



## Office of Financial Aid

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### **How to Apply for a Federal Direct PLUS Loan (for parents)**

**STEP 1:** Both the parent and student must have already completed the Free Application for Federal Student Aid (FAFSA) along with any other requested information from the Financial Aid Office.

**STEP 2:** Complete the attached Federal Direct Loan PLUS Request Form and return it to the Financial Aid Office. Please print and complete all information.

**STEP 3:** Complete the Federal Direct PLUS Loan Master Promissory Note (MPN) by following the instructions at [studentaid.gov](http://studentaid.gov) and electronically sign your MPN on-line. When you are on the studentaid.gov webpage, Click "Complete Aid Process" in the upper right screen. Select "Complete Master Promissory Note" in the middle column. On the next page, log in with your FSA ID and follow the prompts to complete the MPN. If you have problems with this webpage, call COD Applicant Services at 1-800-557-7394 for assistance.

**STEP 4:** Once the Financial Aid Office receives the Federal Direct Loan PLUS Request Form, a credit check will be completed. Once approved, the Financial Aid Office will electronically certify your loan. If the credit check is denied, notification will be sent to you with the option of obtaining an endorser for the loan, document extenuating circumstances to the Department of Education or the student may choose to take out an Unsubsidized Direct Loan for up to \$4,000 for the academic year. (Please note, if the parent chooses an endorser or documents extenuating circumstances to the Department of Education and is granted, the parent must also complete PLUS Counseling at [studentaid.gov](http://studentaid.gov).)

Additional information on the Federal Direct PLUS Loan is located on the back side of this page. Should you have any questions, please contact the Financial Aid Office and we will be happy to assist you.

## Eligibility Criteria and Repayment

The Federal Direct Parent Loan for Undergraduate Students (PLUS) is available from the federal government to assist parents meet the cost of their child's education. These loans are made to parents of dependent undergraduate students who are registered at least half time (six credits or more) who are matriculated in a degree or certificate program.

Repayment begins 60 days after the last disbursement (for example: after the spring disbursement for a Fall/Spring loan). Interest begins to accumulate at the time the first disbursement is made. Eligibility is determined by the Financial Aid Office, and the amount borrowed may not exceed the cost of attendance less any other financial aid the student is eligible for.

To borrow a PLUS loan for a student, the parent must be the student's biological or adoptive mother or father. A stepparent is also eligible to borrow a PLUS loan if his/her income and assets were reported on the FAFSA. A legal guardian is not considered a parent for financial aid purposes. A credit check will be completed on the parent borrower prior to approval. Students and parents must first complete the Free Application for Federal Student Aid (FAFSA) by using "FAFSA on the Web" at [studentaid.gov](http://studentaid.gov)

If the PLUS Request is credit denied, the parent may either obtain an endorser (someone who is obligated to repay the loan, if the parent does not) or may document extenuating circumstances relating to the reason they were declined to the US Department of Education. If either an endorser is used or if the Department of Education grants the request of extenuating circumstances, the parent must also go online at [studentaid.gov](http://studentaid.gov) and complete the PLUS Counseling.

Additional information about PLUS Loans is available from the U.S. Department of Education at <http://studentaid.ed.gov>.

## Interest Rates and Fees

The interest rate for Federal Direct PLUS Loans first disbursed on or after July 1, 2021 is 6.28% and the current loan fee is 4.236%.

## Receipt of Loan Funds/Right to Cancel or Lower Amount of Loan

Your loan funds will be credited to the student's Student Billing account in equal disbursements for all semesters reflected on the student's award letter. You will be notified when your loan funds have been credited and you will also be notified that you have the right to lower or cancel the amount of the loan disbursement within 14 days of receiving the notice from the school that the money was credited. You may also request that any refund that you receive be returned to the Direct Loan Program to lower the amount of your loan. At any time prior to receipt of the loan, you have the right to lower your loan amounts or to cancel any and all of your loans by notifying the Office of Financial Aid.

## Privacy Act Disclosure Notice

The Privacy Act of 1974 (5 U.S.C. 552a) requires that the following notice be provided to you. The authority for collecting the information requested on this form is 451 et seq. of the Higher Education Act of 1965, as amended. Your disclosure of this information is voluntary. However, if you do not provide this information, you cannot be considered for a Direct PLUS Loan. The information on this form will be used to determine your eligibility for a Direct PLUS Loan. The information in your file may be disclosed to third parties as authorized under routine uses in the Privacy Act notices called "Title IV Program Files" (originally published on April 12, 1994, Federal Register, Vol. 59 p. 17351) and "National Student Loan Data System" (originally published on December 20, 1994, Federal Register, Vol. 59 p. 65532). Thus, this information may be disclosed to federal and state agencies, private parties such as relatives, present and former employers and creditors, and contractors of the Department of Education for purposes of administration of the student financial assistance program, for enforcement purposes, for litigation where such disclosure is compatible with the purposes for which the records were collected, for use by federal, state, local, or foreign agencies in connection with employment matters or the issuance of a license, grant, or other benefit, for use in any employee grievance or discipline proceeding in which the Federal Government is a party, for use in connection with audits or other investigations, for research purposes, for purposes of determining whether particular records are required to be disclosed under the Freedom of Information Act, and to a Member of Congress in response to an inquiry from the congressional office made at your written request.

Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but section 484(a)(4) of the HEA (20 U.S.C. 1091(a)(4)) provides that, in order to receive any grant, loan, or work assistance under Title IV of the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.