February 9, 2022

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

I am writing to provide you with a copy of the University of California’s 50th Annual Report on Student Financial Support for 2020–21. The report describes The Regents’ Financial Aid Policy, the University’s goals related to affordability and competitiveness, how the University awards student financial support consistent with its policy and goals, and trends in financial aid awards and student outcomes.

In addition to being the 50th such report to the Board of Regents, this year’s version includes sections that highlight the impacts of the COVID-19 pandemic on student finances, as well as changes over time in our undocumented undergraduate population.

This report, along with reports from prior years, may be found on the UCOP Graduate, Undergraduate and Equity Affairs website under Enrollment Services.

Sincerely,

Michael V. Drake, MD
President

Enclosure

cc: Chancellors
50TH ANNUAL REPORT ON STUDENT FINANCIAL SUPPORT, 2020–21

GRADUATE, UNDERGRADUATE AND EQUITY AFFAIRS
UNIVERSITY OF CALIFORNIA, OFFICE OF THE PRESIDENT
MARCH 2022
Questions about this report may be directed to Shawn Brick, Executive Director for Student Financial Support, Department of Graduate, Undergraduate and Equity Affairs, University of California Office of the President by e-mail to shawn.brick@ucop.edu.
Preface: Fifty Years of Accountability

This is the fiftieth annual report submitted to The Regents of the University of California providing comprehensive data on how undergraduate and graduate students at the University of California finance their education.

Some of the concerns that the University of California has today were also evident in 1971, such as acknowledging indirect educational expenses. The very first report in 1971 includes the typical “cost of education,” or what we today call the total cost of attendance. See inset.

The first report on record from 1971 opened, “The Financial Aid Program of the University is a major enterprise; in 1970–71, financial aid awards totaled over $48,000,000.” Today, that number is $4.4 billion in scholarships, grants, loans, assistantships, work-study, and fee remissions.

Indeed, student financial support has changed significantly since the first systemwide financial aid program—the Regents Scholarship—was announced jointly in 1963 by President Clark Kerr and Governor Edmund Brown. Figure A-1 below shows the growth in Pell Grant, Cal Grant, and UC Grant from 1979 through today in nominal dollars.

Figure A-1
Grant Support for CA Residents, 1979–80 to 2020–21 in Nominal Dollars

---

1 Systemwide figures are not available prior to 1979–80. The figures from before 2002–03 are approximate and include nonresident students.
Like the annual reports that proceeded it, this document is intended to be a resource for the University community. It provides analyses of the trends and future directions in financial aid for University of California students and describes the roles played by the University and other parties in helping students and their families finance a UC education. The report reflects the broad range of sources and types of assistance, including scholarships, fellowships, grants, loans, work-study, teaching and research assistantships, and on-campus employment.

There is both continuity and change in how UC analyzes and understands this support. For example, the inset to the right from the 1988–89 report organizes graduate support by merit-and need-based aid provided to graduate students by discipline. Section 2 of this report also analyzes support by discipline, but the merit-versus-need lens has become less useful.

Note that many descriptive statistics regarding the University’s financial aid programs in 2020–21 are also published elsewhere. Links to other reports and analyses related to student financial support may be found at the end of this document.

In addition to being the fiftieth annual report on record, two other aspects of the 2020–21 report are worth noting.

- First, 2020–21 marks the tenth year that State and University financial aid has been available to undocumented Californians. See Section 3.

- Second, the COVID-19 pandemic affects how the data should be interpreted for both 2019–20 and 2020–21. The pandemic disrupted important cost factors for UC students, including the following. See Section 4 for more details.
  - Students moved home, which meant that the structure of their educational costs changed.
  - Students lost on-campus employment and/or employment near campuses.
  - While living and transportation costs likely went down for most students, many encountered new technology costs.
  - Federal, State, and University emergency aid mitigated some of these impacts.

Caution: COVID-19 and Trend Data

All trends during the 2020–21 academic year should be interpreted with caution due to the impact on costs and financial aid from the pandemic. COVID Impacts are noted.
This report is compiled by Student Financial Support in the department of Graduate, Undergraduate and Equity Affairs at the UC Office of the President, in collaboration with the department of Institutional Research and Academic Planning.
## Contents

**EXECUTIVE SUMMARY** ................................................................................................................. 7  
Interpreting 2020–21 Data and Impacts of COVID-19 ................................................. 7  
Section 1: Financial Support for Undergraduate Students ........................................ 7  
Section 2: Financial Support for Graduate Students ................................................. 8  
Section 3: Undocumented Undergraduate Students ................................................. 9  
Section 4: COVID Impacts and Response ................................................................. 9  

**SECTION 1  FINANCIAL SUPPORT FOR UNDERGRADUATE STUDENTS** ...................................................... 10  
Goals of the University’s Undergraduate Financial Aid Programs .................. 10  
Financing a UC Education: The Education Financing Model ....................... 11  
How UC Undergraduates Financed Their Education in 2020–21 .................. 14  
Recent Trends for California Undergraduates .................................................. 20  
Outcome Measures Related to Student Financial Support ......................... 26  
Nonresident Undergraduates ...................................................................... 36  
New Developments for 2021–22 and 2022–23 ............................................ 38  

**SECTION 2 FINANCIAL SUPPORT FOR GRADUATE STUDENTS** ................................................................ 39  
**GOALS OF THE UNIVERSITY’S GRADUATE FINANCIAL AID PROGRAMS** .................................................... 39  
Graduate Academic and Professional Student Funding Patterns ........... 41  
New Developments for 2021–22 and 2022–23 ............................................ 52  

**SECTION 3 UNDOCUMENTED UNDERGRADUATE STUDENTS** .......................................................... 53  

**SECTION 4 COVID IMPACTS AND RESPONSE** ................................................................................... 56  

**ADDITIONAL RESOURCES** ............................................................................................................ 59
EXECUTIVE SUMMARY

Interpreting 2020–21 Data and Impacts of COVID-19

As mentioned above, outcomes from 2020–21 should be interpreted with caution due to the impact on costs and financial aid from the pandemic. Potential COVID Impacts are noted.

Section 1: Financial Support for Undergraduate Students

The primary goal of the University's undergraduate financial aid programs is to ensure that the University remains financially accessible to all California students. Many indicators suggest that the University has succeeded at this goal in 2020–21.

- UC students receive substantial levels of gift aid—grants and scholarships—to help cover their total cost of attendance. Most grant assistance comes from three major programs: Federal Pell Grants, State Cal Grants, and UC Grants. See Figure 1-1.

- **COVID Impact:** In 2020–21, fewer students at all income levels borrowed. Unlike in most years, the lowest-income students were less likely to borrow than their middle-income peers, perhaps due to the availability of emergency pandemic grants. See Figure 1-3.

- In recent years, UC's net cost—the total cost of attendance less gift aid—has declined slightly for low-income resident undergraduates and has risen for middle-income students and higher-income students. **COVID Impact:** However, the net cost declined across all income groups in 2020–21 because students lived at home rather than on or near campus during the pandemic. Estimated costs for living at home are much lower than estimates for those living on or near campus. See Figure 1-8.

- **COVID Impact:** California resident undergraduates’ earnings from work-study and on-campus employment decreased slightly in 2019–20 compared with 2018–19, but declined further in 2020–21 during the pandemic. Students living at home had limited opportunities to work on campus. See Figure 1-10 and Section 4.

- The percentage of resident undergraduates from lower-income families increased during the Great Recession and has remained relatively stable since. However, the proportion of UC students from families making $63,000 to $127,000 remains below the proportion they represent in the State. See Figure 1-12.

- Among all undergraduates who enroll at UC with similar levels of academic preparation, low-, middle-, and higher-income students achieve similar levels of academic success as measured by four- and six-year graduation rates. See Figure 1-14.

- The percentage of students graduating with debt declined slightly between 2019–20 and 2020–21, as did the average debt among borrowers. This is true both for California residents and for all undergraduates. See Figure 1-15.

Nevertheless, the University remains concerned about improving equity for some students.

- Although cumulative debt at graduation declined in 2020–21, debt continues to vary by race and ethnicity, even when accounting for income. See Figure 1-16.
On the UC Undergraduate Experience Survey (UCUES), low-income and first-generation students report higher levels of food insecurity. Off-campus students are more likely to be food insecure, but additional financial aid appears to mitigate this among the lowest income students. See Figures 1-18 and 1-19.

There are new developments in 2021–22 related to UC affordability.

- In 2021, the Board of Regents approved the Tuition Stability Plan. Beginning fall 2022, tuition will be adjusted for each incoming undergraduate class but will subsequently remain flat until the student graduates, for up to six years. For undergraduates who first enrolled in fall 2021 or earlier — including all current undergraduates — tuition will stay flat at current rates for the duration of their enrollment, up to six years. Furthermore, the proportion of new tuition revenue set aside for financial aid will increase from 33 percent to 45 percent, expanding the University’s own need-based financial aid.

- In a series of discussions, the UC Board of Regents has explored potential reforms to the Education Financing Model, including a tiered approach based on family income. President Drake has also proposed creating a debt-free path to UC, essentially eliminating the need for qualifying students to borrow.

- A range of federal, State, and University changes will impact the affordability of a UC degree in the coming years. The Office of the President summarized these changes in a presentation to the Regents available here.

Section 2: Financial Support for Graduate Students

The primary goal of the University’s graduate financial aid programs is to provide competitive levels of support in order to enroll a highly talented, diverse student body. The University continues to be concerned about the competitiveness of its financial support for graduate academic students—particularly students in doctoral programs.

- In every discipline, academic doctoral students typically receive net stipends (support from fellowships and assistantships in excess of tuition and fees) that far exceeds that of academic master’s students. Moreover, their net stipends have increased over time in every discipline, whereas the net stipends received by academic master’s students have generally declined. See Figure 2-4.

- The University remains concerned about the competitiveness of its offers to students admitted to its graduate academic programs, which continue to lag behind those from students’ top-choice non-UC alternatives. The competitiveness gap is greatest for domestic nonresident students. See Figure 2-6.

- Although fellowship support for professional degree students has increased—due in part to the one-third of increases in tuition, fee, and professional degree fee revenue that is set aside for institutional aid—it has been outpaced by increases in student borrowing. See Figure 2-7.

- UC’s systemwide average net stipend for academic doctoral students is slightly higher than its estimated average cost of attendance in 2020–21, although this varies by campus and discipline. See Figures 2-9 and 2-10.

Graduate student support in 2021–22 and beyond.
The University will increase tuition and fees for graduate students for five years starting in 2022–23, using the consumer price index. The increases will come with return-to-aid as outlined in the Regents Tuition Stability Plan passed in July of 2021.

In Spring of 2022, the Office of the President will survey graduate students for the second time about their estimated total cost of attendance. This survey helps UC campuses administer financial aid to graduate students and can form the basis for future assessments of the adequacy of financial offers.

The Office of the President will continue to explore how adequately the net stipends for graduate students cover the costs that they face and will track their food and housing insecurity over time.

Section 3: Undocumented Undergraduate Students

The University of California has been able to provide in-state tuition for certain undocumented students for over twenty years and financial aid for ten years. This special section of the Annual Report reviews trend data for this group of students.

Since the California Dream Act, the University has seen an increase in the enrollment of undocumented students who file a California Dream Application (CADAA) for financial aid. See Figure 3.1.

From an affordability standpoint, undocumented students who qualify under the Dream Act receive financial aid that makes their net cost comparable to other students with the same financial background. This is done by using UC grants to backfill for missing federal grants, e.g., Pell. See Figure 3-2.

However, a decreasing number of UC’s undocumented students have work authorization, which limits their ability to contribute to covering the cost of their own education.

Section 4: COVID Impacts and Response

The 2020 COVID pandemic disrupted the University’s educational experience, with nearly all courses delivered remotely. The pandemic also had several impacts on students and parents and on how they paid for college costs.

COVID Impact: In 2019–20 and 2020–21, UC undergraduate and graduate students benefited from federal, State and University emergency grant funding. See Figure 4.1.

COVID Impact: The pandemic also resulted in reduced campus employment, particularly on-campus employment for undergraduates in 2020–21. See Figure 4.2.
SECTION 1
FINANCIAL SUPPORT FOR UNDERGRADUATE STUDENTS

Goals of the University’s Undergraduate Financial Aid Programs

The University of California’s undergraduate financial aid strategy is built around the goal of ensuring that UC is financially accessible to all California students. Undergraduate aid is intended to ensure that financial concerns are not a barrier to students who could not otherwise afford to attend UC. Consequently, most of the undergraduate financial assistance at UC is distributed on the basis of financial need.

Also consistent with this focus, most analysis in Section 1 focuses on California students (including undocumented Californians, i.e., AB540 recipients), whereas versions of this report prior to 2015–16 did not distinguish based on residency. By focusing on residents, the figures in this annual report provide a more accurate picture of how undergraduates covered by the Regents’ policy are faring. Figures that include all students are clearly marked.

Section 1 on undergraduate student support is divided into six subsections:

- Overview of the Education Financing Model
- How Students Financed Their Education in 2020–21
- Recent Trends for California Undergraduates
- Outcome Measures
Financing a UC Education: The Education Financing Model

The University’s approach to student financing is built around an integrated conceptual framework that is used to assess the University’s role in funding its financial support programs, to determine how undergraduate financial aid is allocated across campuses, and to guide campuses in awarding aid to individual students and their families.

This framework, known as the Education Financing Model, is based on four principles:

- UC must acknowledge the student’s total cost of attendance: tuition and fees, along with costs related to living and personal expenses, books and supplies, and transportation.
- Financing a UC education requires a partnership between students, parents, federal and State governments, and the University.
- The University expects all students to make a similar contribution from student loans and employment to help finance their education.
- Flexibility is needed for students in deciding how to meet their expected contribution and for campuses in implementing the model to serve their particular student bodies.

These principles are reflected in a simple framework for determining a student’s financial aid package, shown in the box below.

<table>
<thead>
<tr>
<th>UC Grant Assistance Under The Education Financing Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Total Cost of Attendance</td>
</tr>
<tr>
<td><strong>Less</strong> A reasonable contribution from parents</td>
</tr>
<tr>
<td>UC expects parents to contribute based upon their available resources as defined by federal standards, which take into account parental income and assets, family size, and other factors. No contribution is expected of parents with very limited resources.</td>
</tr>
<tr>
<td><strong>Less</strong> Grants from federal and state programs</td>
</tr>
<tr>
<td>UC expects students to apply for all relevant federal and State grant programs to help cover a portion of their cost of attendance.</td>
</tr>
<tr>
<td><strong>Less</strong> A manageable student contribution from work and borrowing.</td>
</tr>
<tr>
<td>UC expects all students to contribute towards their education through a manageable level of work and borrowing (self-help).</td>
</tr>
</tbody>
</table>
What do these principles mean for the parents of UC undergraduates?

- Parents should be prepared to meet part of their expected contribution by planning and saving beforehand and/or by borrowing once the student is enrolled. Students whose parents do not fulfill their part of the partnership may have to work or borrow more in order to cover their costs.

- Parents who contribute beyond their expected share in order to assume some or all of their student’s expected contribution from work and borrowing may be unduly burdened.

What do these principles mean for UC students?

- The University expects all undergraduates to cover part of their cost of attendance through “self-help”—a combination of loans and wages from employment. The University aims to keep self-help manageable so that students may make steady progress toward completion of the baccalaureate degree and meet their loan repayment obligations after graduation.

- Students can influence their loan/work expectation in several ways. Students who reduce expenses lower their individual cost of attendance and hence the amount they will need to earn or borrow. Conversely, students who spend more than average or who incur additional, unrelated expenses will have to work or borrow more. Students can also reduce their loan/work expectation by taking advantage of the availability of merit-based scholarships (for example, those based on academic performance, community service, special talent, or other personal characteristics).

- Individual students decide the balance between working and borrowing that is right for them. However, all students should plan to work and borrow to some extent so that neither burden becomes unmanageable.

- UC expects students to apply for all relevant federal and State grant programs and to meet application deadlines.

What do these principles mean for the University?

- The University determines funding levels for its systemwide need-based grant program, allocates funds across the campuses, and sets guidelines for awarding funds to students in accordance with the Education Financing Model. These funds, unlike funds such as endowments, are specifically for providing students with access to the University. The Education Financing Model does not apply to funds generated and held at the campus level. Campuses are encouraged to develop additional resources in support of their own enrollment management goals.

- The University aims to provide sufficient systemwide funding to keep students' loan/work expectations within the manageable range established by the Education Financing Model.
The University develops and updates the manageable self-help expectation range annually. The earnings component of the self-help range derives from the expectation that students will work during the summer and between six and twenty hours per week during the academic year. The borrowing component of the self-help range reflects the portion of post-graduation earnings that students can be reasonably expected to dedicate to loan repayment according to credit industry standards.
How UC Undergraduates Financed Their Education in 2020–21

The charts that follow depict how California resident undergraduates financed their education during the 2020–21 academic year.

- UC students receive substantial levels of gift aid—grants and scholarships—to help cover their total cost. See Figure 1-1.
  - Grants are awarded to lower- and middle-income students with financial need.
  - Most grant assistance comes from three major programs: Federal Pell Grants, State Cal Grants, and UC Grants. UC grants are awarded after taking Pell Grants and Cal Grants into account to make UC financially accessible to students at every income level. See Figure 1-1.

- Gift aid dramatically reduces UC’s net cost of attendance for lower-income students and provides substantial assistance to eligible middle-income students. See Figure 1-2.

- Loans help students and parents cover the net cost of attendance. Low-income students are typically more likely to borrow than students from middle- or high-income families, and some students at all income levels do not borrow. Parent loans are most common among middle-income families. See Figure 1-3.
  - **COVID Impact:** In 2020–21, fewer students at all income levels borrowed. Unlike in most years, the lowest-income students were less likely to borrow than their middle-income peers, perhaps due to the availability of emergency pandemic grants.

- Consistent with the Education Financing Model, many students work part-time during the academic year to help cover a share of their costs. Jobs funded by federal work-study funds are available to students with financial need, but other forms of employment play an even greater role in helping students finance their education. See Figure 1-4.
  - **COVID Impact:** Work-study and on-campus employment were much lower than usual due to the pandemic.
Grants and scholarships—collectively known as “gift aid”—are the most important types of aid for students and families because they reduce the net cost of a UC education, thereby reducing the need for students and families to contribute from savings, income, or loans.

Consistent with UC’s primary goal of being financially accessible to all students, independent and lower-income students, who typically have fewer family resources, are more likely to receive gift aid and generally receive larger awards than higher-income students.

Although over 90 percent of all gift aid received by UC undergraduates is awarded on the basis of need, a sizeable proportion of students at every income level receive some form of gift aid.

---

2 Parent income figures throughout this report are obtained from either the Free Application for Federal Student Aid/Dream Act Application (for financial aid recipients) or the undergraduate application for admission. In cases where a student’s parent income is not available from those sources, the parent income represents an estimated figure based on the parent incomes of students with similar characteristics.
● The net cost of attendance represents the share of the total cost of attendance that students and their families are responsible for covering.

● Consistent with the Education Financing Model, UC’s net cost—the cumulative impact of grants, scholarships, and exemptions on the actual cost of attendance—is lowest for those students with the fewest financial resources (see the dark blue column segments in the figure above).

● Scholarships and various tuition and fee exemptions help to reduce the net cost to some extent for students at every income level.
Overall, student loans are much more common than parent educational loans (known as PLUS loans). However, parents may also have access to borrowing mechanisms for which the University does not have data (e.g., home equity lines of credit).

**COVID Impact:** The proportion of students borrowing dropped significantly from 2019–20. This is likely due to two factors: 1) Students moved home and thus had lower living and transportation costs and 2) federal, State, and University emergency relief funding may have mitigated the need to take out student loans.

- In 2019–20, 37 percent of all California students borrowed, with independent students the most likely to borrow (54 percent).
- In all prior years, the proportion borrowing declined with parent income, but in 2020–21, the lowest-income were slightly less likely to borrow than their middle-income peers.

The average student loan amount rises somewhat with income (see the dark blue columns in the figure above), which is consistent with prior years. The higher average borrowing among borrowers from higher-income families may reflect a decision by some students to cover a portion of their expected parent contribution with their student loan.

Among the small proportion of students who use parent loans, middle-income families borrow at the highest rate. The average Federal PLUS loan increases steadily with parental income and is highest for high-income families, who should be in a better position than others to repay larger loans (see the light blue line and columns in the figure above).
Students use wages from on- and off-campus employment to cover a portion of their educational expenses. Under the Education Financing Model, the University tries to provide sufficient grant assistance so that no student is required to work an unmanageable number of hours in order to finance their education.

The figure above shows employment patterns for students with work-study positions and other positions paid from the University’s payroll. Information about hours worked in all forms of student employment (including off-campus, non-work-study employment) appears later in this chapter.

**COVID Impact:** The proportion of students working at UC jobs dropped significantly between 2019–20 and 2020–21. While campuses were able to offer some remote work options, many students could not work for the University during the pandemic.

- In 2019–20, 27 percent of California undergraduates had either a work study or UC job compared to 16 percent in 2020–21.
- Trend data are presented in Section 4.

Job opportunities funded through the federal work-study program are reserved for financially needy students who receive a work-study award as part of their financial aid offer. The University employs many needy and non-needy students in other positions, and students also work in a variety of off-campus positions.

The percentage of students with work-study jobs declines as parent income increases (see the dark blue line in the figure above), while the percentage of students with other forms of campus employment is similar across all income levels (see the light blue line). The average combined earnings from work-study and other campus employment varies little across students’ income levels (see the gold columns).
● The chart above synthesizes support for UC students.

● The height of the chart represents the average total cost of attendance.

● The chart shows the typical mix of financial aid and family support by parent income.\(^3\) Moving from left to right, the following can be observed:

  o Grant support declines as parent income rises.

  o The need to work and borrow is roughly the same across income groups.

  o University grant and the Middle Class Scholarship fill in gaps from other fund sources. This includes backfilling for Cal Grants for those who still meet the financial criteria for the awards (e.g., those exceeding age limits for the program) and Pell Grants (e.g., undocumented students).

---

\(^3\) Independent students are excluded from this chart.
Recent Trends for California Undergraduates

The charts that follow highlight key trends related to undergraduate student financial support at UC. As mentioned elsewhere in this document, the impacts of COVID-19 on UC students means that trend data should be interpreted carefully.

- UC’s average total cost of attendance for California residents rose between 2013–14 and 2019–20. Since 2013–14, the increase is largely due to changes in non-tuition and non-fee expenses. Modest adjustments to systemwide tuition and fees did contribute to the total cost increases between 2015–16 and 2019–20. See Figure 1-6.
  
  - **COVID Impact:** The average total cost of attendance declined in 2020–21 as more students lived at home during the pandemic. The estimated expenses for students living at home is significantly less than those living on or near every campus.

- UC need-based grant funding increases when systemwide tuition and student services fees increase since the University sets aside one-third of all new tuition revenue for financial aid. As a result, generally flat tuition between 2013–14 and 2020–21 meant modest growth in per capita grant support as available UC need-based grant was spread across more California residents; the exception is 2017–18, when tuition increased. The increased enrollment of nonresident undergraduates—who contribute to the need-based financial aid pool without drawing on it—helped mitigate the impact of the lack of a tuition increase and therefore commensurate increases in financial aid. See Figures 1-7.

- UC’s net cost—the total cost of attendance less gift aid—has declined slightly or remained flat for low-income resident undergraduates in recent years due to the increases in gift aid noted above. Net cost has remained flat, however, for middle-income students and has risen for higher-income students. See Figure 1-8.
  
  - **COVID Impact:** The net cost declined across all income groups in 2020–21 because students lived at home rather than on or near campus during the pandemic. Estimated costs for living at home are much lower than estimates for those living on or near campus.

- **COVID Impact:** Parent borrowing among all California residents declined in 2020–21. See Figure 1-9.

- **COVID Impact:** California resident undergraduates’ earnings from work-study and on-campus employment decreased slightly in 2019–20 compared to 2018–19, but declined further in 2020–21 during the pandemic. Students living at home had limited opportunities to work on campus. See Figure 1-10 and Section 4.

---

4 Beginning in 2022–23, 45 percent of new revenue from any increase to undergraduate Tuition and Student Services Fee revenue will be reserved for financial aid.
The support received by UC students from gift aid (grants and scholarships) remained relatively flat between 2013–14 and 2016–17 on a per capita basis, while it increased in 2017–18, after adjusting for inflation. The per capita gift declined in 2019–20 and 2020–21 at every income level except for independent and lowest-income (less than $32,000) students, for whom it increased slightly.

**COVID Impact:** The decrease in average gift aid in 2020–21 for dependent students across all income groups can be attributed to lower estimated total cost of attendance for students living at home. Despite the slight decline in total gift aid, the net cost to students was lower in 2020–21. See Figure 1-8.

The increase in gift aid received by UC students in 2017–18 is attributable to the increases in tuition and student services fees, which resulted in an increase to Cal Grant awards to UC students and an increase in UC need-based grants as new revenue was returned to support students. Funding for both programs is tied to tuition and student services fee levels.
UC need-based grant funding increases when systemwide tuition and student services fees increase, since the University sets aside one-third of all new tuition revenue for financial aid. As a result, flat tuition during most of this time period meant modest growth in per capita grant support as available UC need-based grant was spread across more California residents. The 2017–18 academic year, when tuition and student services fees increased, was an exception.

The increased enrollment of nonresident undergraduates—who contribute to the need-based financial aid pool without drawing on it—helped mitigate the impact of the lack of a tuition increase and therefore contributed to commensurate increases in financial aid. Pell Grants showed a much more modest increase during this period (see the dark blue column segments). The maximum Pell Grant award in 2020–21 was $6,345—$700 more than the maximum in 2013–14.
Changes in the net cost of attending the University—that is, a student’s total cost of attendance less any grants, scholarships, and exemptions—have varied substantially depending on parent income.

For families in the highest income bracket, the annual net cost of a UC education grew by over $650 between 2013–14 and 2020–21 in inflation-adjusted dollars.

Increases in gift aid lowers the net cost for low-income families. In fact, the net cost actually declined for independent students and for students in all but the top two income groups during the period from 2013–14 to 2019–20 in inflation-adjusted dollars.

**COVID Impact:** In 2020–21, the net cost of attendance across all income groups declined by $700 compared with 2019–20. This can be attributed to lower average cost of attendance because students lived at home rather than on or near campus during the pandemic. Estimated costs for living at home are much lower than estimates for those living on or near campus.
The University reports on educational loans, taken out by parents, for which we have data; these are generally limited to the federal parent PLUS loan. Many parents avail themselves of other types of borrowing, such as home equity lines of credit, to help pay for college. However, UC does not have access to data on this type of borrowing and is unable to report on it.

Parental borrowing under the Federal PLUS loan has remained relatively flat at around 7 percent of undergraduates between 2013–14 and 2019–20 (see the black lines in the figure above).

- **COVID Impact:** However, the rate of parent borrowing decreased to 4 percent in 2020–21, likely due to students living at home for remote learning during the pandemic.

- In recent years, the average PLUS loan amounts declined in constant dollars, but slightly increased to $15,682 in 2019–20 and $15,744 in 2020–21.
Per capita student support from work-study earnings remained relatively flat over the time period between 2013–14 and 2019–20, in constant dollars.

**COVID Impact:** Per capita work-study and on-campus employment, not surprisingly, declined in 2020–21 due to the pandemic. The per capita total earnings also decreased significantly in 2020–21. See Section 4 for more.

For information about trends in the hours worked by UC students, see Figure 1-14.
Outcome Measures Related to Student Financial Support

UC monitors multiple student outcome measures in order to evaluate the effectiveness of its undergraduate financial aid programs. They are designed to answer five basic questions:

- Is the University financially accessible to students at every income level?
- Do UC students work manageable hours?
- Do students’ financial circumstances affect their academic success?
- Do students graduate with manageable debt?
- Do students report food or housing insecurity?

The charts that follow address these questions and illustrate that:

- UC remains successful at enrolling low-income Pell Grant recipients. See Figure 1-11.
- The percentage of resident undergraduates from lower-income families increased during the Great Recession and has remained relatively stable since. However, the proportion of UC students from families making $63,000 to $127,000 remains below the proportion they represent in the State. See Figure 1-12.
- Nearly half of UC undergraduates at every income level reported not working. A small proportion of students report working more than 20 hours per week. See Figures 1-13.
  - **COVID Impact:** While about the same proportion of students reported not working in spring of 2021 as in past years, a higher proportion reported working more than 20 hours per week.
- Among all undergraduates who enroll at UC with similar levels of academic preparation, low-, middle-, and higher-income students achieve similar levels of academic success as measured by four- and six-year graduation rates. See Figure 1-14.
- The percentage of students graduating with debt declined slightly between 2019–20 and 2020–21, as did the average debt among borrowers. This is true both for California residents and for all undergraduates and may be attributed to lower cost of attendance in 2020–21. See Figure 1-15.
- Although cumulative debt at graduation declined in 2020–21, debt varies by race and ethnicity, even when controlling for income. Among California residents, 66 percent of African American and 63 percent of Chicano/Latino students graduated with debt, compared with 42 percent of their peers. See Figure 1-16.
- Most California borrowers graduated with cumulative debt that would require 5 percent or less of their estimated average salary to repay. About 1 percent of UC graduates had debt that would require more than 9 percent of their average salary—slightly less than the 2 percent the year before. See Figure 1-17.
- On the UC Undergraduate Experience Survey (UCUES), low-income and first-generation students report higher levels of food insecurity. Off-campus students are more likely to be food insecure, but additional financial aid appears to mitigate this among the lowest income students. See Figures 1-18 and 1-19.
The percentage of undergraduate students with Pell Grants provides a useful means to compare different institutions in terms of their financial accessibility for low-income students.

Systemwide, UC enrolled a higher percentage of Pell Grant recipients—36 percent—than any other top research university in the country in 2018–19. To keep the Pell percentages comparable with other institutions, all undergraduates are included when calculating the 36 percent.

The percentage of Pell Grant recipients increases to 43 percent when limiting the analysis to California residents.

UC’s exceptional success at enrolling low-income students is due, in part, to a combination of two strong need-based aid programs: the University’s own institutional aid program and the state’s Cal Grant program. While students at other institutions often benefit from either a strong institutional aid program or a strong state aid program, UC students benefit from both.

---

5 Association of American University (AAU) member institutions

6 Figures shown are for 2019–20, the most recent year for which data are available through the Federal Integrated Postsecondary Education Data System (IPEDS). IPEDS figures include only students enrolled in the fall term and hence may differ slightly from figures published elsewhere.
Another measure of the University’s affordability is the extent to which UC enrolls students from all income levels, despite increases in student fees and other costs.

Trends in the percentage of UC resident freshmen in each income category shown above (shown in dark blue) partly reflect trends in California’s population (shown in light blue). For example, the percentage of UC freshmen from low-income families increased during the Great Recession, although it has remained fairly stable since.

The enrollment of first-year students with parental income between $63,000 and $127,000 has declined gradually since 2006, even though the proportion of California families in these categories has remained generally stable.

The enrollment of first-year students with the highest parental income ($190,000 or more) has increased gradually since 2014–15, reaching 27 percent in 2020–21, even though the proportion of California families in this category has remained relatively flat.

7 Only students in the highest income category are overrepresented at UC. This is presumably attributable to the well-established link between income and academic preparedness. Since more students from these families are academically eligible to attend UC, they represent a greater share of the University’s freshman enrollment.
Under the Education Financing Model, the University expects each student to make a manageable contribution from employment towards financing the cost of the student’s education, not to exceed 20 hours per week.

The University conducts periodic student surveys in order to monitor students’ employment patterns. Findings from a number of different surveys are in Figure 1-13.

Several factors limit the conclusions that can be drawn from a single survey about the relationship between students’ work patterns and UC affordability. For example, employment is strongly correlated with the student’s year in school, with seniors working more often and for longer hours than freshmen. The difference in work patterns between seniors and freshmen, for example, is much greater than the difference in work patterns between students from low- and high-income families.

**COVID Impact:** While about the same proportion of students reported not working in spring of 2021 as in past years, a higher proportion reported working more than 20 hours per week.
Historically, four-year graduation rates for higher-income students have generally exceeded those of lower-income students with similar levels of academic preparation (using weighted high school grade point averages as a proxy). These rates, which have diverged and converged somewhat at different points in time, show no apparent relationship to changes in students’ costs or financial aid.

Six-year graduation rates show much less difference by parental income level. Small differences do persist—particularly among students who are less well prepared academically.

Overall, the patterns suggest that the University’s financial aid programs allow low-income students to remain enrolled long enough to overcome other socioeconomic disadvantages that are not fully reflected in the measure of academic preparation used in this report (for example, parents’ education level or the extent to which these students initially enrolled with significant amounts of Advanced Placement credit). There also appears to be some evidence for the lowest income group improving the most in recent years.
The incidence of postgraduate debt declines with parental income: students from high-income families are much less likely to graduate with debt than students from low-income families or independent students (see the black lines in the figure above).

Overall, 42 percent of the UC graduating class of 2020–21 had some student loan debt, slightly less than the 2019–20 graduating class (44 percent). The average cumulative student loan debt at graduation for these borrowers ($17,108) was lower than the comparable figure for the prior cohort ($18,351) after adjusting for inflation.

Borrowing among California resident students is higher (49 percent) than borrowing among all undergraduates, but it also declined in 2020–21 from 51 percent the year before. Resident undergraduates saw a similar decline in the average debt, from $18,183 in 2019–20 to $16,777 in 2020–21 after adjusting for inflation.

UC’s average student debt at graduation for all students and for California residents remains low compared to national averages. Nationally, 62 percent of the graduating class of 2019 had student loan debt, with an average of $28,950 per borrower, according to the Project on Student Debt.  

The trend in cumulative borrowing among students in most income groups shows higher average debt and lower percent of borrowers as income goes up.

**COVID Impact:** As mentioned in Figure 1-5 above, the proportion of students borrowing dropped significantly from 2019–20. This is likely due to two factors: 1) Students moved home and thus had lower living and transportation costs and 2) federal, State, and University emergency relief funding may have mitigated the need to take out student loans.

---

At every income level, the amount of average student loan debt at graduation is greater for African American, Chicano/Latino, and American Indian students than non-underrepresented students.

The percent with any debt at graduation is also greater for underrepresented groups across all incomes, with the share of students with loans being higher at lower-income levels and generally decreasing as income level rises. Patterns for American Indian graduates should be interpreted carefully given small numbers. 66 percent of African Americans, 63 percent of Chicano/Latino students, and 42 percent of students from non-underrepresented groups (non-URG) graduate with debt.

Sixty-seven percent of lowest-income African American and 66 percent of the lowest-income Chicano Latino students graduate with some debt, compared with 52 percent of their non-underrepresented peers.

The average student loan at graduation for African American students is the highest at just over $19,000, compared with about $16,500 for Chicano/Latino students and non-underrepresented students.

Though the level of student debt generally increases with income for both groups, the cumulative debt for underrepresented students is the greatest in the $158,000–$190,000 income bracket.
UC attempts to use financial aid to allow students to graduate with a manageable amount of debt. The benchmark used to evaluate manageability is the percentage of average earnings required to repay a student’s debt at graduation based upon a standard ten-year repayment plan. UC considers debt that requires between 5 percent and 9 percent of a student’s postgraduate earnings to be manageable.

Among borrowers in every income category, most graduated with cumulative borrowing that would require five percent or less of their average salary to repay.

About 1 percent of all UC graduates in 2020–21 had debt that would require more than 9 percent of their average salary to repay.9

Debt manageability for individual students can vary substantially for various reasons:

- Students vary in their postgraduate earnings. Higher-income students can devote a higher proportion of their incomes to debt repayment without sacrificing basic expenditures.

- Students vary in their other obligations. The same level of student loan debt will be less manageable for students with greater family obligations or other debt.

- Students may choose alternative repayment plans (e.g., income-based plans) based on their individual circumstances. These can increase debt manageability for students with high levels of debt and/or low income but can result in higher interest costs over time.

---

9 Based on the projected average salary of UC graduates over a ten-year period following graduation, assuming annual increases of 4 percent. Estimates include interest accrued on student loans (other than subsidized loans) while the student is enrolled.
Both the 2018 and 2020 UC Undergraduate Experience Surveys (UCUES) found that Pell Grant recipients and first-generation students were more likely to report being food insecure than their peers.

Fifty-one percent of Pell Grant recipients and first-generation students reported having very low or low food security, compared with 30 percent of their peers.

While it is not surprising that basic needs security correlates with income and first-generation status, the difference in reported food security should serve as a metric for assessing the effectiveness of the Education Financing Model in covering the total cost of attendance.
Combining the UCUES findings of self-reported food insecurity with financial aid data, the Office of the President found that greater self-help expectations among the lowest-income students (i.e., those with no contribution expected of their parents) was associated with greater levels of food insecurity and homelessness.

Among the “zero parent contribution” students with a self-help below $8,000, 51 percent reported being food insecure. That number rose to 57 percent for those with self-help expectations greater than $10,000.

This suggests that financial aid does make a difference in the food security of UC students.
Nonresident Undergraduates

As described above, the University’s policy is to maintain affordability for state resident undergraduates. Accordingly, this report has focused analysis on how California students finance their UC education. Nonresident students finance their education very differently than do California residents. They have never received UC need-based grants to cover Nonresident Supplemental Tuition, and moving forward they will not be eligible to receive it to cover in-state costs either.

Figure 1-20
Trends in Per Capita Undergraduate Gift Aid by Residency, 2020–21
Constant Dollars

- Even before the UC Regents clarified that nonresident undergraduates were not eligible for UC need-based grants, nonresidents received significantly less gift aid per capita than did California students.
- The trend clearly shows a widening gap over time between the per capita gift aid, with actual declines in constant dollars for nonresidents and significant increases for resident undergraduates.
The net cost of an undergraduate education at UC for nonresident students had been flat or increasing in constant dollars at the same time that it declined for California residents.

**COVID Impact:** As with California resident students, the net cost for nonresidents dropped during 2020–21, since most of them moved home and/or otherwise had lower estimated educational expenses.

### Trends in the Net Cost by Residency, 2020–21 Constant Dollars

<table>
<thead>
<tr>
<th>Year</th>
<th>All CA Students</th>
<th>Nonresident Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>$19,508</td>
<td>$54,405</td>
</tr>
<tr>
<td>2014-15</td>
<td>$18,969</td>
<td>$54,114</td>
</tr>
<tr>
<td>2015-16</td>
<td>$19,632</td>
<td>$56,680</td>
</tr>
<tr>
<td>2016-17</td>
<td>$19,534</td>
<td>$59,713</td>
</tr>
<tr>
<td>2017-18</td>
<td>$19,393</td>
<td>$61,594</td>
</tr>
<tr>
<td>2018-19</td>
<td>$19,541</td>
<td>$62,309</td>
</tr>
<tr>
<td>2019-20</td>
<td>$19,716</td>
<td>$62,756</td>
</tr>
<tr>
<td>2020-21</td>
<td>$18,995</td>
<td>$61,870</td>
</tr>
</tbody>
</table>
New Developments for 2021–22 and 2022–23

The following policy decisions and trends at the State, federal and University levels are expected to influence the financial accessibility of the University in 2020–21 and beyond:

- In 2021, the Board of Regents approved the Tuition Stability Plan. Beginning fall 2022, tuition will be adjusted for each incoming undergraduate class but will subsequently remain flat until the student graduates, for up to six years. For undergraduates who first enrolled in fall 2021 or earlier — including all current undergraduates — tuition will stay flat at current rates for the duration of their enrollment, up to six years. Furthermore, the proportion of new tuition revenue set aside for financial aid will increase from 33 percent to 45 percent, expanding the University’s own need-based financial aid.

- In a series of discussions, the UC Board of Regents has explored potential reforms to the Education Financing Model, including a tiered approach based on family income. President Drake has also proposed creating a debt-free path to UC, essentially eliminating the need to borrow for qualifying students.

- The 2020 COVID pandemic continued to disrupt the University’s operations in 2021–22. This did not result in the same number of students living at home rather than on- or off-campus. Nevertheless, emergency grant funding continued through 2021–22, mitigating ongoing impacts of the pandemic for UC students.

- A range of federal, State, and University changes will impact the affordability of a UC degree in the coming years. The Office of the President summarized these changes in a presentation to the Regents available here.

The University will continue to monitor the indicators of financial accessibility and affordability described in this report, along with other indicators that are regularly reviewed by the University’s Education Financing Model Steering Committee and/or included in the University’s annual Accountability Report.
SECTION 2
FINANCIAL SUPPORT FOR GRADUATE STUDENTS

GOALS OF THE UNIVERSITY’S GRADUATE FINANCIAL AID PROGRAMS

The underlying goal of graduate education at UC is to further both the University’s research mission, which makes important contributions to the California economy, and its role in helping the state to meet its academic and professional workforce needs. These contributions are maximized when the University can attract the top candidates from the pool of prospective graduate-level students to support faculty and their research.

The goal of graduate financial support differs substantially from that of undergraduate financial support. Support for graduate students is intended not simply to make the university accessible, but also to help entice top students to choose UC over other institutions for graduate study. Graduate student financial support is an important recruitment tool, the success of which is tied closely to whether the University’s offers of financial assistance are competitive with those made by other universities competing for the same students. Graduate-level assistance at UC is distributed largely based on merit in order to increase its effectiveness at recruiting strong graduate students.

UC’s graduate student population encompasses a diverse mix of academic and professional degree programs and disciplines. The levels and types of support received by graduate students vary by program and discipline, reflecting differences in both the competitive environment and extramural funding sources for these programs. For example:
Research universities typically cover tuition and fees for students in academic doctoral programs as well as provide students with a net stipend for living expenses. In contrast, professional degree programs typically expect students to finance a portion of their tuition and/or living expenses through student loans.

Research grants, which provide funding for graduate student research assistantships, are the principal source of student financial support for academic doctoral students in science and engineering disciplines. In contrast, fellowships and teaching assistantships play a proportionately larger role for academic doctoral students in the humanities and social sciences.

The metrics used to assess the adequacy of student financial support vary as well. Whereas the University seeks to provide competitive net stipends for students in its academic doctoral programs, its primary concern for students in professional degree programs is to ensure that levels of student indebtedness do not dissuade talented students from enrolling or prevent students from pursuing public interest employment upon graduation.

Given that the goals for graduate and professional financial aid differ, unlike the figures in Section 1 above, figures in Section 2 include all students, regardless of residency.
Graduate Academic and Professional Student Funding Patterns

The charts that follow depict several patterns and trends related to graduate academic and graduate professional student financial support.

- The financial support received by students in graduate academic programs differs markedly from that received by students in professional degree programs. Whereas nearly all support received by graduate academic students is in the form of fellowships and assistantships, students in professional degree programs rely primarily on loans to finance their education. See Figure 2-1.

- Support for graduate academic students has grown modestly in recent years, largely due to two factors:
  - Few increases in tuition and fees that must be covered by additional aid in order to remain competitive with other institutions.
  - University efforts to increase levels of graduate student support in order to make UC support offers more competitive with those from other institutions. See Figure 2-2.

- Among graduate academic students, types and levels of support vary by academic discipline. See Figure 2-3.

- In every discipline, academic doctoral students typically receive net stipends (support from fellowships and assistantships in excess of tuition and fees) that far exceed those of academic master’s students. Moreover, their net stipends have increased over time in every discipline, whereas the net stipends received by academic master’s students have generally declined. See Figure 2-4.

- Among academic doctoral students, California residents typically receive higher net stipends than domestic nonresident students or international students. The gap between the net stipends received by California residents and international students has narrowed over time in most disciplines. See Figure 2-5.

- The University remains concerned about the competitiveness of its offers to students admitted to its graduate academic programs, which continue to lag behind those from students’ top-choice non-UC alternatives. The competitiveness gap is greatest for domestic nonresident students. See Figure 2-6.

- Although fellowship support for professional degree students has increased—due in part to the one-third of increases in tuition, fee, and professional degree fee revenue that is set aside for institutional aid—it has been outpaced by increases in student borrowing. See Figure 2-7.

- While the percentage of professional degree program graduates with student debt declined in many disciplines in recent years, the average amount students borrowed while enrolled has increased over the past decade. See Figure 2-8.

- UC’s systemwide average net stipend for academic doctoral students is slightly higher than its estimated average cost of attendance in 2020–21, although this varies by campus and discipline. See Figures 2-9 and 2-10.
Compared with students in professional degree programs, students in graduate academic programs receive a far greater portion of their aid in the form of gifts and assistantships, whereas professional degree students rely far more heavily on loans than do graduate academic students.

Differences in the financing patterns of graduate academic program and graduate professional degree program students reflect fundamental differences in approaches to financing for these two groups of students:

- Competition is the most significant factor driving these differences. As referenced earlier, financial assistance at the graduate level is a recruitment tool. The financing patterns shown above are generally reflective of what is required for the University to be competitive with institutions seeking to attract the same students, and they are similar to the financing patterns at competing institutions.

- Professional degree program students can typically anticipate higher earnings than graduate academic students. Although higher earnings can make payments on large levels of student debt manageable, challenges remain for those students who graduate with substantial levels of debt and who enter low-paying careers.
Aggregate support for graduate academic students has increased over time except in 2020–21. Different forms of support have increased and decreased over time.

- **COVID Impact**: As with undergraduate students, the amount of support provided to graduates likely changed due to a reduction in estimated expenses during COVID. As shown in Section 4, the decline in employment was significantly less for graduate students than it was for undergraduate students.

- Support from fellowships (shown in dark blue) has been at a similar level from 2013–14 until 2019–20 and decreased slightly in 2020–21.

- Teaching assistantships (shown in gold) are higher now than they were in 2013–14, although there was a decline in 2020–21.

- Funding from research assistantships (shown in light blue) has increased slightly in constant dollars during this period until 2020–21.

- Support from loans (shown in pink) has declined steadily over time, and support from work-study (not visible) changed little during this period. Both represent a small portion of the overall support received by graduate academic students.
Among graduate academic students, both the level and mix of funding varies by discipline.

Competitive aid—fellowships, research assistantships, and teaching assistantships—is the most desirable form of support and is highest for students in the health, physical, social, and life sciences. In contrast, students in professional disciplines and in the fine arts are more likely to rely on student loans.

Types of assistantships also differ across disciplines. Students in the professional disciplines, humanities, fine arts, and social sciences are more likely to have teaching assistantship awards. Those in engineering/computer science, life sciences, and physical sciences are more likely to receive research assistantships, which are typically considered more desirable than teaching assistantships.
The net stipend provided to a student—support from fellowships and assistantships in excess of tuition and fees—is the University’s principal measure of the adequacy of graduate academic support.

In most disciplines, the average net stipend of academic doctoral students (shown in dark blue above) is substantially higher than for master’s students. This reflects the competitive nature of graduate student support and the emphasis placed by most research universities—including UC—on recruiting and supporting academic doctoral students, consistent with the research mission of these institutions.

Departments have sought to increase the value of net stipends awarded to academic doctoral students. This has come, to some extent, at the expense of academic master’s students, whose average net stipend has declined over time.

Master’s students in engineering/computer science, health sciences, professional disciplines, and physical sciences typically do not receive enough fellowship or assistantship support to fully cover their tuition and fees, as shown by their negative net stipends in the figure above.
The value of net stipends received by academic doctoral students who are California residents (shown by the dark blue lines above) rose for most disciplines until 2018–19 when it slightly decreased, increasing again in 2019–20 and declining in 2020–21, after controlling for inflation.

The average net stipend received by international students (shown by the gold lines above) declined in the years that fees were increasing but has rebounded in most disciplines in recent years. However, there is still a noteworthy gap in net stipend levels between California residents and international students.

International students are particularly costly to fund because they are subject to nonresident tuition until they advance to candidacy (and for any period of enrollment beginning three years after they advance to candidacy). Departments must cover these students’ tuition and fees and nonresident tuition in addition to providing students with any net stipend.

The University’s ability to recruit international students to its doctoral programs has been a growing concern to the University. The number of international students enrolled in UC’s academic doctoral programs has fluctuated over time, and there is evidence to suggest that the University’s student financial support offers to international students are less competitive than its offers to other students. See Figure 2-6.
Surveys of students admitted to the University’s academic doctoral programs suggest that the net stipends offered by UC (shown by the dark blue columns above) are generally lower than those offered by students’ top-choice non-UC institution (shown in light blue) for nonresident domestic and international students.

After taking into account the generally higher cost of living in the communities where UC campuses are located, the gap between the purchasing power of UC’s net stipends and those from students’ top-choice non-UC institutions is even higher than the differences shown above.

The competitiveness gap closed somewhat for domestic nonresident and international students between the last two administrations of the surveys. However, the advantage that UC had on average for California residents compared to the competition has also reduced, with the competition offering slightly higher net stipends for residents in 2020.

UC’s competitiveness varied widely by discipline and campus.

Detailed findings from the surveys is available here.

The next administration of this survey will be in Spring 2023.
Loans (shown in pink above) are by far the most significant source of funding for students in the University’s professional degree programs. However, borrowing among these students has decreased since 2012–13, in constant dollars.

By contrast, fellowship funding (shown in dark blue) has increased over this time period. The increase is attributable to the University’s practice of augmenting its institutional aid programs in response to any increase in systemwide tuition or fees or the Professional Degree Supplemental Tuition.

While teaching and research assistantships play major roles in funding academic doctoral students, they provide relatively little support to students in professional degree programs.
Levels of student borrowing differ substantially by professional degree program. Average debt at graduation (shown by the light blue columns above) and the percentage of students with debt (shown by the black lines) are generally highest for programs with higher Professional Degree Supplemental Tuition charges (e.g., law) and/or programs that take longer to complete (e.g., medicine).

Several mitigating factors help graduates of the University’s professional degree programs to manage their debt repayment obligations:

- Short- and long-term potential earnings upon graduation: Graduates from professional degree programs in business, law, medicine, and several other disciplines can anticipate substantial earnings upon graduation, which greatly facilitates debt repayment.

- Flexible loan repayment plans: Federal student loans offer a variety of repayment plans that can improve the manageability of graduates’ monthly loan payments, including a newly enhanced Income Based Repayment plan (IBR), which is designed to make loan repayments easier for students who take jobs with lower salaries.

- Loan repayment assistance programs (LRAPs): LRAPs enable students to pursue public-interest careers by helping them to repay their loans. For example, graduates of UC’s medical and health science professional schools may apply to LRAP programs funded by federal, State, and local agencies that support health professionals who choose to work in rural or medically underserved communities. UC law schools and the Haas School of Business at Berkeley also offer LRAPs for graduates who enter careers in nonprofit or public service.

---

10 Figure 2-8 is updated annually to include programs that begin charging Professional Degree Supplemental Tuition in that year.
Although the framework for graduate student support is one of competition rather than affordability, there has been an increased interest in addressing the basic needs insecurity of UC's graduate students.

The chart above offers a new way to assess the affordability of graduate academic doctoral stipends by comparing it to estimated living expenses across UC campuses.

In 2020–21, the systemwide average net stipend was slightly higher than the average estimated educational costs, using data from a 2017 Graduate Cost of Attendance survey, adjusted for inflation. However, the results vary by campus.

The largest difference between the average net stipend and average budget is at San Francisco ($11,600) followed by Berkeley ($8,300), much higher than the systemwide difference of about $5,000. This is likely due to a higher cost of living near these campuses.

Additional work will need to be done to assess the utility of this metric. A new Graduate Cost of Attendance Survey is scheduled for 2022, which will provide new cost of attendance estimates.
This chart above shows applies the same metric—graduate academic doctoral stipends compared with estimated student budget—by academic discipline. Although the average net stipends are higher than average budgets across disciplines, the results vary by discipline.

In 2020–21, the largest difference between the average net stipend and average budget is for Life Sciences ($7,600), followed by Health Sciences ($7,400) and Physical Sciences ($7,000), slightly higher than the difference of about $5,000 across all disciplines.

The gap between average net stipend and average budget for two disciplines, Arts ($2,800) and Engineering ($1,950), was below the systemwide gap of $5,000. For all other disciplines, the difference between the average net stipend and average budget are similar to the difference across all disciplines.
New Developments for 2021–22 and 2022–23

- The University will increase tuition and fees for graduate students for five years starting in 2022–23 by the consumer price index. The increases will come with return-to-aid as outlined in the Regents Tuition Stability Plan passed in July of 2021.

- In Spring of 2022, the Office of the President will survey graduate students for the second time about their estimated total cost of attendance. This survey helps UC campuses administer financial aid to graduate students and can form the basis for future assessments of the adequacy of financial offers.

- The Office of the President will continue to explore how adequately the net stipends for graduate students cover the costs that they face and will track their food and housing insecurity over time.
SECTION 3
UNDOCUMENTED UNDERGRADUATE STUDENTS

The California Dream Act passed ten years ago and allowed undocumented students who qualify for a non-resident exemption under Assembly Bill 540 (AB 540), Senate Bill 2000 (SB 2000), and Senate Bill 68 (SB 68) to receive certain types of institutional and state financial aid.\textsuperscript{11} This special section of the Annual Report examines trends over the decade.

The following tables present the ethnicity of and types of aid received by undocumented students who qualify under the California Dream Act for financial aid. This data will underestimate the number of undocumented students at our campuses, as there may be students who attend and do not seek financial assistance via the California Dream Application (CADAA).

- Since the California Dream Act, the University has seen an increase in the enrollment of undocumented students who file a CADAA for financial aid. See Figure 3.1.

- Since 2018–19, the number of undocumented students with a CADAA has declined, possibly due to 1) the COVID-19 pandemic, 2) the political environment and potential repeal of the Deferred Action for Childhood Arrivals (DACA), and 3) increased competition from other colleges and universities.

- From an affordability standpoint, undocumented students who qualify under the Dream Act receive financial aid that makes their net cost comparable to other students with the same financial background. This is done by using UC grant to backfill for missing federal grants, e.g., Pell. See Figure 3-2.

- However, the ability for undocumented students to meet their self-help has two challenges:
  - Only students with DACA have work authorization, which makes satisfying the work component difficult.
  - The Dream Loan program caps the amount that students can borrow at $4,000 per year, which is less than the annual maximum for federal student loans available to documented students.

UC has undocumented graduate students as well, but data on who these students are and how they finance their education is more difficult to analyze. They do not typically need to file a CADAA, so identifying them is a challenge.

\textsuperscript{11}Source: CSAC file, accessed Jan 12, 2022
Chicano/Latino students comprise the largest share of undocumented students (about 80 percent), followed by Asians (about 16 percent), with other groups including African Americans and whites (about 5 percent). In 2012–13, when the Dream Act took effect, Asians accounted for 33 percent and Chicano/Latino students accounted for 62 percent of the total share. However, the share of Asian students among total undocumented students has declined over the years. The share of Chicano/Latinos students among the undocumented student population has increased over this period, accounting for about 80 percent in recent years.

The total population of undocumented increased steadily until 2018–19 to 4,848. It declined in 2019–20 (4,727) and 2020–21 (4,469), possibly due to a decline of need-based students applying and enrolling owing to increased competition and potential pandemic effects. UC will continue to monitor these numbers.

---

12 The number of African American, white, and unknown ethnicities are between 50 and 100 in the past three years, accounting for about 5 percent of the total undergraduate undocumented student population.
Most UC undocumented students with substantial financial need have been funded by UC Grants to access and afford a UC education since the effective date of the California Dream Act in 2012.

In 2012–13, 77 percent of all undocumented students received UC Grants, and the share of students with UC Grants has increased since then. In the past five years, the share of undocumented students with UC Grants has remained at about 95 percent.

Undocumented students started receiving Cal Grants from 2013–14, and the share of these students with Cal Grants has increased gradually over the years. In 2013–14, the share of undocumented students with Cal Grants was 53 percent, increasing to 75 percent in 2015–16. In the past five years, the share with Cal Grants has remained between 76 and 78 percent.
SECTION 4
COVID IMPACTS AND RESPONSE

The 2020 COVID pandemic disrupted the University’s educational experience, with nearly all courses delivered remotely. The pandemic also had several impacts on students and parents and on how they paid for college costs. Students who were living in on-campus housing generally moved home to live with their families or into off-campus housing. Because living off campus and at home with their families is less expensive, the aggregate financial need for students was reduced. This decrease in aggregate need extended into 2020–21, reducing average UC and state gift aid. See Figure 1-6 and 1-8 above.

UC students benefited from federal, State, and University emergency grants during the pandemic. Figure 4.1 shows the grants awarded to UC students during 2019–20 and 2020–21.

- In 2019–20, $130 million in emergency grants from the federal Higher Education Emergency Relief Fund (HEERF I) was made available, 86 percent ($112.6 million) of which was deployed in Spring 2020. The rest was disbursed in 2020–21. See Figure 4.1.

- In 2020–21, $125 million in HEERF II emergency grants was awarded. Later, $29,000 in HEERF III emergency grants was awarded, the rest of which was awarded in 2021–22. See Figure 4.1.

- UC provided UC CARES equivalent emergency grants to provide equivalent support for undocumented students in 2019–20 and 2020–21. The State also provided $1 million in Coronavirus Emergency Grant to support undocumented students in 2020–21. See Figure 4.1.

- The pandemic also resulted in reduced campus employment, particularly on-campus employment for undergraduates in 2020–21. See Figure 4.2.
In 2019–20, $96 million in HEERF I emergency grants for undergraduates and $17 million for graduates students was disbursed. When combined with UC equivalent emergency grants, the totals were $102 million and $18 million, respectively.

In 2020–21, UC students benefited from federal HEERF (I, II, and III), State, and University emergency grants totaling $150 million.

In 2019–20, 51 percent of all UC students received COVID relief funding from either State, federal, or institutional sources, with an average of $804 per recipient. In 2020–21, 46 percent of all UC students received some type of COVID relief funds, with an average of $1,068 per recipient.

---

13 2020–21 CARES and UC Equivalent Relief Grant and recipient count are based on all-year figures, as these grants were awarded in summer 2020–21. All other COVID Emergency Grant figures in 2019–20 and 2020–21 are based on academic year figures since they were not awarded in the summer term.
From 2015–16 to 2018–19, employment by the University was steady both for undergraduate and graduate students, and average earnings increased every year.

The percent of graduate students employed remained steady in both 2019–20 and 2020–21, with average earnings not being affected. This is likely because their primary employment in research, teaching, and readership appointments could be conducted even in the remote learning environment.

However, in 2019–20, there was a slight decline in percent employed among undergraduates, from about 26 percent to 24 percent, while the average earning was still higher in 2019–20 ($3,683) compared with 2018–19 ($3,572). This drop in percent employed can be attributed to the onset of the COVID-19 pandemic in Spring 2020, when some students may have stopped working on campus as they started living at home.

Undergraduate employment dropped further in 2020–21 due to the COVID-19 pandemic, when a larger share of students lived at home and were unable to work on campus. For those who worked in 2020–21, the average earning was higher ($3,711) than in 2018–19 ($3,572) and 2019–20 ($3,683).
ADDITIONAL RESOURCES

The University of California provides additional resources on student financial support and outcomes from the Graduate, Undergraduate and Equity Affairs and Institutional Research and Academic Planning departments.

- 2021 UC Accountability report
- Student Financial Aid Tables on the Info Center
- Net Cost page on the Info Center
- 2020 Graduate Student Support Survey report
- 2019 Undergraduate Cost of Attendance Survey report
- 2017 Graduate Cost of Attendance Survey report
- Typical Housing Costs Near UC campuses
- 2020–21 Undergraduate Student Budget