



Hello, my name is Kathryn Young, I am in my 3rd year at Laurier in the Economics and Financial Management Program, and I am going to run through some of the basics of student budgeting with you to give you an idea of some typical sources of income and expenses faced by students

Where The Money Goes?

Expense	Estimated Yearly Costs*
Tuition	\$5,600 - \$7,200
Ancillary/Compulsory Fees	\$700 - \$900
Books/Supplies	\$1,400 - \$1,800
Residence	\$4,100 - \$6,800
Meal Plan (mandatory for students living in residence)	\$1,200 - \$3,600
Yearly Total	\$13,000 - \$20,300
Total less residence and meal plan	\$7,700 - \$9,900

This chart breaks down the typical yearly expenses that 1st year students may have. This is just a general format, make sure to personalize your budget to what your experiences are going to be. i.e. residence cost vs cost of renting off campus.

Making a Plan

- Build a resourceful relationship
- Develop a budget
- Live in the lifestyle of that budget
- Income Versus Expenses



Financial planning may seem daunting but it is really helpful in relieving some stress while at school. It's important to stay on top of your financial position to avoid surprises, here are some general points on how to start your personal money plan:

Build a resourceful relationship with someone that can assist you about finances and *living* a financially responsible life. It may be an older sibling, parent, a relative or someone in our financial aid department. Anyone with good experience at handling money.

Develop a budget! This is the foundation of getting yourself prepared for the future! Make sure to personalize your budget and be as specific as possible when listing all your expenses!

When you begin school in September and understand how much money you have/can spend...**LIVE ACCORDINGLY!** It's really easy to say that you'll just spend less next month and splurge now, but that's an easy trap to fall into that leads to money problems later on

Once you have your plan remember it's important to have some flexibility, there are always going to be surprises in life, make sure to adjust your budget/plan as new things come up

“Closing the Gap”

- Life cost analysis
 - Investment in my future: \$23,000/yr
- Limits of lent money
 - OSAP: \$7,300 in repayment maximum

According to Statistics Canada, university graduates earn, on average, \$23,000 more per year than non-university graduates. Your budget may seem tight now with high expenses on tuition, but this is an investment in your future that will more than pay for itself in the long term.

Something to note is that there are limits to how much money OSAP will give out to one individual – \$28,000. The good news is that OSAP will only expect a repayment of 7,300.00 a year. Any money given above \$7,300 per year is more-or-less considered a bursary. Thus, OSAP has some forgiveness built into its loan methodology.

Sources of Income

- OSAP
- Ontario Tuition Grant
- RESP
- Entrance Scholarships
- Competitive Entrance Scholarships
 - Deadline: Friday July 27th, 2012 (11:59pm)
- Scholarships in September
- Bursaries
- Part-time jobs
- Line of Credit
- Co-op



Sources of Income

OSAP

Ontario Tuition Grant

RESP

Entrance Scholarships

Competitive Entrance Scholarships

Deadline: Friday July 27th, 2012 (11:59pm)

Scholarships in September

Bursaries

Part-time jobs

Line of Credit

Co-op

These are the 9 typical methods of funding your university education. And let me stress, there is a lot of money available and "you need to leave no stone unturned"! In this presentation we are going to alert you to the sources

of income that are lent and expect repayment (like OSAP) and those that generously give monies (like a scholarship). It's important to understand, when dealing with borrowed money what the conditions for repayment will be, do your research!

OSAP

- Start loan earlier (July) so funds are available for September
- All parental income information needed
- Grant assessment already completed when applying for OSAP
- New direct deposit method for funding
- 60/40

Check it out Online:

https://www.wlu.ca/forms/3013/How_Funding_Provided_-_MSFAA_Fact_Sheet.pdf

OSAP

Start online loan documents ASAP so the money is ready to go for September!

New direct deposit method of receiving the funds

The Process can take as long as two hours to complete; have your documents prepared ahead of time!

Some other external grants, etc. need OSAP to be eligible.

Master Student Financial Aid Agreement – (MSFAA): Print this out with the signature page and includes spaces for banking information. This form is taken to the Post Office (with the students SIN card and government issued photo ID) to permit direct deposit instead of waiting in extensive lines for loan documents.

Funding is 60% in fall term and 40% in winter term

Ontario Tuition Grant

- Full-Time attendance
- \$840 per term
- Parents must make (combined) less than \$160,000
- Within 4 years of high school graduation

Ontario Tuition Grant

Requirements:

Full-Time attendance

\$840 per term

Parents must make (combined) less than \$160,000

Additional information:

Only available within 4 years of high school graduation
(so if you took a year off, this funding would only be available for the first 3 years of university)

Free money to a maximum of \$1680 per year

Application necessary for those who don't apply for OSAP,
if you do apply for OSAP you are automatically entered
for this grant

Can only receive funding for 2 terms in an academic year

Scholarships

- Based on merit
- Externally awarded for various reasons
 - Entrance qualifications
 - Extracurricular involvement
 - Customer Loyalty
 - Parent's workplace
 - www.studentawards.com
- **Important: Competitive Entrance Scholarship**
 - Deadline: July 27 (11:59pm)
- Scholarship Portal and applications available beginning of September: In-course Scholarships
- Talk to your bank or investment group

Check it out Online:

http://www.wlu.ca/student_awards_search/

Scholarships

Scholarships are based on many different types of merit, don't sell yourself short, there are scholarships out there for many different sets of skills! For example: academics, extracurricular involvement, volunteerism, customer loyalty, parent's workplace...and many more! Set aside some time to go to [studentawards.com](http://www.studentawards.com) and fill out as many applications as possible. An important application to note is Laurier's Competitive Entrance Scholarship DUE JULY 27 11:59pm. Watch your student email for financial aid updates and all related information

Bursary

- Award upon financial need
- Bursaries:
 1. Entrance
 2. General Tuition
 3. Donor Bursaries
- General Tuition bursary: \$1500.00 or more
- Donor Bursary varies – access on LORIS



Bursary

Bursaries differ from scholarships in that they are awarded primarily upon financial need. There are 3 types: Entrance (notification will come automatically from the school), General Tuition (available to students who did not receive the entrance bursary, opens in November and is granted in February) and Donor Bursaries (based on numerous criteria, access the database on LORIS, open November 5 2012 and close January 14 2013).

RESP

- Talk to your parent: “Do I have an RESP?”
- Need to deliver forms from your institution to Service Laurier (202 Regina St.)
- \$12.00 charge to have Service Laurier complete processing



Check it out On-line:

http://www.wlu.ca/page.php?grp_id=1272&p=5012

RESP

A Registered Education Savings Plan is something your parents may have set up for you. If you have one, you need to deliver forms from your financial institution to Service Laurier where they will be processed for a \$6 fee. Note: need to be registered in a minimum of 4 courses to be receive RESP money. NB: when filling out your OSAP Application: do not put total RESP amount rather the amount that you are going to use that academic year.

Student Line of Credit

Bank	Amounts and Limits
Scotiabank	\$1,000 - \$10,000 annually Maximum of \$40,000
Royal Bank	Starts at \$5,000 annually
C.I.B.C.	\$15,000 annually Maximum of \$40,000
T.D.	\$10,000 annually Maximum of \$40,000

Talk to your bank to understand the conditions

A student line of credit may offer better terms than regular lines of credit, but they still charge the highest interest rates possible, they are recommended to only be used in emergencies! The important thing to do when applying for a credit card is to talk to your financial institution to make sure you fully understand ALL the fees/charges associated with your card. You don't want to be hit with an unexpected service charge that could have been avoided.

Part-Time Work

- On-Campus or Off-Campus?
- Know what they expect:
 - Time commitment and hours
 - Location relative to campus
 - Labour intensive
 - Transferability
- Work Study Program
- Emergencies



Student Co-op:

<http://www.lauriercc.ca/co-op/home.htm;jsessionid=AF491BF2B4D35ED1676B9BBDBEBB3508>

On Campus Jobs:

<http://www.lauriercc.ca/career/students/job.htm>

Part-time work is a popular way for students to earn money throughout the academic year. There are a variety of options both on and off campus. The main concern with part-time work is time management, do you have enough time to get from work to class? Will you have the energy after a shift to finish your readings? Make sure you plan out how you will manage the balance. There is also the Work Study program, which offers jobs in the university for specific departments. Students can apply for a job, interview (NB: demonstrating financial need) and get paid to do task-specific jobs. Another option is co-op, which provides students with practical experience in their field of study in full-time work in between study semesters

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[Building a Budget](#)

Building a Budget

Income	Amount	Expenses	Amount
OSAP	\$3525.00		
RESP	\$850.00		
Entrance Scholarships	\$1000.00		
Ontario Tuition Grant	\$450.00		
Scholarship (Competitive)	\$750.00		
Parent's Work Scholarship	\$500.00		
Bursary	\$1000.00		
Gifts	\$200.00		
Part Time Work	\$1800.00		
Income Total	\$10,075.00		

Now that you have a general understanding of common source of income for students, lets return to our budget in its beginning form. Put in all of the sources of income as you anticipate them and their amount. Make sure you are being as specific as possible, and make sure to note which sources of income are recurring vs one time sources of money. This will help you plan long-term and determine if you need to pick up a part-time job, or apply for a loan etc in upper years of university.

Expenses

Tuition

University fees

Books and class materials

Housing (Residence)

Food – Meal Plan

Club fees

Entertainment

Travel

Miscellaneous: "Daily Indulgences"

These are some typical student expenses, the important thing to note when listing expenses is to avoid the 'miscellaneous' category as much as possible, this is where student will see a lot of their money go if they're not careful in managing it. Some unexpected expenses you might see include: band-aids, laundry soap, toilet paper...etc. BE HONEST!! Put down everything you might expect to spend money on (including those Bulk Barn trips).

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- Tuition
- University fees
- Books and class materials
- Housing (Residence)
- Food – Meal Plan
- Club fees
- Entertainment
- Travel
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Building a Budget

Income	Amount	Expenses	Amount
OSAP	\$3525.00	Tuition	\$3250.00
RESP	\$850.00	University Fees & Books	\$1250.00
Entrance Scholarships	\$1000.00	Housing	\$3100.00
Ontario Tuition Grant	\$450.00	Food (Meal Plan)	\$1250.00
Scholarship (Applied to)	\$750.00	Yoga Class Fee	\$60.00
Parent's Work Scholarship	\$500.00	Trips to Theatre	\$47.00
Bursary	\$1000.00	Tim Horton's	\$80.00
Gifts	\$200.00	Bus Trips Home	\$105.00
Part Time Work	\$1800.00	Cloths	\$200.00
		Cell Phone	\$260.00
Income Total	\$10,075.00	Expense Total	\$9602.00

Differential: + 473.00

Differential: \$473.00

Next, we input these values, the expenses, into our budget beside their designated source. Notice the specifics on this budget. It's important to keep account of the spending to make sure that you're living within your means. This is VITAL: Live according to your financial capabilities. Don't take out a big loan so that you can drink more Starbucks or keep up with the latest 3-month Sunglasses trend.

Budgeting – The Next Level

Income		Expenses	
Savings from Summer Job	\$ 5,000.00	Tuition	\$ 5,500.00
Scholarships	\$ 1,500.00	Books/Supplies	\$ 1,000.00
Bursaries	\$ 500.00	Travel to School start	\$ 100.00
RESPs	\$ -	Travel home end	\$ 100.00
Lump-sum from Parents	\$ 2,000.00	Rent/Residence	\$ 4,000.00
Line of Credit - Bank	\$ 4,000.00	Grocery Shop/Food Plan (\$100/week)	\$ 3,300.00
OSAP	\$ 5,000.00	Other: Entertainment (\$200/month)	\$ 1,600.00
Other:		Other: Laundry (\$10/week)	\$ 340.00
Birthday Money from Grandma and Grandpa	\$ 100.00	Other: Utilities/cable/internet (\$20/month)	\$ 400.00
Total Lump Sum Income	\$ 18,100.00	Total Lump Sum Expenses	\$ 16,340.00
Income - Expenses		\$ 1,760.00	
Less Emergency Fund		\$ 500.00	
Left-Over funds: Surplus or Deficit:		\$ 1,260.00	
(What's left ÷ 8 months)		\$ 157.50	

This is another example of a budget that uses a lot more detail, the timeline is over 8 months, so an entire academic year. Let's focus on the bottom section, once you've determined your income-expenses, put \$500 into an emergency fund, put it in a higher-interest savings account so that it's not just sitting under your mattress not earning you any extra money. This is a helpful idea because things come up and are stressful when you're scrambling for cash. It may be \$500.00 for a necessary computer repair or otherwise. Now let's look at the very bottom row. This student took the surplus, minus the emergency fund, and divided the remaining figure over 8 months to see how much disposable money they have to work with, monthly. This could be anything from buying movie tickets, to an extra trip home, or an extra \$150 in your saving account. Remember, you want to leave university with a brilliant education and financial flexibility. Look for ways to save!

Tips to Save

- Don't Splurge or impulse buy
- Make coffee in the lounge
- Watch a movie in residence from your friends' collections
- Treats are a reward not an incentive
- Look for used books
- Get a library card
- Ask about "Student Discounts"
- Reading Week at home
- Bring a lunch
- Reward banking
- Coffee versus latte
- Leave your credit card in your room

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Here is a list of helpful tips from students on how to save, and make your money work for you in the most efficient way possible. One tip I like to highlight is: once you have determined your weekly disposable income, take that amount out in cash at the beginning of the week and make sure you only spend the cash (leave the credit card at home!) you will be much more aware of the amount you're spending when you physically hold the money in your hands.

Thanks for listening to this presentation, I hope you have found it helpful!