

Ministry of Colleges and Universities

# Ontario Student Assistance Program (OSAP)

Ontario Native Education Counselling Association

November 2020

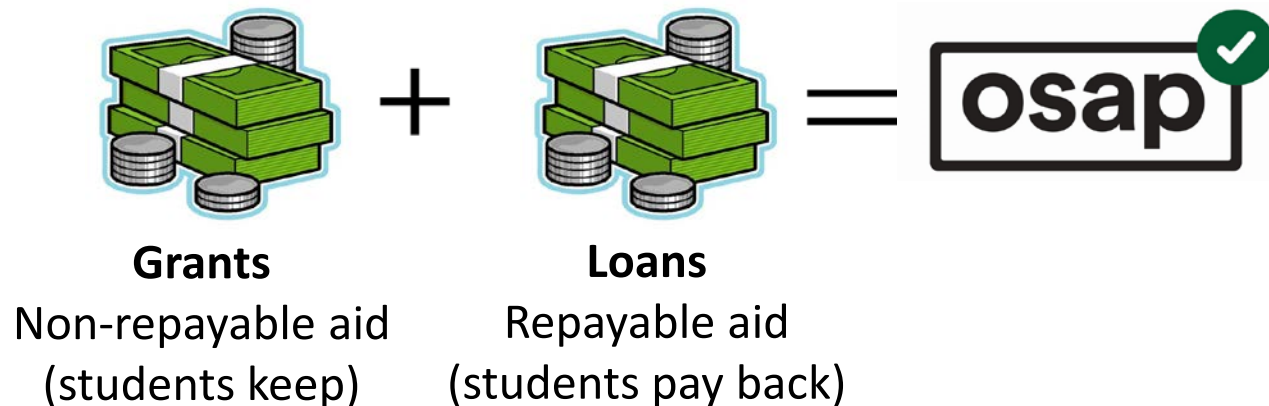
# Outline

- Overview of OSAP
- Targeted funding/policies for Indigenous learners
- What's new this year?
  - Six-month moratorium on student loans
  - Changes introduced by the federal government
  - Impact of OSAP changes on Indigenous learners

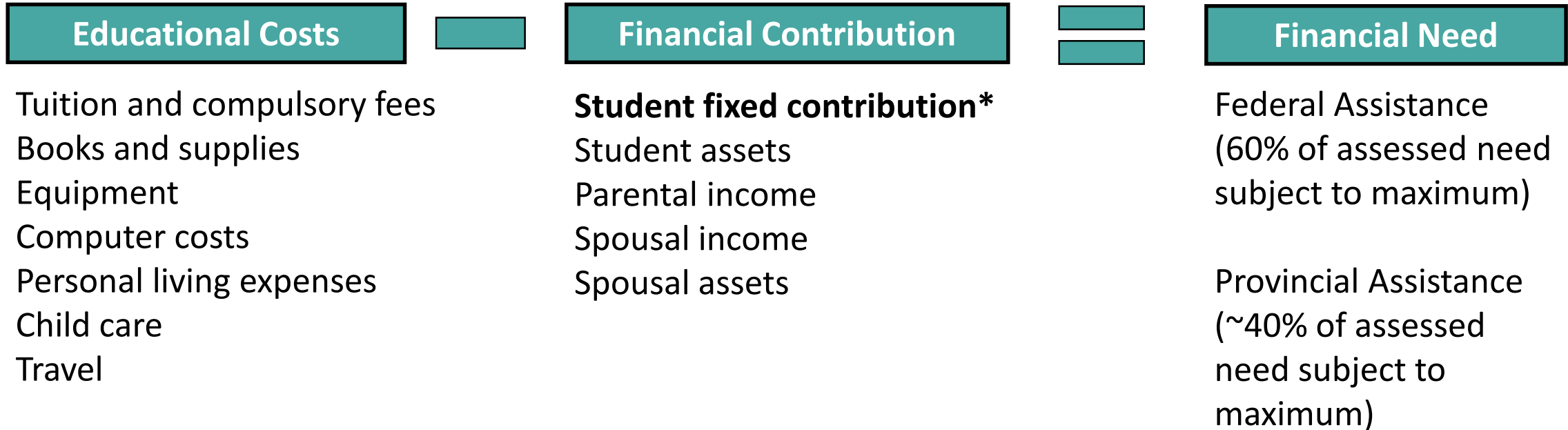
# Overview of OSAP

# What is OSAP?

- The **Ontario Student Assistance Program (OSAP)** supports access to postsecondary education for Ontarians by providing financial assistance to help qualified students and families with the cost of postsecondary studies.
- OSAP is funded by both the federal and provincial governments. Both levels of government provide students grants and loans through a single payment.
- To be eligible for OSAP, students must be:
  - A Canadian citizen, permanent resident or protected person;
  - An Ontario resident; and
  - Attending an OSAP-approved postsecondary institution and receiving a credential in a program that is at least 12 weeks in length.



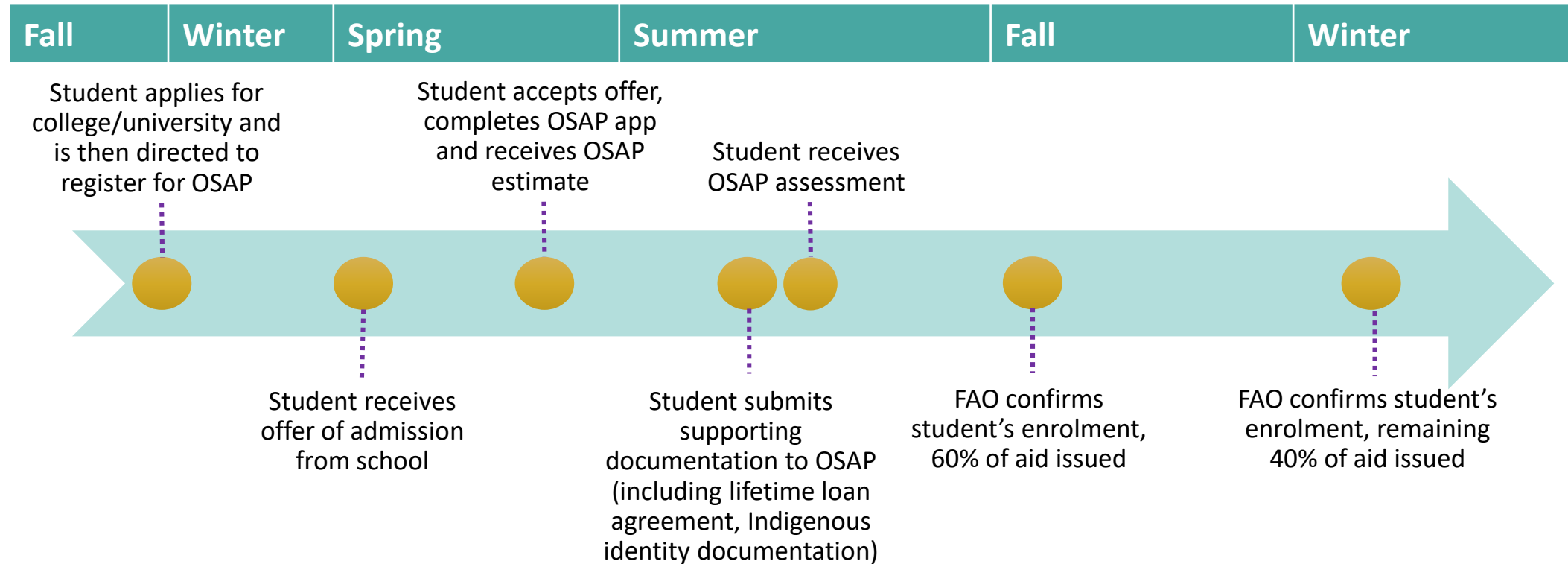
# How is OSAP aid determined?



**\*Students who identify as Indigenous and provide documentation confirming their Indigenous identity are exempt from the \$3,600 student fixed contribution.**

# Application process

- The 2020-21 OSAP application is now available. Students can apply online at [ontario.ca/osap](https://ontario.ca/osap).



# Grant funding only

- Once a student's OSAP application has processed, they have the option to receive their grants only and not accept their loan.
- Students can select this option by logging into their online OSAP account and navigating to the "Funding summary" page:

osap 2020-21 Full-time application

Funding summary

Lake Camp  
LAKEHEAD UNIVERSITY - Applied Life Sciences  
Jan 1/21 - Jul 24/21

| Grants (you keep) |   | Loan (you repay) |   | Total    |
|-------------------|---|------------------|---|----------|
| \$22,575          | + | \$7,603          | = | \$30,178 |

Why your grants could become a loan <sup>ⓘ</sup>

You don't have to take the loan.  
[▶ How this option works](#)  
[Learn more about this option <sup>ⓘ</sup>](#)

I don't want the loan.

Cancel Submit

# Payment and repayment

- Loans are interest-free while students are in school. After leaving full-time studies, students have six months before they must start making payments on their loan (“grace period”).
  - During the 6-month grace period, interest accrues on the Ontario portion of the student’s loan while no interest accrues on the Canada portion of the student’s loan.
- **Students who are having difficulty in repayment can access the Repayment Assistance Plan (RAP).** Through RAP, loan payments can be lowered, or reduced to zero, based on the individual’s family income and family size.
  - Ontario and Canada help pay interest and/or principal for students accessing RAP.
  - Students apply for RAP through the National Student Loans Service Centre.
- When a loan is not paid for 270 days, it goes into default and is returned to Canada and Ontario for collection. Ontario and Canada both have rehabilitation programs to help students who have defaulted get their loans back into good standing.



# Targeted funding/supports

# OSAP and Indigenous learners

- Indigenous students are exempt from the OSAP fixed student contribution.
  - The exemption from the fixed student contribution can result in additional OSAP grant and loan support each year (up to approx. \$3,600 per year).
  - There is a supporting documentation requirement for students who identify as Indigenous on their OSAP Application for Full-time Students and want to be exempt from the student fixed contribution.
- Ontario no longer considers Postsecondary Student Support Program (PSSSP) funding as a resource when determining the student's OSAP entitlement.
  - This meant that OSAP would no longer be reduced by the amount of PSSSP a student received.

# OSAP and Indigenous learners

- Ontario provides the Ontario Indigenous Travel Grant to help students with the costs of travelling between their remote First Nations community to the postsecondary school they are attending.
  - If a student's spouse and/or dependent children will be living with them during their studies, their travel costs can also be considered through this grant.
  - Students apply through a separate application.
  - Eligible remote First Nations communities are those listed by Crown-Indigenous Relations and Northern Affairs Canada as Zone 3 and Zone 4 communities.

# Other OSAP funding for travel costs

- **Return Travel Allowance:** adds up to \$1,200 in travel costs to the OSAP financial need assessment for single dependent students who are living more than 30 kilometres away from their parent's home during their study period.
  - Students are automatically considered for the return travel allowance when they apply for OSAP.
- **Ontario Student Grant - Distance Component:** provides grant assistance to students who incur high transportation costs because their permanent residence is 80 kilometres or more from the closest postsecondary institution of the type they are attending. The Distance Component has two parts:
  - “Commuting” for students who commute on a regular basis (\$500 per term to a maximum of \$1,500 for a three-term study period).
  - “Travel” for single dependent students who live away from their parental home during the study period (\$300 per academic year).
  - Students are automatically considered for the Ontario Student Grant Distance Component when they apply for OSAP.
- **Review to Adjust Local Travel Costs:** adds travel costs to the financial need assessment for students who have a significant commute between their home and institution and incur additional local travel costs, whether using a personal vehicle or public transit.
  - Students must submit a “Request for Review: Adjust Local Travel in Study Period” form to their financial aid office to be considered.

# Other targeted funding

- In addition to OSAP, students may be eligible for other targeted grants and bursaries. A separate application is required for each of these programs. Students can contact their school's financial aid office for more information, including how to apply.
  - **Indigenous Student Bursary:** Non-repayable support provided to Indigenous students with financial needs to assist with their participation in postsecondary education and training.
  - **First Generation Bursary:** Provided to students who are the first in their families to attend postsecondary studies and who have financial need.
  - **Bursary for Students with Disabilities (BSWD) and Canada Student Grant for Services and Equipment for Persons with Permanent Disabilities (CSG-PDSE):** Provides up to \$22,000 per year to students with disabilities to cover exceptional education-related costs associated with their disability.

# What's new this year?

# OSAP student loan moratorium

- From March 30, 2020 to September 30, 2020, student loan borrowers are not required to make any payments on their OSAP loans, and interest will not accrue on their OSAP loans.
- This change was made to ease the financial burden on OSAP borrowers during the COVID-19 pandemic, as they may be facing difficulty making payments due to workplace closures or other economic disruptions.
- Borrowers still experiencing financial challenges after the moratorium ends should apply for the Repayment Assistance Plan.

# Federal changes to student financial assistance

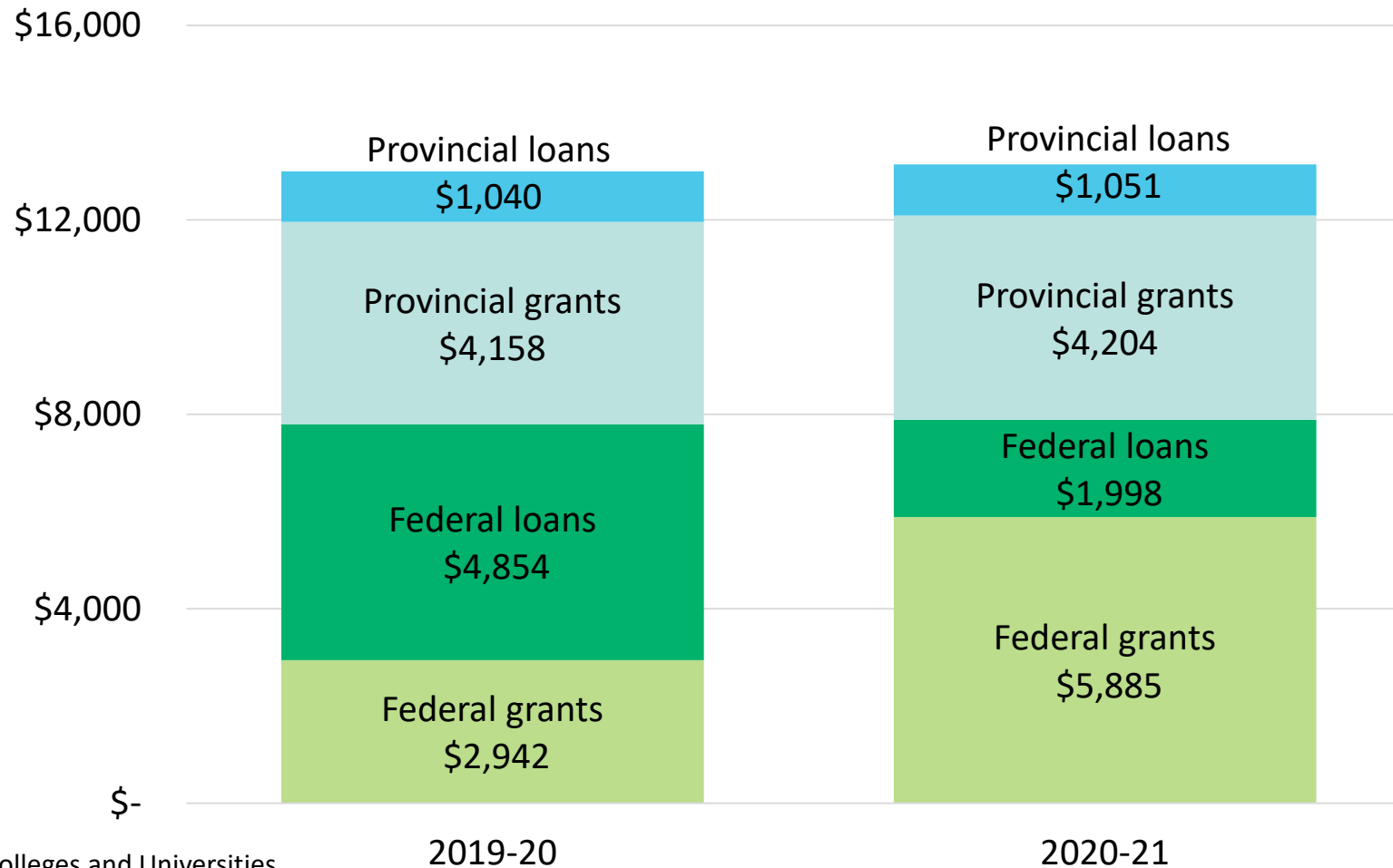
The federal government has announced a set of changes that will be in place for the 2020-21 academic year only:

- Maximum Canada Student Loan amount increased from \$210/week to \$350/week.
- Student and spousal contributions are removed.
- Increases to Canada Student Grant maximum amounts as follows:
  - Canada Student Grant for Full-time Students (CSG-FT) increased from \$375 to \$750 per month of study (from \$3,000 to \$6,000 for a standard 8-month academic year).
  - Canada Student Grant for Part-time Students (CSG-PT) increased from \$1,800 to \$3,600 per loan year.
  - Canada Student Grant for Part-time Students with Dependants (CSG-PTDEP)
    - Increases from \$40 to \$80 per week of study (students with one or two dependants).
    - Increased from \$60 to \$120 per week of study (students with three or more dependants).
  - Canada Student Grant for Students with a Permanent Disability (CSG-PD) increased from a flat amount of \$2,000 to \$4,000 for the loan year for students who have a permanent disability and federal assessed need of at least \$1.



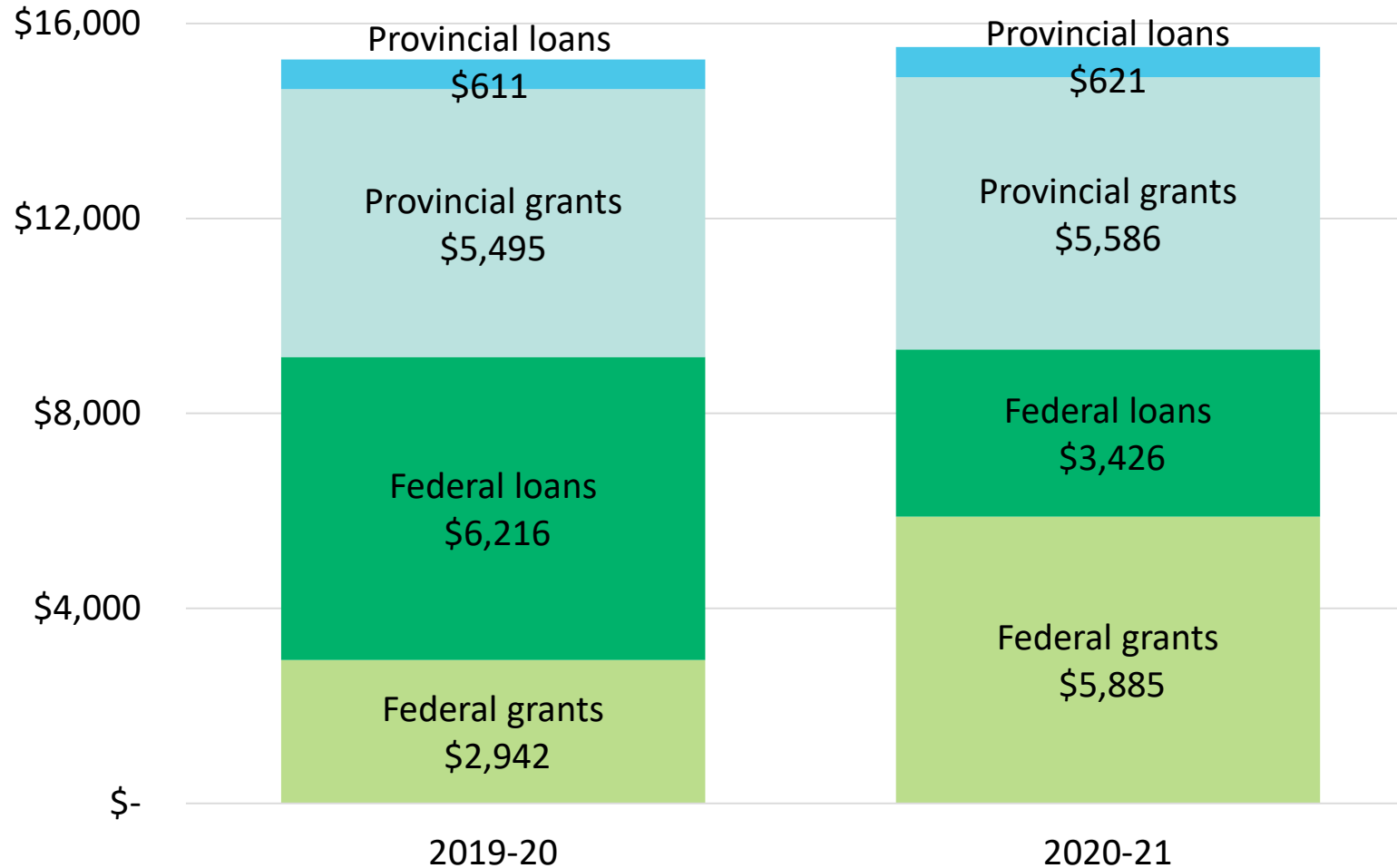
# Estimated impact of OSAP changes

Dependent University Arts & Science student, living at home,  
parental income \$60,000 (family of 4)



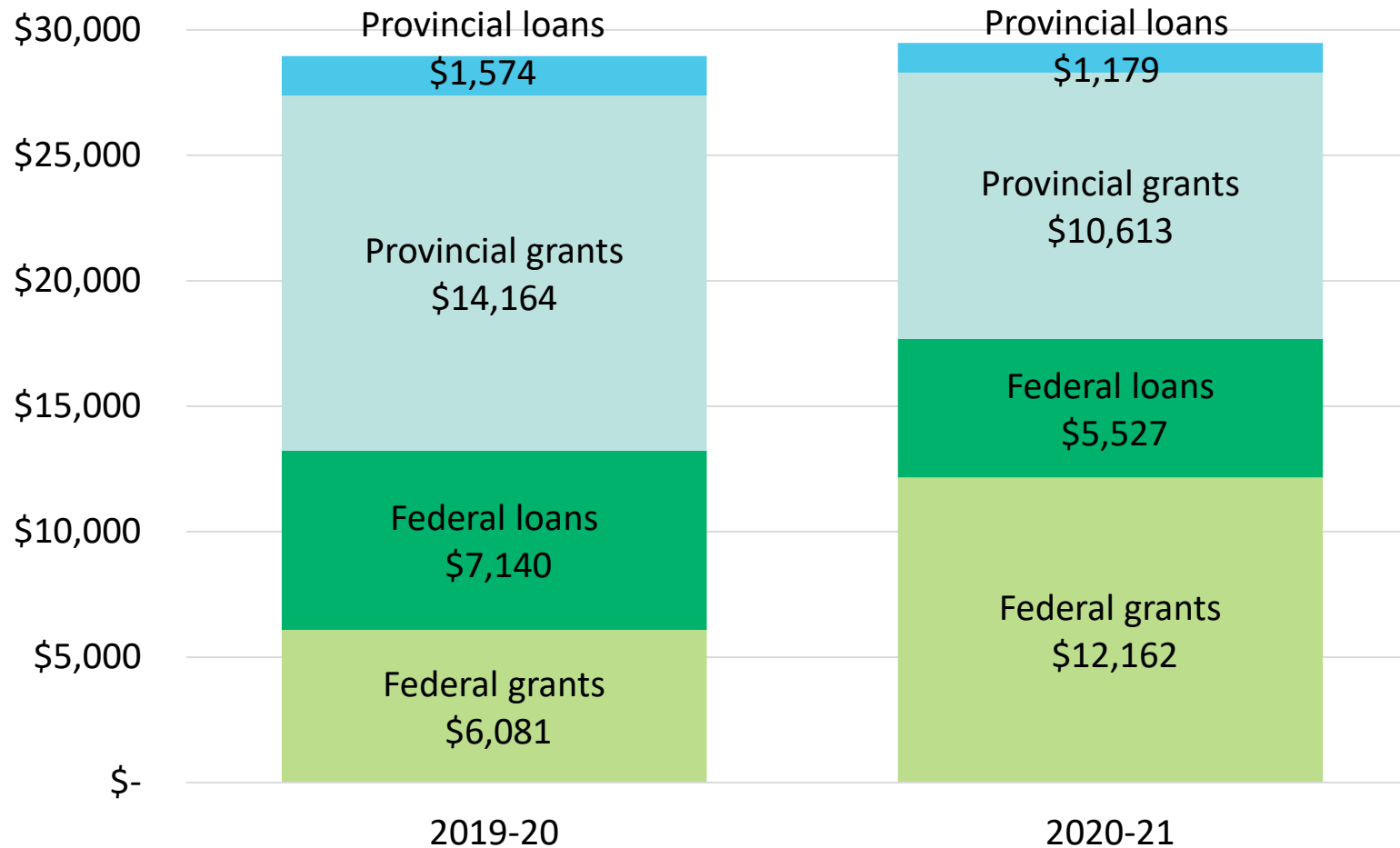
# Estimated impact of OSAP changes

Independent College student, living away from home,  
student income \$20,000



# Estimated impact of OSAP changes

College student, sole-support parent with 2 children,  
student income \$50,000



**Thank you!**

**Questions?**