APPENDIX B: POST-SECONDARY STUDENT SUPPORT PROGRAM GUIDELINES FOR POSTSECONDARY INSTITUTIONS

What is the Post-Secondary Student Support Program (PSSSP) and sponsorship letters?

The PSSSP is a federal postsecondary student financial aid program that provides eligible First Nations students with funding which may cover tuition, books, travel support, and living allowances. Federal funding for this program is provided to First Nations or First Nations-designated organizations as part of core funding agreements with Indigenous governments and organizations; the amount received by an individual student is determined at the discretion of the First Nations or First Nations-designated organizations.

Note: PSSSP is awarded to only Indigenous students who apply for it. This means each sponsoring organization reviews PSSSP applications, decides on recipients and amounts awarded. This process takes time, and each sponsoring organization has its' own application cycles. For this reason, it is challenging to impose uniform ministry and/or postsecondary institution deadlines to all sponsoring organizations or vice versa.

Process

Sponsoring organizations send **PSSSP sponsorship letters** to postsecondary institutions regarding individual student files, which outlines the PSSSP scholarship amount and what it covers for the student (e.g., $6,000 for the student's tuition and books only). Sponsorship letters differ between sponsoring organizations. Ideally but not always, the sponsorship letter should specify the funding (OSAP or PSSSP) that should be applied first to the student's educational costs on their postsecondary institution's account. In other words, the letter should indicate who the 'first payer' is, OSAP or PSSSP. In situations where sponsorship letters do not specify their preference of being a first payer via PSSSP,

ministry policy is that the sponsoring organization is the first payer of that student's tuition fees and OSAP funding should be disbursed to the student.

How does PSSSP impact OSAP?

PSSSP is considered exempt income, meaning that Indigenous students do not report it on their OSAP applications. This also means that Indigenous students can receive PSSSP funding **in addition** to their OSAP funding.

After a student's OSAP application is processed and approved, the Financial Aid Offices (FAO) at postsecondary institutions can confirm a student's enrolment with the ministry as early as 15 days before the start of the study period. During this confirmation of enrolment process, FAOs routinely request the redirection of OSAP funding to be remitted towards any outstanding fees (tuition, compulsory fees, residence fees) related to students' study periods. This data is transmitted electronically to the National Student Loans Service Center (NSLSC), who disburses the remitted value directly to the postsecondary institution, and any remaining OSAP funding into the student's bank account. Student files are processed electronically in batches with automatic and routine processes between the ministry, postsecondary institutions, and NSLSC.

Ideally, sponsorship letters should be received and processed by FAOs before the confirmation of enrollment process occurs. For example, for students beginning their studies in the fall, sponsorship letters should ideally be received by the FAO by early August. This example may only be applicable to some postsecondary institutions as each postsecondary institution has distinct timelines driven by their own internal processes.

How should FAOs process PSSSP sponsorship letters in an ideal scenario?

Consider the following steps:

1. **Identify:** Identify students who are receiving PSSSP to cover their tuition and other fees.
2. **Verify (if possible):** When processing the OSAP confirmation of enrolment, verify that only the outstanding fees not covered by PSSSP are redirected to the postsecondary institution. The remainder balance of the student's OSAP funding, typically to cover living costs, should be issued directly to the student.
3. **Invoice:** Invoice the sponsoring organization if the PSSSP payment will not automatically be applied to the student's outstanding tuition and fees.
4. **Apply Sponsoring Organization's Payment:** Apply the payment made by the sponsoring organization to the student's postsecondary institution account (e.g., outstanding tuition and other fees).

Example 1:
Suppose the following ideal scenario.

- Total amount outstanding on a sponsored student's postsecondary institution account is $10,000 ($8,000 tuition, $1,000 compulsory fees, $1,000 other fees).
- Sponsorship letter states that only the full tuition and compulsory fees will be covered under PSSSP.
- Student is entitled to receive $10,000 from OSAP.

In this scenario, PSSSP is only covering $9,000 because it will not cover the other fees. Therefore, the invoice amount to the sponsoring organization should be $9,000. Subsequently, $1,000 in remaining fees can be redirected to the school on the OSAP confirmation of enrolment, and the student will receive the difference of $9,000 in their bank account.

By doing so, the student can benefit from both their full OSAP funding and their PSSSP funding without any processing delays.

That said, there are several factors that the ministry recognizes are outside of the postsecondary institution's control which make it difficult to follow the above listed instructions. For example, as sponsoring organizations are all different and not typically invoiced prior to the confirmation of enrollment, postsecondary institutions may not know how much OSAP funding to redirect.

In those situations, consider the following in addition to the steps outlined above:

1. Proactively communicate with the student and the sponsoring organization ahead of postsecondary institution's payment deadlines, where possible, to avoid funding delays.
2. Stop late payment interest on the student's postsecondary institution account to prevent the accrual of interest before the sponsoring organization pays off student's tuition and other fees.

What is the first payer issue?

When a student's OSAP confirmation of enrollment is processed **prior** to institutions receiving and/or processing the sponsorship letter, the student's OSAP funding is automatically redirected to be remitted towards any outstanding fees (tuition, compulsory fees, residence fees) related to the student's study period at their postsecondary institution. In this case, OSAP becomes the first payer of the student's tuition and fees and not PSSSP, because OSAP will be applied automatically . That is, when sponsorship letters are received and processed by the postsecondary institution **after** the confirmation of enrollment batch process, this causes double payment on the student's institution account.

Double payment results in the postsecondary institution receiving both OSAP and PSSSP payments while the student receives little to no funding (i.e., OSAP and PSSSP invoice is disbursed to the postsecondary institution while student receives no funds). A double payment situation causes funding delays and significant financial stress to the student. When double payment occurs, postsecondary institutions should aim to resolve the situation **as soon as possible**. Please visit the Double Payment section of this manual to learn how to fix this issue.

How do tuition refunds work with PSSSP?

If a student withdraws from studies or reduces their course load, they may be eligible for a tuition fee refund. For OSAP and PSSSP recipients, regardless of who the first payer was, the tuition fee refund must be submitted to the NSLSC to reduce the outstanding principle of their loan balance. For more information, visit the Tuition Refund section of this manual.

PSSSP Guidelines for Postsecondary Institutions

The ministry recognizes that postsecondary institutions process sponsorship letters from Indigenous sponsorship organizations in different ways based on their unique operating environments and student populations. Depending on the postsecondary institution, sometimes FAOs receive sponsorship letters directly and other times it's the postsecondary institution's registrar's office/accounts receivable office/student account office that processes sponsorship letters. Postsecondary institutions also vary in their IT systems and capabilities that manage student financial assistance cases and files.

To help postsecondary institutions process sponsorship letters across distinctive environments, the ministry has gathered information from postsecondary institutions on **existing practices** currently being utilized to mitigate the first payer/double payment issue. The information on these existing practices, outlines below, is meant to assist FAOs in effectively administering PSSSP and OSAP, ensuring that funding is not delayed to Indigenous students.

Interpreting Sponsorship Letters

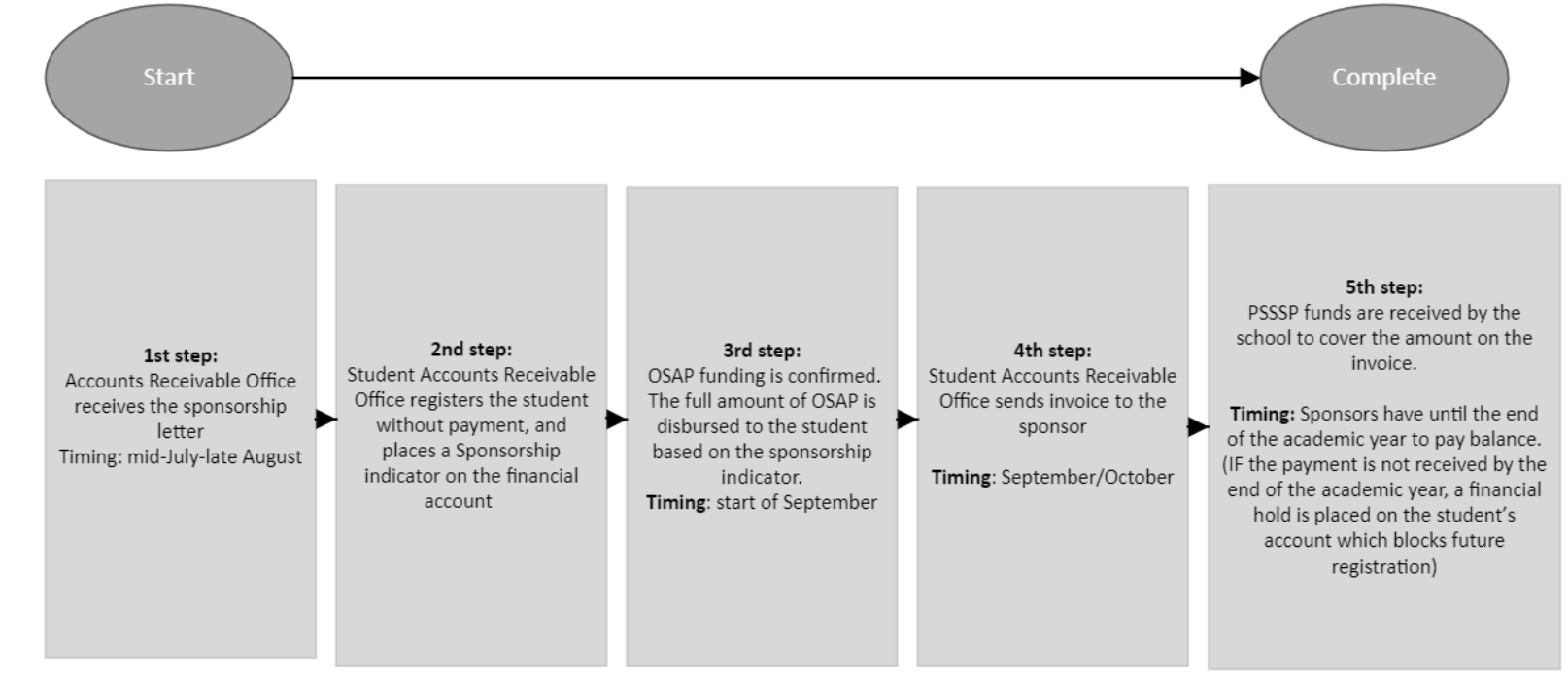
- If at all possible, postsecondary institutions should establish a clear line of communication with sponsoring organizations and cultivate a shared understanding of important dates, processes, details of what the PSSSP should/should not cover, and whether the sponsoring organization prefers to be the first payer or not.
    - For some postsecondary institutions (if applicable), this may include direction on whether the sponsoring organization or the postsecondary institution provides the T2202 tax form, Tuition and Enrolment Certificate and Summary.

- Recognizing that each sponsoring organization understands the unique needs of their students, postsecondary institutions should refer to the sponsorship letters when possible, to determine how to apply the PSSSP funding for students receiving financial support from both PSSSP and OSAP.
- In cases where the sponsorship letter has not explicitly stated that they wish to be the first payer, **it may be presumed that the sponsoring organization is the first payer of that student's fees and OSAP funding should be disbursed to the student**.
- The postsecondary institution department that receives the sponsorship letter can differ across postsecondary institutions. Typically, sponsorship letters are sent to either the registrar's office, accounts receivable office, and in some cases to the FAO.
- If the sponsorship letter lacks necessary information, postsecondary institution staff should reach out directly to the sponsoring organization for the required details and instructions to administer OSAP/PSSSP. To avoid such issues, FAOs are encouraged to proactively communicate with sponsors. If another office, such as the Indigenous services office or registrar's office, typically handles sponsor relationships, **FAOs may delegate this task to the appropriate office**.

Flag students with the Sponsorship Indicator

- Most postsecondary institutions place a sponsorship indicator or flag on applicable student accounts, indicating that the postsecondary institution has received a sponsorship letter for the student.
    - To protect student privacy, it is important to ensure that visibility of sponsorship indicators or flags on applicable student accounts is limited to postsecondary institution staff who directly process those files.
- If the sponsorship letter indicates OSAP should be applied to cover the sponsored student's educational costs, then redirecting OSAP funding to the postsecondary institution would be appropriate.
- If the sponsorship letter indicates that the sponsoring organization is the first payer, then the postsecondary institution's registrar's office/accounts receivable office/student account office should invoice the sponsor, apply PSSSP to the student's account after receiving the payment from the sponsor and ensure that OSAP funding is not redirected to the institution.
- Steps 1 to 3 should be completed before the confirmation of enrollment batch process (for more information, visit How Does PSSSP Impact OSAP?), and before tuition payment deadline to avoid double payment situations.

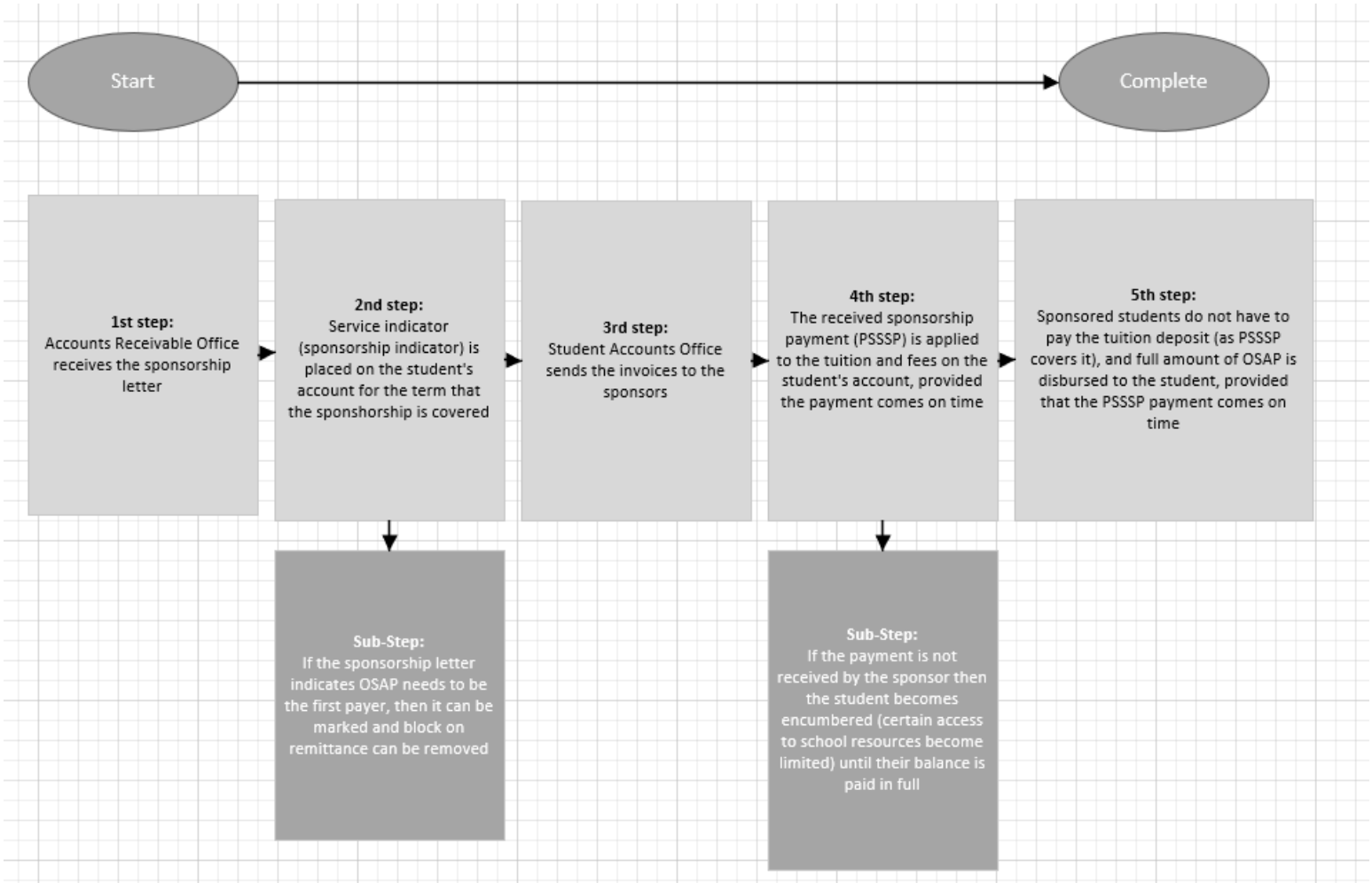
Example 2 of postsecondary institution's process:



Redirect Remittance to Student's Bank Account

When a student's account is flagged as "sponsored", FAO staff must verify the value of the sponsorship funding (i.e., what fees are covered and not covered) and adjust the amount to be redirected to the postsecondary institution accordingly when processing the confirmation of enrolment.

Example 3 of postsecondary institution's process:



Note: Block on remittance in the flowchart means the same thing as 'redirection of OSAP funds to the student's bank account'.

Stop Late Payment Interest

When flagging a student account with sponsorship, postsecondary institutions can configure a setting where the student's account will not accrue late payment interest on their outstanding tuition amount before the receipt of PSSSP funds. That way in case sponsorship funding is not received before fee deadlines, students do not face financial consequences.

Create a PSSSP-Specific Email Address

Sometimes FAOs do not directly receive sponsorship letters or have easy access to them. To improve this, a shared email address/inbox among FAO and the office that receives sponsorship letters, made specifically for the purpose of receiving sponsorship letters and communicating with sponsoring organizations, may be beneficial. Additionally, sponsorship letters, related forms, and agreements could be kept electronically and stored in a shared folder. This way, when FAOs need to confirm details of a specific sponsorship letter, they can do so at their convenience.

When sharing student information with other departments, please ensure that any information or data from OSAP, including information or data from any OSAP administrative-facing application, is not used for any purpose other than the administration of OSAP and PSSSP as per the ministry's existing data privacy policies. The ministry is currently reviewing its data privacy policies and agreements; any future updates will be communicated to FAOs.

Establish a Sponsorship Letter Sharing System

Postsecondary institutions can look into establishing a sponsorship letter sharing system that allows access to letters for both FAOs and Registrar's Office (or account receivable office at some institutions). A letter sharing system is more practical than just making a dedicated email address. Even if a specific email address to submit sponsorship letters is created, if the inbox is not shared with FAOs, it will not solve the issue at all. Examples of sponsorship letter sharing system includes, OneDrive, Microsoft Teams folders, and other Microsoft programs.

When sharing student information with other departments, please ensure that any information or data from OSAP, including information or data from any OSAP administrative-facing application, is not used for any purpose other than the administration of OSAP and PSSSP as per the ministry's existing data privacy policies. The ministry is currently reviewing its data privacy policies and agreements; any future updates will be communication to FAOs.

Create a Standardized Process for Sponsorship Letters

Sometimes sponsorship letters are unclear on details like how much of a PSSSP should be applied for eligible costs (e.g., tuition, books). To prevent such situations, postsecondary institutions can develop an internal standardized process that collects all essential information needed to process sponsored payments. Without timely and clear information, double-payment issues arise. Some institutions delegate this to Indigenous Services or Accounts Receivable Offices. Lack of defined internal procedures increases processing time, risking double payments.

For example, an institution could identify which office handles communication with sponsoring organizations and how sponsorship letters are submitted. It may be helpful to designate a staff or office for follow-up communication regarding unclear letters then establish a standardized method for sharing this information with the FAO.

Proactively Communicate Deadlines with the Sponsoring Organization

Late submission of sponsorship letters and late PSSSP payments to postsecondary institutions can cause double payment and impose financial hardships on sponsored students. Such scenarios can be prevented by proactively reaching out to sponsoring organizations and notifying them of important dates to process PSSSP on time. FAOs (or an alternative department if applicable) could send out mass-communication emails along with a standardized form to organizations (e.g., keep a list of sponsoring organizations the institution is in touch with, and gather information required to process PSSSP) regarding deadlines and explain what may happen if letters are submitted late.

Develop a Standardized Sponsorship Form

FAOs (or an alternative department if applicable) could create a standardized form that sponsoring organizations can complete and submit to postsecondary institutions along with the sponsorship letter. This form serves as a means for postsecondary institutions to gather specific details from sponsoring organizations regarding the sponsorship arrangement. The form may include fields where the sponsoring organization can provide information, such as:

- Whether the sponsorship covers administrative fees or not.
- The exact amount of tuition and fees the sponsorship will cover for each academic term.
- Whether the sponsorship should be considered the first payer (if PSSSP should be applied first instead of OSAP being applied first).
- Whether health insurance costs will be covered by the sponsorship.
- Any other program-specific fees that will be covered by the sponsorship, among other details.

This type of standardized form streamlines the communication process between sponsoring organizations and postsecondary institutions, ensuring that all necessary information is provided and understood by both parties.

Standardize Internal Processes on How to Process Sponsorship Letters

This pertains to standardizing the *overall* administration of PSSSP at each institution, including the process of handling sponsorship letters, how sponsorship information is shared with FAO, the time lag between receiving letters and FAO processing, and which office places the sponsorship flag. FAOs could develop protocols for their own internal processes on how to interpret sponsorship letters and work with sponsoring organizations.

For example, a postsecondary institution may decide to always consider PSSSP as the first payer as per ministry policy and standardize this within their processing methods. Specifically, the postsecondary institution can code a student's account with a PSSSP indicator or flag that would intend for all OSAP funding be redirected to the student (meaning it would be up to the student to pay tuition once OSAP funding and/or PSSSP funding is received).