Right now I know you are at the peak of optimism and expectation, so thinking about your financial situation may not be a delight. However, you are about to launch into the adult world where you will be responsible for your own life, so it's time for some prudent planning.

The first thing to do is get in the right frame of mind. Be realistic. Wishful thinking won't change the coming realities. You don't want to start off the year anxious about money; knowing where you stand and what resources are available is the best remedy for uneasiness.

Second, sit down and work out the figures as best you can. If you have applied for OSAP, you should already have a good idea of your position. If this is your first attempt at a long-term budget, check the sample numbers below. It's quite simple, but should get you going.

Lifestyles and “needs” vary, but my experience says a very bare minimum for the 8-month Fall/Winter Session is $12,000 if you are living at home and $21,000 if you are living away from home. Figure out your own estimate. Be sure to include all those things you'll be spending money on, even if they are not related to school: books, transportation, clothes, lunches, movies, CDs, pocket money, seasonal gifts, etc.

Discuss your finances with your family, after you've done the calculations. (They may be impressed with your adult attitude.) Some parents think now is the stage when offspring should pay their own way, but this is seldom realistic with the current cost of university education. If you are coming from out of town, note that Toronto is often considered a more expensive city in which to live.

On the resources side of your ledger, put any savings you have accumulated, your summer earnings, your OSAP entitlement, any income you expect to make during the session, and the parental support you can count on.

Third, ask yourself a fundamental question: Can I afford to go to university in the coming year? I am always surprised that some students plunge into a school year without looking ahead and without asking themselves this question. If you had serious doubts, you have probably already received an indication of what you could expect from OSAP and other sources. If it doesn't look too promising, you might consider deferring your admission for a year. You can defer by writing to Enrolment Services and requesting it. The University will hold your place for one year, giving you time to accumulate some savings, gain some work experience, and perhaps clarify your longer-term goals. Consider it.

If you foresee financial problems and yet still plan to go ahead, be sure you apply for government student loans, or at least enquire. You may not like a debt burden, but the government carries the interest while you're in school, and you can pay it off with your higher career-type income later rather than with summer minimum wages.

The issue of student debt has been widely discussed lately. Many students who qualify for loans will graduate with a four-year degree and a significant debt load. These loans may enable you to complete your education, but they may also restrict your options after you graduate. What you need is a good self-managed financial plan.

If you have a good plan, you may be able to graduate with less debt by taking advantage of specific opportunities and monitoring your financial situation carefully. Scholarships, work-study or part-time employment, and a good working personal budget can often reduce the amount of money you need to borrow and leave you better able to take a position with better potential but fewer immediate payoffs when you graduate.
Take a serious look at your expenses. See how many are true needs and how many are discretionary, habit, or lifestyle expenses. Maybe you can live with fewer new clothes. Maybe you can restrain your recreational expenses, like going out to dinner. After this, look at your part-time job expectations. If you don’t need some of those discretionary expenses, you may not need to work so many hours. Students often find that time is the scarcest commodity in first year, and they can’t afford the number of hours they worked in high school.

If you would like to discuss your financial situation with a neutral party, consider coming in to talk with us. We can provide some valuable perspective on your situation using our experience with many students who have been in similar situations.

You should know that the College has modest bursary funds for UC students needing emergency relief. Once the term is underway, you may get a bursary application form from our office. We will expect you to do a fairly detailed budget, explore all available sources of assistance (such as OSAP), and make an appointment with one of our advisors to discuss your plans and situation. With financial problems, as with academic problems, you can count on your registrar’s office as a reliable first step toward a solution.

In conclusion, I suggest that you think and plan for the long term. A university education is an investment in your future. Do a little investment planning now so you can avoid unnecessary worrying later when you will need all your energy and concentration for your studies. You should think of yourself as developing your adult life and business skills, linking up your self-managed financial plan with your self-managed career and academic plans. Now is the time to begin.

Yours,

Glenn A. Loney, Registrar
University College

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