



NEWS RELEASE

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Governor Proposes Full Funding of the Cal Grant Program ***California's Students Benefit***

Rancho Cordova, CA – The California Student Aid Commission applauds Governor Schwarzenegger for his proposal today to fully-fund California's Cal Grant Program. Governor Schwarzenegger made his announcement today as part of his May revision proposals to the budget he proposed in January. In January the Governor proposed a reduction in the maximum grant to students attending private and independent colleges from \$8,322 to \$7,449; today he restored the maximum grant to \$8,322 annually.

"The Commission supports the Governor in his commitment to the Cal Grant Program," said Diana Fuentes-Michel, executive director of the California Student Aid Commission. "The Commission is dedicated to increased accessibility and affordability for students pursuing a college education."

Under the Governor's May Revise proposals, Cal Grant funding will remain at previous levels: up to \$2,520 annually for students attending California State Universities; up to \$6,141 annually for students attending the University of California; and, up to \$8,322 annually for students attending independent and private colleges.

The Cal Grant Program's successful track record continues as this year alone, the Commission expects to make over 100,000 new Cal Grant award offers to deserving and financially needy students attending college and vocational programs in 2005-06. Since Cal Grant entitlement awards were first offered to graduating high school students for 2001-02, the number of new entitlement award offers has increased by 16,000 awards, or by 33 percent.

Another indicator of the program's success is the substantially increased number of Free Applications for Federal Student Aid (FAFSAs) received by the Commission. According to recent statistics released by the U.S. Education Department, California experienced a 1 percent increase in the number of students filing a FAFSA, while the nationwide average for submitted FAFSAs fell by .24 or about ¼ of one percent.

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In addition, the number of Cal Grant grade point averages (GPAs) received by the Commission from students and high schools totals nearly three million for 2005-06 applicants – an impressive 11 percent increase over last year.

Students who file a FAFSA have completed the first step in the Cal Grant application process. The FAFSA, combined with a verified Cal Grant GPA, constitutes a complete application for a Cal Grant. A completed FAFSA filed with the federal processor after January 1 each year starts college-bound students down the path to many sources of financial aid for college – money that doesn't have to be paid back, like grants and scholarships; and, other kinds of money that can help, like loans and campus-based aid.

“The Commission credits its successful Cal Grant public awareness and outreach campaigns. We applaud the efforts of our partners in education,” stated Executive Director Michel. “High school teachers, counselors, college financial aid advisors, community-based organizations and corporate sponsors, and the California Cash for College workshop initiative join the Commission in an annual collaborative effort to encourage and assist students in the Cal Grant application process.”

The California Cash for College workshops work hand-in-hand with the Commission's advertising and outreach campaign to provide free professional assistance to families completing the FAFSA and GPA Verification form necessary for Cal Grants. The workshops are available statewide annually during January and February. Be sure to visit www.californiacashforcollege.org for more information.

To find out more about financial aid programs, visit the Commission's Website at www.csac.ca.gov To find out more about the Cal Grant Program, visit www.calgrants.org

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The California Student Aid Commission is the state's principal provider of intersegmental statewide grant aid to postsecondary students. Founded in 1955 as the California State Scholarship Commission, the Commission's primary programmatic responsibilities include operation of the Cal Grant program, which is distributing nearly \$760 million to California's college students during the 2004-2005 school year; operation of the California Chafee Grant Program; and, several multi-million dollar targeted state scholarship and loan forgiveness programs. The 15-member Commission oversees the activities of its nonprofit student loan services auxiliary, EDFUND. The Commission is headquartered in Rancho Cordova, California.

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