How to Apply for the Parent PLUS Loan



Student Financial Aid Services
Student Union Building (SUB)
University of Idaho
Fall 2012



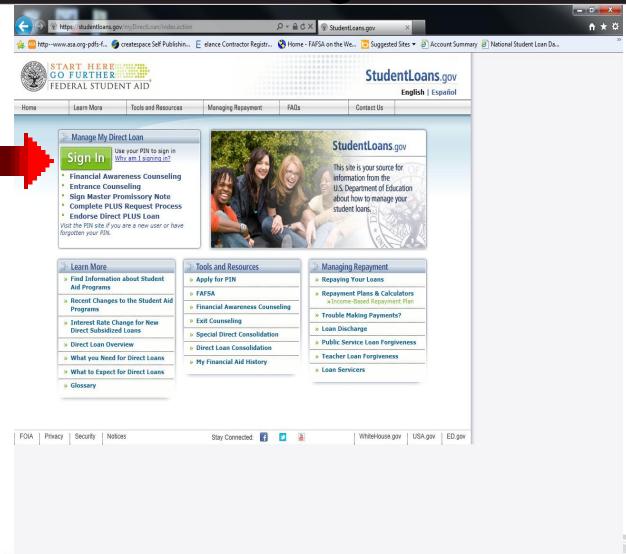
Getting Started

- The student must first apply for financial aid via the Free Application for Federal Student Aid (FAFSA) and be offered the PLUS Ioan
- Once the student accepts the PLUS, the parent will apply electronically at: www.studentloans.gov
- All errors must be corrected to proceed, marked by a red "x"



StudentLoans.gov

The Parent begins the application by clicking: "Sign In"

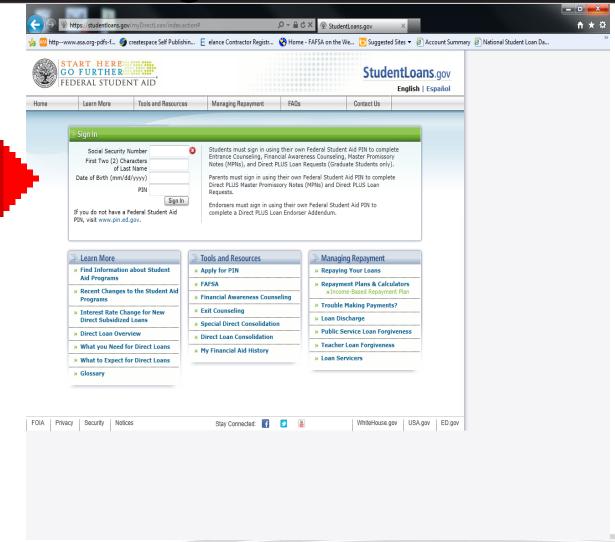




The Sign In

The Sign In requires:

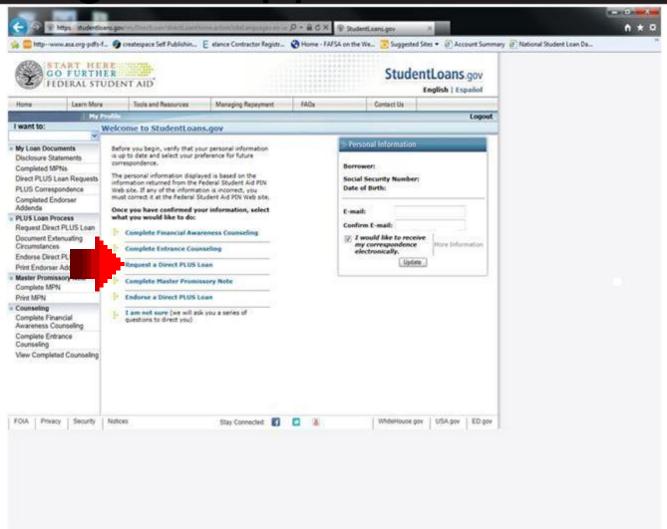
- Parent's Social
 Security Number
- First 2 letters of Last Name
- Date of birth
- •Federal PIN number- the same PIN used to sign the FAFSA





Starting the Application

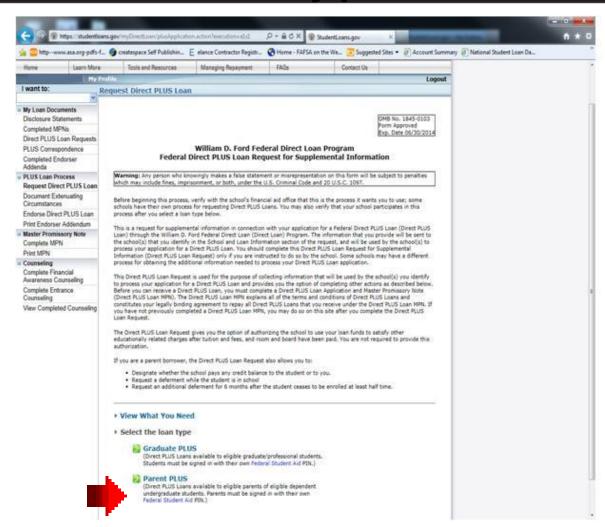
Select the link: Request a Direct PLUS loan.





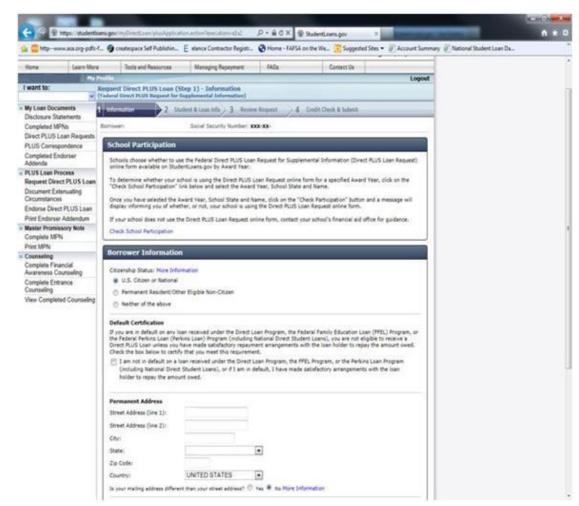
Select Loan Type

Be sure to select the Parent PLUS.





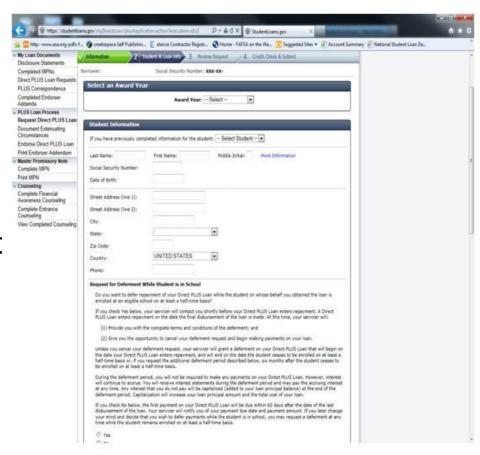
Here, the parent will complete all borrower Information and certify that they are not in default on any federal loans.





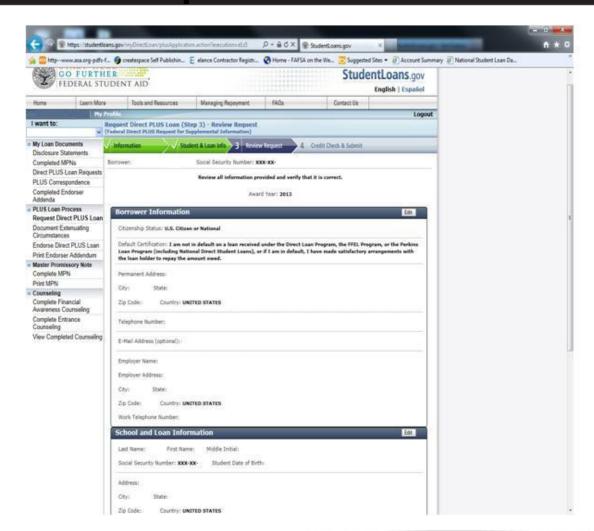
Items in this step:

- Select aid year
- Enter student info.
- 3. Select yes or no for 6 month deferment
- 4. Excess funds- to student or parent
- Enter school info.
- 6. Enter amount requested
- 7. Enter loan period-(defaults in) or if both AY and summer they select the appropriate term



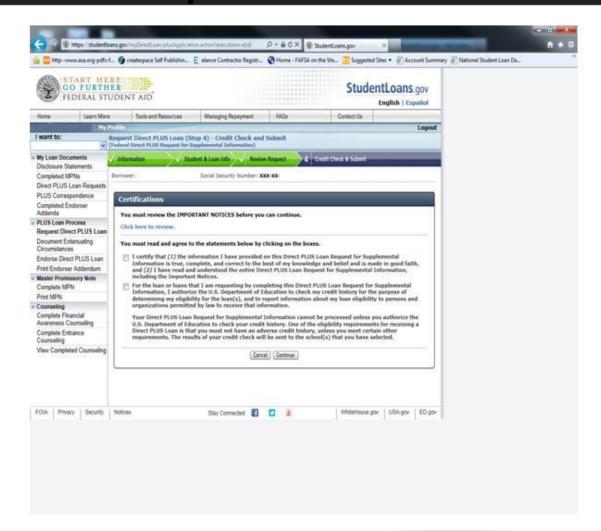


Here you review the information you provided so far. Edit buttons are in each section to allow for corrections.





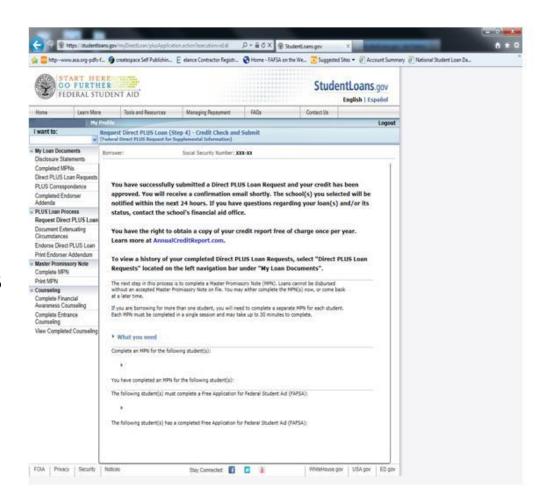
Here you mark the boxes that you have read and agree to the statements, then click "continue" to start the credit check process.





Step 4- Continued

The status of the credit check is confirmed and the remaining items: "What you need" is listed below





The Credit Check

- The parent is sent an email immediately after the credit decision is made.
- Persons with a Chapter 13 bankruptcy could be approved
- Persons with a Chapter 7,11 or 12 bankruptcy are not eligible to borrow the parent PLUS



PLUS Denials

The four options for a denied PLUS:

- 1. Not pursuing
- 2. Undecided
- 3. Get endorser
- 4. Appeal: Start the process online or by calling Applicant Services at 1-800-557-7394. The parent is contacted in 7 to 10 days of the status or any remaining requirements.
- 5. See report at: www.AnnualCreditReport.com



Endorser Information

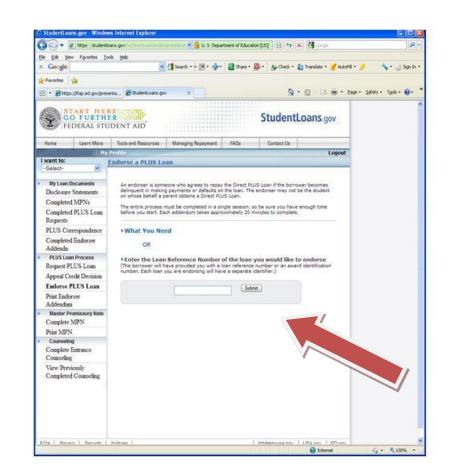
- Parents can also retrieve their loan reference number from <u>www.studentloans.gov</u> under "My Profile."
- Parent can print and mail the endorser addendum to a co-signer but this will delay the process.



Endorser Information

Reference Number is obtained from an email that was sent to the parent borrower, when they indicated on the denied credit check that they would obtain an endorser.

Because we do not participate in the online graduate PLUS process, currently this does not work for graduate students.





Endorser Information

Adverse Credit History

- Adverse credit is defined in the regulations as the applicant being 90 days or more delinquent on a debt or having been subject in the last five years to a default determination, bankruptcy discharge, foreclosure, repossession, tax lien, wage garnishment or write-off of an FSA debt. The absence of any credit history is not considered adverse credit.
- Adverse credit history & use of endorser
- To borrow a PLUS loan, a person must not have an adverse credit history, but if he has such a history, he may still receive a PLUS loan by using an endorser who has a satisfactory credit history. In these cases a separate endorser addendum is required for each PLUS loan. Any loan that requires an endorser must be made under a new PLUS MPN with a new endorser addendum because the endorser is liable only for the specific loan or loans she agrees to endorse. The addendum includes the requested loan amount; any increase to that amount by the parent borrower must be approved by the endorser and requires a new MPN and endorser addendum.





Thank You

University of Idaho
Student Financial Aid Services
Student Union Building
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