

Canada Student Loans Program (CSLP)

General Information	
Lead Department	Human Resources Development Canada
Partners	<p>The key partners involved in the delivery of the program are the provinces and the Yukon Territory. They determine student eligibility for loans, following federal guidelines, and designate post-secondary institutions. Exceptions are Quebec, the Northwest Territories and Nunavut who have opted out.</p> <p>Since the introduction of the program in 1964, several financial institutions participated in the program, first as guaranteed-loan lenders, and from 1995 to 2000, as risk-shared lenders.</p> <p>On December 1, 2000 two private service providers (Edulinx and BDP) were retained to disburse funds, manage loan agreements and collect re-payments.</p>
Effective Date	The original legislation creating the Canada Student Loans Program came into force in September 1964.
Expiry Date	Ongoing
Web Site	General information on the Canada Student Loans Program can be accessed at: http://www.hrdc-drhc.gc.ca/student_loans . Information for student borrowers can be found at http://www.canlearn.ca/
Purpose	<p>The purpose of the Canada Student Loans Program is: to promote accessibility to post-secondary education for those with demonstrated financial need by lowering financial barriers through the provision of loans and grants; and to ensure Canadians have an opportunity to develop the knowledge and skills to participate in the economy and society.</p> <p>Since 1964, the CSLP has assisted more than 3.16 million students to pursue post-secondary education by providing more than \$17.1 billion in subsidized loans.</p>

<p>Roles and Contributions</p>	<p>Through the Canada Student Loans Program, the Government of Canada develops policies concerning eligibility criteria, in-study account management and loan repayment, provides information on labour markets, post secondary education, and financing post secondary studies to student borrowers as well as coordinating the delivery of the Direct Loan program while managing both the Risk-Shared and Guaranteed Loan portfolios.</p> <p>The participating provinces conduct the “front end” loan approval process for applicants within the province. They determine individual eligibility, assess student financial needs, issue loan certificates, and designate the institutions within the province that students may attend with Canada Student Loans Program assistance. The relevant documents and communications tools are prepared with the input and approval of both levels of government.</p> <p>The federal government and the provinces are working to improve coordination of student loans programs to create a "one student-one loan" service.</p> <p>To improve coordination of student loans, bilateral harmonization agreements were signed with the governments of New Brunswick and Ontario in 1999. Further progress on harmonization was delayed following the Government of Canada's transition to directly financing the Canada Student Loans (CSL) Program.</p> <p>After the move to direct financing of student loans, the CSLP began negotiating integration agreements. Administrative Integration agreements with the provinces will significantly simplify the student loan process by streamlining delivery. Students will benefit from easy to understand information, a single point of contact, simplified repayment processes and integrated repayment assistance measures. Two integration agreements were signed with Ontario and Saskatchewan respectively during the summer of 2001. Negotiations with several provinces will continue throughout 2001-2002.</p> <p>The Canada Student Loans Program participates in two federal-provincial-territorial forums:</p> <ul style="list-style-type: none"> • The Council of Ministers of Education Canada (CMEC), established in 1967, is the mechanism for Ministers of Education to consult on matters of mutual interest, represent Canada on international matters, provide liaison with various federal departments, and cooperate with other national educational organizations. • The Intergovernmental Consultative Committee on Student Financial Assistance (ICCSFA) is a multilateral forum, established in 1987 to pursue ongoing consultations on policy and program development. The participants represent the directors of all of the student aid programs across Canada.
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Resources	
Funding	<p>Each year, 370,000 loans worth \$1.7 billion are issued to students. Canada Student Loans has an annual budget, in addition to the amount of loans issued, of approximately \$900 million.</p> <p>With the implementation of direct financing, the program is required to manage student loans formerly managed by financial institutions.</p>
Tracking and Reporting	<p>Information is tracked via invoices, NAR data, certificates, and loans negotiated.</p> <p>The program is currently collecting repayment data; formerly this was the responsibility of the participating financial institutions. Service Providers are expected to provide detailed historic information on the status of accounts and borrowers.</p> <p>This information is not made publicly available at an individual level, however the CSLP includes aggregate information on portfolio performance in its Annual Report.</p>
Measurement and Reporting	
Outcomes	<p>As part of the Program Management Initiative the Canada Student Loans Program has developed a Results-based Management and Accountability Framework, which will be implemented in 2001-02.</p> <p>Key Outcomes - Short-term:</p> <ul style="list-style-type: none"> • Provide financial assistance to Canadians who need it to pursue post-secondary educational opportunities. • Provide a seamless transition for borrowers from the risk-shared lending arrangement with financial institutions, to the new direct financing arrangements. • Ensure students have the opportunity to study in the province or country of their choice. <p>Key Outcomes - Longer-term:</p> <ul style="list-style-type: none"> • Maintaining the Government's Commitment to Accessibility. • Making the loan experience a positive one. • Increasing awareness. • Ensuring performance, integrity and accountability. <p>Measurement and Assessment of Key Outcomes:</p> <ul style="list-style-type: none"> • Implementation of service provider(s) to manage loan disbursement and repayment will be completed prior to the next academic year (i.e. August 2001). • Establishment of a program integrity unit to track program and portfolio performance and to introduce methods to measure the impact of various default management strategies.

	<p>Planned Outputs:</p> <ul style="list-style-type: none"> • In the 2000-01 school year, 370,000 full and part-time loans will be disbursed to students in need. • Collection will be conducted on outstanding loans from 630,000 individuals currently in default status. • A contract with Service Providers will be signed to disburse and manage all full-time loans under a direct financing model. <p>Performance Information regarding Outputs:</p> <ul style="list-style-type: none"> • Loan disbursement information is currently obtained from provinces and financial institutions, and in the future from service provider(s). • In the future, service provider(s) will submit detailed information to the Canada Student Loans Program on a regular basis concerning loan disbursements, service levels and portfolio performance. With the increase in available information the Canada Student Loans Program will be better able to provide more robust reporting.
Indicators	<p>Performance Evidence on Outputs:</p> <ul style="list-style-type: none"> • The service providers will be required to prepare and submit regular reports under the terms of the Statement of Work. These reports will provide information on client satisfaction, volumes of service provided, and portfolio status. • The program conducts regular meetings with provincial representatives and key stakeholder organizations to discuss program issues and develop recommendations for more effective service arrangements. • Under the terms of the Harmonization agreements with provinces, the accountability contracts require reports related to performance indicators on borrowing levels, access, program completion rates, student indebtedness, and default rates. The reporting mechanism under these agreements remains to be determined. • Information concerning the numbers of borrowers affected by specific policy measures such as credit screening, interest or debt relief is collected by the federal government from each province, and is reported to the provinces on a consolidated basis. <p>Performance Evidence on Outcomes:</p> <ul style="list-style-type: none"> • Default Statistics: Loan status information is received from financial institutions (in future from service provider(s)), and default rates are calculated by program. • Ability of Program to Promote Access to Education: Indicator statistics will be collected under the terms of the harmonization agreements (accountability contracts). • Monthly reports from provinces detailing number of applicants, number of approvals and value of assistance. • Maintenance and analysis of data on interest relief, interest subsidies, and default recoveries by various demographic factors. • Maintenance and analysis of data on default rates by institution. • Service provider Statement of Work will introduce new performance measures on client service, including required number of contacts with borrowers, and on-going measurement of client satisfaction against stated standards.

<p>Comparable Indicators</p>	<p>Historically, the federal government and provinces have compared information and performance outcomes with respect to the separate student assistance programs. The integration agreements with provinces seek to develop common indicators of performance levels and measurement.</p> <p>The Statement of Work for the service provider(s) was completed with the input of provinces, some of whom will be required to develop comparable statements of work for their own student assistance programs.</p> <p>The Intergovernmental Consultative Committee on Student Financial Assistance (ICCSFA) organization provides a convenient forum for the exchange of information concerning educational funding in Canada, trends and emerging issues.</p> <p>The United States and other nations currently support a direct financing student assistance program, which has been useful to Canada Student Loans in designing the direct financing of Canada Student Loans.</p> <p>The Harmonization Agreement and Statement of Work will be public documents, and can be obtained by request to the Canada Student Loans Program and Treasury Board respectively (PWGSC web-site).</p> <p>Societal Indicator: Statistics Canada maintains empirical data on Canadian education levels and the impact of education on earnings, job opportunities for new graduates, etc. The Canada Student Loans Program socio-economic and policy units use this information to analyze changing client needs and requirements for policy and legislative changes.</p>
<p>Evaluation/Third Party Assessments</p>	<p>The service providers will be subject to on-going monitoring, compliance reviews, and regular audit under the terms of the Statement of Work. A new unit within the Canada Student Loans Program coordinates the following activities:</p> <ul style="list-style-type: none"> • full operational and process risk assessment of each of the seven CSLP units (on-going); • loan transaction verification audit (Contract and Audit Canada - March 01 to October 01 2001); • service provider invoice audit (value-for-money and compliance audits – on-going); • service standard audit (service providers, Provinces & CSLP); and • end-to-end systems audit (security and data integrity) of key players (provinces, service providers, CSLP, HRDC, PWGSC). <p>To the extent that the provinces also contract with the same service providers to deliver provincial assistance, initiatives will be taken to work with the provinces to share best practices and conduct joint compliance reviews.</p>

<p>Shared Information and Best Practices</p>	<p>Interactive meetings are held semi-annually with the provincial education representatives to discuss evolving issues and share best practices.</p> <p>The National Advisory Group on Student Financial Assistance (NAGSFA) was established in 1987 to provide a means for the federal government to discuss relevant issues with student associations, educational organizations, and student aid administrators, and to obtain input in policy development and program delivery.</p> <p>Meetings of the Provincial Education Ministers (CMEC) are held on an ad hoc basis to discuss joint issues. The minutes of these meetings are maintained as internal documents to encourage the free exchange of information between the parties.</p>
<p>Public Reporting</p>	<p>Performance information is available from the program's client services and the Canada Student Loans Program web-site. http://www.canlearn.ca/</p> <p>Interactive meetings are held semi-annually with major stakeholders, including student and educational institutions (NAGSFA), and the provinces (ICCSFA, and CMEC) to discuss performance issues and address new initiatives.</p> <p>Information on the program and performance are included in Estimates, RPP and Department Performance Report (DPR) each year, and the Canada Student Loans annual report. The annual report will be changed with the introduction of direct loans to report against the Program's Results-Based Management Accountability Framework, and various other program initiatives (guaranteed, risk shared, and direct loans).</p> <p>Methods for collecting and reporting on the success of student financial assistance on education levels are being reviewed, and will be implemented in co-operation with the provincial governments.</p>

Involving Canadians	
Provisions for Citizens to Participate in Developing Social Priorities and Reviewing Outcomes	<p>The formal involvement of student organizations, associations of student financial aid administrators, and education institution representatives through The National Advisory Group on Student Financial Assistance (NAGSFA) meetings ensure that the Canada Student Loans Program remains in close contact with the key stakeholders. Prior to meetings with representative associations, an agenda is set with input from all attendees. An open forum exists wherein parties representing students and education institutions can present ideas and question federal policies.</p> <p>The formal bi-annual meetings with the provinces have been coupled with significant ad hoc contacts on specific issues, and contribute to the successful monitoring of the current issues and priorities vis a vis student financing and debt issues.</p> <p>Canada Student Loans Program maintains a strategy of on-going consultation with key stakeholder groups, including provinces, students, educational institutions, and student-aid administrators in order to share, collect, and disseminate information.</p>
Feedback Mechanisms to the Public	See Above.
Service Commitments	
Public Availability of Eligibility Criteria	<p>Collaborative information packages (i.e. brochures) that explain how to obtain federal and provincial student assistance are developed with the provinces and distributed throughout Canada through educational institutions and electronic web sites.</p> <p>The CanLearn web-site offers information to the public regarding all aspects of student assistance programs.</p>
Existence and Availability of Service Commitments	<p>Specific performance standards with respect to disbursement and management of student accounts are included in the Statement of Work for the Service Provider(s).</p> <p>These standards will be monitored to ensure the service provider complies with the Statement of Work.</p>
Measurement and Public Reporting	<p>Service Providers will be required to report on a regular basis regarding actual performance in comparison to target service levels.</p> <p>These reports will be publicly available, most likely on the Canada Student Loans web-site (still to be determined).</p>

Appeals and Complaints	
<p>Existence, Availability and Communication of Mechanisms</p>	<p>Formal appeal procedures are incorporated in the governing legislation with respect to eligibility for the program. The provinces do appeals of assessment. Canada Student Loans Program adjudicates rehabilitation, permanent disability, and credit screening.</p> <p>Clients will be able to appeal service provider actions to Canada Student Loans Program. The provisions for appeal will be included in correspondence to the student, and will be dealt with by the provincial offices, which determine entitlement.</p> <p>The program supports an extensive client service capacity to address specific issues, questions, and complaints, particularly with respect to general questions and repayment issues. The call center is just one means for the public to reach Canada Student Loans Program. There is also correspondence, email and walk-ins. The client service staff deals with simple questions to extremely difficult cases. The call center number, and email address is distributed through the Canada Student Loans Program web site and informational brochures.</p> <p>With respect to the provision of services by the contracted Service Provider(s), the Statement of Work will include the requirement that the service provider direct all contentious issues to the Canada Student Loans Program client service representatives for resolution.</p>
<p>Tracking and Public Reporting</p>	<p>The Canada Student Loans Program client service representative's track the issues of complaint and terms of resolution, which are maintained in the case management system.</p> <p>Under the Service Provider(s) Statement of Work, the service provider will be required to monitor incoming complaints and grievances, and track the means of resolution. Statistics on these issues will be forwarded to the program on a regular basis.</p> <p>Outside of the regular stakeholder meetings, there is no plan in place now to report publicly on citizen complaints and appeals. Under the Direct Financing system the Outreach project will track trends in citizen satisfaction.</p>
Mobility	
<p>Existence of Measures</p>	<p>There are no residency-based requirements associated with the Canada Student Loans Program and it is fully portable across Canada.</p>