



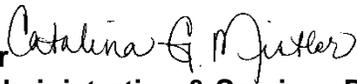
# SPECIAL ALERT

Update of the California Student Aid Commission

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GSA 2014-07

**TO:** Financial Aid Administrators

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**SUBJECT:** UC and CSU Middle Class Scholarship Program

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The California Student Aid Commission (Commission) is pleased to inform the University of California (UC) and California State University (CSU) campuses that system development is well underway for the implementation of the Middle Class Scholarship (MCS). The MCS became law as part of the 2013-14 California Budget Act and is aimed at providing financial aid to UC or CSU students commencing in the 2014-15 academic year.

## 2014-15 Middle Class Scholarship Eligibility Requirements

The MCS was created to provide financial aid assistance to students who are mostly not being served by other programs. Participation is limited to students who will not have at least 40 percent of their tuition/fee expenses covered by a government or institutional grant or scholarship. In addition, in order for a student to be eligible for a MCS, he or she must meet the following criteria:

- Has an annual household income that does not exceed \$150,000 (calculated in a manner consistent with the Cal Grant Program);
- Is a citizen of the United States, eligible non-citizen, or meets AB 540 eligibility;
- Is in compliance with all applicable Selective Service registration requirements;
- Is not incarcerated;
- Is not in default on any student loan within the meaning of Section 69507.5;
- Is exempt from paying nonresident tuition;
- Completes and submits a Free Application for Federal Student Aid (FAFSA) or the California Dream Act Application;
- Maintains satisfactory academic progress in the manner that is consistent with the Cal Grant Program.

***NOTE: Students receiving a fee waiver, such as a CalVET fee waiver, will not be eligible for the MCS.***



State of California  
Edmund G. Brown Jr.  
Governor

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### **2014-15 Middle Class Scholarship Processing**

The Commission has established an advisory committee, with the UC and CSU, to assist in the development of the technical implementation of the MCS. The Commission is currently developing software enhancements needed to accommodate the addition of the MCS to the WebGrants system. UC and CSU campuses will be able to utilize their current WebGrants access to provide all necessary information relating to potentially eligible MCS students.

The UC and CSU campuses will be responsible for submitting an Admission File to the Commission on or about April 1, annually. The Admission File will be utilized by the Commission to make budget projections for the MCS program. The Admission File will include students who have been admitted to a UC or CSU campus and have filed an on-time FAFSA or California Dream Act Application. The Commission will notify these students that they **may** be eligible for a MCS for the upcoming academic year. No student will be awarded or disqualified at this point in time.

On or about July 1, annually, UC and CSU campuses will submit an Enrollment File to the Commission. The Enrollment File will be utilized by the Commission to determine the maximum potential MCS award. Additionally, the Enrollment File will be utilized to determine an individual student's eligibility for the award. The Commission will notify eligible students of their MCS award amount.

Students who are determined to be eligible will be placed on a MCS roster, which UC and CSU campuses will be able to access through the Commission's WebGrants System. Processing of the Enrollment File will generate the Payment File, which will be the method used by campuses to request funds for awarded students.

The award amount for each student on the Payment File will be calculated by the Commission, and thus, any changes to student information that may alter an award (i.e., income or additional public financial aid) would need to be reported to the Commission prior to disbursing any funds. The payment file will be utilized as a mechanism for the UC and CSU campuses to request funds for students following the campus verification of information.

### **Future Decisions**

There are several areas in which the Commission, UC and CSU have requested clarification from the Legislature. As decisions about these issues are made, the Commission will make the information available to all institutions.

Schools should direct any questions on the Middle Class Scholarship application process to the Commission's School Support Services at (888) 294-0153 or at [schoolsupport@csac.ca.gov](mailto:schoolsupport@csac.ca.gov).

*Working together to effectively promote education beyond high school!*