Steps to Apply for a Federal Direct PLUS Loan

The Office of Financial Aid certifies Parent Loans for Undergraduate Students (PLUS) through the Federal Direct Lending Program. Federal funds are borrowed directly from the Department of Education. The Parent PLUS Loan is available to parents of dependent, undergraduate students who are matriculated in a degree program and enrolled in at least six (6) credits. Parent borrower must not have adverse credit history to participate in this program. Parents of dependent students may borrow up to the cost of attendance minus any other aid through this credit-based loan program each academic year. Only one parent can borrow (per application) through this loan program. **The student for which the parent is requesting a Federal Direct PLUS loan must complete a Free Application for Federal Student Aid (FAFSA) to participate in this program. Please visit [http://www.fafsa.ed.gov](http://www.fafsa.ed.gov) to complete the 2016-2017 FAFSA. The information below is for the parent borrower.**

Application Procedures – NEW!!

Once logged into [www.studentloans.gov](http://www.studentloans.gov) (with the parent borrower’s log in information), the parent borrower would select the “Apply for a PLUS Loan” on the home page. A borrower is encouraged to review needed items for this process by selecting the “View What You Need” link.

Under the heading Direct PLUS Loan Request for Parent Borrowers click on the Complete PLUS Request for Parents button.

NOTE: If you (the parent) HAVE borrowed under the PLUS program previously for the student currently attending RPI there is nothing more you need to do. If you HAVE NOT borrowed for the student attending RPI you will also need to complete a PLUS Loan Master Promissory Note (see below), and complete Use of PLUS Loan Funds Form (on the last page).

**Tips for the application process:**

1. So that you don’t have to apply more than once per academic year, consider borrowing for the full academic year rather than by term.

2. Be sure to use parent borrower Social Security Number, not the student’s in the parent borrower section.

3. You are presented with several choices for loan amount requested:
   a. Borrow maximum amount – With this option, RPI will determine your maximum eligibility.
   b. Borrow specific amount – Choosing this option we will certify for the amount you requested if possible.
   c. Borrow a new total loan amount – This option would only be presented if you already have a PLUS loan for the year and are seeking additional PLUS loan. We will certify for the amount you have requested if possible.
   d. I don’t know the amount I want to borrow – **DO NOT** choose this option; if you do the loan application WILL NOT be processed. Contact our office if you need assistance in determining the amount you need to borrow.

4. The loan amount you are eligible to receive will be equally disbursed over the period you have selected below. For example, a $10,000 amount requested for the period fall/spring would result in two disbursements of $4,786 – one for each term ($5,000 / term minus 4.272% origination fee required in the PLUS loan program).

5. Select the appropriate loan period (i.e. Fall and Spring, Fall Only, Spring Only). If the loan period you wish to use is not displayed, then choose other and enter the begin and end date of the loan period you want.

Application information and results are sent to us electronically and are generally received within a week from submission. Credit approval will be limited to 180 days.
Sign your Master Promissory Note (MPN)

If approved for a Parent PLUS you must complete a PLUS Master Promissory Note (MPN). You may complete your MPN by visiting [www.studentloans.gov](http://www.studentloans.gov). As the parent borrower, you will need your FSA ID and password (not the student's) to complete the MPN online. The Master Promissory Note is a legal document in which you promise to repay your loan(s) and any accrued interest and fees to the U.S. Department of Education. It also explains the terms and conditions of your loan(s). The MPN is valid for up to 10 years.

a. Go to [www.studentloans.gov](http://www.studentloans.gov)
b. Sign in using green “Log In” button.
c. Click “Complete Master Promissory Note” (PLUS MPN for Parents)
d. Follow the instructions, and note that the application cannot be saved and revisited.

If the PLUS application is denied, the parent borrower has four options:

1. Request a review of the credit check due to inaccurate information on your credit report. Contact Direct Loan Applicant Services at 1-800-557-7394.

2. Provide an endorser. The endorser must pass a credit check and sign a promissory note. Contact Direct Loan Applicant Services at 1-800-557-7394.

3. Not pursue the PLUS loan. No further action.

4. Contact the Office of Financial Aid for consideration of additional unsubsidized Direct Loan eligibility.

Complete the Use of PLUS Loan Funds form on the next page ONLY if you have NEVER borrowed a PLUS loan previously for the student while s/he has been in attendance at RPI. Return the completed form to the Office of Financial Aid.

Additional Information

The current fixed interest rate in the Federal PLUS program is 6.31%. Repayment begins 60 days after the funds are disbursed unless the borrower requests a deferment which allows no payments to be made while the student is enrolled, but interest on the loan is capitalized if not paid by the parent during the deferment. Federal regulation requires that up to a 4.272% origination fee is deducted from the gross amount borrowed.

Submission of the Department of Education online Direct PLUS Loan Request for Parent Borrowers does not guarantee approval for the amount you request. Eligibility is subject to change based upon completion of required documents, our review of the student’s other financial aid, and approval from the U.S. Department of Education. Requested PLUS loan amounts will not be considered for billing purposes until we receive approval/denial notification from the U.S. Department of Education or approximately two weeks after the semester for which the funds are intended, whichever comes first.
2016-2017 Use of Direct PLUS Loan Funds

Instructions
This form is to be completed ONLY if the parent borrower HAS NOT received a PLUS loan while the student listed below has been in attendance at RPI. Please print legibly.

STUDENT NAME: ____________________________________________  RIN: ______________________
(LAST NAME)   (FIRST NAME)

USE OF TITLE IV FUNDS
I authorize Rensselaer Polytechnic Institute to apply Federal PLUS funds to not only tuition, room & board expenses but any other expenses as well; to apply Federal Direct PLUS loan funds to any minor prior year charges; to hold any excess credit balance created as a result of receiving Federal Direct PLUS loan funds. I understand that I may rescind any of these authorizations at any time by notifying the Office of Financial Aid in writing.

PARENT NAME: ____________________________________________  SSN: ______________________
(LAST NAME)   (FIRST NAME)

Parent Signature:__________________________________________  Date:__________________________

MAIL TO:
Rensselaer Polytechnic Institute
110 8th Street
Academy Hall Building
Office of Financial Aid
Troy, NY 12180-3590

OR Fax: 518.276.4797

OR Email: finaid@rpi.edu

If you fax or email this document as a scanned attachment to finaid@rpi.edu, please do not send the original to avoid duplication.