economy and Legislation

Declining Purchasing Power

The maximum Pell Grant currently covers about one-third of the cost of attending a public 4-year college (tuition plus room and board) – a smaller share than in the 1980s.

2010, Table 5a and FinAid.org, Pell Historical Figures. ⁴Calculations by TICAS using the College Board, *Trends in College Pricing*



Protect the Federal Pell Grant

- Some have proposed cuts to Pell Grant awards and edibility. However:
 - The program is not “unsustainable” – annual growth estimates are 1-2% over next ten years
 - 40% of recent Pell Grant growth was due to the economic downturn, not to policy changes.
 - When America’s economy needs more students to complete college – and more are struggling financially to do so – we should be investing in those students, not cutting the financial aid programs that make it possible for them to work their way into the middle class.

Related Student Aid Cuts

- Summer Pell/Two Pell grants in an Award Year - Pell
- Loan subsidy for graduate students - Pell
- Student loan repayment incentives - deficit

- Lost of Grace period loan subsidy for undergraduate students - Pell
- **Interest Accrual during Grace Period**
- **Direct Subsidized loans** will not be eligible for an interest subsidy during the six-month grace period. When the loan is in the six-month grace period after the student is no longer enrolled at least half time, or if the loan is in a deferment status. This provision eliminates the interest subsidy provided during the six-month grace period for subsidized loans for which the first disbursement is made on or after July 1, 2012, and before July 1, 2014. If you receive a subsidized loan during this timeframe, you will be responsible for the interest that accrues while your loan is in the grace period. You do not have to make payments during the grace period (unless you choose to) but the interest will be added (capitalized) to the principal amount of your loan when the grace period ends. This provision does not eliminate the interest subsidy while the borrower is in school or during eligible periods of deferment.

Proposals to Cut Pell Grants

Harmful cuts to Pell Grants could take many forms:

- Reducing the size of the maximum grant
- Reducing the size of the minimum grant
- Redefining full-time attendance at 15 credits
- Rolling back recent eligibility changes
- Instituting an income cap
- Changing the types of income considered in needs analysis
- Excluding less-than-half-time students
- Excluding students without a high school diploma or GED
- Instituting an age cap
- Reducing lifetime limits on Pell receipt

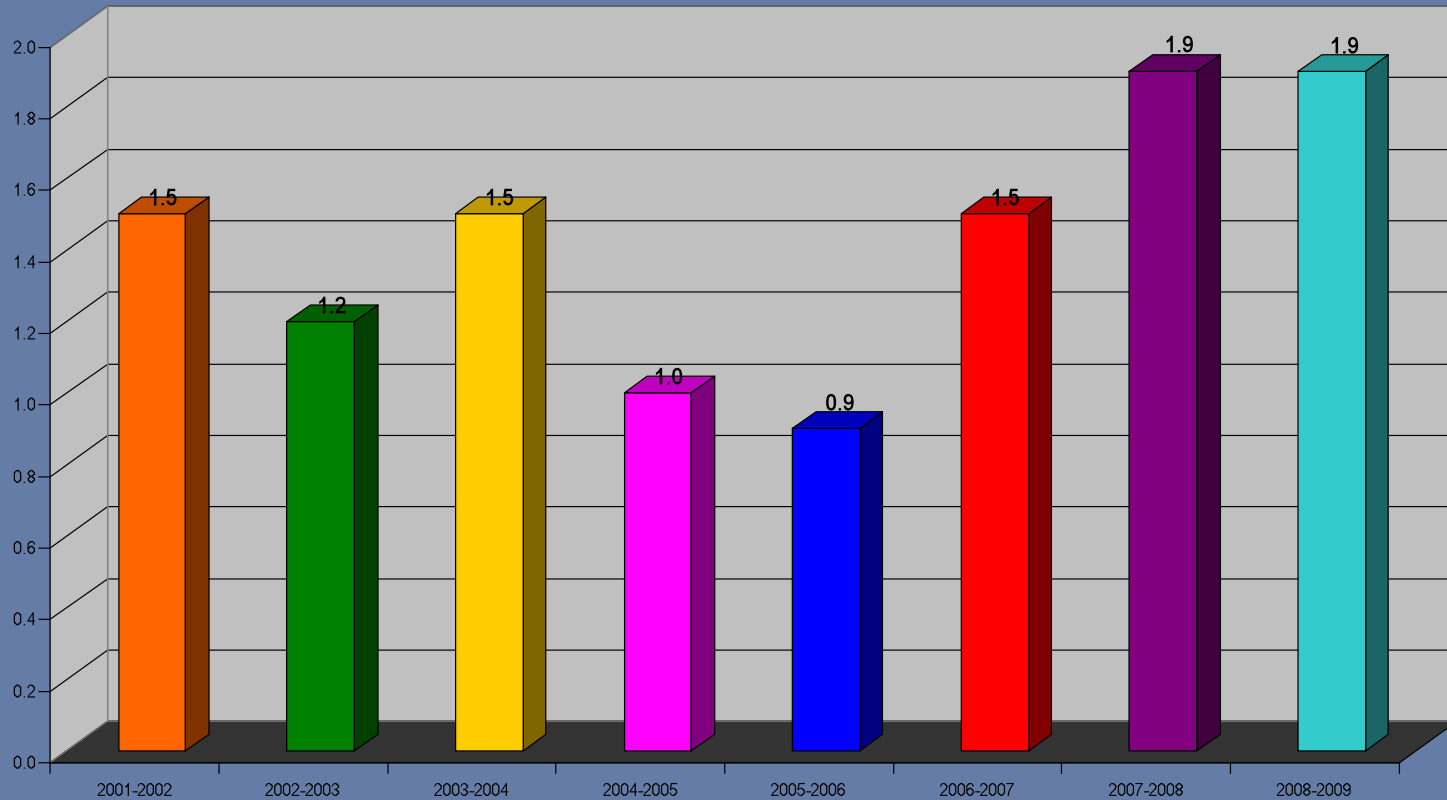
COLLEGE COST REDUCTION AND ACCESS ACT

The College Cost Reduction and Access Act (H.R. 2669) was signed into law on September 27, 2007. The Act provides debt relief for graduates who are repaying federal student loans.

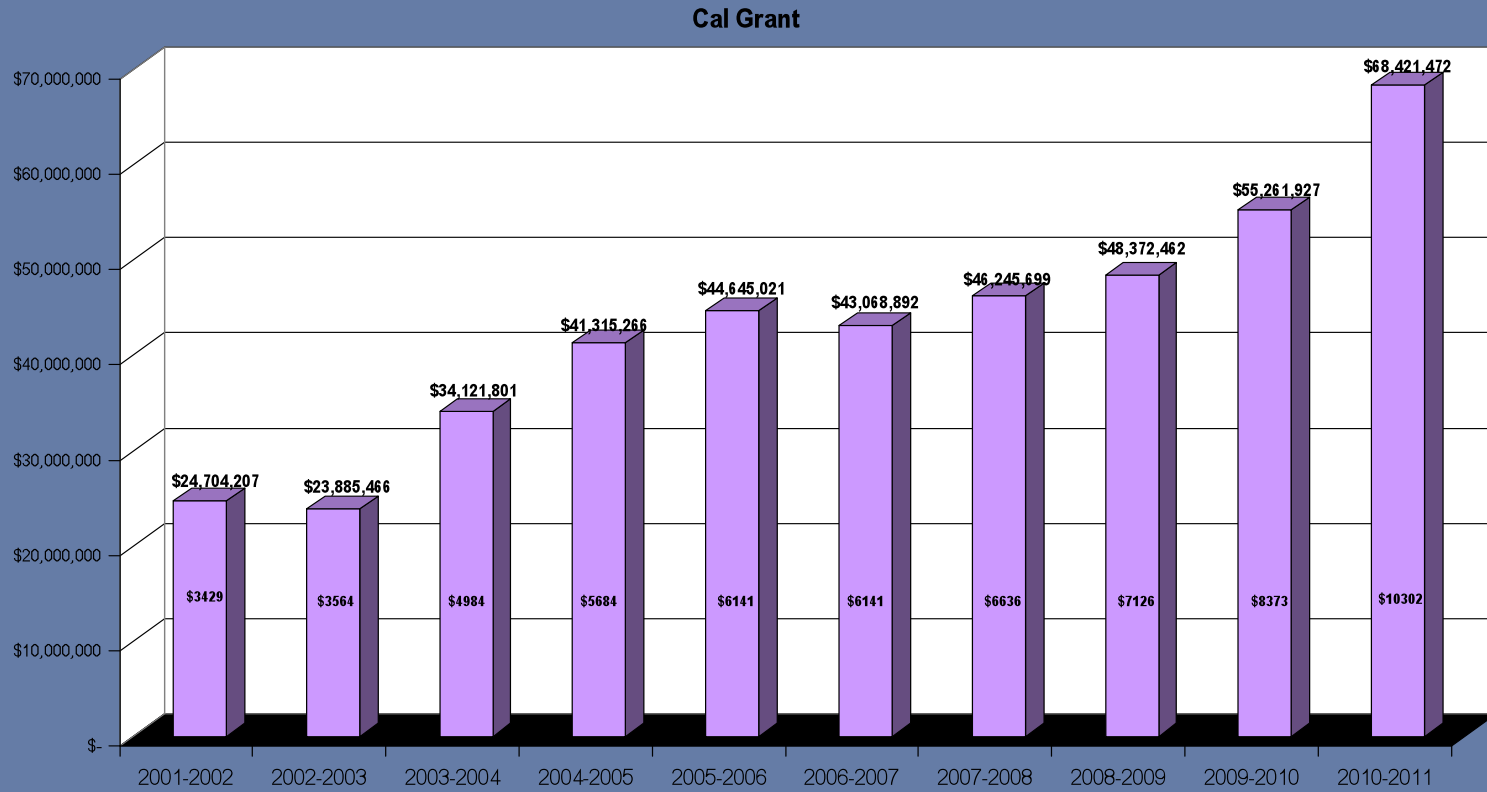
School Year	Subsidized Stafford Loan Interest Rate
2008-09	6.0%
2009-10	5.6%
2010-11	4.5%
2011-12	3.4%

- **Public Service Loan Forgiveness (PSLF)**
- The College Cost Reduction and Access Act creates federal loan forgiveness for graduates working in a broad category of public service jobs.
- **Income-Based Repayment (IBR)**
- Section 203 of the Act creates a new loan repayment option that reduces monthly federal loan payments for all high debt/low income borrowers. Income-based repayment (IBR) places an annual ceiling on federal loan payments which is based on the borrower's income. This portion of the law took effect on July 1, 2009.
- In addition to reducing the monthly payment required, the income-based repayment program also requires the government to pay any unpaid interest on the subsidized portions of the loans for up to three years after the borrower elects the IBR option.
- After 25 years of payment, the government will write-off any unpaid principal and accrued interest.

UCLA Stafford Cohort Default Rates



- Source for default rates is the official published rates from the US Department of Education. These rates do not include defaulted PLUS Loans. Note: Since 1988 Cohort default rates have been calculated differently than the preceding years', as mandated by the re-authorization of the Higher Education Act. A student is now considered in default after 270 days delinquent on a loan payment, up from 180 days.



The Cal Grant award covers the UCLA tuition for undergraduate students. As the UC tuition increased, the Cal Grant award also increased to cover the additional amounts. The smaller dollar amount represents the annual maximum Cal Grant A award; the larger amount is the total expenditures in the program. Beginning with the 2007-2008 year, UC Office of the President (UCOP) implemented policy changes and determined, that over a four-year period, students would be eligible for more Cal Grant funding under the Cal A Program vs. the Cal B Program which pays a small stipend \$1551 for year one only and in subsequent years pays both the stipend and tuition. Subsequently, all Cal Grant eligible entering undergraduates were converted to Cal Grant A.

Governor Brown's May Revised Budget Bill would eliminate Cal Grants for all students who do not also qualify for Pell Grants.

- In addition, for those who do receive Pell Grants, the Cal Grant (A or B) would be reduced to reflect the same percentage that the student's Pell Grant represents compared to the maximum Pell Grant amount. For example, if the student only qualifies for 60% of the maximum Pell Grant, the student's Cal Grant would be reduced to only 60% of the Cal Grant amount they otherwise would have qualified for.
-
- The bill also stipulates that for undocumented DREAM Act students, their Cal Grant award would be adjusted according to the Pell Grant award that they would have received based on their Dream Act EFC.
-
- The Commission estimates savings about \$130 million for UC students. Kerry is running simulations to see if we're in the same ballpark. Her simulations will be based on 2010-11 data (since that's the latest info that we have).
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- Here's a link to the language:
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- http://www.dof.ca.gov/budgeting/trailer_bill_language/education/documents/%5b434-439,%20441%5d%20Student%20Aid%20Commission.pdf

Estimated impact of Governor's Revised Budget Proposal on Cal Grants, May 16, 2012

Figures are based on 2010-11 Cal Grants and do not reflect the increase in Cal Grant recipients or awards since then.								
	2010-11 Cal Grant Recipients						Estimated Loss	
	Cal Grant Eliminated		Cal Grant Reduced		No Change		\$M	%
System	7,151	13%	24,877	45%	23,269	42%	\$150	27%
Berkeley	843	13%	2,932	44%	2,838	43%	\$17	26%
Davis	922	12%	3,265	44%	3,305	44%	\$19	26%
Los Angeles	874	13%	2,965	46%	2,650	41%	\$19	28%
Riverside	684	9%	3,334	46%	3,297	45%	\$17	23%
San Diego	962	12%	3,743	46%	3,416	42%	\$21	25%
Santa Cruz	733	15%	2,307	47%	1,848	38%	\$15	32%
Santa Barbara	817	14%	2,632	46%	2,280	40%	\$16	29%
Irvine	1,097	16%	2,931	44%	2,645	40%	\$21	31%
Merced	219	11%	768	39%	990	50%	\$5	25%

QUESTIONS?

UCLA Financial Aid Office

Email: finaid@saonet.ucla.edu

Website: www.fao.ucla.edu

Phone: (310) 206-0400