

# University of California Financing Guide for Transfer Students

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Learn how students and families at all income levels can afford a world-class UC education.



You can do it and we can help.

# Can I afford a UC education?

Yes. And there are ways we can help you invest in your future.

If you are considering transferring to UC, you know that preparing yourself academically takes planning and effort. So does preparing yourself financially.

## How does UC help?

The state of California invests more than \$9,000 per year in each UC student's education, directly reducing the costs of attending.

The University is committed to helping all academically eligible students attend regardless of economic circumstances. A 2002 James Irvine Foundation study found UC campuses enroll a higher percentage of students from low-income families than any other top public or private U.S. university. Even those who don't qualify for financial aid will find that the University of California provides a world-class education for significantly less than comparable private institutions.

Nearly 60 percent of UC students receive some form of financial aid.

About half of all undergraduates receive grants and scholarships, which do not have to be repaid.

These awards average \$6,400 a year.

## Why should I choose UC?

Your education is an investment in your future. Unlike most products or services you buy that depreciate over time, a UC degree will increase in value by opening doors. UC graduates enjoy high acceptance rates at graduate and professional schools. And, as you can see, a bachelor's degree can significantly increase your earning power in the job market.

Increase your earning power with a UC degree.

LEVEL OF EDUCATION	High School Diploma	Associate's Degree	Bachelor's Degree	Master's Degree	Doctorate
Average annual income	\$30,056	\$38,012	\$54,714	\$64,532	\$81,380
Unemployment rate	5.2%	3.0%	2.7%	2.2%	1.2%

Source: Bureau of Labor Statistics 2001



***“The biggest myth is that UC is out of reach. I had a financial aid package that for the first time allowed me to concentrate on school. And I have the privilege of graduating from an institution like the University of California.”***

# How do I pay for it?

Use a financial partnership to cover your costs.

Financing a UC education requires a partnership involving students, the University and, in many cases, parents. Each partner is expected to contribute to covering the costs of attending the University.

**THE PARTNERS**

**You** will be expected to help cover your educational costs by working part time and borrowing through student loan programs at manageable levels.

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**Parents\*** will be expected to contribute based on their financial circumstances as reported on the Free Application for Federal Student Aid, or FAFSA. For very low-income families, there may be **no** parent contribution required.

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**UC** provides grants to cover costs that students and their families are not expected to meet themselves. Grants do not have to be repaid. Each campus will determine your total grant eligibility and fill it using federal, state and UC's own grant programs.

\*Not all parents are expected to help pay educational costs. See page 4 for guidelines on when to report parent income on your financial aid application.

## How is my financial aid calculated?

To evaluate your eligibility for financial aid, we look at the total cost of attendance — including registration fees and living expenses — and the expected contributions from you and, if applicable, your parents. If costs exceed your expected contributions, the University, as a partner in your education, looks to other resources to help cover your costs.

## How does the partnership work?

Below are four scenarios to illustrate how four students and their families, together with the University, might cover the costs of attending UC for one year. The first three are “dependent” students, each in a family of four with one student in college; the fourth student is married and considered “independent” of his parents for financial aid purposes.\*\*

STUDENT FINANCING PLAN	DEPENDENT			INDEPENDENT Stephen
	Samuel	Sonja	Salina	
Annual parent income	\$25,000	\$45,000	\$65,000	N/A
Expected from parents	0	2,680	7,520	N/A
Student wages <small>From part-time job during school year (12hrs/wk@ \$7.30/hr)</small>	2,900	2,900	2,900	\$2,940
Student savings <small>From full-time work during summer</small>	690	690	690	690
Student loan <small>Low interest</small>	3,960	3,960	3,960	5,350
Grant aid <small>Does not have to be repaid</small>	9,260	6,580	1,740	7,830
<b>Estimated costs (2002–03)</b> <small>Living on campus</small>	16,810	16,810	16,810	16,810

To estimate how your family might finance a UC education, use our online financial aid calculator at [www.ucop.edu/pathways/finaid/calculator](http://www.ucop.edu/pathways/finaid/calculator).

\*\*Examples throughout this brochure and on our Web site are meant to be instructive and are not guarantees of financial aid. Nor are they guaranteed to represent actual costs incurred at UC by all students.

# What do I need to do?

Understand the resources available to help you pay for your education.

## What does it really cost to attend?

You already know that the cost of a college education includes more than just registration fees or tuition. Your budgeting for UC should incorporate **all** your expenses — room and board, transportation, books and supplies — that will exist regardless of which four-year college you choose to attend.

Most UC students pay less than the average costs listed at right because they receive some form of financial assistance.

LIVING SITUATION	Annual UC Fees*	Living Expenses**	Estimated Total Cost of Attending UC (2002–03)
On campus	\$3,860	\$12,950	<b>\$16,810</b>
Off campus	3,860	11,710	<b>15,570</b>
With parents	3,860	7,380	<b>11,240</b>

\*Be sure not to confuse annual UC fees with overall cost (you will not receive a bill from UC for \$16,810, for example).  
 \*\*The total cost includes expenses you are already paying for whether you go to UC or not, such as food, housing and transportation.

## Who needs to report parent financial resources?

Federal government standards dictate whether undergraduate students must report their parents' income. Answer the questions at right as if it is January 1 of the year you plan to file for financial aid. If you can answer "yes" to at least one of the questions, your parents will **not** be expected to contribute to your education. You are considered "independent."

Are you 24 or older?	Yes	No
Are you a veteran (not ROTC)?	Yes	No
Are you married?	Yes	No
Are you an orphan or ward of the court?	Yes	No
Do you have a child?	Yes	No

If you answer "no" to all the questions, you are considered "dependent." You will need to report your parents' income on the FAFSA. Even if their information is included on the FAFSA, some parents with very low incomes will have **no** contribution expected of them.



*"I was concerned about how big my student loan would be. Then I started thinking about people who easily take out a loan to buy a car, and I knew I was making a better investment."*

## WAYS TO COVER THE PARENT CONTRIBUTION

- Earnings** Use current money from a paycheck.
- Savings** Draw on savings built over time in an interest-bearing account.
- Borrowing** Low-interest, government-backed PLUS loans are available for credit-worthy parents. Parents can borrow up to the total cost of college attendance, minus other financial aid. For more details, see our Web site at <http://www.ucop.edu/pathways/finaid>.
- Payment Plans** Many campuses offer deferred payment plans that spread the cost of fees, tuition and on-campus housing over several months to lighten the burden. Talk to campus financial aid offices about this option.
- Tax Benefits** After-the-fact support comes in the form of federal tax breaks (Hope and Lifetime Learning Credits) that benefit those whose parents pay for tuition and fees. Talk to a tax expert about eligibility for these benefits (and visit the U.S. Department of Education Web site at [www.ed.gov/offices/OSFAP/Students/taxcuts/index.html](http://www.ed.gov/offices/OSFAP/Students/taxcuts/index.html)).

### How much is expected of parents?

The University uses a federal formula to determine how much parents should contribute, taking into account current income, assets, family size and other important factors.

## How do I manage loans and a job?

All students who receive financial aid are expected to take out loans and/or work part time to help cover the cost of attending UC. It is up to you to find a balance between working and borrowing that is manageable for you.

### STUDENT LOANS

#### An investment in your future

Before panicking at the prospect of borrowing money, consider that student loans, unlike car loans or credit card debt, help you buy something that will *increase* in value. And student loans are designed to make repayment manageable. Take our student Sonja and assume that she borrows the same amount (\$3,960) each of her three years at UC. She will graduate with \$11,880 in debt. It sounds daunting, but as you can see, if she earns an average starting salary for a UC graduate, she will easily be able to meet her \$144 monthly loan payment.

10-YEAR LOAN REPAYMENT SCHEDULE	
Yearly loan amount for Sonja	\$ 3,960
Total debt	11,880
Monthly income (average after taxes)	2,393
<b>Monthly loan payment*</b>	<b>144</b>
Monthly income to live on	2,249

\*Repayment starts six months after graduation.

For a UC graduate earning an average starting salary of \$38,000, a typical 10-year loan repayment schedule is manageable.

### STUDENT EMPLOYMENT

#### Study full time, work part time

Since we expect UC undergraduates to attend class full time, most students generally work no more than 20 hours a week during the school year. Some work less and borrow more. The goal of UC's financial aid programs is to ensure that students cover their costs without having to work more than part time.

Each campus has a student employment office to help you find a part-time job on or around campus, or in your chosen field of study. Campus employers (and many off-campus ones) are willing to work around students' academic schedules.

# How will this work?

Take a closer look at one student's costs.

Let's examine the estimated expenses and financial aid for one of our students, Sonja, to see just how UC costs can be managed. Below, Sonja's costs and aid are divided among the three academic terms – fall, winter and spring quarter.

## Sonja's educational financing plan

Sonja's bill for the 2002 fall quarter is mailed to her in August with a September due date. It includes her fees and room and board, totaling \$4,316.

**Subtracted from these charges is Sonja's financial aid.**

Since she attends a campus on the quarter system, one-third of her grant aid (\$2,193) is applied to this bill. Sonja has chosen to take out a student loan to help meet her expected contribution. The fall portion of the loan (\$1,320) is applied to this bill as well.

FALL QUARTER BILL	
Fees	\$1,286
Room and board	3,030
Minus grant aid	2,193
Minus loan proceeds	1,320
Total due	803
Parent contribution	893
<b>Remaining funds</b>	<b>90</b>

OTHER FALL COSTS	
Books, transportation, etc.	\$1,280
Summer job savings	690
Part-time job	966
Total earnings for fall	1,656

**Sonja's parents** are expected to contribute \$2,680 a year to her education, or \$893 for one quarter. This will cover the remainder of her fall bill and leave \$90 to help with other costs.

**Sonja's other college costs** — books, personal expenses, transportation, etc. — will be about \$1,280 by the end of the quarter. Sonja's part-time job

Sonja's earnings will leave her more than enough to cover her costs for the fall quarter.

during the year provides \$2,900, or \$966 per term. Sonja also saved \$690 from her summer job, and she will probably need to have a portion of this amount, say \$350, ready for books at the beginning of the fall quarter.

**For winter and spring terms** Sonja will need approximately the same resources. She plans to continue working at a part-time job during the school year and save to make sure she can cover her expenses. She will also work full time during the following summer.



***"I didn't have a problem finding a job. I used the career center and that was just a wonderful experience. They had current postings for all types of jobs, with the wage, the hours and the skills needed."***

# What's my next step?

Plan ahead to make financing your education manageable.

## 1 File for financial aid by March 2 of your last year at community college.

- If you have not applied for financial aid before, you must file the Free Application for Federal Student Aid (FAFSA) to be eligible for financial aid at UC.
- All UC applicants will receive a paper copy of the FAFSA. Copies of the FAFSA are also available at any college or online at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). If you have filed for financial aid in the past, you may be able to file the shorter renewal form online. Ask a financial aid counselor for details.
- If you do not have a Cal Grant A or B already reserved for you, you should file the state of California's GPA Verification Form between January 1 and March 2. Find this form at your community college, any UC campus or high school, or by contacting the California Student Aid Commission at (888) CA GRANT.

If you miss the March 2 deadline, you should still apply — some forms of financial aid may still be available. Be aware, though, that the funds are usually limited after the deadline.

## 2 Discuss with your parents that they may be expected to contribute to your education.

Use our new financial aid calculator at [www.ucop.edu/pathways/finaid](http://www.ucop.edu/pathways/finaid) to estimate your family's expected contribution.

## 3 Remember that the University will meet your costs with as much grant aid as possible.

## 4 Plan to work part time during the school year while attending school full time.

## 5 Consider student loans an investment in your future.

## 6 Keep your expenses low.

Consumer debt, such as high credit card bills or car loans, will be a burden you don't need while financing your education.

## 7 Apply for scholarships.

Applying for and receiving merit scholarships can take significant effort on your part, but money you receive can help reduce your need to take out student loans or work part time. For more information on scholarships (and how to spot scholarship scams), visit our Web site at [www.ucop.edu/pathways/finaid](http://www.ucop.edu/pathways/finaid).

## 8 Contact a UC campus financial aid office.

If you have questions about your grant eligibility or need to explore student loans, contact the financial aid office at the UC campus you plan to attend.

Learn more about how to prepare for and apply to the University of California by visiting **PATHWAYS**, UC's online admissions information and application center.

[www.ucop.edu/pathways](http://www.ucop.edu/pathways)

# Get your questions answered.

Know the facts so you can make an educated choice.

## Frequently asked questions

### Q. What if my parents can't help me pay for school?

A. Your family should still file the Free Application for Federal Student Aid, or FAFSA, between January 1 and March 2 of your last year at community college. If your parents' income is low, they will have a smaller — or even no — contribution expected. If they do have an expected contribution, remember that this amount is not “due” at one specific time but can be contributed to your educational costs in a variety of ways, such as helping pay fees each quarter, buying books or providing monthly funds for living expenses.

### Q. I have a child. Will there be money for childcare expenses?

A. We do not include childcare expenses in the examples in this brochure. However, some campuses will take those expenses into consideration when developing your financial aid package. Contact a campus financial aid office for details.

### Q. What aid is available for foreign students or undocumented immigrants?

A. Aid for foreign students and undocumented immigrants is severely limited and largely consists of scholarships from non-University agencies. Students planning to apply with the INS to be permanent residents of the United States should begin the process several years in advance of college. Some undocumented students (as well as documented nonresidents of California) who attended a California high school for three years and graduated may be eligible to pay in-state UC fees. For more information, visit [www.ucop.edu/sas/sfs/ppolicies/ab540faqs.htm](http://www.ucop.edu/sas/sfs/ppolicies/ab540faqs.htm).

### Q. If we don't qualify for any grant aid, is there anything else you can do to help me?

A. If your family's financial situation is such that you are not eligible for grant aid, you may still be eligible for other forms of assistance. Scholarships are often based on academic merit rather than finances. Certain kinds of subsidized or low-interest loans are also available. These loans still require you to file the FAFSA.

## To learn more...

Find detailed financial aid information online at [www.ucop.edu/pathways/finaid](http://www.ucop.edu/pathways/finaid).

Campus-specific information can be found at the Web sites below:

**BERKELEY** [www.berkeley.edu](http://www.berkeley.edu)  
**FINANCIAL AID** [www.uga.berkeley.edu/fao](http://www.uga.berkeley.edu/fao)

**DAVIS** [www.ucdavis.edu](http://www.ucdavis.edu)  
**FINANCIAL AID** [faoman.ucdavis.edu](http://faoman.ucdavis.edu)

**IRVINE** [www.uci.edu](http://www.uci.edu)  
**FINANCIAL AID** [www.fao.uci.edu](http://www.fao.uci.edu)

**LOS ANGELES** [www.ucla.edu](http://www.ucla.edu)  
**FINANCIAL AID** [www.fao.ucla.edu](http://www.fao.ucla.edu)

**MERCED** [www.ucmerced.edu](http://www.ucmerced.edu)

**RIVERSIDE** [www.ucr.edu](http://www.ucr.edu)  
**FINANCIAL AID** [www.finaid.ucr.edu](http://www.finaid.ucr.edu)

**SAN DIEGO** [www.ucsd.edu](http://www.ucsd.edu)  
**FINANCIAL AID** [www.ucsd.edu/finaid](http://www.ucsd.edu/finaid)

**SANTA BARBARA** [www.ucsb.edu](http://www.ucsb.edu)  
**FINANCIAL AID** [www.finaid.ucsb.edu](http://www.finaid.ucsb.edu)

**SANTA CRUZ** [www.ucsc.edu](http://www.ucsc.edu)  
**FINANCIAL AID** [www2.ucsc.edu/fin-aid](http://www2.ucsc.edu/fin-aid)