

Attachment 1: Proposed Amendments to Regents Policy 3201: The University of California Financial Aid Policy

*Additions shown by underline or double underline; deletions shown by ~~striketrough~~. The bullets in *italics* were moved to/from another section of the policy.*

Regents Policy 3201: The University of California Financial Aid Policy

A basic value of the University of California is that the University should serve a diverse student body. Inherent in such a value is a concern that financial considerations not be an insurmountable obstacle to student decisions to seek and complete a University degree. This basic value is at the heart of the University's Financial Aid policy for all of its student body, but varies in its expression for undergraduate and graduate students.

Undergraduate Financial Aid Policy

The University's undergraduate student support policy is guided by the goal of maintaining the affordability of the University for all the students admitted within the framework of the Master Plan. As such, the student aid policy complements the goals of the University's undergraduate admissions policy, which was adopted by the Board of Regents in May of 1988, to enroll "a student body that...demonstrates high academic achievement or exceptional personal talent, and that encompasses the broad diversity of cultural, racial, geographic, and socio-economic backgrounds characteristic of California."

Specifically, the University's Financial Aid policy for undergraduates calls for the University, in partnership with the State, to seek to maintain the affordability of a University education for eligible California resident undergraduates who are regularly enrolled. The policy has the following provisions:

1. The University's goal is that the cost of attending the University will be met through a combination of the following:

- a manageable contribution from family resources, based on the family's financial strength;
- a manageable contribution from the student in the form of ~~loan and/or~~ part-time work;
- a manageable contribution from the student in the form of a loan if necessary; and
- grant support from a combination of Federal, State, University, and private sources.

2. The University will employ standard criteria set by the Federal government and other funding agencies in the determination of financial aid eligibility but will maintain a commitment to be sensitive to extraordinary individual circumstances through the availability of appeals processes and other opportunities for individual case reviews.

3. The University will provide a financial aid delivery process that is as efficient as possible. Opportunities to simplify and improve delivery will be pursued both within the University and at the State and Federal levels.

The funding of the University's need-based grant aid programs in support of this policy will take into consideration a combination of the following factors:

- the manageability of projected parent contributions, student debt levels, and student employment expectations;
- analysis of support levels and the composition of aid awards (i.e., the balance between grant, ~~and loan/work~~, and loan) at various income levels over time;
- changes in the diversity of the undergraduate student population along economic lines;
- the student experience of financial aid to meet their needs, as measured through surveys; and
- the undergraduate aid packages and support levels at comparable institutions.

Basic to the funding policy is the principle that the parents of undergraduates have the responsibility to pay for the educational costs (i.e., fees plus living expenses) associated with attending the University to the extent of their capacity to pay. In addition, funding levels for grants will assume ~~manageable debt levels based on expected earnings after graduation relative to loan repayment obligations and~~ manageable work expectations that reflect the number of hours per week that students can work while enrolled during the academic year or over the summer without any significant adverse impact on academic performance. Student loans are a valuable educational financing tool that will be made available to eligible students, but the University will endeavor through its financial aid offers to minimize student debt.

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- ~~changes in the diversity of the undergraduate student population along economic lines;~~
- ~~the undergraduate aid packages and support levels at comparable institutions.~~

In addition, the University will work to provide adequate employment opportunities, both on- and off-campus, for students to fulfill their work expectations. Emphasis will be placed on providing jobs that have higher pay and that are related to students' academic and career interests.

It is recognized that the actual awards students receive will vary across campuses and across categories of students in response to local conditions and priorities. As a result, some students (e.g., late applicants) will have more than the calculated manageable expectation for loan and work, while others (e.g., scholarship recipients) will have less.