

Student Financial Assistance Guide and Application

For classes beginning any time between August 1, 2010 and July 31, 2011



You can apply online

Go to ... www.studentloan.pe.ca

- You do not need high speed internet to apply online
- Future applications will be easier and faster to complete
- You can save your application and finish it at a later date
- You can print a summary of your application for your records
- Fewer mistakes
- No guesswork to the documents you will need to send

2010 – 2011 Student Financial Assistance Guide

GENERAL INFORMATION

Who Can Apply?

To apply for a full-time student loan in Prince Edward Island you must be:

- A Canadian citizen or landed immigrant / permanent resident,
- A resident of Prince Edward Island (see Residency on page G-7), and
- A full-time student at a designated post-secondary institution.

Important Deadlines

All information must be received no later than six weeks before your study period ends. Exact deadline dates are posted on the web at www.studentloan.pe.ca.

It can take 4-6 weeks to process your application. If you are starting classes in September and want your loan processed before classes begin, you must apply before **July 16, 2010**. Awards can not be issued after the end of your study period. For this reason, deadlines are strictly enforced.

Credit Check

Your credit history will be checked if you are 22 years of age or older and are applying for a student loan for the first time.

Amount of Loan Available

Student loans are based on financial need. The maximum amounts you can borrow are:

- Canada Student Loan - \$210 per week of study
- Prince Edward Island Student Loan - \$165 per week of study
- Examples:

<u>University</u>	<u>Community College</u>
34 week program	37 week program
\$210 x 34 = \$ 7,140	\$210 x 37 = \$ 7,770
\$165 x 34 = \$ <u>5,610</u>	\$165 x 37 = \$ <u>6,105</u>
Max. Loan \$12,750	Max. Loan \$13,875
- Canada Student Grants are available in addition to student loans based on student category, family size, income level, and program length.

Definition of a Full -Time Student

University

You need to be enrolled in at least 60% of a full course load per semester to be a full-time student. A full course load is normally five courses per semester. Therefore, you need to take at least three courses, for academic credit, per semester.

Public or Private College

You must be receiving at least 20 hours of instruction per week.

Spring and Summer Sessions

Students must take at least **3** academic credit university courses throughout the summer (May to August) or attend an approved program at least **12 weeks long** with at least **20 hours of instruction per week**.

Explanation of Assessment

If your application is approved and you are awarded a student loan Student Financial Services will send you four things:

1. **An Assessment Letter** will be sent to the mailing address on your loan application.
2. **An Explanation of Assessment** will be sent to the mailing address on your loan application. You will also be able to see your loan status through our website www.studentloan.pe.ca.
3. **Directions** on how to cash your student loan. Please read these instructions carefully.
4. **A Pre-Study Report** You must complete and send the report to Student Financial Services **as soon as you start classes** if you are eligible for a Provincial Student Loan and/or if you wish to appeal your assessment. Pre-Study Reports will NOT be accepted before classes start or after the deadline date stated on the form.

Canada Student Grants

There are seven Canada Student Grant programs for which students may qualify.

Students From Low Income Families

Students from low-income families who qualify for a federal student loan and meet the specific grant eligibility requirements will receive \$250 per month of study. This grant may be available for all years of an undergraduate university, college or trade school program.

Students From Middle Income Families

Students from middle-income families who qualify for a federal student loan and meet the specific grant eligibility requirements will receive \$100 per month of study. This grant may be available for all years of an undergraduate university, college or trade school program.

Students With Permanent Disabilities

Students with permanent disabilities will receive \$2,000 per year to help cover the costs of tuition, books, and accommodations. Students must supply appropriate medical documentation outlining their disability.

Special Services and Equipment for Students with Permanent Disabilities

Students with permanent disabilities who have exceptional education-related costs such as tutors, note-takers, interpreters, brailers or technical aids may receive up to \$8000 per year. Students must submit a separate application for this program. Applications are available at Student Financial Services or online at www.studentloan.pe.ca.

Students With Dependents

Low-income students with dependent children will receive \$200 in grant assistance per month for each child who is **under the age of 12** at the beginning of the school year.

Canada Student Grants

High-Need Part-Time Students

Part-time students may be eligible for up to \$1200 per academic year. Students are automatically assessed for this grant when they submit a part-time loan and/or grant application.

Part-Time Students With Dependents

Part-time students with **up to two dependent children under the age of 12** may be eligible for \$40 per week of study. Part-time students with **three or more children** under the age of 12 may be eligible for \$60 per week of study.

Other Grants Offered

- Island Skills Award
- Island Student Award
- George Coles Bursary
- Community Service Bursary

Visit www.studentloan.pe.ca for details on these grants offered by Student Financial Services.

Debt Reduction

All students who receive a Prince Edward Island Student Loan may be eligible for the Prince Edward Island Debt Reduction Program.

In order to qualify students must have:

- An outstanding Provincial Student Loan balance when they graduate
- A combined Canada and PEI Student Loan net yearly debt of at least \$6,000 in a given year
- Received at least \$100 in a PEI Student Loan
- Successfully completed their program of study

Eligible loan years are limited to the required academic year(s) that were part of the program from which students graduated. Students must apply within one year of their period of study end date. Debt Reduction applies to provincial loans only. The award will be paid directly to the student's provincial lender and applied against the student's provincial student loan balance.

Prince Edward Island Debt Reduction Program applications are available at Student Financial Services or online at www.studentloan.pe.ca.

Scholastic Standard

You must successfully complete at least 60% of a full university course load to remain eligible for student loans. If you are at a community college, trade school, or private training school, you must successfully complete each year.

- If you are unsuccessful in one study period, you will be on probation and must pass all remaining years of your program.
- If you are unsuccessful in two study periods, you will not be eligible for student financial assistance for 12 months.
- If you are unsuccessful in three study periods, you will not be eligible for student financial assistance for 36 months.

Length of Study

The number of courses you take or pass may extend the time needed to complete a program. Please be aware that there is a limit to how long you can apply for student financial assistance.

You can apply for a student loan for the required number of years in your program of study plus one additional year. For example, if you enroll in a four-year university program. You can apply for loans for five years to complete that program whether you graduate, are unsuccessful, or withdraw, all programs for which you receive a student loan are counted. Changing programs does not give you additional years of funding eligibility.

The lifetime borrowing limit for student loans is 340 weeks.

There is a Limit to the Number of Programs Funded

There is a limit to the number of programs for which you can receive student loan funding.

- **One** certificate / diploma
- **One** bachelor degree (A second bachelor degree will be considered if the first degree was a pre-requisite for the second (i.e. BA and BEd)
- **One** professional degree (i.e. LLB and MD)
- **One** masters degree
- **One** doctorate degree

Student Category

To complete the application properly you must first know your student category. To determine your student category identify the statement in the following table that best describes what your situation will be before the study period begins.

For example, if you are starting your study period any time in September 2010, select the situation that best describes what your status was on August 31, 2010.

MD	You are married with dependent children.
MN	You are married without dependent children.
CD	You are in a common-law relationship with dependent children. You are living in a common-law relationship if: <ul style="list-style-type: none"> • You and your common-law partner filed your Income Tax Return as common law in the most recent taxation year, OR • You and your common-law partner are raising any children of whom you are both the natural parents.
CN	You are in a common-law relationship without dependent children. <ul style="list-style-type: none"> • You must verify two years of co-habitation.
SP	You are a single parent if: <ul style="list-style-type: none"> • You have dependent children living with you full-time during your study period AND you are single, separated, divorced, or widowed.
IM	You are widowed, separated, or divorced and are not the custodial parent of any children.
IS	You have been out of high school for at least 48 months.
IN	You have not been a full-time student (in high school or post-secondary school) for 12 consecutive months on 2 or more occasions (i.e. you have been working for 24 months). Students must have a minimum gross income of \$8,000 per year.
ID	You are a current or former ward of a government agency or BOTH of your parents are deceased.
DE	None of the above statements apply to you. You are a single dependent student.

Student Loan Appeals

If you are not satisfied with your assessment you may appeal. Appeal forms are available at Student Financial Services or online at www.studentloan.pe.ca. Appeals will only be processed once, so be sure the form and accompanying documents are accurate and complete. **You must also submit a Pre Study Report** if you have not already done so.

Appeal of Student Contribution

In order to appeal your student contribution, you must show that you were unable to save the expected amount from your pre-study work period. Reasons for student contribution appeals are available on the appeal form.

Appeal of Parental Contribution

Parents must show that they are unable to contribute the expected amount towards the applicant's education because of reasons beyond their control. (i.e. emergency car / home repairs, medical expenses, reduced income). Ongoing monthly expenses (mortgage, loans, utilities) are not appeal items because a Moderate Standard of Living (MSOL) allowance has been previously provided.

Appeal of Spousal / Single Parent Contribution

Ongoing monthly expenses (mortgage, loans, and utilities) may be considered for married or common-law students. Students are required to submit a complete monthly expense breakdown and provide verification of all major expenses.

Claiming Dependents

You can claim anyone the Canada Revenue Agency accepts as a dependent on lines 305 or 367 of the 2009 Income Tax Return. Dependents are children who are:

- 18 years of age or under, are wholly dependent on the parent or guardian for support, and for whom the parent or guardian has, by law or in fact, custody and control.
- 19 years of age or older, are in a full-time program at a post-secondary institution, and fit into the single dependent student category.
- Canada Student Grants are considered for students with dependents **under 12 years of age**.

Child Care Costs

Child care costs are allowed for children 12 years and under if there is no parent at home. (for example: child care costs are not allowed if one parent is home, unemployed, or studying by correspondence).

If you have child care costs for a disabled child over age 12, you must include a letter from your doctor verifying that the child needs child care. A letter is not required for every loan year. You may specify that the letter is on file with Student Financial Services.

You may be asked to provide proof of child care expenses.

Spouse's Personal Data

If your spouse is also a full-time student applying for assistance from Prince Edward Island, your files will be cross referenced. You do not need to send duplicate information.

If your spouse is unemployed, attach a letter explaining the situation. If he or she is a seasonal worker or is temporarily laid off, state when he or she is expected to return to work. If your spouse is unable to work, please explain (for example: ill or home looking after children under 12 years of age).

Residency Requirements

You are a resident of Prince Edward Island if:

- Prince Edward Island is the most recent province in which you have lived for 12 consecutive months and during this time you were not a full-time student, or
- You have already established residency here as a single dependent student and have not spent 12 consecutive months in another province as a full-time student, or
- You have established residency in Prince Edward Island based on your spouse's employment while you were married, and you remain in Prince Edward Island to study after the relationship ends. Refer to student categories on page G-5 of this guide.

Information for Dependent Students

If Your Parents Are Separated or Divorced

You must provide the information for the parent who has full or primary custody of you. If your parents share custody, provide the information for the parent with whom you reside most of the time. If you are living away from home, provide the information for the parent with whom you would normally reside if you were living at home.

If this is the first time you are applying for a student loan, you do not need to send documents to prove your parents' marital status.

If you applied for a Prince Edward Island Student Loan before and your parents' marital status has changed since your last application, you must send a copy of the separation / divorce papers, confirm which parent has custody of you and the amount, if any, the non-custodial parent has agreed to contribute toward your educational expenses. His or her contribution will be added to your resources when your need for assistance is assessed.

If Your Parents Are Remarried

If you were under 18 when your custodial parent remarried or entered a common-law relationship, you must also provide the financial information for your step or common-law parent.

If Your Parents' 2010 Income is Lower Than Their 2009 Income

Your parents' contribution will be calculated based on the income reported on their 2009 Income Tax Returns. If your parents' 2010 combined income is reduced from that of 2009, you may request that your application be reassessed based on the 2010 income. Income will be verified by the Canada Revenue Agency. An Estimate of Income form is available at Student Financial Services or online at www.studentloan.pe.ca.

Income Information

Make sure that you and your parents report your complete income tax information correctly on the application.

All files are subject to audit and all information will be verified with the Canada Revenue Agency.

Signature and Consent

You must sign the Declaration and Consent on page A-11. If you are a dependent or married/common-law student, your parent(s) or spouse must sign the Declaration and Consent on page A-12 of the application.

Tips

Your Application Will Not Be Processed Until

- All required documentation has been received, and
- All required documentation has been signed by the appropriate individuals.

REMEMBER ... YOU MUST INCLUDE THE FOLLOWING INFORMATION WITH YOUR APPLICATION!

	First Time Applying	Returning Students
All Student Categories	<ul style="list-style-type: none"> Your signature is required on the Declaration and Consent form. (page A-11) If you are a Landed Immigrant, send a copy of your Record of Landing. <p><i>Forms are available from the Student Financial Services office, or you can download them from our website at www.studentloan.pe.ca.</i></p>	<ul style="list-style-type: none"> Your signature is required on the Declaration and Consent form (page A-11). If you were a Landed Immigrant the last time you applied and are now a Canadian citizen, send a copy of your citizenship card.
Single Dependent Students	<ul style="list-style-type: none"> Your parents' signatures are required on this year's Declaration and Consent. (page A-12) 	<ul style="list-style-type: none"> Your parents' signatures are required on this year's Declaration and Consent. (page A-12) If your parents' marital status has changed since your last application (they are now separated or divorced), send a photocopy of their separation or divorce agreement outlining custody and financial arrangements. If they do not have an agreement call Student Financial Services to find out what information you need to send.
Married / Common-Law Students	<ul style="list-style-type: none"> Your spouse's signature is required on this year's Declaration and Consent. (page A-12) Current (within 4 weeks) pay stub or verification of income for your spouse Students living common-law must verify two years co-habitation. 	<ul style="list-style-type: none"> Your spouse's signature is required on this year's Declaration and Consent. (page A-12) If you have married since you last applied, send a copy of your marriage certificate. Current (within 4 weeks) pay stub or verification of income for your spouse
Single Parent Students	<ul style="list-style-type: none"> No additional documents are required. 	<ul style="list-style-type: none"> If you were married the last time you applied and are now separated/divorced, send a copy of your separation or divorce agreement.

HOW MUCH AM I ELIGIBLE FOR?

A typical Student Loan Assessment is calculated by subtracting a student's resources from his or her costs. Please fill in the blanks to estimate how much you may need for your education this year. Total costs minus total resources is the student loan amount you are requesting. Enter amount on page A-6, line 1603 of your application.

COSTS:		RESOURCES:	
Tuition and Fees	\$ _____	Student Contribution (from worksheet page G-10)	\$ _____
Books and Supplies	\$ _____	Parent Contribution (from worksheet page G-11)	\$ _____
Living Allowance (from worksheet)	\$ _____	Part-Time Income while studying	\$ _____
Return Travel (PEI \$250)	\$ _____	Other Income (CPP, Pension, EI)	\$ _____
Other Costs	\$ _____	Savings	\$ _____
		Investments or Educational Trust Fund	\$ _____
		Awards, Scholarships, Bursaries	\$ _____
TOTAL COSTS	\$ _____	TOTAL RESOURCES	\$ _____
(Use these figures to complete section 1200 page A-5)			

STUDENT FINANCIAL SERVICES WORKSHEET #1

STUDENT CONTRIBUTION:

Unless you are injured, ill, or in full-time study, you are expected to work during your pre-study period. The pre-study period is the period of time just before the start of each session of post-secondary studies. Pre-study weeks are different for high school, university, and college students. To find out how many weeks your pre-study period is, please go to page A-4 of the application.

You can calculate your anticipated student contribution below by using information from your pre-study period. Students are expected to save a minimum contribution. Minimum amounts can be found at www.studentloan.pe.ca.

- A. Gross Income** (your gross income is what you made before any payroll deductions were taken off) \$ _____
- B. Tax Deductions** (use the table below to determine your tax bracket based on your gross income level) \$ _____
- C. Student Living Allowance** (find your weekly living allowance then multiply this amount by the number of weeks in your pre-study period) \$ _____

Your Gross Pre-Study Income	Average Tax Deduction	Your gross income is what you put here Use this Calculation
\$ 1 – 4,499	7.4%	$(0.074 \times \text{gross income}) = B$
\$ 4,500 – 5,999	13.7%	$(0.137 \times \text{gross income}) = B$
\$6,000 – Over	16.6%	$(0.166 \times \text{gross income}) = B$

Approximate Weekly Living Allowances by Province

Accommodations	PEI	NB	NS	NL	QC	ON	MB	SK	AB	BC
Single student living at home	\$100	\$ 96	\$ 99	\$ 91	\$ 97	\$100	\$103	\$102	\$110	\$105
Single student living away from home	\$201	\$201	\$212	\$200	\$210	\$245	\$216	\$228	\$229	\$255
Single parent	\$260	\$269	\$281	\$267	\$208	\$315	\$264	\$278	\$286	\$323
Married student and spouse	\$399	\$401	\$425	\$399	\$378	\$466	\$417	\$440	\$444	\$501
Allowance per dependant	\$104	\$101	\$110	\$92	\$106	\$129	\$121	\$108	\$121	\$135

Example: If you live in Charlottetown, graduated from high school in June and are starting Classes in September 2010, your living allowance is: $\$100 \times 10\text{wks} = \1000

- D. Discretionary Income:** Is your income after tax deductions and living allowances \$ _____ $A - B - C = D$
- E. Your Anticipated Student Contribution:** Is the amount you are expected to contribute towards your education for this academic year. \$ _____ $D \times 0.80 = E$
(Note: A minimum student contribution may apply)

My Anticipated Student Contribution for this school year is \$ _____

STUDENT FINANCIAL SERVICES WORKSHEET #2

PARENT(S) CONTRIBUTION:

If you are a dependent student, please use this worksheet to estimate how much your parent(s) are expected to contribute.

- A. **Calculate Discretionary Income:** To calculate discretionary income from the total family income use line 150 of parent(s) 2009 Income Tax and Benefits Return(s) and subtract the following:

Total Income (line 150) _____
 - CPP (line 308) - _____
 - EI (line 312) - _____
 - Tax paid (line 435) - _____
 - PEI MSOL - _____
 = Discretionary Income (DI) = _____

Family Size	2	3	4	5	6	7	8	9
PEI MSOL	\$34,314	\$43,623	\$50,230	\$55,352	\$59,539	\$63,077	\$66,141	\$68,848

- B. **Calculate Expected Weekly Parental Contribution:** Based on your discretionary income in A, choose the formula in this table that best fits your situation and calculate the weekly contribution.

If Annual Discretionary Income is:	Weekly Parental Contribution
\$0 - \$7,000	$(DI * 15\%) / 52 \text{ weeks}$
\$7,001-\$14,000	$(1,050 + (20\% * (DI - 7,000))) / 52 \text{ weeks}$
\$14,001 and over	$(2,450 + (40\% * (DI - 14,000))) / 52 \text{ weeks}$

- C. **Calculate Expected Parental Contribution:**

[Weekly Contribution (B)] X [# of weeks in Study period] / [# students in post-secondary] = [parental contribution]

_____ X _____ / _____ = \$ _____

My parent(s) are expected to contribute \$ _____ towards my education this year.

Student Financial Services Contact Information

Mailing Address

Department of Innovation and Advanced Learning
 Student Financial Services
 P.O. Box 2000
 Charlottetown, PE C1A 7N8

Office Location

90 University Avenue, Suite 212
 2nd Floor Atlantic Technology Centre

Telephone & Fax

(902) 368-4640 (students may call collect)
 (902) 368-6144 (Fax)

Office Hours

8:00 – 4:00 Monday to Friday (June – September)
 8:30 – 5:00 Monday to Friday (October – May)

Website

www.studentloan.pe.ca

You can apply online, download forms, and get loan status information on your file 24 hours a day, seven days a week.