

*This guidance from the Office of the President is dated April 24, 2020 and will be updated as additional guidelines or regulations are forthcoming from the Department of Education.*

## Background

The recently enacted Coronavirus Aid, Relief, and Economic Security (CARES) Act provides nearly \$14 billion to address higher education challenges created by the COVID-19 pandemic. Of this amount, \$12.6 billion is allocated directly to colleges and universities using an enrollment-based formula that favors institutions that enroll higher numbers of Pell Grant recipients.

Of the amount received by each institution, at least 50 percent must be used “to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to coronavirus (including eligible expenses under a student's cost of attendance, such as food, housing, course materials, technology, health care, and child care).”

A [letter](#) from the Secretary of Education and the associated [Funding Certificate and Agreement](#) make it clear that colleges and universities will have broad discretion in awarding these funds. Below are the shares by UC campus.

**Table 1: Shares of CARES Act Funding, April 9, 2020**

University	Allocation	Min. Fin Aid
University Of California, Berkeley	\$30,440,627	\$15,220,314
University Of California, Davis	\$33,871,763	\$16,935,882
University Of California, Irvine	\$36,731,629	\$18,365,815
University Of California, Los Angeles	\$35,906,870	\$17,953,435
University Of California, Merced	\$13,037,897	\$6,518,949
University Of California, Riverside	\$29,734,626	\$14,867,313
University Of California, San Diego	\$34,889,769	\$17,444,885
University Of California, San Francisco	\$867,955	\$433,978
University Of California, Santa Barbara	\$25,204,196	\$12,602,098
University Of California, Santa Cruz	\$19,327,201	\$9,663,601
<b>TOTAL</b>	<b>\$260,012,533</b>	<b>\$130,006,270</b>

## University of California Financial Aid Planning for CARES Act

On April 21, 2020, the Department of Education issued additional guidance for this funding. This document reflects the University’s understanding of this [guidance](#).

- Ensuring that students can continue to make progress towards graduation despite the financial and other challenges created by the COVID-19 pandemic should be the overarching goal of campuses’ plans.
- The funding is authorized under Title IV of the Higher Education Act. **As such, the campus Financial Aid Office will be in the best position to administer in compliance with existing and forthcoming regulations.** Reporting requirements will be extensive, including student-level reporting 30 days from the initial awards and every 45 days thereafter.

- UC Financial Aid Offices are requested to consult with other key leaders on campus, including the Graduate Division, Basic Needs Centers and campus Associated Students, as they develop their process and plans, although not on individual awarding decisions.
- Campuses are making myriad decisions about COVID-19 and therefore need flexibility as they develop their local emergency grant funding to meet the needs of their students. In general, the plans should reflect the following principles:
  - Efficient Delivery: Campuses should prioritize delivery in Spring and, if necessary, Summer 2020. Feedback from both the Department and our understanding of Congressional intent is that the funds be delivered as quickly as possible.
  - Equity: Campuses may provide broad-based support (e.g., a base award to all students), but are also encouraged to provide additional support to groups that may require additional assistance (e.g., low-income, parenting students).
  - Direct Emergency Grant Payments: The Department's guidance is clear that funds should be delivered directly to students, not to pay for past due bills, to reimburse prior expenditures by the campus (e.g., to pay back the campus for purchased laptops), or to replace lost wages.
  - Beyond the Cost of Attendance: The Department also has made it clear that this funding can be made available to students without regard to the normal total cost of attendance limits.
- Campuses are encouraged to take the following considerations, among others, into account as they consider how to deploy the federal funds in conjunction with their own institutional financial aid:
  - The Department has limited the awards to students eligible for Title IV financial aid authorized under the Higher Education Act. Undocumented students and international students are not eligible for support using these federal dollars. Campuses are encouraged to coordinate the use of these federal dollars with their own institutional aid resources to ensure that emergency grants are available to undocumented students in need who are eligible to receive state support (e.g., AB540 students).
  - Undergraduate students must have filed a Free Application for Federal Student Aid (FAFSA) to be considered. Graduate students, the majority of whom do not file a FAFSA, will be encouraged to either file one or complete an affidavit with the campus confirming their eligibility for Title IV funding (e.g., citizenship status). Campuses are encouraged to consider identifying financial resources to take the place of the CARES Act funding should the Department of Education subsequently issue additional guidance limiting eligibility to those who have filed a FAFSA.

- Campuses are also encouraged to consider targeting particularly vulnerable populations for additional support, e.g., student parents, former foster youth, disabled students, and formerly incarcerated students.
- Both graduate students and undergraduate students will face financial challenges as a result of the COVID-19 pandemic.
- While the FAFSA is one of the best measures of a student's financial resources, it is not necessary to receive emergency support. In addition to information provided on a student's FAFSA or DREAM Application, other indicators (e.g., borrowing at the maximum annual or cumulative allowable level of federal student loans) may help inform the assessment of whether a student's financial resources were precarious even before the onset of the COVID-19 pandemic.
- The UC Office of the President will help coordinate the sharing of information between campuses and with outside stakeholders. UCOP will not be involved in the allocation of the funding, which will come from the US Department of Education.
- Campuses are encouraged to work with the Office of the President on summarizing their financial aid plans, as well as on future reporting requirements to ensure systemwide coordination for both state and federal policymakers, including tracking of appeals.