Applying for a Parent PLUS Loan

1) Login to www.studentloans.gov using your parent FSA ID (not your student’s)

If you do not know, remember, or have not created an FSA ID, click the “Create an FSA ID” link as shown below and create your FSA ID or go to the Edit tab to recover your ID

2) From the main menu, select “Apply for a Direct PLUS Loan”
3) Select the option to complete the PLUS loan for parent borrowers as is shown below.

4) Complete PLUS Loan Application

Important Application Notes

- **Credit balance Option** - When selecting your Credit Balance Option, please be aware that if you select the credit balance to be issued to the parent (borrower), there will be a delay in processing time as an initial disbursement must first be created to pay off any outstanding balance on the student account before a disbursement can be issued to the parent.

- **Loan Period (Award Range)** – the loan period selected can significantly increase or decrease the amount of loan you are eligible to borrow. (For example; selecting a loan period of Aug – Dec will reduce loan eligibility by half. In addition, all single term loans are split disbursements – half at the time of the request and half at the semester mid-point). If you are unsure of what loan period to use, contact the Financial Aid Office.
• **Loan Amount Requested** – When determining how much to borrow, it’s best to first view the student’s outstanding balance (this is found in their eServices application under the Bills & Payments tab.) If there is other aid pending payment, be sure to subtract this from the balance listed. Keep in mind that there is a loan fee that is deducted prior to disbursement and that most loans are requested as fall/spring disbursements. See below for an example.

*Requesting the maximum amount will typically result in a loan far higher than most parents anticipate or wish to borrow, as this amount is the difference between the student’s total cost of attendance and their total aid.

**Example:**

<table>
<thead>
<tr>
<th></th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parent PLUS Loan Request</td>
<td>$4000.00</td>
</tr>
<tr>
<td>Loan Fee</td>
<td>- $169.00</td>
</tr>
<tr>
<td>Net Loan Total</td>
<td>$3831.00</td>
</tr>
<tr>
<td>$3831.00 / 2 (split between terms)</td>
<td>$1915.00</td>
</tr>
<tr>
<td>Outstanding Fall Balance</td>
<td>$2000.00</td>
</tr>
<tr>
<td>Pending Scholarship</td>
<td>- $500.00</td>
</tr>
<tr>
<td>Total Due</td>
<td>$1500.00</td>
</tr>
<tr>
<td>Overage Payment</td>
<td>$451.00</td>
</tr>
</tbody>
</table>

• **Credit Decision** – because eligibility for the Parent PLUS loan is determined by credit history, some will not qualify to borrow the loan. If you have been determined to have adverse credit, you will have three options available to you (please note that PLUS loan credit counseling is required for borrowers that choose to use an endorser or are eligible by successful appeal):

  o **Endorser** – You can elect to pursue an endorser to cosign your loan. If you choose this option, you will be provided an endorser code as well as instructions for linking an endorser to your PLUS application.

  o **Appeal** – You can appeal the decision with the Department of Education. If you choose this option, you will be provided with instructions and documentation requirements to move forward with your loan request.

  o **Additional Loans Eligibility for the Student** – Due to your loan denial, your student may be eligible for up to $4000 in additional unsubsidized federal loans. If your loan request has been denied and you do not elect to pursue an endorser or appeal this decision, we will automatically offer additional unsubsidized loans to your student per federal eligibility requirements.
5) Sign the Master Promissory Note (MPN)

Once your PLUS Loan application has been submitted you will be prompted to complete a Master Promissory Note. If you miss this step, log back in to www.studentloans.gov with your FSA ID (not your student's). Select "Complete Loan Agreement" from the menu on the left, then "Complete PLUS MPN for Parents." Your loan cannot pay out without completing this step.

Please contact our Financial Aid Office with any questions you may have.

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