

## Frequently Asked Questions: UC MSI Work and Recent Federal Funding Changes

### BACKGROUND

**Minority-Serving Institutions (MSIs)** have long played a vital role in expanding access to higher education for students from historically underserved communities. Within this federal framework, **Hispanic-Serving Institutions (HSIs)** are designated campuses where at least 25 percent of undergraduates identify as Hispanic, while **Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs)** are recognized for enrolling at least 10 percent Asian American and Pacific Islander undergraduates and significant numbers of low-income students. These designations open opportunities for federal funding to support student success, faculty development and community engagement.

All nine undergraduate-serving UC campuses are federally designated as AANAPISIs, and five also hold the HSI designation. Together, these recognitions reflect UC's central role in educating California's diverse student populations, advancing equity and preparing the state's future workforce.

On July 25, 2025, the U.S. Office of the Solicitor General issued a letter asserting that HSI grants violate federal law. Citing that letter, on September 10, 2025, the U.S. Department of Education announced it would cease approximately \$350 million in funding for new and certain continuing MSI discretionary grant programs. While this federal shift may change which grant programs are available, UC's MSI-related work remains deeply embedded in the university's mission. Guided by the Regents' Policy on Diversity (Policy 4400), UC affirms that diversity, equity and inclusion are essential to academic excellence and to fostering a supportive campus climate for all students. These values remain constant, even as federal funding frameworks evolve.

The university does not consider race, ethnicity, sex, color, national origin or other protected class status when making admissions, employment and contracting decisions and has not done so for more than a quarter century. We take seriously our responsibility to ensure that our diversity, equity and inclusion policies and practices are fully compliant with both federal and state nondiscrimination laws and consistent with applicable university policies.

As stated in Regents Policy 4400, diversity at the University of California “refers to the variety of personal experiences, values, and worldviews that arise from differences of culture and circumstance,” including differences of “race, ethnicity, gender, age, religion, language, abilities/disabilities, sexual orientation, gender identity, socioeconomic status, and geographic region.” The policy also affirms that diversity is “integral to the university’s achievement of excellence” and essential to fulfilling UC’s mission of teaching, research and public service.

Equally important is our responsibility to ensure that the university is a safe, respectful and inclusive environment where all members of our community can thrive.

This UC-specific compilation of Frequently Asked Questions (FAQs) contains preliminary guidance and references to relevant federal and state law and university policy. We will update these FAQs as needed and as we receive additional information.

Questions may be directed to [uchsi.initiative@ucop.edu](mailto:uchsi.initiative@ucop.edu).

## **FEDERAL DESIGNATION AND UC’S CONTEXT**

### **Does the change in federal MSI grant funding mean UC’s HSI- or AANAPISI-supported student programing will end?**

No. Although the federal government’s decision to cancel High School Equivalency Programs (HEP), College Assistant Migrant Programs (CAMP), TRIO Programs, AANAPISI and HSI grant competitions means that specific funding streams for the foreseeable future are coming to an end, advancing student success, equity and degree completion is central to the university’s mission and values and will continue despite these actions.

### **Does the work UC has done using MSI funding violate the law?**

No. This work is nonexclusionary and complies with state and federal law. Support services provided by UC campuses follow a range of policies and practices that comply with laws that prohibit limiting access to them on the basis of race, sex, color, ethnicity or national origin. Prop 209, passed by California voters in 1996, amended the state constitution to prohibit public institutions from granting preferences on these bases, including the use of racial quotas. UC has been subject to these requirements ever since, along with federal antidiscrimination laws.

### **Do HSI grants only support the educational needs of Hispanic students?**

No. While HSI grants are awarded to institutions that serve a significant Hispanic student population, the funds are used to benefit all students. Federally funded programs range across support services such as tutoring, counseling, mentoring, STEM initiatives and leadership development, all with the goal of fostering inclusive excellence and postgraduation success for California's future workforce and all of which are open to students of all backgrounds.

### **How does the Minority-Serving Institution (MSI) designation strengthen UC's commitment to student success, equity and community engagement?**

MSI designations play a vital role in higher education and have a significant impact on UC in multiple ways that benefit students of all backgrounds. Schools with such designations often:

- **Advance student success** through teaching and high-impact learning experiences such as research, internships and service learning.
- **Fuel economic mobility** by educating large numbers of Pell Grant recipients and preparing graduates for high demand careers.
- **Build talent pipelines** in STEM, health, education and technology, while aligning with workforce needs through partnerships with local employers.
- **Enrich scholarship and communities** by supporting public scholarship and serving as anchor institutions that support local communities through clinics, teacher preparation and cultural enrichment experiences.
- **Strengthen networks** by developing alumni who remain engaged and who reinvest in their communities and institutions, creating cycles of support and growth.

## **IMPACTS ON STUDENTS AND PROGRAMS**

### **What does this mean for students currently being served by MSI-funded programs? Will students lose access to programs or services?**

Students will continue to have access to support. UC remains committed to student success and belonging. Programs designed to improve retention, advising, mentoring

and degree completion are part of the fabric of our campuses and will not disappear because of this funding change. These efforts are part of UC's long-term commitment to serving diverse student populations and ensuring inclusive excellence.

### **Are campuses required to return previously awarded grant funds?**

At this time, no. UC is working closely with colleagues in Federal Governmental Relations (FGR) and campus contracts and grants offices, along with other system partners, to understand the full implications of this federal decision. As of now, there is no requirement to return previously disbursed funds. Please consult your campus research/grant office for instruction or questions you may have regarding extensions or reimbursement procedures.

### **Will UC continue to be eligible for other federal grants?**

Yes. The federal announcement primarily affects certain categories of MSI competitive grants such as:

- Title V, Part A: Developing Hispanic-Serving Institutions
- Title III, Part A: Strengthening Asian American and Native American Pacific Islander-Serving Institutions (AANAPISI)

UC campuses will continue to be eligible for a wide range of federal funding streams that support student success, research and institutional capacity building.

## **UC'S RESPONSE**

### **How is UC responding to this change?**

UC leaders in Federal Governmental Relations (FGR), UC Legal and the UC Office of the President are actively engaged, coordinating systemwide with campus leaders and national partners to seek clarity, assess impacts and advocate for resources that reflect UC's student demographics and mission.

- **Systemwide coordination:** UCOP is working with campus leaders and FGR to assess the implications and provide clear guidance.
- **Advocacy:** UC is engaging with policy makers, federal partners and higher education associations to ensure that the needs of UC students are represented.

- **Communications:** We are committed to keeping campus partners and colleagues informed as more information becomes available.

### Where can I go to find more info about the benefits of MSIs?

The [University of California](#) and the [Hispanic Association of Colleges and Universities](#) are great resources to find more information about the benefits of MSIs.

### How should staff and faculty communicate this change to students or colleagues?

**Reassure and refocus.** The key message is that UC's student-centered, research-informed work continues. This funding challenge does not change UC's mission, nor does it diminish our commitment to students from all backgrounds.

## LOOKING AHEAD

### How does recognition as an MSI contribute to advancing UC's research mission?

These designations not only support student services, but also make institutions eligible for funding that strengthens UC's research enterprise while deepening our understanding of student success and equity in higher education.

Examples of programs, none of which are limited by race, ethnicity or national origin, include:

- **UC HSI Doctoral Diversity Initiative (UC HSI-DDI):** Supports UC doctoral students studying HSIs, offering dissertation support, professional development, peer learning and mentorship.
- **President's Postdoctoral Fellowship Program (PPFP):** Expanded with a \$15 million Andrew W. Mellon Foundation grant to increase fellowships and recruit faculty whose research and teaching emphasize diversity and equity in the humanities and related social sciences at UC's five HSIs.
- **Systemwide Research Leadership:** Senior UC faculty are producing a blueprint on HSI work to guide UC's progress as a Hispanic-Serving Research Institution, focusing on enrollment, academic success and long-term student thriving.
- **UC-HSI Research Briefs and Webinar Series:** Shares findings from UC

scholars and practitioners, highlighting UC's HSI efforts nationally.

**What does the recent announcement from the U.S. Department of Education mean for Minority-Serving Institutions (MSIs), and how is the University of California responding?**

While the U.S. Department of Education's decision to cease funding for certain discretionary grant programs may initially seem concerning, the University of California remains fully committed to ensuring that our campuses continue to provide a world-class education and support for educationally underresourced communities. We are actively engaging with relevant policymakers and are pursuing alternative funding options to sustain the great work being done at our campuses.

**Does the end of certain MSI federal grant programs mean that UC campuses will lose their HSI or AANAPISI designation?**

No. The U.S. Department of Education's recent decision affects specific *grant programs*, not the MSI designations themselves. UC campuses that meet the eligibility criteria will continue to hold their designations. While the loss of certain grants may reduce one stream of funding, campuses retain their HSI and AANAPISI status and may remain eligible for other federal and private funding opportunities.

**How will this decision affect UC's ability to support students from diverse, first-generation, low-income and educationally underresourced backgrounds?**

UC has long been a leader in serving all students in our community. That commitment remains unwavering. While the future of some federal discretionary funding is uncertain, UC campuses are actively pursuing alternative sources of support, including private grants and partnerships with local organizations, to ensure that students continue to have access to robust resources. Across the system, UC prioritizes scholarships, financial aid and holistic support programs that foster academic success, professional growth and a strong sense of community. We are also advocating for policy changes to protect and expand financial support so that every student can thrive.

**How is UC continuing its mission to preserve cultural heritage and promote inclusion amidst these changes?**

UC's commitment to diversity, equity and inclusion is anchored in the [Regent's Policy of Diversity \(Policy 4400\)](#) and the [Principles of Community](#), which affirm a safe, supportive campus climate for all. Regardless of funding shifts, UC will continue to uphold these

principles through programs, research and campus initiatives that celebrate cultural heritage, foster belonging and ensure inclusive excellence.

### **Where can I obtain additional information?**

As UCOP, FGR and federal agencies provide new guidance, we will share updates with campus partners and advisory boards. For additional information, please contact your relevant campus offices, such as HSI, grant/research offices and the Office of Inclusive Excellence.

## **POLICY RESOURCES**

### **Select Federal Nondiscrimination Laws**

- [Equal Protection Clause of the 14th Amendment Section 504 of the Rehabilitation Act of 1973 Title VI of the Civil Rights Act of 1964](#)
- [Title VII of the Civil Rights Act of 1964](#)
- [Title IX](#)

### **Select State Laws, Policies and Guidance**

- Article I, Section 31 of the California Constitution ([Proposition 209](#))
- [Multistate Guidance Concerning Diversity, Equity, Inclusion and Accessibility Initiatives](#)

### **University Systemwide Policies**

- [Anti-Discrimination Policy](#)
- [Policies Applying to Campus Activities, Organizations and Students \(PACAOS\)](#)
- [Principles Against Intolerance](#)
- [Principles of Community](#)
- [Policy on University of California Diversity Statement \(Regents Policy 4400\)](#)
- [Regents Policy 4404: Policy Prohibiting Use of Quotas and Caps in University Contracting, Employment and Admissions](#)
- [Whistleblower Protection Policy](#)