



Take charge of your debt: **Student Finance 101** Course Syllabus

Instructor:

Nova Scotia Student Assistance

Office Hours: Monday to Friday, 8:30 a.m. - 4:30 p.m.

Office Location:

2021 Brunswick Street, Halifax, Nova Scotia

Pre-requisites:

Completed *Nova Scotia Student Assistance Application*

Required Readings:

- I) Introduction to Student Finance 101 Syllabus
- II) Student Assistance Terms and Conditions

Reading for Extra Credit:

- I) Financial Literacy Glossary and Budgeting Advice (novascotia.ca/studentassistance)
- II) Scholarship Opportunities (<http://studentawards.com>)

Course Objectives:

In *Student Finance 101*, you will learn to:

- Make deliberate financial decisions that will help you reach your goals but minimize your debt
- Work effectively with the Student Assistance team to keep the loan process as easy and fast as possible
- Apply your knowledge to improve your future financial outcomes

Ultimately, you are in control of your financial outcomes – but we know that many students are new to financial planning and budgeting. Welcome to *Student Finance 101*.

Lesson 1:

Today's choices are tomorrow's payments.

Every day you make choices that will affect your future financial position. Some are small, simple choices, such as whether to take a lunch from home or buy pizza at school. Even small daily choices can add a lot to your overall student debt. You probably already know which areas of your budget could use work, but here are some effective money saving tips to consider:

1. Suppose you pack your lunch and save **\$20** a month. Doesn't sound like much? – that's nearly **\$1,000** over a 4-year period, even before interest is added to your debt. That adds up when it comes time for repayment. Can you reduce your spending by \$20? \$30?
2. Take a full course load whenever possible and do your best to pass all your courses. Taking five years to finish a four year degree adds as much as **\$11,000** to your loans. That means your payments will be up to **\$113** higher every month for 9.5 years. If interest rates rise, it could be even more.

3. Earning money while in school can help you minimize the amount you borrow to get through school. Did you know you can earn up to **\$100** a week without any reduction in loans or grants? This means:

- Any amount you earn above **\$100/week** will reduce the amount you borrow and later repay.
- You could use some of those earnings to pay down your student debt as you go.

Let's say you work part-time while in school, and pay just **\$25** a week on your student loan. Seems doable, right? You could reduce your repayable student debt by a total of **\$3,400** plus interest.

Imagine how much you could save if you brown-bagged your lunch AND worked part-time throughout your 4-year program!

4. Living at home while you study is much, much cheaper. If you can study from home you could reduce your loan repayment by \$85/month for 9.5 years.

5. Investigate which scholarships and/or bursaries are available to you. Don't assume that only straight 'A' students can get free money. The less you have to borrow, the lower your debt will be in the end.

ASSIGNMENT ONE: Brainstorm ideas to improve your budget and test some of them out. Remember, every \$20 you borrow now deducts \$20 from a future paycheck.

Lesson 2: We are on the same team.

To practice effective team work, all team members must recognize their roles and responsibilities. For you to pass *Student Finance 101*, we need to work together.

Our Responsibilities

The Nova Scotia Student Assistance office works to make borrowing money for school as affordable as possible.

Did you know:

- You can make payments at any time.
- Our needs-based program helps keep your final debt to a minimum.
- Our repayment assistance options can help while you work on getting your career off the ground.

Your Responsibilities

It is our job to help you access school, but we can only do this if you do your job - stay eligible for Student Assistance.

- Monitor your student assistance file, respond to our requests quickly, and know your deadlines. It is up to you to let us know about any changes in your income, your family's income, your course load, address, banking information, etc.
- If you are a university student, you must pass **60%** of a full course load each year (**40%** for students with a permanent disability). All other students must successfully complete their program year.
- Student Assistance is a financial contract. Make sure you understand all the Terms and Conditions.

ASSIGNMENT TWO: The course expectation is that you will meet all deadlines and submit all required documents correctly. A poor effort may lead to processing delays, cranky roommates and late rent payments. Failing to meet this expectation may lead to loss of future income tax refunds, ineligibility for student loan funding in the future, and a bad credit rating.

Lesson 3: Apply what you've learned.

If you actively monitor and manage your finances, both while you're a student and after graduation, you can minimize your student loan debt and continue to qualify for funding. Complete the following

assignments to ensure you are taking advantage of opportunities to control your total student debt.

ASSIGNMENT THREE

- A:** Explore your opportunities for scholarships, bursaries, internships, co-operative education and other ways to earn while you learn.
- B:** At today's interest rates, for every **\$1.00** you borrow today you'll repay **\$1.30**. That means that if you borrow **\$25,000** you'll repay **\$32,500**. Repay your loan as fast as you can to reduce that number.
- C:** There are several income tax advantages for students both during and after leaving school. Learn about tuition tax credits and education amounts. Did you know that any interest you pay on student loans is tax deductible? If you do receive an income tax refund, consider using some of it to pay down your student loans.

For more information about this topic, or for independent study ideas:

Visit the Nova Scotia Student Assistance website:
[novascotia.ca/studentassistance/Financing your Education](http://novascotia.ca/studentassistance/Financing%20your%20Education)

School of Graduate Studies:
[novascotia.ca/studentassistance/Repayment Assistance](http://novascotia.ca/studentassistance/Repayment%20Assistance)

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