

**Information/Action Item**

***California Student Aid Commission***

Discussion of possible action by the University of California and the California State University to move from systemwide fees to tuition and the impact on the Cal Grant Program

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The University of California (UC) indicated to Commission staff that UC was considering changing the name of its "Education Fee" to "UC Tuition." UC also indicated that the California State University would likely follow suit by changing the name of its systemwide fee to "tuition."

UC indicated that UC Counsel had concluded that a statutory change was not required to preserve Cal Grant coverage for UC Tuition, and asked Commission staff for its assessment.

Commission staff was able to provide UC with a preliminary assessment only, since staff priorities at the time were concentrated on the Commission's appeal of the United States Department of Education's decision to terminate its guaranty agency agreement with the Commission and transfer the guaranty responsibilities to ECMC.

Commission staff responded to UC that the "initial reaction is that there is a significant question whether the amount of tuition can be included in the calculation of Cal Grant awards to students. [¶] At this time, in absence of clear legislative authorization, Commission staff can say only that UC's renaming as 'tuition' any fees that have previously been included in the calculation of Cal Grant awards, would create a risk to students that the calculation of their Cal Grant awards will not include the tuition charges."

Staff is available to discuss this issue and respond to questions.