

# So you need student funding?

## Why can't I borrow as much money as I want if I'm paying it back?

A student loan is not like a regular loan. While you are a full-time student, you don't have to make payments and your loan will be in interest free status. However, interest will start to accumulate on the outstanding balance of your Alberta and Canada Student Loans the month after you complete your studies.

It is to your advantage to keep the total amount of your loan low – remember you'll have to pay it back when you leave school.

# if

you're applying for student funding, there's some basic information you need to know and have ready before you fill out your application.

### Where to apply:

You can apply for student funding online at [alis.alberta.ca/apply](http://alis.alberta.ca/apply). You can also pick up a paper application from the financial aid office at your school, your high-school guidance counsellor, an Alberta Service Centre or Canada-Alberta Service Centre, or contact the Student Funding Contact Centre. You only need to submit one application to apply for funding from both the Alberta and Canada Student Loan Programs.

### When to apply:

Apply for assistance as early as possible so that you can find out how much money you are eligible to receive. This will help you plan for the year. As soon as you know what school you plan to attend, you can apply at any time.

### Where to get help:

Contact your school's financial aid office, call the Student Funding Contact Centre in Edmonton at 780-427-3722 or toll free in Canada at 1-800-222-6485, e-mail the Student Funding Contact Centre using the secure e-Contact service, or visit the Alberta Service Centre or Canada-Alberta Service Centre nearest you.

### How much money can I get?

Your application tells the government your education expenses and your resources (the amount of money you have). Your assistance package (loans and grants) is intended to help cover the difference between allowable expenses and your resources.

You may not have exact numbers when you fill out your application. For example, you may not know exactly how much you will make at a summer job, so give your best estimate. If you need to change your estimate later, notify Students Finance so your funding amount can be adjusted.

All applications can be audited. If you have provided false information, or if you have failed to provide requested information, your loans and grants can be taken away and you may face legal penalties.

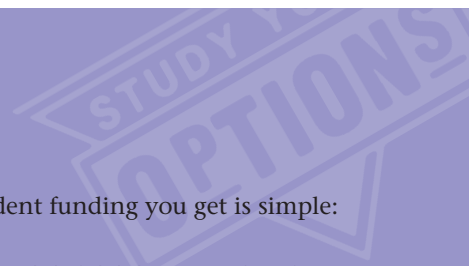
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## How much?

The formula that decides the student funding you get is simple:

$$\text{your allowable expenses} - \text{your resources} = \text{your assistance}$$

(loans + grants)



# Expenses:

STUDENT FUNDING IS BASED ON THE PRINCIPLE THAT THE COST OF POST-SECONDARY EDUCATION IS A SHARED RESPONSIBILITY AMONG STUDENTS, THEIR FAMILIES AND GOVERNMENT.

## How to calculate the money you need...

### Tuition and other mandatory fees

Your school will be able to tell you how much your tuition and student fees will be for your school year.

### Books, supplies and instruments

Your faculty or program should be able to tell you approximately how much these items will cost.

### Living costs

You won't be living in the penthouse suite, but your student funding should cover basic living expenses. The chart below shows the maximum monthly living allowances normally given to cover your rent, food, transportation, and personal care. You're expected to live with your parents if they live in the same

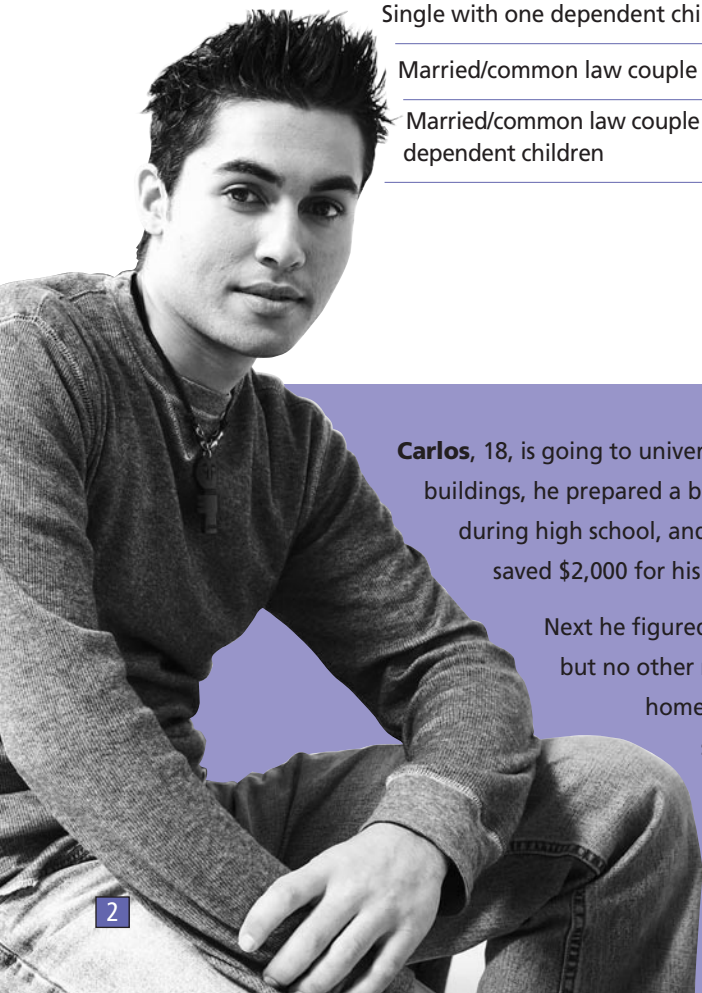
city as your school unless you've been out of high school for four years or more, or you have been available to work full-time for at least two years.

**Note:** Your federal and provincial student funding is calculated using different formulas, but that doesn't change the bottom line. If you have detailed questions about your assessment, contact your financial aid office, call the Student Funding Contact Centre in Edmonton at 780-427-3722 or toll free in Canada at 1-800-222-6485, e-mail the Student Funding Contact Centre using the secure e-Contact service, or visit the nearest Alberta Service Centre or Canada-Alberta Service Centre.

### For the 2009-2010 academic year

Single student living with parents	\$432
Single student not living with parents	\$941 (based on shared accommodation)
Single with one dependent child	\$1,628 + child care (+ \$449 per additional child)
Married/common law couple	\$1,873
Married/common law couple with dependent children	\$1,873 + \$449 per child + child care

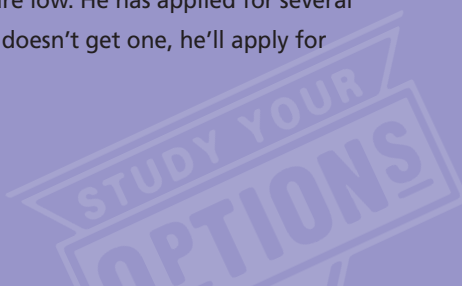
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# carlos

**Carlos**, 18, is going to university to become an architect. Before he started drawing buildings, he prepared a budget. He had \$2,000 in the bank from a part-time job during high school, and another \$1,500 from his summer job. His parents had also saved \$2,000 for his education.

Next he figured out his expenses. He had his tuition and books covered, but no other money for the eight months of school. Since he's living at home, his living expenses are low. He has applied for several scholarships but if he doesn't get one, he'll apply for student funding.



# Resources

## How to calculate the resources you have...

All of these things are combined to determine your resources:

### RRSP TIP

IF YOU HAVE RRSPS, YOU CAN WITHDRAW UP TO \$10,000 PER YEAR TO A MAXIMUM \$20,000 WITHOUT PENALTY TO HELP PAY FOR YOUR EDUCATION – YOU HAVE 10 YEARS AFTER YOU LEAVE SCHOOL TO REPLACE THEM.

### Personal Contributions

You are expected to contribute a minimum amount based on the number of months you are available to work before starting school:

- 2 months: \$720
- 3 months: \$1,080
- 4 months: \$1,350

Report the actual amount you earned during your time off.

Your student funding amount also takes into consideration other income, like money you make from a part-time job during school. The first \$800 you make every month is exempt (it does not affect the assistance you'll get) — everything over \$800 a month is calculated as part of your resources.

### Parental Contributions

Your parents are expected to help pay for your education unless you've been out of high school for four years or more, or you have been available to work full-time for at least two years. Their expected contribution is based on their resources and the

number of people in your family. Sources of parental contribution may include a Registered Education Savings Plan and Canada Scholarship Trust Fund.

### Spousal/Partner Contribution

If you are married or common law, your spouse's/partner's income must be reported on your application. Your student funding will be based on your combined expenses and resources. A \$200 per month exemption from your spouse's/partner's earnings will be calculated automatically.

### Academic awards, and scholarships

Report any scholarships or academic awards on your application. If you are eligible for provincial funding, your scholarships and awards are fully exempt. If you are only eligible for federal funding, an \$1,800 federal exemption will be calculated automatically.

### Part-time earnings

You must enter the full amount of your net part-time earnings. An \$800 per month exemption will be calculated automatically.

### Assistantships

Enter the full amount of your assistantships. An \$800 per month exemption will be calculated automatically.

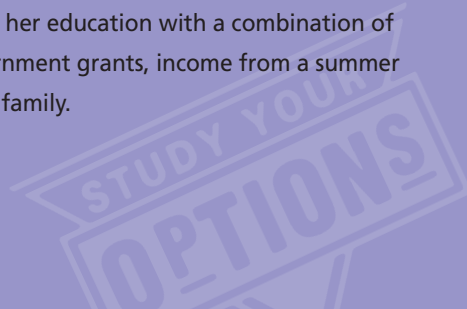
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# mikko

**Mikko**, 25, is from a small town in northern Alberta.

To continue her education, she had to move to Edmonton. After high school, she worked for four years, and saved \$12,000. As a result, she did not qualify for student funding in her first year of school.

By her second year, her savings were used up and she financed the rest of her education with a combination of student loans, government grants, income from a summer job and help from her family.



**Remember**

You must report ALL of your income, including income from summer jobs, part-time jobs, investment income, and so on. You may not know your actual income when you fill in your application but give your best estimate. If you need to adjust your estimate later on, you must let Students Finance know.

**All applications are subject to audit.** If you have provided false or misleading information, or if you have failed to provide requested information, your loans and grants may have to be repaid and you may face legal penalties. Keep all of your documents related to your costs and resources.

**Bursaries and stipends**

Enter the total amount from sources other than Alberta Students Finance.

**Other government funding**

You must show any other government support you receive, such as disability benefits or children's benefits on your application. Do not include Child Tax Benefits, GST Credits or Income Tax Refund. If you don't know if this affects you, check with your school's financial aid office, call the Student Funding Contact Centre in Edmonton at 780-427-3722 or toll free in Canada at 1-800-222-6485, e-mail the Student Funding Contact Centre using the secure e-Contact service, or visit the Alberta Service Centre or Canada-Alberta Service Centre nearest you.

**RRSPs**

If you have RRSPs, \$2,000 for each year you've been out of high school is exempt. Amounts above that will affect your eligibility for assistance. Any amount of RRSP cashed in would be considered a resource.

**Assets (including spouse/partner assets)**

You must declare other assets:

- This includes term deposits, bonds, stocks, GIC's, etc.
- RRSP's purchased during post-secondary studies.
- The full value of all other assets, such as recreation property, mutual funds, time share property, rental property, business assets, etc.

If your assets total more than \$2,000, there is a **formula** to determine how much you are expected to put towards education each year based on the number of years in your program.

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