

Information for Students Who Have Received a Notice of Loan Overpayment

LOAN OVERPAYMENTS

A loan overpayment exists when the student has received and negotiated loans in excess of his or her current OSAP entitlement for an academic year. Students who have had two or more loan overpayments, each in excess of \$500, are not eligible for further OSAP funding.

The student is required to repay all outstanding loan overpayments in full (with the exception of the loan overpayment relating to the first academic year) in order to be considered for further OSAP funding.

In order for a student to be considered eligible for further OSAP, the student is required to pursue one of the following options:

- Repayment, or
- Review to waive repayment for one year.

➤ **Repayment In Full**

Students are required to repay all loan overpayment in full (with the exception of the loan overpayment relating to the first overaward). Payment is made to the National Student Loans Service Centre or the financial institution that currently holds the student loan(s). Payment must be made from the student's personal resources.

It is important to recognize that OSAP entitlements are updated for a number of reasons once the academic year has ended. The amount of loan overpayment may increase or decrease as information changes. The amount of loan overpayment owing by the student will reflect current information on file. Therefore, if a prior payment(s) is less than the current balance owing, the student is ineligible until the loan overpayment has been addressed in full.

The following are some of the reasons why a student's loan entitlement can change after or within the academic year:

- Parental Income Verification
- Student Income Verification
- Change in Course Load
- Change in Earnings

Documentation Required To Prove Repayment:

- The student must provide the Financial Aid Office with a copy of the receipt from the National Student Loans Service Centre (www.canlearn.ca) or the financial institution showing the date and amount of payment.

➤ **Hardship Review For Loan Overaward from Prior Year**

Student can request that their situation be reviewed for "hardship," requesting to waive the collection of the loan overpayment for one year due to exceptional circumstances or "hardship". Students are required to demonstrate that the loan overpayment was due to exceptional circumstances beyond their control and that the repayment of the overpayment would involve financial hardship.

Examples of "hardship" include, but are not limited to:

- student withdrew because of medical situations;
- student withdrew due to a sick child;
- student was involved in a family crisis situation that led to withdrawal or reduction in course load;
- the student's parent(s) or spouse has unknowingly underreported his or her income, which after income verification, has put the student in an overpayment situation.

The concept for approval of hardship reviews relates to situations that warrant compassion due to exceptional circumstances that were above and beyond the student's control. **The student MUST UNDERSTAND that this is a TEMPORARY waiver only valid for the current academic year. Before subsequent OSAP funding is issued (in the next academic year), the overpayment MUST be repaid.**

Supporting Documentation Required:

- letter from student that details: 1. The loan overpayment was due to exceptional circumstances beyond their control, 2. Repayment of the overpayment would involve financial hardship, and 3. If the student is in the last year of their program (if not, what is the link between their old program & their new program).
- proof of extenuating circumstances
- budget proving financial hardship

Appeal Submission Cover Sheet – Loan Overpayment

Please forward to:

Financial Aid Office
2000 Talbot Rd. W.
Windsor, ON
N9A 6S4

Office Use:

Date Received:

Date Reviewed:

Approved **Not Approved**

LAST NAME:	
FIRST NAME:	
STUDENT ID #:	
DATE OF BIRTH:	
APPEAL SUBMISSION CHECKLIST:	<ul style="list-style-type: none"> •letter including: 1.loan overpayment was due to circumstances beyond control, 2. Repayment would involve financial hardship, 3. Program information •proof of extenuating circumstances •budget to prove financial situation

Financial Aid Office Notes:

St.Clair College is committed to the protection of privacy and confidentiality of all its constituents. The information is collected for the purposes of administering the Ontario Student Assistance Program (OSAP) on behalf of the Ministry of Advanced Education & Skills Development (the "Ministry") and any other need-based financial assistance as administered by St.Clair College. If you have any questions about the collection of information or the uses to which it will be put, please direct your questions to the Registrar, Financial Aid Office. The Ministry administers OSAP under the authority of the Ministry of Advanced Education & Skills Development Act, R.S.O. 1990, c. M.19, as amended, R.R.O. 1990, Reg. 773, Reg. 774, and Reg. 775, as amended, and O. Reg. 268/01, as amended; the Financial Administration Act, R.S.O. 1990, c. F. 12, as amended; the Canada Student Financial Assistance Act, S.C. 1994, c. 28, as amended; the Canada Student Financial Assistance Regulations, SOR 95-329, as amended; and the Budget Implementation Act, 1998, S.C. 1998, c. 21, as amended. If you have any questions about the collection or use of this information, contact the Director, Student Support Branch, Ministry of Advanced Education & Skills Development, PO Box 4500, 189 Red River Road, 4th Floor, Thunder Bay, ON P7B 6G9.

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