



## Pilot: Frequently Asked Questions

### 1. **WHO WE ARE**

SmartSAVER is a marketing initiative of the Omega Foundation, a registered national charity. The program provides impartial information about the Canada Learning Bond (CLB) and RESPs along with an online application (StartMyRESP.ca). SmartSAVER is a charitable program that provides tools to help families to access the government education grants for which their children are eligible. If you want to ask us questions, please call 1-855-737-7252 or email us at [info@smartsaver.org](mailto:info@smartsaver.org).

### 2. **WHAT IS THE PILOT?**

The pilot is a SmartSAVER program designed to help families start saving for their children's educations without using any of their own money. It consists of 4 easy steps that take place over the course of about 70 days. Each step can be completed quickly – most will not take more than a few minutes. Eligible families may receive a financial gift from SmartSAVER at the end of the pilot for participating. Families can get started online, by phone, or at in-person events by speaking with a pilot representative.

### 3. **PARTICIPATING IN THE PILOT**

#### **a) Why do you collect my information and how do you use it?**

We collect your information for two reasons:

1. To ensure the financial institution you choose has everything they need to make the process of opening your child's/children's RESP/s as easy for you as possible. Only your financial institution receives your identifiable personal information such as your name and contact information. (Researchers do not).

2. To learn how to help more families like yours to start saving for their child's/children's education. The information shared with researchers is a random summary of all the participants in the program and does not include names or individual records.

You can withdraw your consent any time before March 31, 2019 by writing to SmartSAVER at [info@smartsaver.org](mailto:info@smartsaver.org). Visit <http://www.smartsaver.org/privacy.shtml> for more information about SmartSAVER's privacy policy.



**b) What if I want to leave the pilot? Or what if I leave and then want to come back to complete the pilot?**

Participation in the pilot is entirely voluntary. If you change your mind at any point, just let us know. Similarly, if you change it back (and we hope you do!) let us know that too and you can resume your participation.

**c) What if my friends want to participate in the pilot?**

If your friends are interested, please have them contact us at SmartSAVER: [info@smartsaver.org](mailto:info@smartsaver.org). We cannot make any promises, but we will definitely keep them in mind. We encourage everyone to tell their friends about the Canada Learning Bond, (CLB)! Spreading the word is the best way to help all eligible children get theirs. To date, about 1.7 million children have received their Canada Learning Bonds, but there are over 1.8 million eligible children who have not yet received the CLB.

#### **4. SmartSAVER's \$500 GIFT**

Eligible families could receive a financial gift of \$500 from SmartSAVER for completing the pilot process. It is up to you to decide how this gift will most benefit your family! It can be used to cover expenses for your household or your child's education.

**a) What if I put the money into my child's RESP?**

If you choose to put the money into your child's RESP it will grow! Remember, children who are eligible for the Canada Learning Bond can receive a matching grant of 40% for every dollar deposited into their RESPs. That's a bonus of 40 cents on top of every dollar that you contribute!

**b) I have three kids. Why can't I get \$500 from SmartSAVER for each child?**

The \$500 you receive for participating in the pilot is our token of thanks to you. Unlike the CLB itself, it's not tied to the number of children in your family.

**c) Do I keep getting \$500 from SmartSAVER for every year me or my child is eligible?**

No. The \$500 gift from SmartSAVER is a one-time thank you for participating in the pilot. However, after the initial CLB deposit of \$500 from the Federal Government into your child's RESP, your child will receive an additional \$100 for every year that she/he is eligible, to a maximum of \$2,000 in CLB contributions.



**d) Does this \$500 affect Ontario Works (OW) or Other Benefits?**

No. According to the Ontario Works Directives: “Cash payments of small or large value that are received by an applicant to recipient and contributed to an RESP are exempt as income.” In other words, depositing the Canada Learning Bond (CLB) in your child’s RESP will not affect the government assistance you receive.

**5. SHOWING PROOF THAT I RECEIVED THE CANADA LEARNING BOND**

**a) Why do I have to prove I received the CLB?**

One of the goals of the pilot is to better understand how the CLB affects different families’ approaches to post-secondary savings. To measure this properly, we need confirmation that you have received the CLB into your new RESP which was opened during the pilot period.

**b) How do I prove I received the CLB?**

You can ask your financial institution for an account statement to confirm that it has been deposited, or you can contact the Canada Education Savings Program (CESP) hotline at 1-888-276-3624 to request a Statement of Account. You’ll need to have your and your child’s Social Insurance Numbers for when you make the call.

**c) What if I don’t receive the Canada Learning Bond?**

CLB eligibility is determined by the Canada Revenue Agency (CRA), based on your income tax filings. If your child is age-eligible (born 2004 or later), it could be that your household income is above amount for you to receive the CLB. Your application will stay on file, so if your child becomes eligible at some point, she/he would receive the CLB. You can call the CESP Hotline to find out more: 1888-276-3624.

**d) Do I need to report or claim the \$500 on my income tax?**

No. The \$500 you receive from SmartSAVER is a token of thanks for participating in the program. As a gift, it is not included as income.

**e) What if I lose SmartSAVER’s cheque or don’t accept the e-transfer?**

Please notify us immediately if you lose the cheque so we can cancel it. Once we have successfully done so, we can issue a new one. Similarly, if you have any issues with the e-transfer, let us know so we can help resolve the issue. Please call 1-855-737-7252 or email us at [info@smartsaver.org](mailto:info@smartsaver.org).



## **6. RESP-RELATED QUESTIONS**

### **a) Can I put more money into the RESP if I want to?**

Yes. You can deposit money into your child's RESP anytime! These deposits may be eligible for a matching grant, the CESG-A (the additional Canada Education Savings Grant), up to 40%. That's a bonus of 40 cents on top of every dollar that you contribute\*.

(\*check for maximum contributions amounts at [canada.ca](http://canada.ca)).

### **b) What if I put the additional \$500 from SmartSAVER into my child's new RESP but want or need it later?**

Any money that you deposit yourself into the RESP can be withdrawn at any time without penalty. However, any government matching grants that have been deposited into your RESP can not be taken out until your child is enrolled in a post secondary program.

### **c) What happens to the government money in the RESP if my child doesn't go to post-secondary education?**

Some financial institutions have time limits to begin using the money after high-school graduation, but RESPs can remain open for up to 35 years after the date they were first opened. This offers children plenty of time to consider attending post-secondary education. If after so many years, the child definitely decides not to continue in a qualifying education program, then any CESG can be shared with a sibling. The Canada Learning Bond will be returned to the government. Personal contributions may be withdrawn from the RESP without tax, but any interest or growth on savings is subject to tax. This growth may be transferred tax-free to an RRSP or contributed to a post-secondary institution.