

## FINANCIAL AID INFORMATION FOR THE CLASS OF '14

### The New MIDDLE-CLASS SCHOLARSHIP

The State of California has created a new financial aid program for students who attend any campus of the University of California (UC) or the California State University (CSU). This program is for students whose public grants [Federal Pell Grant, State Cal Grant, University of California Grant (UCG), and/or State University Grant (SUG)] cover less than 40% of tuition at UC or CSU. Eligibility is determined by simple income level, not by the more sensitive need-based evaluation of family finances used for all other major financial aid programs. The Cal Grant asset ceiling does not apply.

To qualify in 2014-15 a student must:

- File a FAFSA by March 2, 2014 (see AB 540 note below);
- Be a new, transfer or continuing student at UC or CSU;
- Have no more than 40% of his or her tuition covered by Pell Grant, Cal Grant, UCG or SUG;
- Be a California resident (see AB 540 note below); and
- Have total 2013 income below \$150,000 (parent and student income for 'dependent' students, student income or student plus spouse income for 'independent' students).

AB 540 students must meet the same criteria as above, except:

- AB 540 students who do not have legal immigration status must complete the California Dream Act Application by March 2, 2014.
- AB 540 students who are US citizens or permanent residents (but residents of other states) must file the FAFSA by March 2, 2014.
- AB 540 students are exempt from the California residency requirement.

The new law does not require a student to file a GPA Verification, but it is a great idea for students who are seniors in high school, in their first year out of high school or transferring to UC or CSU from a community college. A student is considered for an Entitlement Cal Grant if the GPA Verification is sent by March 2, 2014. UC and CSU students eligible for Cal Grant receive significantly more money than recipients of Middle-Class Scholarships; AB 540 students are eligible to be considered for Cal Grant.

Students eligible for a Middle-Class Scholarship will have a portion of their tuition covered by grant assistance. For students and families with less than \$100,000 total income, the maximum grant is 40% of tuition (when fully phased in). That amount gradually declines as family income goes up to a maximum of \$149,999. The Middle-Class Scholarship award is reduced by any Pell Grant, Cal Grant, UCG, or SUG that a student receives. The program will be phased in over the next four years.

#### Middle-Class Scholarships - Range of Dollar Value

*Any Pell Grant, Cal Grant, University of California Grant or State University Grant will reduce the amounts shown below.*

		2014-15		2015-16		2016-17		2017-18	
		2013 Income <\$100,000	2013 Income \$149,999	2014 Income <\$100,000	2014 Income \$149,999	2015 Income <\$100,000	2015 Income \$149,999	2016 Income <\$100,000	2016 Income \$149,999
UC	Tuition \$12,192	\$1,707	\$427	\$2,438	\$610	\$3,658	\$914	\$4,877	\$1,219
CSU	\$5,472	\$766	\$192	\$1,094	\$274	\$1,642	\$410	\$2,189	\$547

*Information on this handout may be superseded by changes in federal or state law or regulation.*

*This handout has no legal status; it is offered for informational purposes only, reflecting current understanding of a very new program. Mary Gill, September 2013*