



# Federal Direct Parent PLUS Loan

The Direct Parent PLUS Loan is a federal loan offered to the parents of dependent students to assist them in paying for their college education. To qualify for this loan, a student must submit a valid FAFSA and parents must complete a separate credit check application at <http://www.studentloans.gov>. Parents need to re-apply each academic year.

**What are the costs to borrow?** The interest rate loans disbursed on or after 7/1/16 and before 7/1/17 is fixed at 6.31%. There is also a loan origination fee of 4.272% of the principal. This origination fee will be applied before the loan money disburses to the school. *(Ex. If you borrow \$1000, then \$957.28 will disburse to the school).*

**How much should I borrow?** Unless you specify otherwise, the PLUS will be ONE loan with TWO disbursements (Fall & Spring). View your fall bill to determine how much needed to cover the student's charges, then double that amount (if you'd like to provide cushion and cover the fee, you would add a little more). *(Ex. If you need \$5000 for fall, then you can apply for roughly \$10,500. After the origination fees you will get about \$5000 for fall & \$5000 for spring).*

**When will my loan pay out?** Loans with completed requirements typically disburse starting the first week of classes. Any excess funds will be refunded back to the parent in form of a check (unless the parent designates the refund to be awarded to the student, in which case the refund will be awarded to student through their HigherOne preference).

## Want to defer your re-payment?

You can request deferment when applying for the Direct Parent PLUS Loan. Simply check the box that you want to defer the payments until 6 months after student ceases to be enrolled at least half-time. Otherwise, repayment on the PLUS loan will begin 60 days after the loan is fully disbursed for the academic year.

*Remember, interest accrues on the Parent PLUS Loan during the deferment period. Therefore, we recommend that you make your interest payments during this deferment period if at all possible.*

# Application Instructions

1. To be eligible for the Direct Parent PLUS Loan, the student must first file a FAFSA. The student should then accept the PLUS loan as part of their aid package on their Bronco Web account.
2. The parent must visit <http://www.studentloans.gov> and click 'Sign In' using the parental information and FSA ID (**not the student's information or FSA ID**). Click 'Request Direct PLUS Loan' and select 'Parent PLUS'.  
Select the academic year and then fill out all sections:
  - Section 1 (School & Loan Info), enter student information here
  - Section 2 (Borrower Info), remember the borrower is the parent
  - Section 3 (Review Request)
  - Section 4 (Credit Check & Submit)
3. If credit is approved, continue to Step 5.
4. If credit is denied, choose one of three options:
  - a. **Ask for additional unsubsidized student loan.** Students can received up to \$4,000 in additional unsubsidized student loan for the academic year. To do so, select '*I do not wish to pursue a PLUS loan at this time*'.
  - b. **Get an endorser.** If your credit is denied, but you still want to pursue a PLUS loan you can login later to add a credit-worthy endorser who can cosign for the loan (The endorser will need to establish their own FSA ID at [fsaid.ed.gov](http://fsaid.ed.gov) if they do not already have one). To do this, simply select '*I will obtain an endorser*'. If approved, you will need to complete step 5. You will also need to complete PLUS Counseling.
  - c. **File an appeal.** If your credit is denied, but you want to be reconsidered for the loan or would like to provide updated information about extenuating circumstances, select '*I want to appeal the credit decision*'. If approved, you will need to complete step 5. You will also need to complete PLUS Counseling.
5. If you receive a message stating 'Congratulations your application for a Direct Parent PLUS Loan has been approved' you will then need to click the link to Complete a Master Promissory Note (MPN), select 'Parent PLUS'. If you are a continuing borrower who already completed an MPN last year, you are not required to sign a new note. Fill out all sections :
  - Section 1 (Parent Borrower Information)
  - Section 2 (Requires two personal references with different U.S. addresses)
  - Section 3 (Terms and Conditions – Make sure you read and accept all statements)
  - Section 4 (Review and Sign – Type your name as it's registered with your PIN)



## Questions?

### SUNY Delhi Student Financial Services

1-607-746-4570

Monday – Friday: 8:30AM to 4:30PM EST

Summer Hours: 7:30AM to 3:30PM EST

### Student Loan Support Center

1-800-557-7394

Monday – Friday: 8:00AM to 8:00PM EST