Description – What is the Parent Plus Loan Program
The Federal Direct Plus Loan allows parents to borrow federal funds on behalf of a dependent child who is an undergraduate student. Generally, the federal definition of a parent is the biological or adoptive father, mother, or step-parent of the student.

If the parent is listed on the FAFSA, the student must accept the loan in the TSU award package and the parent must complete the online process at www.studentloans.gov. There are multiple steps in the online process. The online process includes the application, credit check and master promissory note. The most common mistake encountered by applicants is the parent entering the student’s name and social security number where the parent’s information should appear.

Understanding the Credit Review Process
When you apply for a Direct PLUS Loan, the U.S. Department of Education will check your credit history. To be eligible to receive a PLUS Loan, you must not have an adverse credit history. If you are determined to have an adverse credit history, you may still receive a Direct PLUS Loan if you obtain an endorser who does not have an adverse credit history. An endorser is someone who agrees to repay the Direct PLUS Loan if you do not repay the loan. In some cases, you may also be able to obtain a Direct PLUS Loan if you document that there are extenuating circumstances related to your adverse credit history. The parent applying for the loan may contact the U.S. Department of Education at 1-800-557-7394 for additional information on remedying the credit denial.

Parents Not Listed on the Free Application for Federal Student Aid (FAFSA)
In addition to completing the online process, parents that are not listed on the FAFSA must submit a paper Federal Parent PLUS Loan application directly to the Office of Student Financial Assistance.

Availability of Funding
The Federal Direct Parent Plus Loan may be secured up to the designated cost of attendance minus any other aid or resources awarded to the student. Parents are advised to apply, beginning June 1, 2014, to ensure funding is available for course selection or housing financial review process.

Process – What actions must the parent and student complete?
The parent and student must
1. Have a valid FAFSA PIN number. If you have lost or forgotten your FAFSA Pin number you may visit www.pin.ed.gov.
2. Submit the Free Application for Federal Student Aid (FAFSA) at www.fafsa.ed.gov
3. Submit any supporting documentation directly to the TSU Office of Student Financial Assistance
4. Accept the Federal Direct Parent Plus Loan on the TSU MyWeb account notifying TSU that the parent and student wish to participate in the Federal Direct Parent PLUS Program. **This does not indicate the loan has been approved.**

5. **The parent must log in to** www.studentloans.gov** using parent’s information and FAFSA pin number. Failure to properly log in using the parent’s information will delay the process.**

6. Complete the credit review at www.studentloans.gov
   a. Select Complete the Request Direct Plus Process
   b. Select the Parent Plus Loan.

7. **If the Federal PLUS Loan is approved,** the applicant will be allowed to complete the Plus online process.
   a. Designate recipient (parent or student) of any funds in excess of allowable charges on student’s TSU account.
   b. Any funds in excess of the student’s allowable charges at the point of disbursement will be forwarded to address entered on the Federal Plus online application.
   c. If the Federal PLUS Loan is denied consider getting a co-signer or appealing the denial by contacting the U.S. Department of Education at 1-800-557-7394 for additional information on remediying the credit denial.

8. Complete and sign the Master Promissory Note with the U.S. Department of Education.
   a. Print and retain a copy for your records.
   b. A positive credit approval is required to use the Parent PLUS Loan as a guarantee to pay for campus housing and meal plans and is not applicable toward the housing deposit.

**Disbursement - How will my funds arrive?**

- The TSU Financial Aid Office will receive an electronic notification from the U.S. Department of Education requesting certification of the Parent Plus Loan.
- TSU Office of Student Financial Assistance will certify the loan within 5 working days of receiving request.
- The Parent borrower will receive a disclosure statement from the U.S. Department of Education
- An electronic confirmation is received from the U.S. Department of Education and the funds are posted to the student’s TSU account.
- The Parent Loan will show as paid on the student’s TSU MYWEB account under the account summary by term
- the student has funds in excess of the outstanding allowable charges on their TSU account, the excess funds are refunded to student or parent within 14 working days to the address that is listed on the MPN..