

New Brunswick Timely Completion Benefit FREQUENTLY ASKED QUESTIONS

Q. *What is the Timely Completion Benefit?*

- A.** The Timely Completion Benefit is a program designed to help post-secondary graduates by:
- encouraging the successful completion of studies in a timely manner; and
 - addressing accumulated student loan debt.

Q. *Who is eligible for the Timely Completion Benefit?*

- A.** To be eligible, you must:
- graduate from an undergraduate program **after April 1, 2009** from:
 - a private chartered, not-for-profit, degree-granting institution located in Canada, or
 - any publicly funded post-secondary educational institution;
 - graduate from a program of study within the established minimum timeline for the program. For example, a four-year BBA must be completed within four years. Graduates with a permanent disability may be exempt from this criterion. Such applications will be evaluated on a case-by-case basis;
 - have total federal and provincial full-time student loan borrowings (associated with your successfully completed program) in excess of \$32,000;
 - provide proof of your graduation through a transcript of marks that indicates the date the degree/diploma/certificate was awarded; and
 - apply for the one-time benefit within **seven months** of your graduation date.

Q. *How will the Timely Completion Benefit help graduates who have a permanent disability?*

- A.** Graduates with permanent disabilities may be exempt from the timely completion requirement under this program. Such applications will be evaluated on a case-by-case basis.

Q. *Must the provincial portion (the New Brunswick Student Loan portion) of my Canada-New Brunswick Integrated Student Loan exceed \$32,000?*

- A.** No. You must have a **total student loan debt** exceeding \$32,000. Your total student loan debt is usually made up of both federal and provincial funding. In addition, the debt that is eligible for the Timely Completion Benefit is the funding borrowed for your successfully completed program.

Q. *I attended intersession and summer session over the course of my program. Can I still meet the timely completion requirement for this Benefit?*

- A.** Yes. It is possible for you to qualify for the Timely Completion Benefit even if you attended intersession and/or summer session. For example, if a student begins their four-year Bachelor of Arts degree in September 2007, that student has four complete calendar years (up to August 31, 2011) to complete that degree program and still be eligible for the Benefit. The successfully completed program could include attendance in intersession and/or summer session over the course of those four years of study.



Q. *I will be completing several credentials over the course of my post-secondary education. How will this affect my eligibility for the Timely Completion Benefit?*

A. You can apply for and receive the Timely Completion Benefit once and it applies to one single credential. The benefit cannot be applied to the combined student debt from multiple credentials.

For example, if you plan to obtain a four-year Bachelor of Arts degree and then go on to take a Bachelor of Education degree, you must apply for the Timely Completion Benefit within **seven months** of receiving your BA. If you meet all of the eligibility requirements for the benefit, your debt associated with your BA will be reduced.

If you wait and apply for the Timely Completion Benefit until after receiving your BEd, you can only use the student debt load associated with the BEd, which may no longer be enough to qualify for the benefit.

Q. *I took a "concurrent" degree program. Am I eligible to apply for the Timely Completion Benefit?*

A. Yes. If you complete a concurrent degree program and receive both degrees at the same time, you may apply for the Benefit upon graduation if you meet all eligibility requirements under the program. For example, a Bachelor of Computer Science/Bachelor of Education program is designed as a five-year concurrent program; therefore, all five years would be considered for the Benefit.

However, if you choose to receive your credentials **consecutively**, rather than **concurrently**, this can negatively impact your eligibility for the Benefit. For example, a Bachelor of Arts/Bachelor of Education (BA/BEd) program is designed as a five-year concurrent degree program. If you chose to receive your BA credential at the end of year four, you must apply for the Timely Completion Benefit at that time (and within **seven months** of your graduation date). The BEd credential, awarded at the end of year five, would not be considered for the Benefit as the student loan debt associated with that credential would not meet the required \$32,000 threshold.

Q. *Do I have to remain in New Brunswick to work after I graduate, in order to qualify for the Timely Completion Benefit?*

A. No. A work commitment in New Brunswick does not form part of the eligibility requirements for the Timely Completion Benefit.

Q. *If I successfully complete a Masters or PHD program, can I apply for the Timely Completion Benefit?*

A. No. The Benefit is currently targeted to students successfully completing an undergraduate program on or after April 1, 2009.

Q. *Can I include my Part-time Canada Student Loans in my total borrowings?*

A. No. The Timely Completion Benefit is applied to reduce your full-time provincial student loan debt. The Part-time program is federal funding for part-time studies. If, however, you attended studies on a part-time basis and these credits were applied toward the timely completion of a program taken on a full-time basis, *and* you had full-time borrowings in excess of the \$32,000 threshold, you may apply for the Benefit on those full-time borrowings.

Q. *How many times can a graduate receive the Timely Completion Benefit?*

A. Graduates may receive the Timely Completion Benefit one time.

Q. Was there any consultation on the new Timely Completion Benefit and its design?

- A.** Yes. There was a great deal of discussion on affordability and the issue of student debt. Specifically,
- i. The **Commission on Post-Secondary Education in New Brunswick** was mandated to explore post-secondary accessibility, relevancy, quality, competitiveness, collaboration and affordability. This was accomplished through consultation sessions and written submissions.
 - ii. In September 2007, the Commission released their report, **Advantage New Brunswick: A Province Reaches to Fulfill Its Destiny**, that included recommendations related to paying for post-secondary education and reducing student debt.
 - iii. In the fall 2007 a **Working Group on Post-Secondary Education** was established and, in April 2008, their recommendations were submitted to government detailing the best model for a post-secondary education system in New Brunswick.
 - iv. In June 2008, in response to the Commission's report, **The Action Plan to Transform Post-Secondary Education in New Brunswick** identified the pressing need to address student financing.

Q. How are you addressing accumulated student loan debt by including a "timely completion" element in this new Benefit?

- A.** "Timely completion" means a student has earned their credential within the normal (minimum) length of the program of study, as determined by the post-secondary educational institution. This requirement encourages the successful completion of studies in a timely manner and it helps students minimize their debt level through fewer years of borrowing. A review process is in place whereby graduates may qualify for an exemption from the timely completion requirement if there are extenuating circumstances.

Q. How many years of funding are included in the calculation of the Timely Completion Benefit?

- A.** Only the years associated with the successfully completed program are used in the calculation of the Benefit. This could be three, four or five years of student loan borrowings, depending on the length of the program of study. In addition, in cases where a student has changed their program of study, the student loan funding borrowed for the program they left, may or may not be used to calculate the Benefit. This will depend upon whether the credits earned in that initial program are included in the student's successfully completed program.

Q. Do graduates still have to pay off the balance of their provincial student loans?

- A.** Yes. After the Timely Completion Benefit has been applied to reduce a graduate's provincial student loan balance, the borrower remains responsible for making their monthly student loan payments, until their total federal and provincial student loans are paid in full. If the borrower is having difficulty making their student loan payments he/she may apply for the new Repayment Assistance Plan (RAP), effective August 1, 2009.

Q. What happens if a student transfers into a new program over the course of their studies?

- A.** If a student began in one program but eventually graduated from a different program; he/she may apply for the Timely Completion Benefit if they successfully completed that second program within the established minimum timeline for the program, and they meet all of the other eligibility requirements for the Benefit. There may be instances where the student receives advanced standing in their new program and that is taken into consideration. For example; if you began in a BA program and transferred into a BBA program, the university may admit you into year two of four (all your first year BA courses could be transferred) then you would be allowed three years of study to meet the timely completion element of the Timely Completion Benefit and four years of student loan debt would be included in the calculation of eligibility.

Q. *Can a student who chooses to study outside New Brunswick apply for the Timely Completion Benefit?*

A. Yes. If the student attended **a publicly funded** post-secondary educational institution, regardless of the location, he/she may apply for the Benefit. Note that the applicant must also meet all of the other eligibility requirements for the Benefit.

The "location" of the educational institution does form part of the eligibility requirement for students who have attended a private post-secondary educational institution: only students who have attended **a private** chartered, not-for-profit, degree-granting institution **located in Canada** are eligible to apply for the Benefit.

Q. *Can a student appeal a Timely Completion Benefit eligibility decision?*

A. Yes. There is an appeal process in place for any candidate who has not met the timely completion element of the eligibility criteria. The graduate must submit a written request within 60 days of receipt of the written decision to deny the Benefit, to Student Financial Services (SFS), along with supporting documentation, to demonstrate exceptional circumstances. For example, a graduate who has experienced a temporary illness or a graduate with family responsibilities while studying may have been unable to graduate from their program within the established minimum timeline and therefore may wish to provide this information to SFS if they have been denied eligibility for the Benefit.

The seven month deadline for submitting an application is not appealable.

Q. *Can a student apply for the Timely Completion Benefit if they began their studies before April 1, 2009 but graduated after April 1, 2009?*

A. Yes. The student can apply for the Timely Completion Benefit as long as their graduation date is after April 1, 2009.

Q. *Can a student who graduated before April 1, 2009 apply for the Timely Completion Benefit?*

A. No. The effective date for this program is April 1, 2009 and students must have graduated on or after April 1, 2009 to be eligible to apply for the Benefit. The Benefit can not be applied retroactively to any undergraduate degrees *earned prior to April 1, 2009*.

However, should a former graduate go on to successfully complete a second undergraduate credential *on or after April 1, 2009*, he/she may apply for the one-time Benefit on the credential earned on or after April 1, 2009.

Q. *Will this new Benefit impact the rate of interest charged to students in repayment?*

A. No. Interest rates charged to students in repayment will not be impacted by the Timely Completion Benefit. Students in repayment will continue to pay a floating rate of interest equal to the Prime Rate plus 2.5% per annum or a fixed rate of interest equal to the Prime Rate plus 5% per annum.