

## **CLEARANCE REVIEWS FOR STUDENT RESTRICTION ISSUES OTHER THAN ACADEMIC PROGRESS**

Only the Ministry of Colleges & Universities (MCU) can consider clearance reviews for most other "student restriction" issues. These other "student restriction" issues include:

- federal restrictions only;
- provincial restrictions only;
- federal and provincial restrictions;
- breach of contract; and
- significant income variances.

A student's request for a review however, must be submitted through the Financial Aid Office and forwarded to the Ministry on the student's behalf.

The following information outlines the procedural issues and documentation requirements for reviews of this nature. Note: Student restrictions prevent the student from applying for OSAP through the online web application, however, the web will display information to the student that outlines the nature of the restriction and the applicable remedy.

Student restrictions apply to future eligibility for further OSAP assistance, (i.e., loans, grants, bursaries and scholarships). Despite a student restriction, students who have not defaulted on their student loan(s) may remain eligible for OSAP repayment assistance programs such as:

- Revision of Repayment Terms;
- Debt Reduction in Repayment;
- Medical Loan Forgiveness (Ontario);
- Permanent Disability Benefit (Canada).

Students should be directed to the National Student Loans Service Centre or the financial institution holding their loans to discuss eligibility for repayment assistance. National Student Loans Service Centre contact information is provided below.

## **A) Federal Restrictions**

Students who have failed to maintain their obligations with respect to federal student assistance debts must seek clearance through the Government of Canada (Human Resources and Social Development Canada (HRSDC) – Canada Student Loans Program (CSLP)). The student should contact HRSDC-CSLP, via the appropriate division of the National Student Loans Service Centre, at the following addresses:

National Student Loans Service Centre  
Public Institutions Division (for **publicly funded** institutional assistance)  
PO Box 4030  
Mississauga, Ontario L5A 4M4  
Telephone: 1-888-815-4514

National Student Loans Service Centre  
Private Institutions Division (for **privately funded** institutional assistance)  
PO Box 779, Station U  
Toronto, Ontario M8Z 5P9  
Telephone: 1-886-587-7452

Note: Students must clearly itemize the purpose of their inquiry to the NSLSC representative to ensure that they are directed to the appropriate department. If the student receives federal clearance and is approved for additional federal funding, then HRSDC-CSLP will provide the student with a written clearance decision, known as a Clearance Letter. Students who have been issued a Clearance Letter can request a review of their situation to determine whether their eligibility for further federal funding can be considered by OSAP. Students can also contact Canada Revenue Agency at 1-866-864-5823.

### **Supporting Documentation required:**

- A letter from the student requesting a review of their current situation;
- A copy of the Clearance Letter, as issued by HRSDC-CSLP.

### **Notes:**

1. A copy of the Clearance Letter must be received by the Ministry within one year of its date of issue.
2. A letter from a lender (e.g., a bank, financial institution or the NSLSC) indicating the student's federal assistance is in good standing will not be accepted in lieu of the Clearance Letter from HRSDC-CSLP.

If the student only has a federal restriction, federal clearance will allow the OSAP application to process for full funding, depending upon all other eligibility factors. If the student only has a provincial restriction, then federal clearance is not required. However, the student must make a written request to the Financial Aid Office to have their OSAP application processed for federal funding only.

## **B) Provincial Restrictions**

Generally, students who have provincial student assistance debts and who have a provincial restriction on their file are not eligible for further provincial assistance until the provincial debt has been repaid in full. Student may contact the following provincial agency to determine the current status of their provincial debt and which private collection agency currently has the debt:

Collection Management Unit  
40 Elm Street Suite 41A  
Sudbury, ON P3C 1S8  
Telephone: 1-800-387-5604 OR 416-326-0500  
Fax: 416-326-0526

Once the provincial debt has been paid in full, students can request a review of their situation to determine whether they are eligible for further funding.

### **Supporting Documentation required:**

- A letter from the student requesting a review of their eligibility for further provincial funding, including information on the current status of their provincial debt; and
- Proof that the provincial debt has been repaid in full (e.g. most recent statement of account from the agency holding the debt).

If the student only has a provincial restriction, then federal clearance is not required. However, the student must make a written request to the Financial Aid Office to have their OSAP application processed for federal funding only.

## **C) Provincial and Federal Restrictions**

If the student has a federal and a provincial restriction issue, then upon receipt of proof of federal clearance from the student, the ministry will release the current OSAP application for processing for federal funding only.

Additional provincial funding will be provided once two conditions have been met:

- proof of federal clearance (above);
- completion of a successful review to remove the provincial restriction.

**D) Breach of Contract (Code 61—full restriction, Code 62, Code 63, Code 64)  
Verification and Compliance Unit**

Students who have been restricted based upon an audit of their individual files are issued a detailed letter by the Ministry outlining the nature of the restriction and the applicable remedy. Reinstatement of eligibility after receipt of a code 61 restriction cannot occur until:

- The end of the restriction period identified in the letter; and
- The day the student repays all interest and principal owing on the outstanding Ontario portion of any Canada-Ontario Integrated Student Loans (issued on or after August 1, 2001) and Ontario Student Loans (issued prior to August 1, 2001, if applicable).

Students wishing to be considered for further student financial assistance must contact:

Ministry of Colleges & Universities  
Verification & Compliance  
Student Support Branch  
77 Wellesley Street West, Box 276  
Toronto, ON M7A 1N3  
Telephone: 416-314-0714  
Fax: 416-325-3096

Student must include supporting documentation, as set out in the letter from the ministry.

**E) Significant Income Variances – Student Income Verification**

The Ministry verifies student income as reported on the OSAP application against income information provided to Canada Revenue Agency (CRA) by the student. If the ministry determines a significant variance between these income amounts, then the student is notified, in writing, of the results of the verification and of the available review option.

Reinstatement of eligibility after receipt of a Code 67 restriction cannot occur until:

- The end of the period identified in the letter; and
- The day the student repays all interest and principal owing on the outstanding Ontario portion of any Canada-Ontario Integrated Student Loans (issued on or after August 1, 2001) and Ontario Student Loans (issued prior to August 1, 2001, if applicable).

Students who meet the reinstatement conditions and who wish to be considered for further student financial assistance must contact:

Student Support Branch  
Ministry of Colleges & Universities  
PO Box 4500, 189 Red River Road, 4<sup>th</sup> floor  
Thunder Bay, ON P7B 6G9  
Telephone: (807)343-7260  
Fax: (807)343-7278

Students must include supporting documentation to show their Ontario funding has been repaid in full.

## **Allowable reviews:**

### **1. Revised Income Tax Information**

A student may notify the Financial Aid Office that the income information provided to the Ministry by CRA has been reassessed if the reassessment by CRA occurred after the date that the Ministry verified the income.

#### **Supporting Documentation required:**

- A letter from the student requesting a review of their current situation, including an explanation of the reason for the reassessment by CRA.
- A copy of the student's most recent Notice of Reassessment as issued by CRA to the Ministry.

Once this information has been reviewed by the ministry, the student will be issued a decision regarding his/her eligibility status for further funding.

### **2. Conflicting Income Amounts – Process for Verification of Income**

In the case of conflicting income amounts reported to OSAP and CRA, a student will be issued a letter from the Ministry at the time that income verification is completed. The letter will include a Verification of Income form that the student must complete providing more detailed information and documentation regarding the timing and amounts of income received. This form must be submitted to the ministry in order to have the student's situation reviewed. The Verification of Income form includes specific instructions on the supporting documentation that must be provided to support the student's review request.

If the student has lost or misplaced the Verification of Income form, the student may contact the Ministry directly to request a duplicate form or the Financial Aid Office may email the Ministry.