

Tuesday, Jan. 28, 2025

FINANCIAL AID DIRECTORS
FEDERAL GOVERNMENTAL RELATIONS COLLEAGUES

Dear Colleagues:

On Jan. 27, the Office of Management and Budget (OMB) issued a memo that directs all federal agencies to pause their funding, except for “direct aid to individuals.” On Jan. 28, OMB issued additional guidance clarifying that the only programs subject to the pause are those related to the recently issued executive orders by President Donald Trump. The White House further clarified that specific programs, including federal student aid, would not be affected. On Jan. 28, a federal judge temporarily blocked the OMB memo from going into effect until Feb. 3 at 5 pm ET.

We understand there is significant concern within the University of California community about how this directive will impact our education, health and research enterprises. We are actively working to evaluate the full scope of the directive, and will keep you updated as new information is available.

Based on guidance from the White House and the U.S. Department of Education, Direct Loans, Pell Grants, Federal Work-Study, the Supplemental Nutrition Assistance Program (SNAP), and Veterans Affairs (VA) benefits, among other forms of direct financial assistance to individuals, will not be affected. Students and parents who rely on financial aid should be reassured that they will continue to receive aid for which they are eligible. Financial aid for UC students has already been distributed for the winter quarter and spring semester, and there should be no impact on spring quarter disbursement.

Separately, UC continues to assess the impact of this action on other federal programs, including basic needs programs, direct federal fellowships (e.g., National Science Foundation) and research programs. We understand these actions are increasing anxiety levels across your campuses. UC’s Office of Federal Governmental Relations is in contact with key policymakers, agency contacts, association partners and other stakeholders to gather additional information and will keep you apprised.

As always, do not hesitate to reach out if you have any questions.

Sincerely,

Shawn Brick, Associate Vice Provost, Student Financial Support
Chris Harrington, Associate Vice President, Federal Government Relations