

ENROLMENT SERVICES

**OSAP and Professional Experience Year: Information and Useful Tips**

**OSAP Repayment begins:**

* PEY is not considered as full-time studies so the OSAP loan repayment process begins
* **PEY is not eligible for student loan/grant funding or Interest Free Status for the following reasons:**
  + It’s optional; not attending classes full-time; not an official Co-Op program and no transfer credits awarded
* Student loans enter repayment 6 months from the end of your last full-time study period
  + Out of Province Students 🡪 Check with your home Province’s student loan office 🡪 PEY is NOT a Co-op program!

**Repayment example for a current APSC student:**

* Study period end date for the 2016-2017 year: April 28, 2017
* Non-Payment Period: May 1, 2017 to Oct 31, 2017 🡪 Interest charged on the Canada Student Loan portion of OSAP
* Consolidation Date: Nov 1, 2017 🡪 Date student loans officially enters into repayment status
* First Required Payment Date: Nov 30, 2017

**Interest Charges:**

* OSAP funding consists of the Canada Student Loan and the Ontario Student Loan 🡪 Most students have both
* Floating Interest Rates: Based on the Prime lending rate 🡪 Current rate is 2.7%
  + Canada Student Loan: Prime plus 2.5% 🡪Option exists for Fixed Rate at Prime + 5% 🡪 Seek advice!
  + Ontario Student Loan: Prime plus 1.0%
* While you’re enrolled as a full-time student, and the lender is aware, the loans are interest-free
* Once you’re no longer a full-time student you’re given a 6 month Non-Payment period 🡪 Interest on Canada Loan!
* Repayment of the loans is “open.” 🡪You can choose to begin repaying your loans early or increase payments

**Consolidation of your Loans and the National Student Loans Service Centre:**

* For most of you the lender is the National Student Loans Service Centre (1-888-815-4514; http://canlearn.ca)
* The NSLSC will mail you repayment information about 5 months after your full-time studies end
* Package includes a Consolidation letter 🡪 must be completed and returned to the NSLSC
* Consolidation letter has some options 🡪 carefully read through this information
  + 6 Month Non-Payment Period Interest: Capitalize (add to your loan principal) or pay off immediately if possible
  + Floating or Fixed Interest Rate on Canada Student Loan: Seek financial advice before choosing the Fixed interest option
  + Method of payment: Pre-authorized automatic payments versus Manual Online/Telephone/Cheque
  + Length of Repayment Period: Initially set at 9.5 years 🡪 You can increase to 14.5 years or decrease below 9.5 years

**Repayment Assistance:**

* If you cannot afford to make the minimum payment then contact the NSLSC to inquire about your options:
  + Interest Relief Stage 1: Payments/interest could be reduced based on your monthly income
  + Revision of Terms: Lower your payments by extending the life/amortization period of the OSAP loan
* Repayment Calculators: CanLearn (http://canlearn.ca) and OSAP (http://ontario.ca/osap) websites.
* Register for NSLSC Online Services through the CanLearn.ca website: track balance, apply for RAP and watch webinars

**Updating your address and Useful Websites:**

* National Student Loans Service Centre: 1-888-815-4514 or register on-line at [**http://canlearn.ca**](http://canlearn.ca)**.**
* Update information with OSAP at [**http://ontario.ca**](http://ontario.ca)**/osap** and with U of T at[**www.acorn.utoronto.ca**](http://www.acorn.utoronto.ca)

**Returning from PEY 🡪 Not Applying for OSAP:**

* Notify the NSLSC that you’ve returned to full-time studies to stop the OSAP repayment process
* Complete a Continuation of Interest Free Status form at your Registrar Office in September
* Pay off any outstanding interest on your loans in order to enter non-repayment status 🡪 Contact NSLSC

**Returning from PEY 🡪 Applying for Full-time OSAP:**

* Apply for student loans and provide all required documents by the end of May 🡪 Assessments available early August
* Appeals may be possible: consult with Enrolment Services in August after an OSAP assessment is produced
* Early assessment 🡪 Full-time enrolment confirmed in September 🡪 NSLSC notified to stop OSAP repayment

**Factors that could change in your new student loan application:**

* Independent status: OSAP considers you to be independent if you’ve been out of high school for 4 years
  + Parental Income will not be used in the OSAP assessment 🡪 if it affected your funding before now it won’t!
  + Previously: not eligible for the 30% Off Ontario Tuition Grant 🡪 PEY is not a Co-Op program
  + Starting in 2017-2018 🡪 eligible for OTG 🡪 haven’t used up maximum OTG terms 🡪 Parental info required!
  + Maximum OTG Terms: No Permanent Disability: 8 terms 🡪 Permanent Disability: 12 terms
* Residency:
* If you leave Ontario to work in another Province for 12 consecutive months (365 days) without studying full-time, then you will be considered a resident of that other Province for student loan purposes. You’re no longer eligible to apply for OSAP funding when you return to Ontario
* If you were previously a resident of another Province, and worked in Ontario for 12 consecutive months (365 days) without studying full-time, then you could be eligible for OSAP funding after the PEY

**PEY income and future OSAP application:**

* OSAP is an income/asset sensitive program: the more resources you have 🡪 the less financial need you have
* The OSAP application will ask a variety of questions about your resources and some play key roles
* Funding Estimator Programs: Estimates Only! 🡪 Not a guarantee of funding!
  + OSAP website: ontario.ca/osap 🡪 Find out how much you could you get 🡪 estimate of potential OSAP loan + grants
  + Enrolment Services website: future.utoronto.ca 🡪 Finances 🡪 Financial Aid 🡪 UTAPS 🡪 UTAPS Online Estimator 🡪 estimate of student loans and potential U of T grants
* Assets: OSAP asks you to declare the value of your assets as of the start of classes in September:
  + Declare the total value of all financial assets🡪 Savings accounts, TFSA, Stocks, Bonds Mutual Funds🡪 No appeals
  + Useful tip: during PEY focus on paying off high-interest debts (e.g. Credit Cards) 🡪 do so well before school starts!
* Income: OSAP may not ask for your income/earnings like in previous years but U of T will for grant consideration!
  + Useful tip: During the Summer months reduce your expenses and make only the minimum payments on your OSAP loans 🡪 OSAP loans will be interest free once you’re full-time and confirm your enrolment
  + Useful tip: Don’t make big purchases, like a vehicle 🡪 Vehicles come with a lot of expenses!
* OSAP and U of T expect that you will be able to make a financial contribution to your studies
* These policies are consistent with those of your Faculty’s Grants Committee 🡪 be financially responsible!

**PEY income and UTAPS grant:**

* OSAP recipients: UTAPS grant is directly linked to your OSAP assessment 🡪 Previously no application necessary
  + U of T will now ask for additional income/resource information to get a better idea of your financial situation
* Out of Province Students: apply online for UTAPS beginning in August 🡪 future.utoronto.ca 🡪 Finances 🡪 UTAPS
* Qualifying for UTAPS:
* Full-time according to OSAP + have Unmet need 🡪 Uses Ontario assessment of need after all resources considered
* Funding Estimator (Estimate only 🡪 Not a guarantee of funding!): Go to future.utoronto.ca 🡪 Finances 🡪 UTAPS