**APPLYING FOR A PARENT PLUS LOAN**

The parent of a dependent, undergraduate student may complete a PLUS Loan Application each year at [www.studentloans.gov](http://www.studentloans.gov).

## INSTRUCTIONS

*One PARENT borrower must complete all of the following steps.*

<table>
<thead>
<tr>
<th>Step</th>
<th>Instructions</th>
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<tbody>
<tr>
<td>1.</td>
<td><strong>After May 1, 2016, go to:</strong> <a href="http://www.studentloans.gov">www.studentloans.gov</a></td>
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<td>2.</td>
<td>Parent loan borrower must log in with the <strong>parent’s federal student aid identification (FSA ID)</strong></td>
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| 3.   | Check for the following: Does the “Personal Information,” “Borrower” field include your **full first and last name**?  
  - If yes, proceed  
  - If not, login to [https://fsaid.ed.gov/npas/index.htm](https://fsaid.ed.gov/npas/index.htm) and choose “Edit My FSA ID.” |
| 4.   | Choose “**Apply for a PLUS Loan**,” and complete the loan application.  
  **Tab 2 Tips:**  
  - Under “Credit Balance Options,” choose “**The Student**” in order to avoid refund check delays (Parent refund checks may take longer.)  
  - **Loan Amount Requested:** Select “I would like to specify a loan amount.” Enter a specific dollar amount. Choose the loan amount for the academic year 2016-2017.  
  - **Loan Period** (for this school year, 2016-2017): Fall 2016/ Spring 2017 = 9/2016 to 5/2017  
    Summer 2017 = 5/2017 to 8/2017 |
| 5.   | Submit the PLUS application. A credit check will be performed. An email reply will be sent with the credit check results. Credit decisions may be viewed at [www.studentloans.gov](http://www.studentloans.gov), choose “**My Loan Documents,**” then “**Direct PLUS Loan Requests.**” |
| 6.   | First Time PARENT loan borrowers must complete a Master Promissory Note (MPN) at: [www.studentloans.gov](http://www.studentloans.gov)  
  Repeat PARENT borrowers should confirm that your MPN is already on file. Check at [www.studentloans.gov](http://www.studentloans.gov), under “**My Loan Documents,**” choose “Completed MPNs.” |

**Reminders:**

- All parent borrowers need a valid MPN.
- Pay careful attention to which fields require **student** identity data and which fields require **parent** borrower data.
- Enter full legal name for student and parent borrower.
- The parent borrower must complete all loan application steps and the MPN.
Authorizing a refund payment for a Parent PLUS loan:

Upon disbursement, the Parent PLUS Loan will automatically pay any current term or any outstanding charges on the student’s account including tuition, fees, room, board, and other term charges. If there are PLUS loan funds remaining after all charges have been paid, the balance will be issued as a refund by the Bursar’s Office. The parent borrower decides who will receive the refund.

When completing the online Parent PLUS application, the following question will be asked: “If there is a credit balance after your Direct PLUS loan has been applied to the student’s school account, to whom do you want the school to pay the credit balance?”

Two options will be offered:

1. *Me (parent borrower)*
   - If this option is selected, the Bursar’s Office will mail a refund check to the parent loan borrower.

2. *The Student*
   - If this option is selected, the student will receive an email from the Bursar’s Office advising them that a refund check is available for pick-up. Selecting “The Student” under “Credit Balance Options” may help to avoid refund check delays.

When completing the PLUS Application, a credit check will be performed. The parent loan borrower will be notified upon completion of the loan application if their credit is not approved. The loan borrower will then be asked what they intend to do.

*If the Parent PLUS Loan application credit check is denied, there are 4 options:*

1. *Appeal the decision*
   - You may choose to appeal the credit denial if the borrower knows or believes there is an error on the credit record. Please call the Loan Origination Center at 1-800-557-7394.

2. *Get an endorser*
   - If the borrower is pursuing an endorser, the endorser must go to [www.studentloans.gov](http://www.studentloans.gov) and complete the “Endorse Direct PLUS Loan” section. The endorser must have his/her own federal student aid identification (FSA ID). If the borrower chooses to complete the endorser process using the paper endorser form, you will need to submit a copy of the letter to the Rowan Financial Aid Office. The PLUS loan cannot be processed until Rowan receives this letter. For additional information, please contact Direct Loans Applicant Services at 1-800-557-7394.

3. *Not pursue an endorser*
   - If the parent loan borrower’s credit is denied and it has been indicated on the loan application that the endorser option will not be pursued, the student may request an additional unsubsidized Stafford loan. The additional amount of the unsubsidized loan available to the student is based on the student’s grade level. Freshmen and Sophomores are eligible for an additional $4,000 a year in Unsubsidized Stafford loan funds divided evenly between the fall and spring terms. Junior and Senior level students are eligible for an additional $5,000 a year in Unsubsidized Stafford loan funds divided evenly between the fall and spring terms. *This option is not available to graduate students who applied for a Grad PLUS loan.*
undergraduate student may request the additional Unsubsidized Stafford loan funds by emailing financialaid@rowan.edu. Remember to include the student’s name and Rowan ID number.

4. **Undecided**

   If “Undecided” is selected, the student will not be offered the additional loan funds unless you inform Rowan that the parent loan borrower will not be pursuing an endorser. The parent loan borrower may notify Rowan of the student’s decision by sending an email to financialaid@rowan.edu requesting additional Unsubsidized Stafford loan funds are awarded based on the student’s grade level. Please include the parent loan borrowers name, the student’s name, and student’s Rowan ID number.

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**PARENT PLUS LOAN DEFERMENT**

Parent borrowers have the option of deferring Direct PLUS Loan repayment based on the enrollment status of the dependent student on whose behalf a Direct PLUS Loan was obtained.

PLUS Loan deferment may be requested while the dependent student on whose behalf the loan was obtained is enrolled at least half-time or during the six month period after the dependent student on whose behalf the loan was obtained graduates or is no longer enrolled at least half-time.

Parent borrowers must contact the Direct Loan Servicing Center at 800-848-0979 to request a deferment based on the dependent student’s enrollment status. If a Parent Direct PLUS Loan borrower requests a deferment, the servicing center will first try to confirm the student’s enrollment status available in either the Direct Loan Servicing System or the National Student Loan Data System. If there is no enrollment information available, the parent will be asked to provide enrollment documentation from the student’s school and submit it to the servicing center.

*Remember:*

- Interest will still accrue during the deferment period. The parent borrower will be sent interest statements and will have the option of paying the interest during the deferment period.
- The unpaid accrued interest will be capitalized (added to the principal balance) at the end of the deferment period.
- If you have any questions, please contact Borrower Services at the Direct Loan Servicing Center at 800 848-0979. Hearing impaired borrowers may call 800-848-0983. For further information about the Direct Loan Program specifically for parents, visit [www.direct.ed.gov](http://www.direct.ed.gov).

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**IMPORTANT INFORMATION ABOUT THE PARENT PLUS LOAN**

- Student must file a FAFSA (Free Application for Federal Student Aid) at [www.fafsa.gov](http://www.fafsa.gov)
- Only a biological, step, or adopted parents may borrow.
- Interest is fixed at 6.84%
• 4.272% Origination Fee is subtracted from loan proceeds and retained by the U.S. Government.

• The parent borrower of a dependent undergraduate student is responsible for repayment.

• Repayment period for a Direct PLUS loan begins 60 days after the last installment of the loan is paid for the current school year.


• Repayment may be postponed (deferred) until the student is out of school.

• The information regarding Direct PLUS loan deferment may be found at [http://www.direct.ed.gov/parent.html](http://www.direct.ed.gov/parent.html). The parent borrower may contact Direct Loans Servicing Center at 800-848-0979 to request a deferment based on the dependent student’s minimum half-time enrollment status.

• A credit check is performed during the application process. The parent loan borrower will know if their credit is not approved upon completion of the PLUS application.

• Parent borrower must not be in default of a federal educational loan.

• U.S. Citizens and eligible non-citizens may borrow.

• Loan proceeds are sent to Rowan on a per term basis. If a loan is for fall and spring terms, the fall portion is sent to Rowan in the fall and spring portion is not sent until after the spring term has started. Interest accrues only on disbursed funds.

• Student must be matriculated and enrolled at least half-time (6 credits or more per term) and meet the guidelines for Satisfactory Academic Progress.

• First time parent loan borrowers must sign a Master Promissory Note (MPN) online at [www.studentloans.gov](http://www.studentloans.gov).