

Federal Direct Parent PLUS Loans

- Borrower is the **parent**, a credit-worthy endorser (or cosigner) is sometimes required
- U.S. Department of Education is the lender
- For PLUS loans disbursed on or after 7/1/17 and before 6/30/18, the interest is fixed at **7.00%**; fixed rate for the life of the loan
- Maximum amount is the cost of attendance (determined by the school) minus all other financial aid
- Credit approval expires after 180 days; there will be an inquiry on your credit each time you apply, so you are encouraged to apply once to cover the entire year (fall and spring terms)
- Repayment begins once the loan has been fully disbursed, but a deferment may be requested while your child is enrolled at least half-time (6+ credits)
- Several repayment options; generally 10-25 years depending on the plan selected

Application Process

- Ensure the 2017-18 FAFSA has been completed via fafsa.ed.gov
- Parent will log in at studentloans.gov using his/her FSA ID, select Request Direct PLUS Loan→Parent PLUS
- If credit approved, complete the PLUS Master Promissory Note (MPN) on studentloans.gov
- If credit denied, there are two options
 - 1) **student** qualifies for up to an additional \$4,000 in the Federal Direct Unsubsidized Loans and should contact the Financial Aid Office
 - 2) Parent can continue to pursue the loan by adding a credit-worthy endorser, who acts as a cosigner; that person's credit is run for approval

The Student Accounts Office will notify the family **in writing** that the loan has been disbursed to the student's account, provide an opportunity to refuse all or part of the loan, and provide a date on which a refund (if applicable) will be available. If you elect to have the borrower receive a refund, a check will be mailed to the address provided on the Parent PLUS application. Account information, including balance/credit information, can also be viewed in the Student Accounts section of the student's Self Service Banner account.