

# PLUS Loan Application Process

Parent must complete the following process:

All PLUS Loan borrowers will complete the PLUS Loan Application process online through <https://studentaid.gov>. This will allow borrowers to receive an instant credit decision and will streamline the process to complete all loan requirements.

Step 1: Student and parent complete the Free Application for Federal Student Aid (FAFSA) at <http://www.fafsa.ed.gov>. A completed FAFSA is required before any PLUS Loans can be processed.

Step 2: Parent must complete the PLUS Process online through <https://studentaid.gov> and then receives an instant credit decision. Login to Studentaid.gov using your FSA ID (not your student's FSA ID) click on Apply for Aid and then select "Apply for a Parent Plus Loan". Enter the Award Year (same as the FAFSA you completed), your student's information, and your requested loan information. (Select the date range that most closely matches your enrollment dates or period that you wish to borrow.) If the credit is denied, you will be guided through your available options (see Credit information below); if approved see Step 3 below.

**IMPORTANT: Print/save a copy of your credit decision. This will be required to be submitted with the Student Loan Adjustment Request Form.**

Step 3: Once approved, complete all outstanding PLUS Loan requirements online through StudentLoans.gov.

- Parent borrowers must complete the Master Promissory Note. If you are initially denied and later approved (through an appeal or endorser process), you must also complete the PLUS Loan Credit Counseling online.

Step 4: Student and parent must complete and sign a Student Loan Adjustment Request Form in order for any PLUS funds to be processed. The form is available from your campus financial aid team.

Additionally, you must submit a copy of your decision with your completed form.

The borrower must be a parent borrowing for their dependent undergraduate student's educational expenses. The student and parent must be a U.S. Citizen or eligible non-citizen, be creditworthy, and not be in default on any prior educational loans. In addition, the student must be enrolled at least half-time in a degree program, and making satisfactory academic progress. Parents must re-apply and have a new credit decision for each academic year for which their student is enrolled.

Please be advised: Any credit on a student's ledger that was the result of PLUS funds posting to a student's account, will be refunded/credited to the parent borrower.

## Credit Information

The credit decision is valid for 180 days and must still be in effect at the time of first disbursement.

Concerned about passing the credit check? Review the PLUS Loans & Adverse Credit Fact Sheet published by the Department of Education. Credit history is considered adverse (negative) if a borrower has:

- One or more debts with a combined outstanding balance greater than \$2,085 that are 90 days or more delinquent, or have been placed in collections or charged-off within the past 2 years

OR

- Within the past 5 years: default determination, bankruptcy discharge, foreclosure, repossession, tax lien, wage garnishment, or write-off of a federal student aid debt

If a parent borrower is denied, there are a few options available:

- The parent borrower can appeal the decision by providing supporting documentation as requested by the Department of Education.
- The parent borrower can have a credit-worthy co-signer complete the Endorser process.
- All parent borrowers who are initially denied and later approved through appeal or endorser must complete PLUS Loan Credit Counseling. Borrowers will be notified of this requirement by the Department of Education.
  - o NOTE: This counseling is separate from the student Direct Loan Entrance Counseling and does not satisfy the student Direct Loan Entrance Counseling requirement in any way.
- Families can contact their Hondros College of Nursing campus financial aid team to inquire about additional Federal Direct Unsubsidized Loans available to the student.
  - o Student must complete and sign a Student Loan Adjustment Request Form in order for any additional unsubsidized loan funds to be processed. The form is available from your campus financial aid team. Additionally, the credit decision must accompany the form.

## Loan Repayment

Use the Loan Simulator at <https://studentaid.gov> (Manage Loans) to estimate your monthly payment amount.