

2009-10 and 2010-11 undergraduate fees and financial aid

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Faced with unprecedented budget shortfalls and declines in state support, the UC Board of Regents on Nov. 19 enacted a mid-year fee increase for 2009-10 and fee increases for the 2010-11 academic year.

For California residents, the new fee levels approved by the Regents include a mid-year fee increase in January 2010 of \$585 or 15 percent for undergraduates and graduate professional degree students. The increase will be \$111 or 2.6 percent for graduate academic degree students; for the 2010-11 academic year, fees will rise again by \$1,334 or 15 percent for both resident undergraduates and graduate students starting in summer 2010.

The Regents also approved increases in professional degree fees for 2010-11 that range from \$280 to \$5,696.

The university recognizes that fee increases for students are painful, especially in the current economic downturn, and is taking steps to minimize the impact on students and families through financial aid:

- **Expansion of the Blue and Gold Opportunity Plan** — In 2010-11 the Blue and Gold Opportunity Plan will be expanded to include eligible resident undergraduates with family incomes up to \$70,000. Under the higher income ceiling, California residents with financial need and family incomes of \$70,000 or below are assured that they will receive gift assistance that will, at a minimum, cover all their mandatory systemwide fees. With the expansion, the plan is expected to provide full fee coverage to an additional 800 undergraduates who were not previously eligible. UC projects that, overall, 52,000 undergraduates will be covered under the Blue and Gold in 2010-11. The plan's expansion is anticipated to cost \$2.7 million; UC currently is examining options for funding the added costs. The plan is expected not only to benefit more UC students, but also to encourage a greater number of low-income Californians to apply to and enroll at UC.
- **\$1 billion student fundraising effort** — The university also has announced Project You Can, an ambitious effort in which all 10 UC campuses have committed to raise \$1 billion in the aggregate over the next four years from private sources. This effort would double the amount of private support the system has raised for scholarships, fellowships and other gift aid in the previous five years. The effort recognizes the need to focus fundraising efforts more sharply on student support.
- **Setting aside a portion of any fee increase for financial aid** — As UC historically has done, 33 percent of the revenue generated from the approved fee increases will be set aside to mitigate the impact of higher fees and other costs on undergraduate students with financial need. Similarly, 50 and 33 percent of revenue generated by the increases will be set aside to provide financial aid for graduate academic students and professional school students respectively.
- **Increases in financial aid and tax credits to help low- and middle-income students** — UC's return-to aid practice, combined with 2009-10 increases in Cal Grants, federal Pell Grants and federal tuition tax credits will provide enough additional resources to cover the full amount of the fee increases already approved for 2009-10, and the 2009-10 mid-year increase for nearly three-quarters of UC students with family incomes below \$180,000.

For 2010-11, these new resources, along with further expected increases in UC grants and Cal Grants, should cover the additional 2010-11 fee increase for the 45 percent of students who receive these awards. Students with family incomes up to \$70,000 per year typically qualify for Cal Grants and UC grants.

Other students with financial need will have half of the 2010-11 fee increase covered if their parents' income falls below \$120,000 — an increase in the cap from \$100,000 in prior years. Middle-income families also will continue to benefit from federal higher education tax credits in 2010.

UC has a fundamental responsibility to be financially accessible to all students admitted within the framework of California's Master Plan for Higher Education, regardless of their financial resources. This responsibility is implicit in the Master Plan itself and forms the basis of the university's undergraduate financial aid policy.

Despite the challenges it has faced in recent years — including large fee increases resulting from deep cuts in state support for the university's budget, significant increases in non-fee costs and a severe economic recession — the university has remained financially accessible to students at all income levels. For example:

- In 2008-09, 63 percent of UC undergraduates received more than \$1.6 billion of financial support (including loans, grants, scholarships and work-study). More than half (55 percent) of all UC undergraduates received some kind of grant or scholarship (federal, state, university or other) averaging \$11,100 per recipient, which directly reduced the cost of their education.
- The university continues to enroll a larger number of low-income students than comparable public or private universities. Nearly one-third of all UC undergraduates were Pell Grant recipients last year, compared with 8 percent to 15 percent at Harvard, Yale, Stanford and other highly selective research universities. (Pell Grant recipients generally have family incomes below \$50,000.)

For more information about financial aid at UC: www.universityofcalifornia.edu/admissions/paying

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