

Ministry of Colleges and Universities

# Ontario Student Assistance Program (OSAP)

March 2023

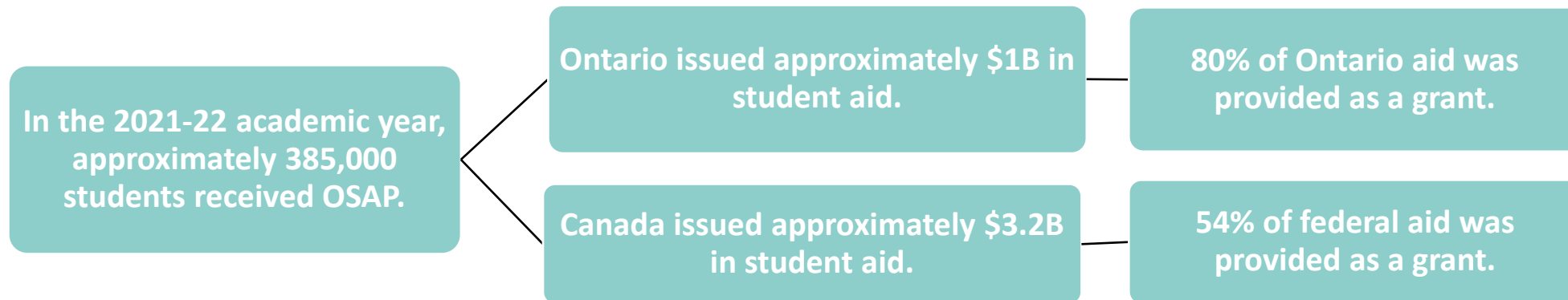
# Agenda

- OSAP Overview
- From the Student Perspective: Common Questions about OSAP Supports for Indigenous Students
- Other Common Questions
- Q&A Period

# What is OSAP? Who does it support?

## Program Overview and Objectives

- OSAP supports access to postsecondary education for Ontarians by assisting qualified students and families with the costs of postsecondary studies. It includes grant, loan, bursary, scholarship, and other aid programs.
- Ontario and Canada have integrated their student financial assistance programs. Through OSAP, funding is provided by both governments, and Ontario administers the federal portion on behalf of Canada.
- OSAP is available to eligible full-time students attending an OSAP-approved postsecondary institution and receiving a credential in a program that is at least 12 weeks in length.



# Who is eligible for OSAP?

## Program Eligibility

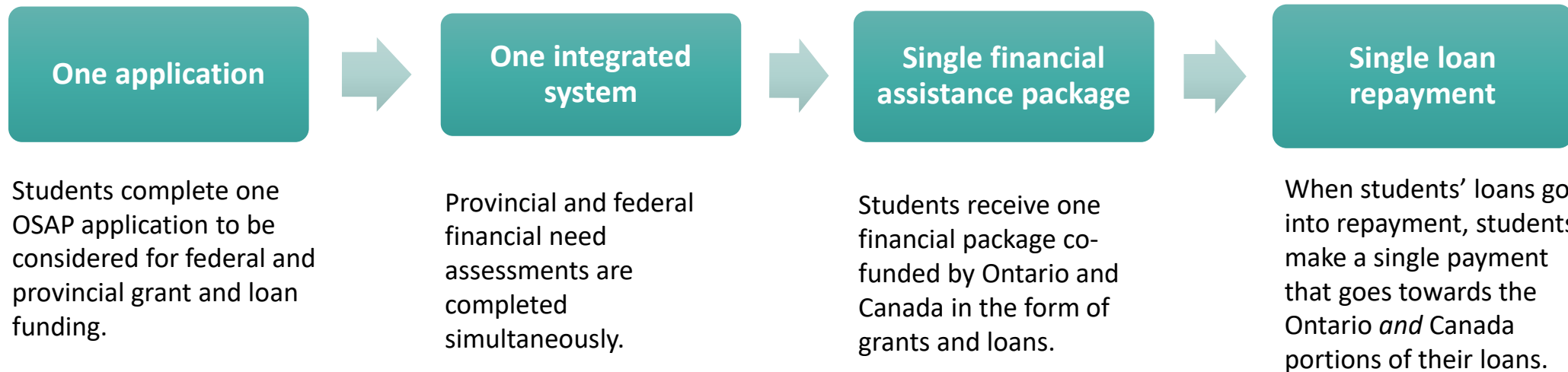
- Postsecondary education financing is a **shared** responsibility between students and their families, Ontario and Canada, and postsecondary institutions.
- To be eligible for OSAP, students must be:
  - A Canadian citizen, permanent resident or protected person;
  - An Ontario resident; and
  - Attending an OSAP-approved postsecondary institution and receiving a credential in a program that is at least 12 weeks in length.
- OSAP (provincial and federal) is also available to Ontario residents studying at:
  - Private career colleges and private institutions operating in Ontario
  - Public institutions in Canada.
- Federal funding (Canada Student Loans and Grants) is available to:
  - Ontarians studying abroad
  - Private institutions outside of Ontario, but within Canada.



# How does OSAP work?

## Program Delivery

- Under OSAP, federal and provincial aid is integrated. Applying for, receiving, and repaying student financial assistance in Ontario is a single, streamlined process.

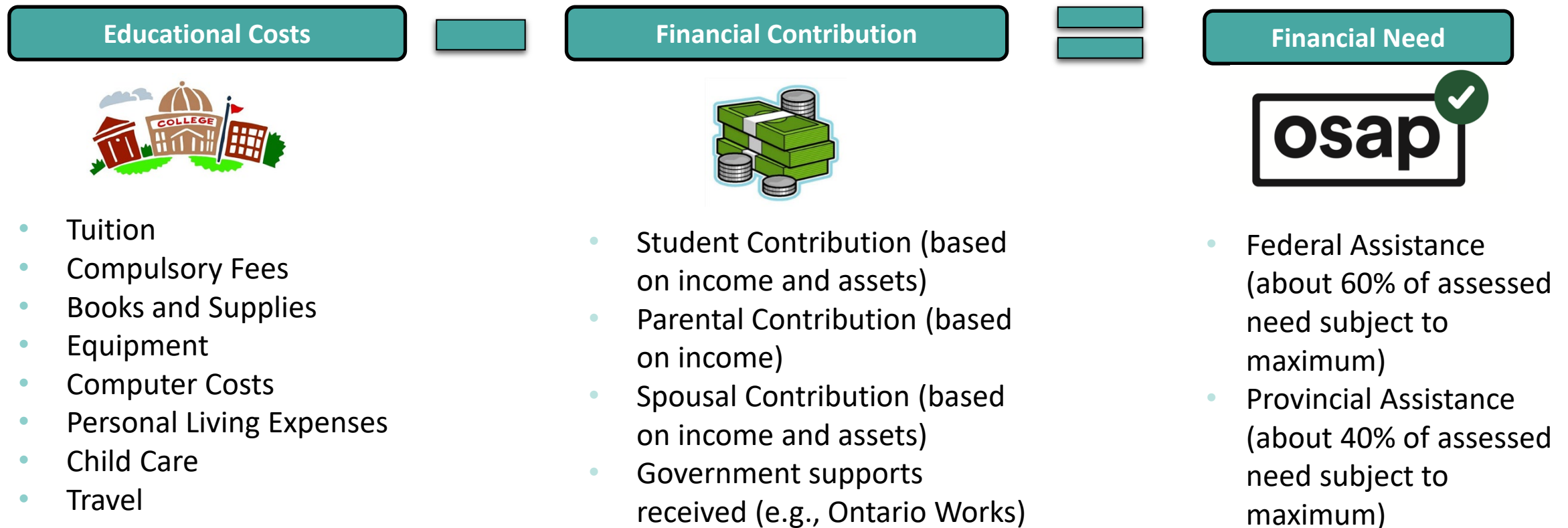


- OSAP is an entitlement program: there is no cap on the number of students who can qualify for funding.
- Eligibility is determined based on a financial need assessment.

# How does OSAP determine eligibility based on financial need?

## OSAP Need Assessment

- OSAP assistance is determined through a fact-based assessment of financial need based on an individual's costs and expected resources:



# 2022-23 Academic Year Sample Assessment

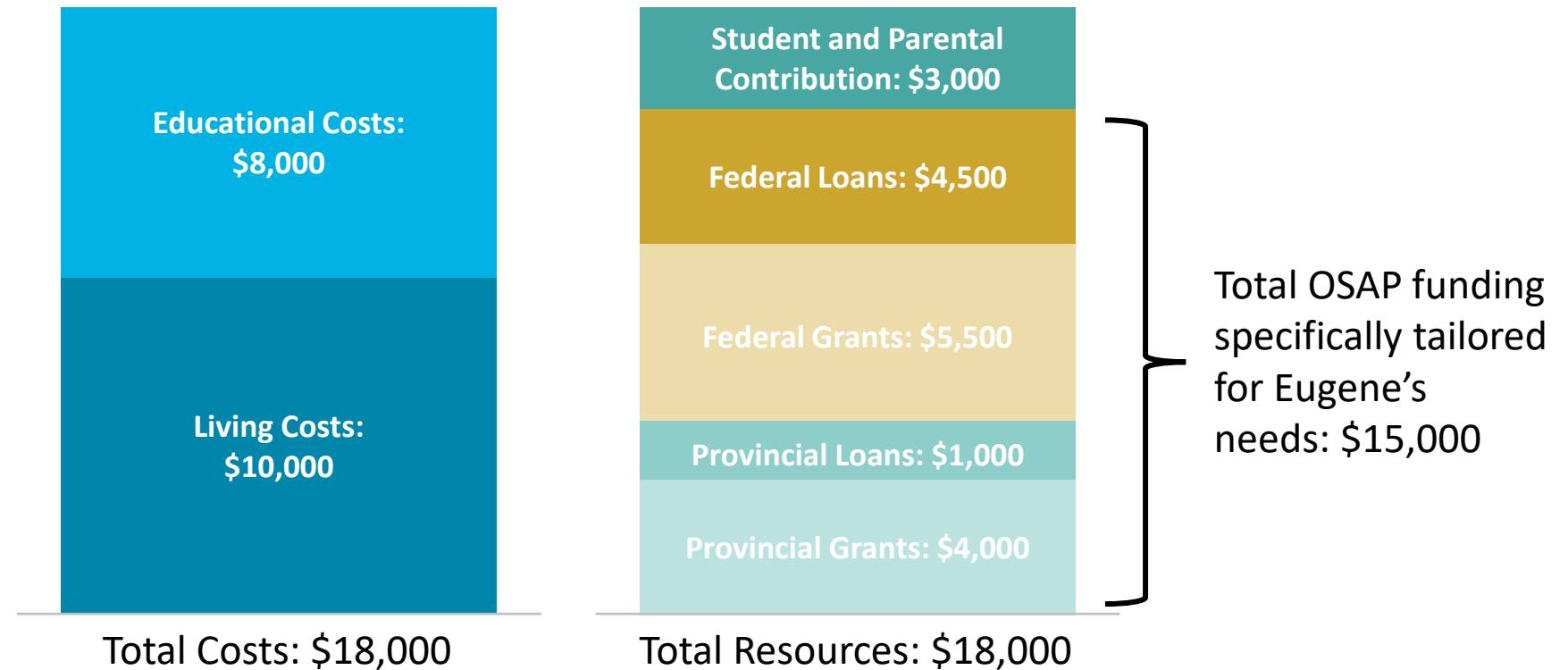
- **Meet Eugene.** Eugene is in Grade 12 and lives in Windsor with his parents and younger sister. His father is a janitor and his mother works in a day care; they have a combined annual income of \$65,000. Eugene wants to attend the University of Toronto to study math.



# 2022-23 Academic Year Sample Assessment

## Key details about Eugene:

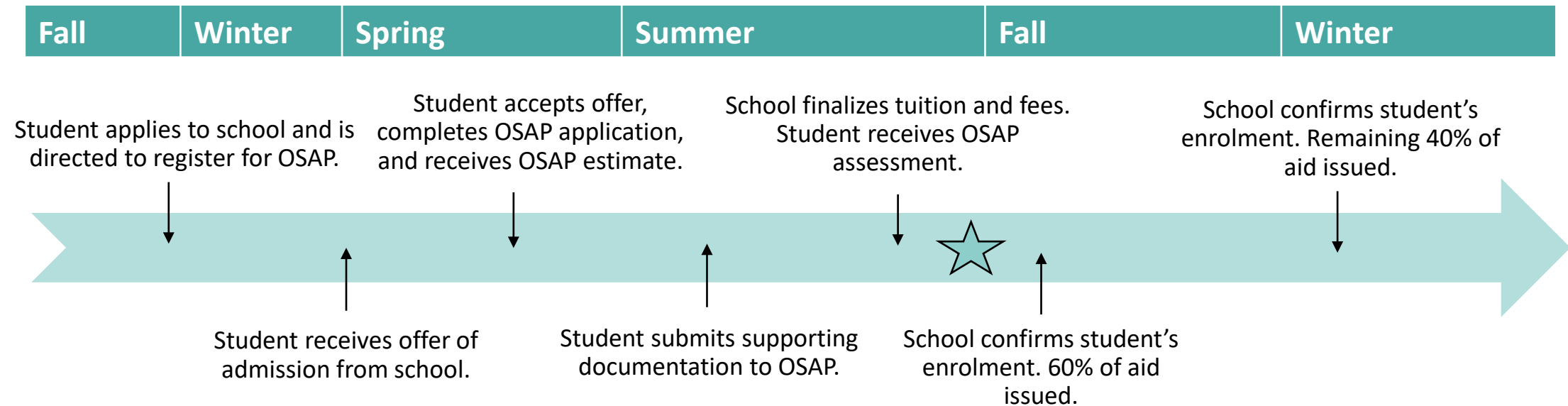
- Ontario resident
- A dependent student in a family with one other dependent
- Family income of \$65,000
- Living away from home
- Attending a public university in an Arts and Science undergraduate program





# What does OSAP's application process look like?

- The 2022-23 Full-Time OSAP Application launched on April 12, 2022. Students applying to college, university or an Indigenous Institute can go to [ontario.ca/osap](https://ontario.ca/osap) to apply for student financial assistance.



- After applying for OSAP, students are provided a “net estimate” showing both the cost of tuition after grants are applied and remaining OSAP funding for other costs.
- Students must apply for OSAP every year. Once they complete full-time studies, they enter into a six-month grace period before they are required to repay their OSAP loan.

★ *Students have the option to decline their loan. They must submit their request for grant-only funding no later than 40 days before the start of their study period.*

# How do students pay back OSAP loans?

## Student Loans – Payment and Repayment

- Like receiving assistance, repayment is integrated into a single student loan (Canada-Ontario Integrated Student Loan) under OSAP. This means one payment and one repayment for borrowers.
- The National Student Loans Service Centre (NSLSC) manages all aspects of the loan.
- Terms of repayment are typically based on a period of 9.5 years, although borrowers have the option to renegotiate payments for up to 14.5 years.
- OSAP loans differ from private loans in several ways:

### No payments for six months

- After leaving full-time studies, students have at least six months before loan repayments are required.

### Low interest

- Loans are interest-free while students are in school.
- Ontario's interest rate is prime +1%.
- Canada has eliminated interest on the federal portion of integrated student loans.
- Ontario accrues interest on Ontario Student Loans one month after students leave full-time studies, during the six-month non-repayment period ("grace period").

### Repayment assistance

- Through the Repayment Assistance Plan, loan payments can be lowered, or reduced to zero, based on the individual's family income and family size.
- Government will pay interest or principal.

# What's new in OSAP?

## OSAP for Micro-credentials

- OSAP for Micro-credentials provides eligible students with Ontario grant and loan assistance for ministry-approved, quality-assured micro-credential programs that are less than 12 weeks in length.
- Starting in Winter of the 2020-21 academic year, provincial-only OSAP assistance became available to assist eligible students in publicly assisted colleges, universities, and Indigenous Institutes with the costs of these micro-credential programs.
- In March 2022, the Ministry expanded OSAP funding to micro-credential programs delivered at eligible private career colleges and other private institutions.
- Publicly-assisted colleges and universities and Indigenous Institutes continue to be eligible to offer micro-credential programs approved for OSAP.
- The Ministry also expanded repayment supports to students with micro-credential loans.
- To date, the Ministry has approved 1,800+ micro-credentials as OSAP-eligible in the 2022-23 academic year, including micro-credential programs at 28 public universities and colleges and 3 Indigenous Institutes.

# What's new in OSAP?

## Ontario Learn and Stay Grant

- On March 29, 2022, Ontario announced [A Plan to Stay Open](#), a number of measures to recruit more doctors, nurses, and personal support workers to the province's health care system, including a new Ontario Learn and Stay Grant program.
- The grant is currently in development, and starting in Spring 2023, applications will open, targeting 2,500 eligible students each year who enroll in a high-priority program in a high-priority community and commit to work in an underserved community after graduating.
- The Ontario Learn and Stay Grant will provide upfront funding for all direct educational costs (e.g., tuition, fees and books) in exchange for a term of service after graduation.
- In the 2023-24 academic year, the Ontario Learn and Stay Grant will include:
  - Nursing programs in Northern, Southwestern and Eastern Ontario;
  - Medical Laboratory Technologist/Medical Laboratory Science programs in Northern and Southwestern Ontario; and
  - Paramedic programs in Northern Ontario.
  - You can find a full list of the eligible programs at [ontario.ca/learnandstay](https://ontario.ca/learnandstay).

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# **From the Student Perspective: Common Questions about Supports for Indigenous Students**

# The OSAP application asks if I identify as Indigenous. Why?

- By identifying as Indigenous in the OSAP application, students may be entitled to additional benefits in their OSAP assessment such as eligibility for the Ontario Indigenous Travel Grant or exemption from the Student Fixed Contribution.
- The Ministry uses this information to track and support program monitoring, evaluation, and changes.
- If students provide consent, OSAP may also share student information with their school for the sole purpose of considering them for further financial support.

# Do I need to provide evidence of Indigenous identification?

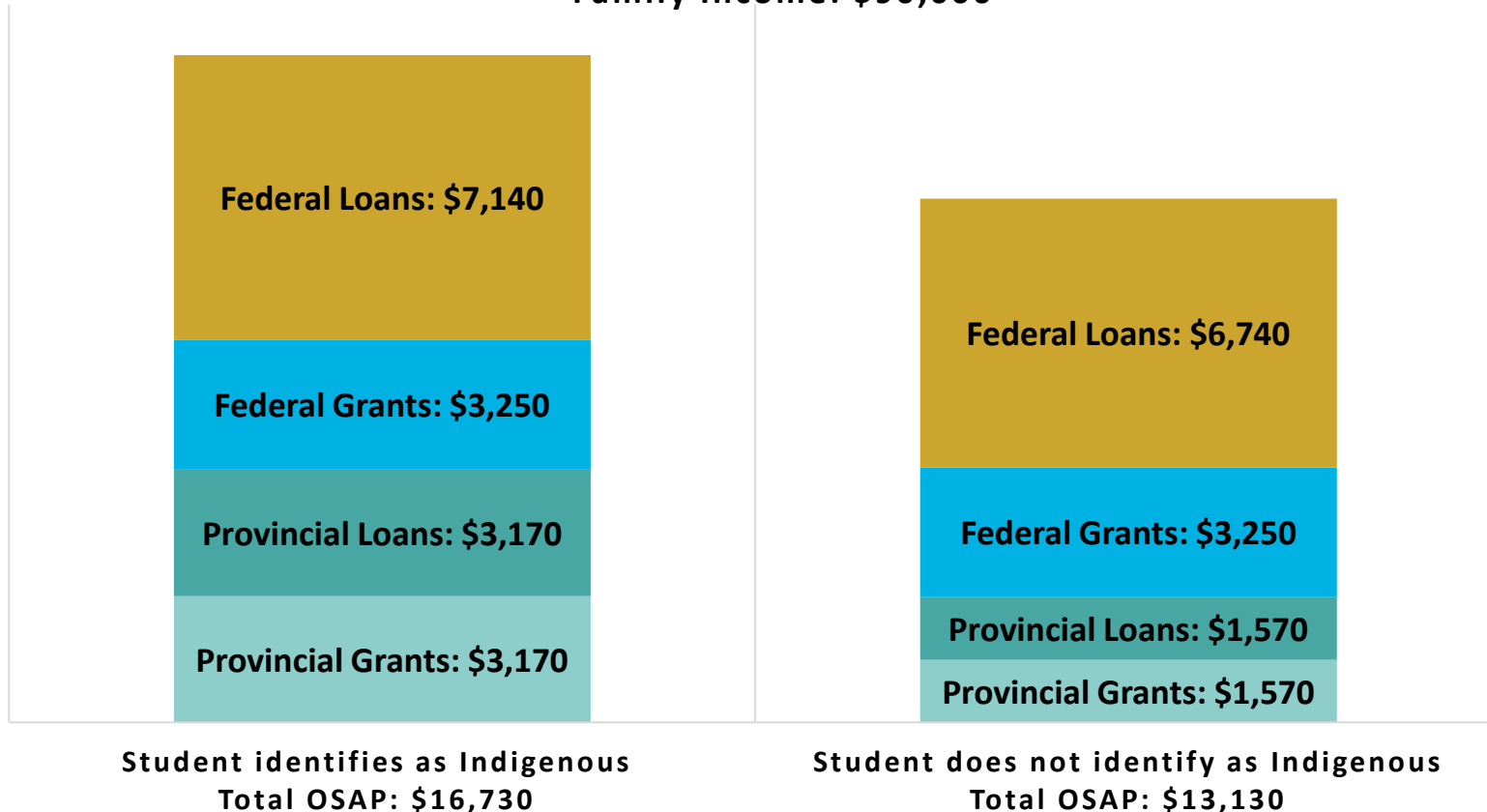
- Indigenous students are exempt from the OSAP student fixed contribution.
- Supporting documentation is **only** required for students who identify as Indigenous on their OSAP Application for Full-time Students and want to be exempt from the student fixed contribution.
  - Exemption from the student fixed contribution can result in additional OSAP grant and loan support each year (up to approximately \$3,600 per year).

## What kind of documentation can I provide?

- Students can provide one of many documents: e.g., Status Card, Band membership card, Red card, Membership card from a provincial affiliate of the Congress of Aboriginal Peoples, Métis Nation of Ontario or other Métis Nation organization funding.
- Students may also provide letters from an Indigenous organization or Indigenous Friendship Centre confirming Indigenous identity.
- ***New for 2022-23:*** Students may also provide an attestation confirming their Indigenous identity.

# 2022-23 Academic Year Sample Assessments

**Dependent Student Living Away from Home  
Attending a University Arts and Science Program  
Family Income: \$90,000**



The sample assessments are based on students in year one of a two-term Arts and Science program (34 weeks) with educational costs of \$19,600 and a family of four.

Explanatory Notes:

All students who apply for OSAP assistance are expected to contribute \$3,600 towards the costs of postsecondary studies. Students who identify as Indigenous on their OSAP Application for Full-Time Students are exempt from making the student fixed contribution. The exemption from the student fixed contribution can result in additional OSAP grant and loan support (up to approximately \$3,600 per year).

A parental contribution of \$2,870 is included as part of these assessments.



# I receive PSSSP through my Band. Does this impact my OSAP?

## PSSSP Exemption

- Ontario does not consider Postsecondary Student Support Program (PSSSP) funding as a resource when determining a student's Full-Time OSAP entitlement.
- This means that OSAP is not reduced by the amount of PSSSP a student receives.
- Consistent with Indigenous Services Canada program changes, funding provided through the Métis Nation Post-Secondary Education Strategy and the Inuit Post-Secondary Education Strategy are also not considered a resource for purposes of the Full-Time OSAP need assessment.
- **First Payer:** Some bands prefer to be the first payer of tuition and institutional fees for students receiving PSSSP and OSAP, and other bands prefer that OSAP be the first payer.
  - For students in receipt of PSSSP and OSAP, the ministry does not require that OSAP be applied first to pay a student's tuition and institutional fees.
  - To determine how to apply the funding for students with PSSSP and OSAP funding, institutions are to refer to the sponsorship letters for direction and continue with their existing tuition payment processes as developed with First Nations.

# How can OSAP help with my travel costs?

- Through the OSAP assessment, some students may be eligible for financial support to help with travel and commuting costs.
- When students apply for OSAP they are considered for:
  - **Ontario Student Grant – Distance Component**, which 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.
  - **Return Travel Allowance**, which 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.
- The **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.

# Does OSAP cover the high cost of travel from remote communities?

## Ontario Indigenous Travel Grant

- Ontario provides the Ontario Indigenous Travel Grant (OITG) 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.
- ***New for 2022-23:*** Eligible OITG costs expanded to include hotel accommodations for cost-effective flights with overnight layovers.

# What other funding is available to support Indigenous students?

- In addition to OSAP, Indigenous students may be eligible for another targeted bursary. A separate application is required for this program. 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.

# Other Common Questions

# When can I apply for OSAP?

## Application Deadlines

- Typically, the new OSAP application is launched in the spring of each year before the start of the academic year in the fall semester.
- Students can apply immediately after the application launch.
- To ensure that OSAP is received at the start of a student's study period, it's recommended that an OSAP application be completed at least eight weeks before the start of a student's study period.
- Students can also apply for OSAP funding up to and no later than 60 days before the end of the study period of their current academic year.

# Can I get OSAP without taking on loan debt?

## Grant-only Funding Option

- Students studying for OSAP on a full-time basis may opt to take *just* their OSAP grants and not the loan.
  - A student can easily request grant-only funding through their online OSAP account.
    - To decline their entire Canada-Ontario Integrated Student Loan, students must submit a request for grant-only funding no later than 40 days before the start of their study period.
    - To decline only the second instalment of their loan, students must submit a request for grant-only funding no later than 40 days before the release of the second loan installment.
    - Students can change their mind and request the loan funding. The deadline to request the loan is 40 days before the end of their study period.

# Why could my grants become loans?

## Grant to Loan Conversion

- In certain circumstances, students who receive grant funding through full-time OSAP may have their grants converted into loans:
  - *Overpayments:* If a student's situation changes during their study period (e.g., drop in course load, family status change), the change results in a lower grant entitlement than what was already issued. The overpaid grant amount is converted to loan.
    - Grant to loan conversions due to withdrawal may be reversed if students had to fully withdraw from studies because of exceptional circumstances beyond their control.
  - *Early Withdrawal:* When a student withdraws from full-time studies within the first 30 days of their study period, the full amount of their grant is converted to loan.
  - *Income verification:* If a student's income cannot be verified, the student's full amount of an Ontario Student Grant is converted to an Ontario Student Loan.
- Whenever a student's entitlement is reassessed, details of the new entitlements and the amount of grant overpayment are communicated to students via the Message Centre.



# The OSAP application asks for my parent's tax information, but I don't have it. What should I do?

## Non-Taxable Income and Income Verification

- Prior year incomes for students and their expected contributors (e.g., parents or spouses) are provided on a student's application and must be verified within 12 months of the study period.
  - E.g., 2021 income will be verified for OSAP recipients in the current 2022-23 academic year.

## What can I provide instead?

- If students, their parent(s) or spouse (as applicable) is a person registered under the *Indian Act* who earned income on a First Nations Reserve in Canada, they can provide one of the following:
  - a copy of their prior year T4 slip showing the amount in Box 71
  - a letter from their employer (on the employer's letterhead) that specifies their total amount of prior year income earned while working on a First Nations reserve.
- More information can be found in the *Canadian Non-taxable and/or Foreign Income Verification Form*.
- Students at risk of having grants converted to loan because prior year income has not been verified are notified of the required steps for correctly verifying income.

# Do I need to be a Canadian Citizen to get OSAP?

- To be eligible for OSAP, students must be a Canadian citizen, a permanent resident or a protected person.
- If an individual is registered under the *Indian Act* (Canada) and has no other citizenship status in Canada or chooses not to identify as a Canadian citizen, they may be considered to have status in Canada for the purpose of grant and loan assistance from Canada *only*.

# Q&A Period

For more information:

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