



Lakehead  
UNIVERSITY

Office of  
Student Awards  
and Financial Aid

# FINANCIAL LITERACY

## NEWSLETTER



January 2022

## Credit and Debt



### A message from the Associate Registrar

Welcome to a new semester and a new year. I hope that the time off you had provided you some rest and relaxation. Since you were able to enjoy that time, I also know from experience that January is the month that most people avoid looking at their credit card statement after gift buying and indulging over the

holidays.

Sometimes it is okay to indulge, as long as it is controlled. Prior to indulging, you will want to consider having a plan set out in advance of your spending. A plan can always help to control how much you spend. This is where it becomes important to know yourself, your spending habits, and what works best for you. You don't always need to keep up with the Jones' or the Kardashians, and in many situations the majority of people cannot because they don't have the financial means.

If you do try and keep up, that's where you might find yourself in trouble and it's important to know that there is help out there for you, if you need it. Organizations such as [Thunder Bay Counselling](#) in Thunder Bay have some great resources and people to help you learn about your financial situation and can help build a budget that is tailored to your situation. There are other resources available as well such as the [Financial Consumer Agency of Canada](#). I encourage you to read this month's newsletter and learn about credit

and debt management, and that your January credit card bill will never be a surprise again.

Sincerely,

**Josh Levac**

*Associate Registrar*

## myAwards portal FAQs

lakeheadu.academicworks.ca/opportunities

**Lakehead UNIVERSITY**

My Applications Opportunities Milestone Outlets

You won't be able to apply or be automatically matched to any opportunities until you [complete your general application](#).

### All Opportunities

Show Filters

Welcome to the Lakehead University myAwards page

Below you will find a listing of funding opportunities that are available to registered Lakehead University students with brief information about each opportunity and the qualifications. To apply to any opportunity which require an application you must be a registered student. Sign in using your Lakehead University user name and password and you will then have the opportunity to complete the General Application. To sign in simply click the Sign In button located at the top right of this page.

**New! Prospective Students** – Please note that you must be enrolled at Lakehead University prior to applying for scholarships on this page. You will receive your Lakehead University email address and login credentials once you have been admitted to Lakehead University.

If you have any questions, please reach out to our Student Central at [studentcentral@lakeheadu.ca](mailto:studentcentral@lakeheadu.ca)

The majority of the funding opportunities offered by Lakehead University are auto-matched through the General Application and you may not be required to complete any further applications. If you are eligible for additional opportunities that require supplemental information, these will display for you once you have completed and submitted the General Application. These are identified as Recommended Opportunities.

Many of our opportunities are funded through the generosity of donors within our communities. Be advised that all funding is subject to receipt from donor.

For optimal compatibility, access the application system using any newer browser, e.g. Microsoft Edge, Google Chrome, Mozilla Firefox or Apple Safari.

Search by Keyword

Award	Name	Actions
\$200.00	<b>Adrian J. Beaucage Memorial Bursary</b> Established in 11987 in memory of Adrian J. Beaucage by his family and many friends in recognition of his contribution to and interest in the...	Auto-matched, no action required
\$542	<b>Alfred Petrone Family LU 30th Anniversary Bursary</b> Awarded to an in-course student in any discipline on the basis of financial need.	Auto-matched, no action required
\$918	<b>Allan Macdougall Scholarship</b> Created through an estate gift of Marshall Macdougall Dean, in memory of his grandfather, Allan Macdougall, the first Police Magistrate in the city...	Auto-matched, no action required

Last month we launched our new myAwards portal and are pleased to see the substantial number of students utilizing this resource as a way to finance their post-secondary education.

Over the last few weeks we have listened to your questions and thought it would be beneficial to provide some answers to common questions we are seeing.

### What is the Recommended Section of the Portal?

The "Recommended" section hosts all funding opportunities that you could apply to but they require additional actions beyond the General application and the Financial Need application.

### What is the All Section of the Portal?

If you click into "All" you will see all of our funding opportunities available- opportunities you may not meet the eligibility criteria for will show up here.

### What does 'Auto-matched, no action required' mean?

If you see "Auto-matched, no action required" beside a funding opportunity, that means that the system automatically applied to that opportunity for you based on the information that you provided in the general application (and potentially the financial need application if applicable).

**I am an upper year student and used the previous portal. What is the difference between this new portal and the previous myAwards portal?**

The main difference between our old system and this new one is that the previous system required you to apply to each funding opportunity directly and individually. Our new system automatically applies to funding opportunities for you once you complete the General application and the Financial Need application (if applicable).

If you have any questions contact Student Central at [studentcentral@lakeheadu.ca](mailto:studentcentral@lakeheadu.ca)

[CLICK HERE FOR THE NEW MYAWARDS PORTAL](#)

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## Credit and Debt

As we start a new semester, we want to encourage you to think about your credit and debt management. Everyone should be cognizant of their credit and debt management; students starting their education journey, students in placement or co-ops, and students on track to graduate after this semester. Why? Credit and debt management should be a lifelong skill, and it is important that you start now. The healthy financial habits you build now can be carried with you after graduation and as you transition into your career.

Below we have provided important information for you to take into consideration during your financial literacy journey!

### **Credit Cards: How can I use them safely?**

Credit cards are convenient, as they allow you to make small purchases, online purchases, and potentially emergency purchases<sup>1</sup>. It is important to understand that when you use your credit card, you are being loaned that money from your credit card company, and you are required to pay interest on those payments if you do not pay your statement balance in full by the due date.

When selecting the right credit card for you, you will want to consider what your needs are and what you will be using the card for. You will want to review the fine print; what are the interest rate, annual fees, service fees, and user fees associated with this credit card? You will want to also consider what benefits are being offered. A student credit card may not necessarily be the best option for you, so make sure you consider all of your options.

To keep control of your credit card, consider these tips:

- Pay the balance in full each month
  - If you cannot pay in full, pay as much as you can
- DO NOT make only the minimum payment
- If you do always carry a balance, get a low rate credit card
- Pay a few days before the statement due date

### **Credit Scores: Why does that number matter?**

Credit scores are a number rating that reflects your credit worthiness at a specific point in time. Your credit score indicates to lenders what level of risk you pose with credit compared to other consumers. Credit scores range between 300 and 900, with the highest scores meaning the lower the risk for the lender.

Your credit score is used by lenders to see how you have handled credit in the past and determine how likely you will handle credit in the future.

Who may look at your credit score:

- Credit card issuers
- Auto dealerships
- Mortgage lenders
- Insurance companies
- Landlords
- Employers
- Telecommunications companies (ie., when setting up a cell phone plan)

Credit reporting agencies often charge a fee to give you your credit score. You can get a copy of your credit report by mail for free, or online for a fee. The only way to obtain your credit score is online.

Canada has two credit reporting agencies: Equifax Canada and TransUnion Canada.

Here are some tips for improving your credit score:

- Pay your bills in full and on time. At least pay the minimum amount shown on your statement. Set up automatic payments to ensure that your bills are paid on time.
- Don't go over the limit on your credit card. Keep your balance low—below 35 percent of your credit limit if you can. The higher your balance, the more it affects your credit score.
- Don't apply for credit too often. Too many lenders asking about your credit in a short period of time can lower your credit score.
- Pay off your debts as quickly as possible.
- Build a strong credit history. You may have a low score simply because you don't have a long credit record. You can improve your score by using a credit card—and paying it off on time every month.
- Check your credit report about six months in advance if you plan to make a major purchase that will require you to take out a loan, like buying a house or a car. This will give you time to correct any possible errors and improve your score.

Want to test your knowledge? How much do you know about credit reports and credit scores? [Take this quick quiz to find out.](#)

## **Debt: What does it mean?**

There is a difference between good debt and bad debt. Good debt is typically viewed as debt that (1) you can repay responsibly and (2) offers a good return on the investment in the future. Some examples of good debt can be a mortgage or student loans. For mortgages, the hope is that you take out the loan and pay it off, and by the time your mortgage is repaid, your house is worth more than what you bought it for. For student loans, the hope is that by investing in your education, it will expand career opportunities for you and potentially lead to an increase in income.

Bad debt is not typically categorized into purchases, but instead, it is viewed as ANY form of debt you have that you are unable to repay responsibly. In reality, a mortgage or student loans can be bad debt if you do not pay it back responsibly.

So what do you do if you have debt that you may not have control of? Consider using your savings to pay off balances, starting with paying down your highest interest rate debts first. You may also want to consider less expensive credit cards or credit cards with lower interest rates. You can call creditors to try to negotiate a lower interest rate.

Creating automatic bill payments can help you stay on schedule. Leaving your credit card at home offers another way to help manage your debt. We also encourage you to avoid 'buy now, pay later' offers.

Making a plan to be debt free:

- Identify your debts
  - Identify what you owe. Create a list of your debts. Within that list, make note of the total amount you owe, the minimum monthly payment, and the interest rate
- Review your budget
  - [Financial Consumer Agency of Canada Budget Template](#)
  - [Lakehead Budgeting Template](#)
- Decide on a strategy
  - Choose a timeframe
  - Decide which debts you want to pay off first
    - Debts with highest interest rates
    - Debts with lowest balance
  - Work with your creditors and financial institution



- Negotiating a lower interest rate
- Ask to extend your payments over a longer period of time and reduce your minimum monthly payment
- Consolidate your debts is an option
  - If you apply for a loan or line of credit to pay off multiple high-interest rate debts, this is called consolidating your debts
  - It means you only have to make one monthly payment rather than paying each of your debts individually
- Avoid taking on more debt
- Know where to get help
  - An accredited not-for-profit credit counsellor
  - A financial advisor
  - A Licensed Insolvency Trustee

The information from this article has been modified from the [Financial Consumer Agency of Canada's Financial Basics Workshop for credit and debt management](#).

1. Instead of using your credit card for an emergency purchase, we would strongly urge you to create a savings fund so that you always have a fund of money available in case something unexpected arises.

## Our Lakehead Financial Advocate Program

Lakehead is proud to announce that we have renewed the Lakehead & CFEE Financial Advocate badge for the Winter semester. In order to earn the Lakehead & CFEE Financial Advocate badge, you must participate in at least 4 out of 5 Help! Managing Your Money on Campus financial literacy workshops offered in the 2022 Winter semester. The cumulative knowledge gained by attending these sessions and further adherence to the topics covered represent the foundation of financial health and stability. The badge will be sent to you via email and you are able to download it and show that it is a verified certification. You could add this to your resume and your Lakehead co-curricular record!



On top of that, completing the Financial Advocate badge puts you into a draw for **\$250 IN CASH!**

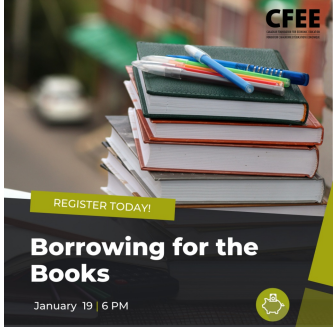
Our first webinar is **TODAY**, January 19th, 2022 at 6:00pm (information in Upcoming Events below).

**Want to become a [Lakehead Financial Advocate](#)? Check out our upcoming events below to register for our Winter semester workshops!**

## Upcoming Events

### Borrowing for the Books | JANUARY 19 - 6:00PM

The Canadian Foundation for Economic Education (CFEE) has partnered with Lakehead University to offer a series of virtual workshops, designed to help improve the financial education and capability of University and College students.



Coming out of this workshop you will have a better understanding on various programs available to help you pay for your education, why it's important to pay off credit cards in full monthly, how to improve your credit score and how to manage your debt so as to reduce your financial stress. From scholarships, grants and bursaries to loans and earned income, there are many ways to acquire funds to pay for this investment in your future. However, you have to be careful; it's easy to fall into the debt trap. This module will give you the confidence to pursue your goals by helping you understand good and bad debt and the implications of a bad credit rating.

[REGISTRATION LINK](#)

## Investing Basics | FEBURARY 2 - 6:00PM



The Canadian Foundation for Economic Education (CFEE) has partnered with Lakehead University to offer a series of virtual workshops, designed to help improve the financial education and capability of University and College students.

Coming out of this workshop you will have learned the foundational skills to allow you to invest with confidence such as understanding why it's important to invest for your future to help outpace inflation, what basic investment asset classes exist and the various account options there are to investing. The goal of this workshop is to de-mystify investing and to also help you better understand the tax implications and benefits of various account options. Investing is not a get rich quick scheme, it's a way of putting your money to work for you! This module is designed to arm you with the tools and knowledge to invest effectively and with confidence for your future.

[REGISTRATION LINK](#)

## Intermediate Investing | FEBURARY 16 - 6:00PM



The Canadian Foundation for Economic Education (CFEE) has partnered with Lakehead University to offer a series of virtual workshops, designed to help improve the financial education and capability of University and College students.

Coming out of this workshop you will be much more comfortable managing your investment risks, be able to analyze and understand the potential value of the common stock of a company you choose to invest in and also know about some alternative investment opportunities. There are a lot of layers and complexity to investing and this workshop will provide you the knowledge to invest for the long-term by applying techniques like dollar cost averaging and diversification to your portfolio. Also, you will learn the important metrics to research before investing in a company for the long-term as well as some additional ways to diversify and enhance your risk-adjusted returns.

[REGISTRATION LINK](#)

## **An Introduction to Taxes in Canada for International Students| FEBURARY 18 - 2:00PM**

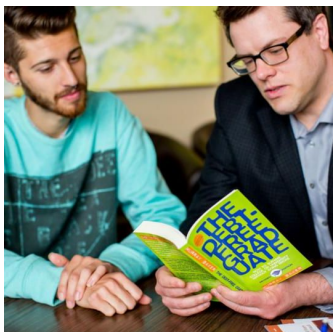


How familiar are you with the Canadian Tax System? Are you unsure if you need to complete a tax return as an International Student in Canada? This free webinar hosted by Lakehead University and the Canada Revenue Agency (CRA) will help you understand residency status, ways to do your taxes, tax credits for students, and CRA services.

No Registration Required!

[ZOOM LINK](#)

## **Understanding Ontario's Personal Income Tax, Credits and Benefits Amid the COVID-19 Pandemic | FEBURARY 23 - 6:00PM**



How well do you understand Ontario's personal income tax, credits and benefit programs? How does it all work in a year disrupted by a pandemic? Will your income for 2021 be significantly impacted by year end and change what you normally qualify for? This free, one-hour webinar will help you understand personal income tax, credits and benefits, and how they are impacted by the COVID-19 crisis. Regardless of your age, income level, or time of year it is, your time will be well spent.

No Registration Required!

[ZOOM LINK](#)

## **The Future of Work and Your Career | MARCH 2 - 6:00PM**



The Canadian Foundation for Economic Education (CFEE) has partnered with Lakehead University to offer a series of virtual workshops, designed to help improve the financial education and capability of University and College students.

Coming out of this workshop you will have a better idea as to the transformation that is occurring in the workplace and the skills you will need to succeed in your career. Times are changing and the global pandemic has accelerated workplace transformation.

This workshop will provide you with tools to help you research how things are changing in the sector you are looking to work in and start your thinking towards how you can enable yourself to be in high demand in the workforce.

[REGISTRATION LINK](#)

## **Buying Your First Home| MARCH 16 - 6:00PM**

The Canadian Foundation for Economic Education (CFEE) has partnered with Lakehead University to offer a series of virtual workshops, designed to help



improve the financial education and capability of University and College students.

Coming out of this workshop you will have a much better understanding of how much you can spend on a house, the multitude of government programs to assist you and the other service providers who can help you in this major purchase. Roughly 2/3 of Canadians own their own home. Buying a home will likely be the largest investment you make in your life and this workshop will help you better understand the steps to buying a house

so you can approach this major life decision with confidence.

[REGISTRATION LINK](#)

## STUDENT ZONE



### MEET EMILY

Emily is in Year 3 of the Social Work Program and is an International Student Assistant with Lakehead International.



**In your own words, describe what financial literacy means.**

To me, financial literacy means understanding and being smart about money to ensure you can make informed decisions to maximize your financial well-being in the present and the future. Building good credit, saving your money, making informed decisions, and calculating risk are all important.



**What is something that you do on a regular basis that you consider financially savvy?**

Looking at flyers from various grocery stores to get the best deal on more expensive products to save money on food. The Flipp app is my favourite app to compare flyers to see which stores offer the best price. If you're looking for something specific, you can search for items and



compare the deals from each store. Keeping my grocery bill as small as possible without compromising my well-being is something I believe is essential.



### What are the resources you use to make financial decisions?

A resource that I use to make financial decisions is connecting with my bank representative or asking for advice from my grandparents. I know that both can provide informed advice with their many years of experience in the financial world.



### A piece of advice for your fellow Lakehead Thunderwolves.

Think towards the future. Budgeting to save money now can be beneficial in the future when you want to make big purchases. Even though it may seem small to only save even \$10 from each of your paychecks, it will add up in the long run. Keeping your savings in an account that earns interest but is still accessible (especially for an emergency fund) is the best way to do so.

## MEET A TEAM MEMBER

Hi there, I'm Shaina! I've recently started at Lakehead University as the new Administrative Assistant in Enrolment Services. I've worked in a variety of departments throughout my time as a student at the University of Toronto and an employee at Confederation College including residence life, advancement, financial aid and registration. I'm here to help students mainly with OSAP, out of province student aid, and petitions.

In terms of financial literacy most people will probably tell you to budget and plan ahead and be prepared for emergencies -all great advice! However, if I could add anything to that conversation it would be to be gentle with yourself. The life of a student is very high pressure and you do not have to have everything figured out all at once. Try to implement small reasonable changes if you are feeling financially stressed, such as sticking to a grocery list when going shopping and not straying from that. I'd also say that if a \$6 coffee every once in awhile makes you happy, then get that \$6 coffee. It won't make or break your budget in the long run.



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Follow LakeheadLife on Facebook and Instagram for more financial tips and information.

