

Alberta Student Awards Personnel Association Position Statements (2016)

STUDENT AID ALBERTA – ADVANCED EDUCATION

DEBT RELIEF

Proposed: 2016

With the elimination of completion grants, loan relief benefits and remission, student borrowers are leaving post-secondary with significant debt.

Recommendation

ASAPA recommends that debt reduction measures be reintroduced.

MAINTENANCE GRANT FOR MARRIED STUDENTS

Proposed: 2016

The recent changes made to the student assistance program have reduced financial barriers and improved access to Post-Secondary Education for many Albertans. However, there are still financial barriers faced by married students with children. These learners face a significant barrier to returning to school and often have higher expenses.

Recommendation

ASAPA recommends that the assessment for married students with children be equitable with single parent students. Maintenance Grant should be automatically assessed for married students with dependents under the age of 12.

PROPOSED GRANT PROGRAM

Adopted: 2012

With the removal of provincial grants in 2009, students are taking on increased debt-loads and are not able to sufficiently fund their educations given rising costs and stagnant loan limits.

Recommendation

ASAPA recommends that an upfront provincial grant program be reinstated to recognize rising debt levels among students and to encourage debt and/or risk averse students to attend post-secondary. ASAPA recommends the implementation of an income-based grant for full-time students to encourage participation and completion of post-secondary.

PART-TIME FUNDING

Adopted: 2014; Revised: 2016

Prompted by the AE Minister ASAPA consulted with members and students groups regarding part-time issues. We supported the SAA's focus group project and took those results into consideration as well.

Recommendations

ASAPA recommends that the current part-time funding options be promoted beyond post-secondary institutions in order to inform Albertans of these options and provide clarity around eligibility guidelines. ASAPA recommends that the possibility of an integrated process for applying for full-time funding and part-time funding be explored. ASAPA recommends that students be eligible to receive the Alberta and Canada grant in the same funding period of study.

Alberta Student Awards Personnel Association Position Statements (2014)

**The VP Skills committed to forming a working group to work on statements in 2016. The VP Skills position was vacated without any recommendations brought forward.

ALBERTA WORKS – HUMAN SERVICES

ACCOUNTABILITY FRAMEWORK AGREEMENT FEE FOR SERVICE

Adopted: 2012/ Updated: 2013

Since the implementation of Mobius there has been an overwhelming increase in administrative demands and human resources required to be compliant with the Accountability Framework Agreement.

Recommendation

ASAPA recommends that the fee for service be increased to compensate for this additional workload. ASAPA recommends that the fee for service for part- time learners be the same as for full-time learners as the administrative demands and human resources required to administer each is comparable.

AEI EARN WHILE YOU LEARN POLICY

Adopted: 2008/ Updated: 2010

Students who are married and both in school receiving grant funding do not receive the benefit of the Earn While You Learn policy which was intended to assist Learners with more financial resources while in training. In this situation each students' income is deducted from their spouses' assessment.

Recommendation

It is recommended that earnings be exempt for spouses when both are attending full time training.

MOBIUS REPORTING CAPABILITIES

Adopted: 2013

Moving forward with the focus on Results Based Budgeting, a reporting component is essential. With limited resources at the institutions, the ability for institutions to access reports from MOBIUS is critical.

Recommendation

ASAPA recommends that developing MOBIUS reporting capabilities for institutions be a top priority.

RESOLVED RECOMMENDATIONS

STUDENT AID ALBERTA – Advanced Education

LOAN LIMITS

The concept of Lifetime Loan Limits restricts access and is counterproductive to the Alberta Government's commitment to Lifelong Learning.

Recommendation

It is recommended that Bill 14 be repealed and replaced by an outstanding loan limit concept which would allow borrowers who have repaid all or a portion of their loan balance to access additional loan funding up to the legislated loan limits.

VEHICLE EXEMPTION

Vehicle ownership is often anecdotally cited as a barrier to accessing sufficient funding to pursue post-secondary education.

Recommendation

It is recommended that the vehicle exemption level be reviewed to determine the actual impact on accessibility to post-secondary education and increased as appropriate.

SCHOLARSHIPS (MERIT BASED AWARDS)

Scholarships are a means for government, the private sector, educational institutions, and individuals to encourage and celebrate excellence and achievement. As an alternative to the ad hoc changes in this exemption level, the establishment of an indexing formula resulting in automatic increases would be preferable.

Recommendation

It is recommended an indexing formula be established such that future increases in annual exemption levels are tied to an objective external standard (i.e. average tuition increases etc.)

REPAYMENT OF LOAN FUNDING

Post-secondary education benefits not only the learner but also society as a whole. Loan repayment should not create a financial burden to the extent that borrowers are delaying full participation in the economy and/or personal matters (i.e. marriage, homeownership etc.).

Recommendation

It is recommended that the interest on loan repayment be set at prime rate.

PART-TIME EARNINGS

The part-time earnings exemption has not been regularly reviewed and has been outpaced by the strong Alberta economy and increase in minimum wage. Learners should be allowed to address the growing gap between government living allowances and perceived need through part-time earnings. This is particularly true of mature students and/or students returning to school following periods of labor force attachment.

Recommendation

It is recommended that the part-time earnings exemption be increased to \$500/month and that an indexing formula be established such that exemption levels are regularly reviewed and adjusted as appropriate.

ASSESSMENT AND AFFORDABILITY

* Somewhat resolved – no longer valid

The cost of post-secondary education is a shared responsibility; however, the current assessment model is imbalanced and places an excessive burden on the student and/or family.

In order to achieve the goal of an affordable, accessible post-secondary funding system, the needs assessment must recognize the diversity of learners. Learners should be able to contribute to their education in ways that fit their lifestyles and values.

The current needs assessment does not allow students flexibility to address shortfalls between the expected parental/spousal contribution and actual parental/spousal contribution. Parental/spousal expected contribution which is not forthcoming can be a significant barrier to accessing post-secondary education.

Recommendation

It is recommended that the expected parental/spousal contribution be converted to a family contribution model. This would provide flexibility to the student and family to meet their expected contribution using whatever means they have available to them including savings, part-time earnings, parental contributions, etc.

It is recommended that an indexing formula be established for a family contribution model to ensure that future increases are reflective of economic trends.

It is recommended that the guidelines on when students are considered independent be reviewed as a number of students are financially independent from their parents at an earlier age.

EDUCATION INSTITUTION INFORMATION ACCESS

Educational institutions are often the first point of contact for students for questions about their student loans. The limited access that the EIs have on the SFS-Inquiry pages forces the institutions to contact the SFCC often. A number of questions could be handled by the institutions if they could just see more information on the student's file.

Recommendation

It is recommended that educational institutions be provided with access to appropriate levels of information in order to provide quality advising to students. This includes items such as date application

or appeal entered, detailed assessment information (including federal vs. provincial calculations), access to parental/spousal incomes, additional documentation required etc.

LOAN DISBURSEMENT STANDARDIZATION

* Somewhat resolved

Loan disbursements for programs that run outside of typical study dates often don't coincide with institutional payment deadlines.

Recommendation

ASAPA recommends that the Canada student loan disbursement and Alberta student loan disbursement for students in atypically long study periods are issued to students in on more than 2 payment dates within multi-semester study periods, for example September, January and May to co-ordinate with the tuition request from the post-secondary institutions. Students are unlikely able to pay for tuition and fees in January if their loan disbursement is not available until February.

HARMONIZATION WITHIN LOANS PROGRAMS

Current system is complex and difficult for borrowers to navigate. The implications to the borrower of misunderstanding this process are serious and possibly long lasting.

Recommendation

ASAPA recommends that information sharing between stakeholders is significantly enhanced, particularly related to updating and contact information.

ASAPA recommends that a "one loan-one student" concept of borrowing be pursued to resolve these issues and meet the Alberta government goal of creating a "seamless" program.

ASAPA recommends that a harmonized student portal that would show their notice of assessment and lender information such as interest free status be created. This portal could also be used for electronic confirmation of enrollments, and allow Student Aid Alberta to see any loan repayment made by the borrower.

COMMUNICATION OF POLICY AND PROGRAM INFORMATION

Constant, clear and concise communication is critical for students to be able to receive accurate funding in a timely manner. At times, changes in policy and programs are not communicated in a timely fashion, which results in inaccurate assessments and information being passed on to students (e.g. new residency policies in 2009-2010). The educational institution staff rely on the Student Aid Alberta Service Centre and Alberta Service Centre staff to provide confirmation of information and if they are providing inaccurate information the EI staff are the ones who have to fix the problem. If students are unaware of program details, they may be missing out on funding opportunities that they need.

Recommendation

ASAPA recommends that the communication to students is clear and easy to understand. Changes to programs should be communicated to them as soon as they are available. Increasing online communication methods is preferred.

ASAPA recommends that a review of the communication and training structure for the SAASC and ASC be done to ensure that updates are being passed on through training and other means.

ROLE OF ALBERTA STUDENT AWARDS PERSONNEL ASSOCIATION

The financial aid community is a key partner in the delivery of government student funding & awards programs.

Recommendation

ASAPA recommends that the Ministries of Enterprise and Advanced Education, Alberta Human Services, Students Finance Board, and appropriate operational staff engage ASAPA in public policy and operational issues, and maintain regular contact with our organization.

MODERATE STANDARD OF LIVING GUIDELINES & YEARLY MAXIMUM LOAN LIMITS

Adopted: 2006/ Updated: 2014

Figures are not regularly reviewed to ensure that they are in touch with economic trends. It is unclear how current figures are determined. With the removal of grants in 2009, the yearly maximum loan limit has not increased, which has resulted in lower awards for high need students.

Recommendation

ASAPA recommends that monthly living allowances as well as yearly and lifetime loan limits be based on substantiated figures which recognize moderate, realistic cost of living for students and that calculation of these figures be made transparent and available to the public. ASAPA recommends that living allowances be reviewed and increased annually to account for cost of living increase and inflation and that the yearly loan limit increase each year to keep up with the increase in costs of school and living. Although ASAPA does not condone students having a higher debt level, students are stressed with less funding and are working more to make ends meet.

ASSESSMENT AND AFFORDABILITY FOR MARRIED STUDENTS

Adopted: 2012/ Updated: 2013

The recent changes made to the student assistance program have reduced financial barriers and improved access to Post-Secondary Education for many Albertans. However, these changes have not addressed the myriad of financial barriers faced by married students. These learners face a significant barrier to returning to school and often have the highest expenses and lowest awards.

Recommendation

ASAPA recommends that the assessment for married students be equitable to single students. There are a variety of ways in which this could be achieved.

1. The income exemption on spousal earnings could be increased.
2. Spousal contribution could be assessed as a flat-rate contribution, similar to the way single students are assessed a flat-rate contribution.
3. Spousal income could be exempt in the provincial need calculation.
4. The married student living allowance could be increased to be more reflective of actual costs.
5. Married students could be given a higher yearly and lifetime loan maximum to account for higher costs that married students face.

TUITION REMITTANCE FROM GRANTS

Adopted: 2010

Educational institutions often have difficulty collecting tuition funds from students who are receiving a portion of their funding through grant funding.

Recommendation

With grant funding that is available to students up front, ASAPA recommends that the educational institution be allowed to remit tuition from grants to ensure that tuition is paid for.

RESOLVED RECOMMENDATIONS

ALBERTA WORKS– HS

NEEDS BASED BURSARIES

Learners accessing needs based bursary programs have clearly demonstrated financial need beyond what is available to them through government funding programs.

Recommendation

It is recommended that needs based bursaries be 100% exempt from the needs assessment calculation.

HARMONIZATION OF AEI PROGRAMS

Differences between funding programs encourage students to “shop around” for the best “rate.” In addition, differences in living allowances create inequalities between learners.

Recommendation

It is recommended that Non-EI and EI streams are harmonized.

EXTENDED EMPLOYMENT INSURANCE TRAINING INITIATIVE (EEITI)/ SEVERANCE INVESTMENT IN TRAINING INITIATIVE (SITI) PROGRAM

The EEITI/SITI program was implemented in May 2009 without consultation or training for institutions. The implementation date and time restrictions created issues as most institutions were full and students would not meet requires deadlines to attend alternate future intakes. Further difficulties arose surrounding insufficient and inaccurate information being provided to students, differences between provinces, inadequate EI staffing to accommodate perspective Learners and transitions between the regular EI and Extended benefits which lead to student and institutional frustrations.

Recommendation

It is also recommended that the EEITI/SITI program be directed solely through Service Canada if extended.

AEI AUDIT AND COMPLIANCE

Audit regulations have not been provided to institution since the Mobius system has been implemented and the paperless file system discussed. This leaves institutions unprepared for future audits or duplicating processes to maintain both paper and electronic file systems.

Recommendation

It is recommended that audit regulations and requirements for file management be identified and updated online for consistency and accountability.

AEI EI LEARNERS

EI Learners are sometimes placed at a disadvantage to Non-EI Learners when attending training. As EI is used as a resource, Learners in receipt of EI receive limited or no Part 2 funding. This requires the student to cover their costs, while waiting for EI to be processed. To be considered RWA at attend training a Learner needs to demonstrate their ability to meet these expenses.

Recommendation

It is recommended that students who are required to wait for EI processing be bridged until EI is in place.

The EI portion of the Income Support assessment is often inaccurate. This puts students in situations of both under or overpayment. As the student has to wait for EI processing before submitting their Change in Circumstance form and 6 weeks to have the CIC processed (longer if repayment is to be assessed), students may be receiving insufficient living allowance for several months placing them in financial jeopardy. In the case of overpayment these significant time frames create more substantial repayment costs.

It is recommended that processes be implemented for faster and more direct communication between AEI and Service Canada.

MOBIUS

* Somewhat resolved

The Mobius system directly impacts institutions ability to meet student needs and demand. The system performance is creating delays, barriers, and a high volume of duplicate administration. This is causing significant administrative inefficiencies. The focus on training has been on the changes to the system itself rather than in input requirements and guidelines which has created inconsistencies in the information entered and location of entries.

Recommendation

It is recommended that institutions and organizations including ASAPA be consulted in the planning of the future releases and process changes to explore the impacts to front-line work with students and operations demands of the institutions.

It is recommended that system performance issues be addressed with urgency and high priority.