



King's College

2022-2023 Direct Parent PLUS Loan Instructions

What is a Federal Direct Parent PLUS Loan?

Parents of dependent students can take out federal loans from the U.S. Department of Education to supplement their student's financial aid offer. The federal Parent Loan for Undergraduate Students (PLUS) allows parents to borrow money to cover any costs not already covered by the offer, including indirect costs like books, supplies, laptops, and transportation.

Applying for Federal Direct Parent PLUS loan at <https://studentaid.gov/plus-app/parent/landing>

To obtain a Federal Direct Parent PLUS loan, students must first complete the Free Application for Federal Student Aid (FAFSA). Parents may borrow up to the cost of attendance less any other aid received by the student annually. They may also opt to borrow less than the maximum amount for which they are eligible. **Do not submit application before May 1, 2022.** Credit check is only good for 180 days

Click here to begin: <https://studentaid.gov/plus-app/parent/landing>

- ✓ Sign in with the **borrowing parent FSA ID and password**. (**DO NOT** use the student's FSA credentials)
- ✓ Make sure you do not have a freeze on your credit report. If you have placed a credit freeze, you must lift or remove the freeze at each of the following credit bureaus: Equifax and TransUnion.

Section 1: School and Loan Information

- ✓ Select Award Year **2022-2023**
- ✓ Complete **Student Information Section**
- ✓ Select **Deferment Option**
- ✓ Authorize **Use of Loan Funds**
- ✓ **Credit Balance Option**; Parent or Student
- ✓ Complete **School Information Section**: Here you may request changes if you have previously submitted a Direct PLUS Loan Application.
- ✓ Complete **Loan Information Section**
 - Note: If you do not know the amount you want to borrow, save the application and contact the Financial Aid Office at King's College to help determine the amount you need or you can choose **maximum**, and your student will be packaged up to the cost of attendance minus other aid.*
- ✓ Select **Loan period** for loan:
 - 08/22/2022 - 05/16/2023: Full Academic Year Loan (**RECOMMENDED**)
 - 08/22/2022 - 12/09/2022: Fall 2022 Only Loan
 - 01/23/2023 - 05/16/2023: Spring 2023 Only Loan

Step 2: Borrower Information

- ✓ Complete all sections for **Borrower Information**

Review Request

- ✓ Review all information under **School and Loan Information and Borrowers Information**. Click edit to

update any information.

- ✓ Review and check consent for **Credit Check and Certification Information**

If the Parent PLUS loan is **credit approved**, it will be added to the student's financial aid award once King's College receives the approval.

- ✓ A Master Promissory Note (MPN) must be completed for all parents approved to borrow a Federal Direct Parent PLUS loan. Complete MPN here: <https://studentaid.gov/mpn/>
- ✓ Select **Complete Loan Agreement** for a PLUS Loan (MPN). The PLUS MPN needs to be completed if you have never signed a Direct PLUS Loan MPN, if you signed an MPN more than one year ago but no loan disbursed, you signed an MPN more than 10 years ago, or you obtained an endorser due to adverse credit history.
- ✓ Parent borrowers must complete and sign a separate MPN for each student for whom they are borrowing.

If the PLUS loan is **credit denied**, you may choose to proceed by selecting one of the following credit actions. The PLUS Loan will then be processed based on the chosen credit action.

- ✓ Obtain an endorser. An endorser is someone who does not have an adverse credit history and agrees to repay the loan if the borrower becomes delinquent in making payments or defaults on the loan. Also, you must complete PLUS Credit Counseling:
 - Any parent who is denied for the PLUS loan but is approved with an endorser must **complete PLUS Credit Counseling** before the loan can be processed by King's College.
 - **PLUS Credit Counseling** is available by logging into <https://studentaid.gov/app/counselingInstructions.action?counselingType=plus> with your FSA credentials.
 - Select the "**Complete PLUS Counseling**" option,
 - Then select "**Parent of an eligible dependent undergraduate student**"
- ✓ Document extenuating circumstances to the satisfaction of the U.S. Department of Education and complete PLUS Credit Counseling
- ✓ Unable to pursue the Direct PLUS Loan. If you choose not to pursue, your student may be eligible to receive additional unsubsidized loan funds.
 - No further action on the part of the student or parent is required and the student will be packaged with additional unsubsidized loan.
 - A Revised Award Notice will be sent to the student when the additional unsubsidized loan funds have been processed and added to the student's 2022-2023 Financial Aid package.
- ✓ Undecided
 - This option is if you are undecided as to whether you wish to pursue the Direct PLUS Loan.
 - Your application will remain on file so that you can return to complete these steps at a later time.

If the PLUS loan is **pending**, the U.S. Department of Education is unable to make a credit decision at this time due to one of the following reasons:

- ✓ You may have a security freeze on your credit.
 - If you have placed a security freeze on your credit information, you must lift or remove the freeze at each credit bureau, and then complete a new Direct PLUS Loan Application. To remove a credit freeze, contact the credit bureau(s): Equifax – 1-800-685-1111 or Transunion – 1-800-916-8800
- ✓ You may have entered information that doesn't match what is on file with credit bureaus or you've entered a non-U.S. address
 - Some of the information you entered doesn't match what is on file with the credit bureau.
What to do next: To get help with this, call FSAIC at 1-800 -433-3243 or chat or email studentaid.gov.