

2011-2012 Financial Aid News Concerning Cal Grants, Pell and SEOG Grants, Perkins Loans and Federal Work Study

Cal Grants: On March 24, 2011 Governor Jerry Brown signed Senate Bill (SB) 70 into law. SB 70 achieves reductions in state spending by changing Cal Grant eligibility requirements for students. These changes will affect new and renewal Cal Grant recipients beginning with the 2011-2012 academic year.

To renew their Cal Grant awards each year, Cal Grant recipients will now need to meet maximum income and asset ceilings and a minimum financial need requirement, all of which previously applied only to initial Cal Grant recipients.

All Cal Grant students must complete a Free Application for Federal Student Aid (FAFSA) and meet these new requirements in order to qualify for renewal of their Cal Grants.

Federal Funding: For the upcoming academic year cuts to the Federal budget have resulted in some reductions in aid programs for returning students.

Both the Federal Academic Competiveness Grant (ACG) and the National Science and Mathematics Access to Retain Talent (SMART Grant) end on July 1, 2011. Additionally, funding of the Supplemental Educational Opportunity Grant (SEOG), Perkins Loan and Work Study Programs have been substantially reduced. As a result, SEOG Grants, Perkins Loans and Work Study awards will be reduced and eligibility limited to those with the greatest financial need. Perkins Loans will be limited to freshmen and sophomores only.

Juniors and Seniors are eligible for a maximum Direct Loan of \$7,500 each year which will help offset the loss of Perkins Loan eligibility. We also want to encourage all students to pursue outside scholarships. According to Financial Aid expert Mark Kantrowitz, publisher of Fastweb.com, a free scholarship matching website, and FinAid.org, an online provider of student aid information “The typical student is eligible for anywhere between 50 and 100 scholarships, and every year more than 1.5 million scholarships worth more than \$3.5 billion are given to students by donors, philanthropists, and corporations.” Please visit the SMC Financial Aid Website “Scholarships Websites That Work” for links to several scholarship sites and “Outside Scholarships” for scholarship information that has been sent directly to Saint Mary’s.

Lastly, there is a new procedure for students who are awarded Federal Work Study: 2011-12 Federal Work Study (FWS) recipients must 'Accept' their FWS award via GaelXpress and pick up their FWS Contract in the Financial Aid Department.