

Instructions for Applying for a Direct PLUS Loan

The Direct PLUS Loan is a federal loan option available to parents to help cover a gap between their dependent student's expenses for college and financial aid. The PLUS Loan is a federal loan in the parent's (not student's) name, and therefore the parent is required to apply for the loan and complete all the necessary loan steps. Please note: Completing the application does not obligate the parent to take out the loan. The application can be completed as a credit check. See "What Happens Next" for more details. Instructions are also available in video format at: alverno.edu/financialaid/studentloans/

What do I Need?

Before starting the application for a PLUS loan, the parent will need to gather the following information:

- Parent FSA ID
- Social Security Numbers for both student and parent
- Parent Driver's License number (or other state identification)
- Parent employer information (name and address)
- Two personal references (names and addresses; **NOTE:** references must have different addresses)

How do I Apply?

1. Parent should use the green **Log In** button to log in to www.studentloans.gov using their parent FSA ID. The FSA ID is required to apply for and sign the Parent PLUS Loan. If you previously created an FSA ID, click "Continue to Log In". If not, select "Create an FSA ID".

2. Once logged in, you will see the Welcome page. Verify that your personal information (right-hand side) is correct. **NOTE: The borrower's name should be a parent, not the student.**

3. Click "Apply for a Direct PLUS Loan"

4. Scroll to the bottom of the page. Under "Direct PLUS Loan Application for Parents", click "START"

The screenshot displays the user interface of the studentloans.gov website. At the top, a green bar contains the text "I want to:". Below this is a list of navigation options, each with a circular icon and a right-pointing arrow. The option "Apply for a Direct PLUS Loan" is highlighted with a red oval. Other options include "View My Documents", "Complete Loan Counseling (Entrance, Financial Awareness, Exit)", "Complete Loan Agreement (Master Promissory Note)", "Appeal Credit Decision", "Complete an Endorser Addendum", and "Complete PLUS Credit Counseling".

On the right side of the page, there are two panels. The top panel, titled "My Correspondence", shows "You have no new messages." The bottom panel, titled "My Profile", lists fields for Name, Date of Birth, Social Security Number, and E-mail, with a "Update My Profile" link. A "Document Estimator" link is also visible at the bottom right.

At the bottom of the page, there is a section titled "Direct PLUS Loan Application for Parents" with the following text: "William D. Ford Federal Direct Loan Program" and "Federal Direct PLUS Loan Request for Supplemental Information". Below this, it states "Parents must be logged in using their own FSA ID." and provides a "Learn More" link. A "Preview a read-only version of the Parent Direct PLUS Loan Application" link is also present. A prominent blue "START" button is located on the right side of this bottom section. To the right of the "START" button, the text reads: "OMB No. 1845-0103", "Form Approved", and "Exp. Date 08/31/2017".

How do I Apply, cont.

5. There are four steps for parents to complete. All steps must be completed by the parent to finalize the application.



Step 1 requires the appropriate school year and the student's information. Pay special attention to the Request for Deferment section. Selecting "yes" to deferment options means that you are not required to make payments on the loan until your student graduates. **NOTE:** Any refund issued as a result of a Parent PLUS Loan will be issued directly to the parent (not student), regardless of your selection on the application.

In Loan Amount Requested, we recommend that parents request the dollar amount listed on their student's Award Letter, though you may request more or less. **NOTE: Borrowing the maximum will result in a significant refund which accrues interest immediately.**

In the Loan Period section, we recommend that parents choose the full school year. This divides the loan amount equally between terms and ensure that balances are covered for the year. **NOTE:** Loan amounts requested **must** match the loan period. A fall balance will not be covered if the loan will be split between semesters.

Step 2 requires the borrower's (i.e. parent's) information. Be sure to fill out all information and check the appropriate box(es) related to any defaulted loans, your permanent address, and employment status.

Step 3 requires you (the parent) to review your application. To prevent delays in receiving or processing your application, the information on your application must be accurate.

Step 4 requires you to review the important notices related to your application. You must read and agree to the notices by checking all the boxes.

What Happens Next?

After completing the PLUS application, a confirmation displays indicating that you have successfully submitted a Direct PLUS application and whether the loan was approved or denied.

If the loan is approved and you want to borrow the PLUS Loan, you must complete a Master Promissory Note, which is your promise to repay the loan. From the studentloans.gov homepage, choose "Complete Loan Agreement (Master Promissory Note)".

A screenshot of the studentloans.gov interface. On the left, under "I want to:", there is a list of options: View My Documents, Complete Loan Counseling (Entrance, Financial Awareness, Exit), Complete Loan Agreement (Master Promissory Note), Apply for a Direct PLUS Loan, Appeal Credit Decision, and Complete an Entrance Addendum. On the right, there are two sections: "My Correspondence" with a message icon and the text "You have no new messages.", and "My Profile" with a user icon and fields for Name (Kathryn A Weisenburger), Date of Birth (10/18/1977), Social Security Number (XXX-XX-5253), and E-mail (katyysnbrgr@gmail.co...), along with an "Update My Profile" link.

Click on "START" for the "Plus MPN for Parents". **NOTE:** The borrower (parent) is required to complete this step.

A screenshot of the PLUS MPN for Parents page. The title is "PLUS MPN for Parents". Below it, the text reads: "Use this MPN for Direct PLUS Loans available to eligible parents of eligible dependent undergraduate students. Parents must be logged in with their own FSA ID." There is a "Learn More" link and a link to "Preview a read-only version of the PLUS MPN for Parents". On the right side, there is a large blue "START" button. Below the button, it says "OMB No. 1845-0068 • Form Approved".

There are four sections of the MPN: the borrower's (parent's) information, references, review terms and conditions, and then review and sign your MPN. **NOTE:** References are **not** obligated to pay back your loan in case of default.

If the loan is denied, your student may be eligible for additional student loan funding. Please contact our office to discuss your options and request the necessary forms.