

Parent PLUS Loan Tutorial

A Parent PLUS Loan is a loan from the federal government to the parents of dependent undergraduate students. Parent PLUS loans are credit based using the provided parent's financial information to determine if the loan will be approved. Parents who are not approved for the Parent PLUS Loan may appeal the credit decision or apply with a co-signer (also called an endorser).

Who is eligible to apply for a Parent PLUS Loan?

To be eligible to apply for a Parent PLUS Loan an individual must be:

- Student's biological or adoptive parents (regardless of if they have custody of the student or not)
- Stepparents if the stepparent's financial information is required to be reported on the FAFSA

Who is not eligible to apply for a Parent PLUS Loan?

The following individuals are not eligible to apply for a Parent PLUS Loan

- Legal Guardians
- Non-Citizens
- Individuals who are in default on a federal student loan or owes a federal student grant overpayment
- Individuals whose property is held in a lien by the federal government or who are incarcerated
- Individuals with adverse credit history as determined by the Department of Education

How do I apply for a Parent PLUS Loan?

To apply for a Parent PLUS loan:

1. The Parent borrower must go to studentaid.gov and "Log In" using their FSA ID and password.
Note: if the student logs in using their information, the student will be the borrower and will not be eligible for the loan

The image displays two screenshots of the Federal Student Aid website. The left screenshot shows the homepage with a "Log In" button circled in red. The right screenshot shows the login page with red arrows pointing to the "FSA ID Username, Email, or Mobile Phone" field labeled "Parent ID" and the "Password" field labeled "Parent Password".

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2. Move your mouse to the top of the page and hover over the "APPLY FOR AID" dropdown. Click on the link that says: "Apply for a Parent PLUS Loan" when it appears.

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UNDERSTAND AID | **APPLY FOR AID** | COMPLETE AID PROCESS | MANAGE LOANS

Section Overview

- Apply for a PLUS Loan
- Apply for a Grad PLUS Loan
- Apply for a Parent PLUS Loan**
- Endorse a PLUS Loan
- Appeal a Credit Decision
- Complete PLUS Credit Counseling

Complete the FAFSA® Form

- FAFSA Deadlines
- Filling Out the FAFSA Form
- Reviewing and Correcting Your FAFSA Form
- Renewing Your FAFSA Form

William D. Ford Federal Direct Loan Program
Federal Direct PLUS Loan Request for Supplemental Information

What is a Direct PLUS Loan Application for Parents?

This is a request for supplemental information in connection with your application for a Federal Direct PLUS Loan (Direct PLUS Loan) through the William D. Ford Federal Direct Loan (Direct Loan) Program. Some schools may have a different process for obtaining the additional information needed to process your Direct PLUS Loan application.

The information that you provide will be sent to the school that you select. The school you select will use the information collected to determine your eligibility for a Direct PLUS Loan and process your application.

3. Click "the "Start" button under Apply for a Plus Loan.

The Direct PLUS Loan Application allows you to authorize the school to use your loan funds to satisfy other educationally related charges after tuition and fees, and room and board have been paid. You are not required to provide this authorization.

As a parent borrower, the Direct PLUS Loan Application also allows you to:

- Designate whether the school pays any credit balance to the student or to you.
- Request a deferment while the student is in school
- Request an additional deferment for 6 months after the student ceases to be enrolled at least half time.

BEFORE YOU CONTINUE: If you have placed a security freeze on your credit file, you must lift or remove the freeze at each credit bureau before you continue. Your application will not be processed if you have a security freeze.

Apply for a PLUS Loan

START

[Preview a read-only version of the Parent Direct PLUS Loan Application](#)

OMB No. 1845-0103
Form Approved
Exp. Date 09/30/2020

Who should complete this?

- [Eligible parents](#) of eligible dependent undergraduate students

How long will it take?

The entire Direct PLUS Loan Application process must be completed in a single session. It takes approximately 20 minutes to complete the application.

What do I need?

- School Name
- [Student Information](#)
- [Personal Information](#)
- [Employer's Information](#)

4. Select the award year that the student will be attending. For example, if your student is starting in the Fall of 2020, Spring of 2021, or Summer of 2021, the award year will be 2020-2021.

DIRECT PLUS LOAN APPLICATION

1 Loan Information | 2 Borrower Information | 3 Review | 4 Credit Check & Submit

Select an Award Year

Authorization for School to Use Loan Funds to Satisfy Other Charges

School and Loan Information

Some of the data fields may be populated with information we have on file for you.

Warning: Any person who knowingly makes a false statement or misrepresentation on this form will be subject to penalties which may include fines, imprisonment, or both, under the U.S. Criminal Code and 20 U.S.C. 1097.

Select an Award Year

Award Year:

- Select -

Student Information

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5. Enter the student's Name, Personal Information, and Contact Information. You may be able to select a student and have the system fill in the data fields for you. Verify the information entered is correct before moving on.

Select an Award Year

Authorization for School to Use Loan Funds to Satisfy Other Charges

School and Loan Information

Student Information

Select student or enter student information below:
Verify Social Security Number and Date of Birth by clicking in the corresponding text box.

Name [More Information](#)

First Name:

Middle Initial:

Last Name:

Personal Information

Social Security Number:

Date of Birth:

Permanent Address [More Information](#)

Address (line 1):

State:

Address (line 2):

Zip Code:

City:

Country:

Contact Information

Telephone Number:

6. Select if you wish to defer payment of the PLUS loan while the student is in school.

Do you want to defer repayment of your Direct PLUS Loan while the student on whose behalf you obtained the loan is enrolled at an eligible school on at least a half-time basis?

- Yes
- No

7. Select if you wish to defer payment of the PLUS loan for 6 months after the student is no longer enrolled.

Do you want to defer repayment of your Direct PLUS Loan for 6 months beginning on the date the student ceases to be enrolled on at least a half-time basis?

- Yes
- No

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8. Check the box if you want to authorize the loan to pay for additional charges.

I authorize the school to use my Direct PLUS Loan to pay for other educationally related charges that I incur at the school, as described above.

9. Select who should receive any payments if the student has a credit balance; parent or student.
(see Step 19 for Direct Deposit Options)

If there is a credit balance after your Direct PLUS Loan has been applied to the student's school account, to whom do you want the school to pay the credit balance?

Me
 The Student

10. Search for the school by selecting "Illinois" as the state and "Northern Illinois University" as the school name. when the school has been selected your screen should look like the one below on the right.

Select School to Notify

- U.S. Schools/U.S. Territory Schools
 Non U.S. Schools

Choose a state:

- Select -

Search school by name:

Select or type

✓ The school you selected is participating in the Direct PLUS Loan application process through StudentAid.gov.

School Name:

NORTHERN ILLINOIS UNIVERSITY

School Code/Branch:

G01737

School Address:

ALTGELD HALL - ROOM 300A
DEKALB, IL 601152854

[Remove this school](#)

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11. Select the "Loan Amount Requested" as either:

- "I want to borrow the maximum Direct PLUS for which I am eligible, as determined by the school"

Note: Selecting this option may result in a reduction of federal work study.

- "I would like to specify a loan amount" then type in the loan amount you want. (You can contact the financial aid office for a recommended amount based on your student's other aid and charges.)

Note: An amount must be specified or the application process will be delayed while the school requests this information from the parent.

- "I do not know the amount I want to borrow. I will contact the school"

Note: if you choose this option, it is important you contact the school or the application process will be delayed while the school requests the information from the parent.

I want to borrow the maximum Direct PLUS Loan amount for which I am eligible, as determined by the school.

I would like to specify a loan amount.

Loan Amount Requested:

Ex: 1,000.00

may not exceed the school's cost of attendance, minus other financial assistance that I or the student receive(s)).

I don't know the amount I want to borrow. I will contact the school.

12. Select the Loan Period from the drop down list:

- For most borrowers we recommend choosing a full year loan if the student will be enrolled in both the Fall and Spring semesters.

- If the student is graduating in Fall 2020 or you only want a Fall semester loan — select Fall only

- If the student is starting in the Spring 2021 or you only want a Spring semester loan — select Spring only

Note: Contact the Student Financial Aid Office if you are unsure when you will be attending.

Click "Continue" at the bottom to move on to the next step.

Loan Period [More Information](#)

Specify the loan period for which you are requesting a Direct PLUS Loan:

Loan Period Requested:

- Select -

Requested Loan Period Start Date

Month: - Select -

Year: - Select -

Requested Loan Period End Date

Month: - Select -

Year: - Select -

Exit

Continue

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13. Enter your (The Parent) information into the Borrower section. Some of the data fields may be populated with information that is already on file for you. Verify the information is correct before moving on.

Borrower Information

Loan Default Status [More Information](#)



Your loan default status will be displayed based on your loan information in the National Student Loan Data System (NSLDS).

Citizenship Status [More Information](#)

- U.S. Citizen or National
 Permanent Resident/Other Eligible Non-Citizen
 Neither of the above

Permanent Address [More Information](#)

Address (line 1):

State:

Address (line 2):

Zip Code:

City:

Country:

This is my current permanent address. If permanent address information is incorrect, update as needed.

Is your mailing address different than your permanent address? [More Information](#)

- Yes No

Mailing Address

Address (line 1):

State:

Address (line 2):

Zip Code:

City:

Country:

14. Enter your (The Parent) employer information into the fields. If you are not employed check the box. Click "Continue" at the bottom to move on to the next step.

Employer's Information [More Information](#)

I am not employed

Employer's Name:

Work Number:

Address (line 1):

State:

Address (line 2):

Zip Code:

City:

Country:

Exit

Continue



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15. Review the student and borrower information and update if necessary.

Award Year: 2020-2021

School and Loan Information Edit

Last Name: First Name: Middle Initial:
Social Security Number: Student Date of Birth:

Address:
City: State:
Zip Code: Country:
Phone:

Do you want to defer repayment of your Direct PLUS Loan while the student on whose behalf you obtained the loan is enrolled at an eligible school on at least a half-time basis? **No**

I authorize the school to use my Direct PLUS Loan to pay for other educationally related charges that I or (if I am a parent borrower) the student incur at the school, as described above. **Yes**

If there is a credit balance after your Direct PLUS Loan has been applied to the student's school account, to whom do you want the school to pay the credit balance? **Me**

School Name:	NORTHERN ILLINOIS UNIVERSITY
School Code/Branch:	G01737
School Address:	DEKALB, IL 601152854
Reason for Direct PLUS Loan Request:	New
Loan Amount Requested:	I want to borrow the maximum Direct PLUS Loan amount for which I am eligible, as determined by the school.
Loan Period:	08/2020- 05/2021

Borrower Information Edit

Citizenship Status: **U.S. Citizen or National**

Default Certification: **I am not in default on a loan received under the Direct Loan Program, the FFEL Program, or the Perkins Loan Program (including National Direct Student Loans), or if I am in default, I have made satisfactory arrangements with the loan holder to repay the amount owed.**

Permanent Address:
City: State:
Zip Code: Country:

Telephone Number:

E-Mail Address:

Employer Name:
Employer Address:
City: State:
Zip Code: Country:
Work Number:

Cancel Save and Exit Continue

16. Review the "IMPORTANT NOTICES" by selecting the link
17. Certify the accuracy of the information on the application
18. Authorize the Department of Education to check the credit of the parent borrower.

i Before you can continue with the Direct PLUS Loan Application, you'll be required to provide your consent for us to perform a credit check.

Certifications

You must review the IMPORTANT NOTICES before you can continue.

Open Important Notices 

 If you have placed a security freeze on your credit file, you must lift or remove the freeze at each credit bureau before you continue. Your application will not be processed if you have a security freeze.

You must read and agree to the statements below by clicking on the boxes.

I certify that

- (1) the information I have provided on this Direct PLUS Loan Request for Supplemental Information is true, complete, and correct to the best of my knowledge and belief and is made in good faith, and
- (2) I have read and understood the entire Direct PLUS Loan Request for Supplemental Information, including the Important Notices.

For the loan that I am requesting by completing this Direct PLUS Loan Request for Supplemental Information, I authorize the U.S. Department of Education to check my credit history for the purpose of determining my eligibility for the loan(s), and to report information about my loan eligibility to persons and organizations permitted by law to receive that information.

Your Direct PLUS Loan Request for Supplemental Information cannot be processed unless you authorize the U.S. Department of Education to check your credit history. One of the eligibility requirements for receiving a Direct PLUS Loan is that you must not have an adverse credit history, unless you meet certain other requirements. The credit decision resulting from your credit decision will be sent to the school that you have selected.

Exit Continue 

Upon selecting "Continue" the results of the PLUS application will be displayed.

19. Loan funds are disbursed to the Bursar account after the add/drop period is closed. If the Federal Direct Parent PLUS disbursement generates a refund after University charges are paid, the refunded amount will go to the parent unless the parent borrower indicates on the PLUS application that they authorize any refund to be sent to the student.

If the disbursement generates a parent refund, the parent borrower has the option of signing up for direct deposit. Direct Deposit offers a timely, reliable and safe way to deliver your refund to your checking or savings account. Complete the [Direct Deposit PDF](#) and return it to the Bursar Office. For more information on refunds, please see the [Bursar Office Website](#).

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What happens if the Parent PLUS Loan is denied?

If the Parent PLUS Loan is denied, there are four options available:

- Apply with an endorser—allows the borrower to reapply with a co-signer. If after reapplying with an endorser, the borrower is still denied, or the parent decides not to pursue an endorser, the student may receive additional Direct Unsubsidized loans up to the independent amount for the student's grade level.
- Appeal the credit decision—allows the borrower to provide documentation to the Department of Education to prove extenuating circumstances that may override the initial credit decision. If after appealing the credit decision, the borrower is still denied or the parent decides not to appeal the credit decision, the student may receive additional Direct Unsubsidized loans up to the independent amount for the student's grade level.
- Do not pursue the Parent PLUS Loan—the borrower acknowledges the denial of a Parent PLUS loan. Using this option allows the student to receive additional Direct Unsubsidized loans up to the independent amount for the student's grade level.
- Undecided—NIU will offer the additional Direct Unsubsidized loans if this option is selected. NIU will be automatically notified if an endorser or credit appeal is approved at a later date and will make adjustments to the loans as necessary.

Based on the results of your credit check, we are unable to approve your request for a Direct PLUS Loan. However, you may still receive a Direct PLUS Loan if you obtain an endorser, or if you document to the satisfaction of the U.S. Department of Education that there are extenuating circumstances related to your adverse credit history.

Under federal law, you're entitled to a free credit report if a company takes adverse action against you, such as denying your application for credit, insurance, or employment, and you ask for your report within 60 days of receiving notice of the action. The notice will give you the name, address, and phone number of the credit reporting company. Otherwise, a credit reporting company may charge you up to \$11.00 for another copy of your report within a 12-month period.

To obtain a copy of your credit report, contact:

- Equifax: 1-800-685-1111; equifax.com
- Experian: 1-888-397-3742; experian.com
- TransUnion: 1-800-916-8800; transunion.com

▶ [View Credit Check Details](#)

Indicate how you want to proceed by checking the appropriate box below and click "Submit". Your response will be reported to the school that you selected on the Direct PLUS Loan Request.

How would you like to proceed?

- | | |
|---|----------------------------------|
| <input type="radio"/> I want to obtain an endorser. | More Information |
| <input type="radio"/> I want to provide documentation of extenuating circumstances. | More Information |
| <input type="radio"/> I do not want to pursue a Direct PLUS Loan at this time. | More Information |
| <input type="radio"/> Undecided. | More Information |