

FINANCIAL RESPONSIBILITIES

Whether your parents are helping you pay for your education or you have scholarships, grants or student loans, it is important that you understand what your expenses will be so that you can manage your money wisely.

STUDENT LOANS AND SCHOLARSHIPS

If you are applying for a student loan you will have to apply for funding through the province you resided in for the last 12 consecutive months, (not including time spent while in college/university).

It is your responsibility to read and understand the terms and conditions of your student loan and to fulfill repayment obligations. It is also good to know that you will not be charged interest on your loan while in school full time, so you can study knowing that payments do not begin until six months after your studies are over. If you are studying on a part-time basis, payments and interest will have to be made while still in school. Remember, if you default on a student loan payment it's the same as defaulting on a car payment — your credit will be affected!

You can frequently apply for scholarships while in school, so it's important that you keep your grades up to increase your chances of getting assistance for many scholarships. Visit the Registrar's Office or the Awards Office at your school for a list of scholarships and bursaries along with any applications you can fill out.

It is important to note that if you drop a course or two, it may affect your student loan.

Be sure to seek advice from your borrowing institute on how many courses you are required to take to maintain full time student status and from academic advisors about the benefits and risks of dropping classes.

*TAKE OWNERSHIP
OF YOUR LOAN!*

The loan is in your name whether your parents filled out the paperwork for you or not, so take control of all the papers and the process.

~~ Learn from Tyler's story ~~

Ever since I was about 10 years old I wanted to be a veterinarian. I just loved animals and was always bringing home stray cats and birds with broken wings trying to save them. I had my mind set that some day I'd be a veterinarian and never thought twice about it.

I got into veterinarian medicine and knew I had several long hard years ahead of me, but was so excited just to have gotten into school. However, two years into my studies I started losing interest. My marks declined rapidly and the thought of operating on an animal made my skin crawl. Suddenly I felt like I was losing myself and everything I thought I knew.

I never talked to anyone because I felt like I had failed and didn't know what I was going to do. So I quit school and headed down south without notifying my student loan lender that I wasn't in school anymore.

What changed the situation?

I spent a couple months in Costa Rica surfing and soaking up the sun when I realized I had spent all my student loan. It was time to face reality and I called my parents to tell them the situation. They sent me money to get back home and I found out my loan had gone into delinquency. So I got a job as a waiter to start paying my student loan back.

I knew I had to go back to school to do something more with my life. I finally decided on taking psychology, however, when I tried to get a student loan I was refused. Why? Because I dropped out of school and had big debt already owing and I don't think they believed I knew what I really wanted to do. I had to write all kinds of letters to get my loan approved, save up a couple thousand dollars and visit a career counsellor. It was not easy but I finally got a loan and am now studying psychology.

My advice to someone on a student loan wanting to drop classes:

If you have doubts about what you are studying, it doesn't mean you are a failure. The credits from classes you have already taken can always be applied to another degree. Go see a career counsellor before you make any rash decisions and throw away all of your student loan. Remember student loans are just that - 'loans' - not the lottery!!

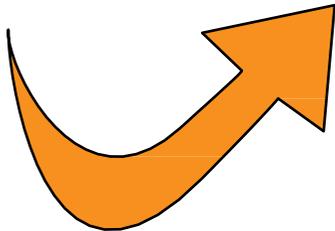
OTHER LOANS

You may find that a number of lending institutes are vying for your business. Remember, there is no such thing as free money. Be careful not to rack up costs you cannot pay on a credit card. Remember that a student line of credit or a student loan from a bank or trust company requires minimal monthly payments and carries substantial interest.

BUDGETING

Preparing a budget is always a good idea. When the only income you have is your student loan or what you have earned in the summer, you will have to spend wisely to ensure you have enough money to survive until the end of the school year.

Use the sample budget worksheet to determine your living expenses for the entire year while in school:



EXPENSES	ESTIMATED COST
TUITION & FEES	
BOOKS & SUPPLIES	+
TRANSPORTATION	+
FOOD	+
ENTERTAINMENT	+
RENT	+
UTILITIES	+
PARKING	+
MEDICAL EXPENSES	+
CELL PHONE, CABLE,	+
CLOTHES	+
TOTAL :	

Considering how much funding you will have for the year, determine if it will be enough to pay for all of your expenses. If not, you will have to carefully review and determine which expenses you can eliminate and perhaps consider other options such as getting roommates to split costs.

TIPS TO STAY ON TRACK

1. Do not apply for credit cards while in school. Reduce temptation.
2. Do not carry your debit card with you. Leave it in a safe place at home.
3. Take out a budgeted amount of money each month and then do not touch your bank account.
4. Determine your needs versus your wants.
5. Get a part-time job. Make sure your grades are not affected.
6. Live on a bus route and avoid buying a car. Insurance, gas and parking add up quickly.
7. Live with roommates. Sharing rent and utilities is a big help financially.
8. Shop wisely. Don't be embarrassed to use coupons as every dollar counts.
9. Skip the coffee shop and make your own coffee before you leave in the morning.
10. Keep a list of all expenses. If you find you're tight on cash, review your list of where you spent your money and you'll be able to determine what expenses were unnecessary.
11. Take advantage of all student discounts. Carrying your student ID with you at all times is a good idea. Many retailers have reduced rates for students.

Some students need to work while in school to pay the bills and that is fine, however as a rule of thumb, it is best to work no more than 10-12hrs/week if you are a full-time student. If you do need to work more, consider taking fewer courses. It is wiser to take fewer courses and get higher grades than to be too busy and fail. Otherwise it's equal to throwing money away and you may end up having to repeat the class again to get higher grades. So consider school a slow and steady investment.



CHECK THESE OUT:

<http://www.scholarshipscanada.com>

<http://www.canlearn.ca>

<http://moneymatters.dal.ca>

<http://www.debtfreegrad.com/>