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Code: AA 2009-13

## MEMORANDUM

**Date:** July 23, 2009  
**To:** Directors of Financial Aid  
**From:** Allison G. Jones   
**Subject:** State University Grant Allocation and Awarding Policy

State University Grant allocations for 2009-10, based upon the 10% State University Fee increase (\$306) and the 20% State University Fee increase (\$672) adopted by the CSU Board of Trustees at its May 12-13, 2009 and July 21, 2009 meetings respectively, will be provided by the CSU Budget Office.

It is our understanding that the Cal Grant award will be raised to cover the 10% State University Fee increase (\$306) adopted by the CSU Board of Trustees at its May 2009 meeting. However, we do not expect the Cal Grant to be increased further to cover the additional 20% State University Fee increase (\$672) adopted by the CSU Board of Trustees at its July 21, 2009 meeting.

Both the State University Grant and Cal Grant are designed to promote access and ensure affordability for those students with the least ability to pay for a postsecondary education. To ensure that the neediest Cal Grant recipients receive financial aid to cover the additional \$672 State University Fee increase, we are requesting that campuses follow existing State University awarding policies that were issued on March 8, 2001. A copy is attached for your reference. In particular, campuses are asked to adhere closely to the policy *Systemwide Priority Awarding Group* (page 3 of the enclosure) that identifies the group of students who have the first priority for available State University Grant funding, up to the amount of the State University Fee assessed that is not covered by other financial aid awards.

In addition to awarding a State University Grant to students who do not receive a Cal Grant, Cal Grant recipients with an expected family contribution equal to or less than \$800, computed for a nine-month academic year who are enrolled on at least a half-time basis are eligible for a State

**CSU Campuses**  
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Channel Islands  
Chico  
Dominguez Hills  
East Bay

Fresno  
Fullerton  
Humboldt  
Long Beach  
Los Angeles  
Maritime Academy

Monterey Bay  
Northridge  
Pomona  
Sacramento  
San Bernardino  
San Diego

San Francisco  
San José  
San Luis Obispo  
San Marcos  
Sonoma  
Stanislaus

University Grant of up to \$672 to offset the additional 20% State University Fee increase. Once these funding priorities have been addressed, campuses may award the balance of available funding in accordance with campus-defined awarding policies and priorities that best address the needs of their student population and their enrollment management goals as outlined in the March 8, 2001 State University Grant Awarding Policy.

Campuses are encouraged to analyze and model the extent to which their State University Grant allocation will cover all eligible SUG applicants and provide supplement SUG awards up to \$672 to Cal Grant recipients. If a campus' SUG allocation is not adequate to cover the neediest students, campuses should implement a tiered award strategy to provide funding to as many of its neediest students as possible. In the case of Cal Grant supplements, priority should be given to Cal Grant B recipients.

Questions about campus State University Grant allocations and State University Grant awarding policies may be addressed to Dean Kulju, Director of Financial Aid, at [dkulju@calstate.edu](mailto:dkulju@calstate.edu) or to me at [ajones@calstate.edu](mailto:ajones@calstate.edu).

AGJ/mlh-d

Enclosure

cc: Dr. Charles B. Reed, Chancellor  
Dr. Jeri Echeverria, Executive Vice Chancellor/Chief Academic Officer  
Dr. Ben Quillian, Executive Vice Chancellor/Chief Financial Officer  
Garrett Ashley, Vice Chancellor, University Relations and Advancement  
Robert Turnage, Assistant Vice Chancellor for Budget  
Dean Kulju, Director, Student Financial Aid Services and Programs  
Presidents  
Provosts/Vice Presidents, Academic Affairs  
Chief Administrators and Business Officers  
Vice Presidents, Student Affairs



# THE CALIFORNIA STATE UNIVERSITY

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**DAVID S. SPENCE**  
EXECUTIVE VICE CHANCELLOR  
CHIEF ACADEMIC OFFICER

March 8, 2001

**To:** Presidents  
**From:** David S. Spence *D.S.*  
**Subject:** State University Grant Awarding Policy

On September 11, 2000, Governor Davis signed a law expanding the Cal Grant program by creating an entitlement effective for the 2001-2002 academic year. Under this historic financial aid program, financially needy CSU students who meet the new Cal Grant A and B Entitlement Award program eligibility requirements will be guaranteed a grant. We estimate that the new Cal Grant entitlement provisions will provide an additional \$43 million in annual grant assistance to over 27,000 CSU students awarded a Cal Grant A or B once all provisions of the program expansion are implemented.

As indicated in Chancellor Reed's September 22, 2000 memorandum to presidents announcing the new Cal Grant programs, we anticipated a need to expand eligibility for the State University Grant after we had an opportunity to estimate the impact of the new Cal Grant Entitlement programs on students attending CSU. To help with this policy review, Chancellor Reed asked the Financial Aid Advisory Council chaired by President Manuel Esteban to discuss the effect of the new Cal Grant Entitlement on the State University Grant and to recommend appropriate revisions to the State University Grant student eligibility and awarding policies.

The chancellor has accepted the following policy modifications to the State University Grant program recommended by the Financial Aid Advisory Council:

- Ensure that State University Grants are awarded as a first priority to the most needy students;
- Guarantee that students with expected family contributions of \$800 or less receive a State University Grant equal to the State University Fee they are charged;
- Recognize the additional costs students incur when they enroll in year round programs; and

- Provide greater flexibility to campuses to design financial aid strategies that best address the needs of their student population and their enrollment management goals.

These policy changes are described in greater detail in Attachment A, "State University Grant Program Policy Guidelines," and are effective with the summer 2001 term.

Every effort will be made to ensure that available State University Grant funding is allocated fairly and equitably. Therefore, balances in campus State University Grant accounts as of June 30, 2001 from allocations for 2000-2001 and prior years will be considered in the final campus allocations for 2001-2002.

To assist campuses in the development of their campus awarding policies, Attachment B provides for each campus estimates of the number of enrolled financial aid applicants with family contributions of \$800 or less and the funds required to cover their assessed State University Fee. These estimates are based on campus-reported data on eligible aid applicants for 1999-2000 and budgeted enrollment changes for 2001-2002. These estimates do not take into account any shifts in the demographics of the campus enrollment, changes in enrollment patterns, or substantial changes in the numbers of aid recipients receiving Cal Grant fee awards. Attachment B also reflects the preliminary 2001-2002 campus allocations for the State University Grant program along with supplemental, one-time State University Grant allocations for those campuses converting programs to state-support for summer 2001.

In order to help us assess the impact of these changes to the State University Grant program, please provide a copy of your campus' 2001-2002 State University Grant awarding guidelines and priorities to Mr. Allison G. Jones, Assistant Vice Chancellor, Academic Affairs--Access and Retention by May 15, 2001. Questions regarding Attachments A and B may be directed to Mary L. Robinson, Associate Director, Academic Affairs, Access and Retention at (562) 951-4737 or mlrobinson@calstate.edu.

DSS:mlr

Attachments

cc: Dr. Charles B. Reed  
Dr. Richard P. West  
Dr. Charles W. Lindahl  
Mr. Allison G. Jones  
Provosts/Vice Presidents, Academic Affairs  
Vice Presidents, Administration/Finance  
Vice Presidents, Student Affairs  
Directors of Financial Aid

**The California State University  
State University Grant (SUG) Program  
Policy Guidelines**

**Effective Summer 2001**

The State University Grant (SUG) program provides need-based grant assistance to eligible students enrolling at the California State University. The primary purpose of the program is to promote access and ensure affordability for those students with the least ability to pay for a postsecondary education.

**Student Eligibility Criteria**

To be eligible for State University Grant funds, students must meet the following eligibility criteria:

- Be admitted to or enrolled at a campus of the California State University;
- Be classified as a California resident for fee payment purposes by the campus admissions or registrar's office;
- Pay the State University Fee (i.e., students enrolled in self-support courses are not eligible);
- Demonstrate financial need according to the approved federal need analysis methodology;
- Not be in default on a student loan;
- Not owe a repayment for a previously received student grant;
- Be making satisfactory academic progress according to the standards established for financial aid purposes by the CSU campus; and
- Have an expected family contribution for a 9-month academic year that does not exceed fifty percent of the campus standard cost of attendance for students living off campus.

Otherwise eligible students who are admitted for the fall term may receive a State University Grant for enrollment in the immediate preceding summer term in state-support programs. As an example, this provision will enable students requiring remediation in English and/or mathematics to enroll in remedial classes in the summer preceding the beginning of their first term and to receive a State University Grant to help offset the cost of the State University Fee.

## Maximum Grant Amounts

The maximum State University Grant that may be received by an eligible student shall be limited as follows:

### *Academic Year*

The lesser of –

- Up to \$3,600 for full-time enrollment;
- Up to \$2,400 for less than full-time enrollment;
- An amount which in combination with any fee-designated award such as a Cal Grant or fee waiver does not exceed \$3,600 for full-time enrollment or \$2,400 for less than full-time enrollment, e.g., if a student enrolled full time receives a \$1,428 Cal Grant, the maximum State University Grant would be \$2,172 (\$3,600 - \$1,428); or
- An amount which in combination with all other financial aid the student is scheduled to receive does not exceed the student's evaluated financial need for the applicable term(s) of enrollment.

### *Less than an Academic Year*

- For enrollment in a standard term(s) of less than an academic year, the maximum award is prorated on the basis of the percentage that the term represents to an academic year, e.g., the maximum for full-time enrollment for one semester is \$1,800, and the maximum for full-time enrollment for one quarter is \$1,200.

### *Summer Enrollment Periods*

For both standard and non-standard summer terms, the unit load determines the maximum State University Grant as the lesser of the following:

- Up to \$1,800 for students enrolling in 12 or more semester units or up to \$1,200 for students enrolling in 12 or more quarter units;
- Up to \$1,200 for students enrolling in fewer than 12 semester units or up to \$800 for students enrolling in fewer than 12 quarter units;
- An amount which in combination with any fee-designated award such as a Cal Grant or fee waiver does not exceed the applicable summer maximum (\$1,800/\$1,200 for semester units or \$1,200/\$800 for quarter units); or
- An amount which in combination with all other financial aid the student is scheduled to receive does not exceed the student's evaluated financial need for the summer enrollment period.

*Year Round Enrollment (i.e., Academic Year Plus Summer)*

The maximum State University Grant for students enrolling for any portion of an academic year plus a summer enrollment term shall be the sum of the amounts determined above. For students enrolled year round (i.e., academic year plus summer) the maximum State University Grant in no case shall exceed the lesser of:

- \$4,800 for twelve months of full-time enrollment;
- \$3,200 for twelve months less than full-time enrollment;
- An amount which in combination with any fee-designated award such as a Cal Grant or fee waiver does not exceed \$4,800 for full-time enrollment or \$3,600 for less than full-time enrollment; or
- An amount which in combination with all other financial aid the student is scheduled to receive does not exceed the student's evaluated financial need for the applicable term(s) of enrollment.

**Systemwide Priority Awarding Group**

As a systemwide priority, students who meet the following criteria shall have the first priority for available State University Grant funding, up to the amount of the State University Fee assessed that is not covered by other financial aid awards:

- Have an expected family contribution, computed for a nine-month academic year, that does not exceed \$800;
- Be enrolled on at least a half-time basis in a program leading to a degree, credential, or certificate;
- File a Free Application for Federal Student Aid (FAFSA) by the campus-designated priority filing date which in no instance may be earlier than March 2 preceding the award year; and
- Have not received a Cal Grant or another grant or scholarship designated for payment of fees or a waiver of the mandatory State University Fee.

Once these funding priorities have been addressed, campuses may award the balance of available funding in accordance with campus-defined awarding policies and priorities that best address the needs of its student population and its enrollment management goals.

**Campus Awarding Policies and Priorities**

Campuses are encouraged to analyze the characteristics and historical application patterns of their financial aid recipients in order to estimate the funding required to guarantee a State University Grant sufficient to cover, at a minimum, the amount of the assessed State

University Fee for students in the systemwide priority awarding group. This analysis should include consideration of the amount necessary to accommodate the needs of late applicants with very low expected family contributions.

After reserving funding for the systemwide priority awarding group, campuses may award the balance of available funding based upon the financial aid strategies they have designed that best address the needs of their student population and enrollment management goals. In the development of campus awarding policies and priorities, campuses are encouraged to incorporate the policy principle embodied in the State University Grant program that ensures access to the State University Grant for low-income students. Campus State University Grant policies should recognize the systemwide priority of expanding year-round operations by ensuring that financial aid is available for students enrolling in state-supported summer terms.

### **Reporting Requirements**

To help students to make informed decisions about the campuses to which they will apply for admission and to inform their families, counselors, and members of the public about campus enrollment management policies, impacted campus and program criteria are printed in the November copy of the *CSU Review*. Because campuses will develop State University Grant awarding policies and priorities that address their enrollment management goals which also affect student decisions, campus-defined State University Grant awarding policies will be printed in the January *CSU Review*.

Campus 2001-2002 State University Grant awarding guidelines and priorities are due by May 15, 2001 to Academic Affairs--Access and Retention. Campuses are required only to report changes to their State University Grant awarding policies and priorities for subsequent academic years by December 1 preceding the academic year in which the change will take effect, e.g., December 1, 2001 for the 2002-03 academic year.



## Preliminary 2001-02 State University Grant Funding Estimates

Campus		Est. Priority Funding Group For 2001-2002			Preliminary Allocation March 2001	Pct. Required For Priority Funding Group	Summer 2001 Conversion SUG Alloc.
CD	Name	Number	Dollars	Avg.			
35	Bakersfield	1,545	1,928,098	1,248	2,407,000	80.10%	0
20	Chico	3,244	4,093,515	1,262	5,049,000	81.08%	0
55	Dominguez Hills	2,753	3,254,302	1,182	3,920,000	83.02%	205,000
25	Fresno	4,019	5,086,298	1,266	6,194,000	82.12%	0
50	Fullerton	4,037	4,881,112	1,209	6,708,000	72.77%	228,000
05	Hayward	2,128	2,758,968	1,297	3,474,000	79.42%	0
30	Humboldt	1,854	2,448,046	1,320	3,079,000	79.51%	0
40	Long Beach	4,824	6,007,719	1,245	8,065,000	74.49%	422,000
45	Los Angeles	4,433	5,800,583	1,309	7,213,000	80.42%	0
06	Maritime Academy	98	122,481	1,250	159,000	77.03%	0
07	Monterey Bay	692	867,554	1,254	1,134,000	76.50%	0
70	Northridge	5,528	6,874,507	1,244	9,002,000	76.37%	0
10	Pomona	3,698	4,792,260	1,296	5,773,000	83.01%	0
60	Sacramento	4,123	5,049,138	1,225	6,985,000	72.29%	134,000
63	San Bernardino	3,471	4,329,490	1,247	5,370,000	80.62%	93,000
65	San Diego	4,933	6,034,259	1,223	8,414,000	71.72%	207,000
75	San Francisco	4,416	5,473,758	1,240	7,722,000	70.89%	292,000
80	San Jose	3,621	4,409,618	1,218	5,700,000	77.36%	238,000
15	San Luis Obispo	1,955	2,431,827	1,244	3,512,000	69.24%	0
68	San Marcos	1,145	1,356,725	1,185	1,997,000	67.94%	80,000
85	Sonoma	876	1,070,610	1,222	1,660,000	64.50%	0
90	Stanislaus	1,426	1,705,805	1,196	2,260,000	75.48%	75,000
	Total	64,819	80,776,673	1,246	105,797,000	76.35%	1,974,000

March 8, 2001