



OSAP and Professional Experience Year: Information and Useful Tips

OSAP Repayment begins:

- PEY is not considered to be 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 will go into repayment 6 months from the end of your last full-time study period.
 - Two exceptions: Alberta → recognize PEY for interest free status. PEI → 1 year Non-Payment Period

Repayment example for a current APSC student:

- Study period end date for the 2015-2016 year if you're a full time student: April 29, 2016.
- Non-Payment Period: May 1, 2016 to Oct 31, 2016 (Interest is charged on the Canada portion of OSAP loans).
- Consolidation Date: Nov 1, 2016 (Date student loans officially enters into repayment status).
- First Required Payment Date: Nov 30, 2016

Interest Charges:

- OSAP funding consists of the Canada Student Loan and the Ontario Student Loan. Most students have both.
- Floating Interest Rates: Prime Rate is currently 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 is charged on the Canada portion of your student loans during this 6 month Non-Payment period.
- Repayment of the loans is "open." You can choose to begin repaying your loans early or increase payments.

Repayment Assistance:

- 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 4-5 months after your full-time studies end.
- If you cannot afford to make the minimum payment then contact the NSLSC to inquire about your options:
 - Repayment Assistance: your 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.
- Canlearn (<http://canlearn.ca>) and OSAP (<http://ontario.ca/osap>) websites have useful repayment calculators.
- Register for NSLSC Online Services through the Canlearn.ca website: track loan balance, apply for RAP, etc.

Updating your address and Useful Websites:

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

Returning from PEY → Not Applying for OSAP:

- You must 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.
- You must pay off any outstanding interest on your loans in order to enter non-repayment status.
 - Contact the NSLSC: 1-888-815-4514

Returning from PEY → Applying for Full-time OSAP:

- Apply for student loans and provide all required documents by the end of May.
- Assessments for early applications will be available in early August
- Appeals may be possible: consult with Enrolment Services in August after you find out your assessment.
- 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 is not used in the OSAP assessment
 - Not eligible for the 30% Off Ontario Tuition Grant: PEY is not a Co-Op program and was not required.
- OSAP will change for 2017-2018 according to the recently announced Provincial budget!
 - OSAP Transformation website: http://www.tcu.gov.on.ca/eng/news/2016/osap_budget2016_en.html
- Residency:
 - If you leave Ontario to work in another Province for 12 consecutive months (365 days) without studying full-time, when you return to Ontario you're considered a resident of that other Province for student loan purposes. You're no longer eligible to apply for OSAP loans.
 - If you were 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 loans after the PEY.

How will my PEY income affect my future OSAP application?

- OSAP is an income/asset sensitive program: More resources you have → Less financial need you have.
- The OSAP application will ask a variety of questions about your resources and some play a key role:
 - Assets (bank account balances, investments, etc.) as of 16 weeks prior to the start of classes → Mid-May
 - Gross income during the 16 weeks prior to the start of classes → mid-May to September.
- Funding Estimator Programs: Estimates Only! → Not a guarantee of funding!
 - OSAP website: ontario.ca/osap (Select "How much could you get?"): estimate of Government loans + grants
 - Enrolment Services website: www.adm.utoronto.ca/fa (Select "UTAPS" on the left): estimate of student loans and potential U of T grants.

Using PEY income wisely:

- Decisions to use PEY income to pay off debts, purchase a vehicle, etc. can impact your OSAP severely.
- Assets: Declare 16 weeks prior to the start of classes in September which is around mid-May → No appeals
 - Useful tip: if you choose to make lump-sum payments against your debts, then do so prior to the beginning of May. Focus on high interest debts.
- Summer Income: Declare Gross income for mid-May to the start of classes in September
 - Gross income means before any deductions or before you pay for any expenses.
 - Useful tip: During the Summer months reduce your expenses as much as possible and make only the minimum payments on your OSAP loans.
 - OSAP loans will be interest free once you return to full-time studies and confirm your enrolment.
- OSAP no longer asks you to declare vehicles → Don't buy a car! → Vehicles come with a lot of expenses!
- These policies are consistent with those of your Faculty's Grants Committee.

PEY income and UTAPS grant:

- OSAP recipients: UTAPS grant is directly linked to your OSAP assessment → No application necessary
- Out of Province Students: apply online for UTAPS beginning in August → www.adm.utoronto.ca/fa
- Qualifying for UTAPS:
 - Must have unmet financial need according to the Ontario student loan assessment of need
 - Criteria opened up for 2015-2016: you used to have to be FT for both terms → 1 Term + 60 % = eligible
- Funding Estimator Program for loans and grants: www.adm.utoronto.ca/fa (Select UTAPS on the left).