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Code: AA-2006-32
August 7, 2006

To: CSU Presidents

From: Gary W. Reichard 
Executive Vice Chancellor & Chief Academic Officer

Subject: State University Grant Awarding Policy - Clarification

The March 8, 2001 memorandum from Executive Vice Chancellor David S. Spence advised campuses of policy modifications to the State University Grant (SUG) program effective with the summer 2001 term. The revised awarding policy included provision for maximum grant amounts for an academic year of 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 \$2,520 Cal Grant, the maximum State University Grant would be \$1,080 (\$3,600 - \$2,520); 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.

The awarding policy also included provision that, for students enrolling for 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.

Consistent with efforts to recognize the costs students incur when enrolling in year round programs, the policy modifications reflected maximum awards of \$1,800 and \$1,200

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San Diego

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AA-2006-32
August 7, 2006
Page 2

respectively for students enrolling full time (i.e., in 12 or more units) at semester and quarter campuses with corresponding maximums of \$1,200 and \$800 for semester and quarter campuses, respectively, for students enrolling on less than a full-time basis. At the time the policy revision was developed, the incidence of full-time enrollment over a 12-month period was generally limited to those quarter campuses offering state-supported programs during year-round academic calendars. Hence, the SUG awarding policy made reference to a year-round maximum of \$4,800 for full time students and \$3,200 for less than full time students. These maximums, recognizing the equivalent of four quarters, failed to address equivalent or corresponding year-round maximum awards for students enrolled at campuses with semester calendars.

This memorandum is to clarify that students who enroll on a full-time basis (12 units or more) at a semester campus for the academic year and for a summer session are eligible for a maximum award of \$5,400 provided that they enroll for at least 12 semester units during the fall and spring semesters and during the summer term.

AA-2004-38, distributed on December 1, 2004, provided clarification of the maximum SUG award for students enrolling on less than a full-time basis when the amount of the assessed State University Fee exceeds the \$1,200 per semester or \$800 per quarter award level. In the event that the assessed State University Fee for a student enrolling on less than a full-time basis exceeds the stipulated maximum for a student enrolling on less than a full-time basis (i.e., \$1,200 per semester or \$800 per quarter), the campus awarding policy may provide for a maximum award in the amount of the assessed State University Fee.

Campuses are reminded that references to full time clearly stipulate enrollment in 12 units per term (semester or quarter) and that enrollment in fewer units is considered less than full-time enrollment. The 12 unit enrollment requirement for full-time status is without regard to the student's educational level (undergraduate versus postbaccalaureate or graduate) or the instructional level of the courses/units taken.

For the convenience of campus personnel in referencing the current State University Grant (SUG) policy, the pertinent sections of the attachment to the March 8, 2001 memorandum have been updated to reflect the above-referenced clarifications and are included as Attachment A.

In the interest of continuing to evaluate the State University Grant program and ensure that it is responsive to the needs of the CSU and its students, I have requested, on behalf of Chancellor Reed, the advice of the systemwide Financial Aid Advisory Council on recommendations for modifications to the State University Grant program policies, awarding priorities, allocation processes, and other appropriate program considerations.



AA-2006-32
August 7, 2006
Page 3

Questions regarding the State University Grant program and awarding policies may be directed to Ms. Mary L. Robinson, Associate Director for Student Financial Aid, Academic Affairs, Student Academic Support, at (562) 951-4737 or mrobinson@calstate.edu. Your comments and suggestions are also encouraged on the charge to the Financial Aid Advisory Council regarding the program and those comments and suggestions should also be addressed to Ms. Robinson.

GWR:MLR
Attachments (1)

cc: CSU Provosts/Vice Presidents, Academic Affairs
CSU Vice Presidents, Administration
CSU Vice Presidents, Student Affairs
CSU Directors of Financial Aid
Keith O. Boyum, Associate Vice Chancellor
Allison G. Jones, Assistant Vice Chancellor
Charles B. Reed, Chancellor
Richard P. West, Executive Vice Chancellor and Chief Financial Officer

**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

Campus are required to provide a copy of the upcoming award year State University Grant awarding guidelines and priorities to Academic Affairs, Student Academic Support by December 1 preceding the award year.