



# 2019-2020 Direct Parent PLUS Loan Instructions

## Federal Student Aid Programs

Student Financial Planning  
400 Saint Bernardine Street  
Reading, PA 19607  
610-796-8356 / 610-796-8336 FAX  
[financialaid@alvernia.edu](mailto:financialaid@alvernia.edu)

In order to obtain a Federal Direct Parent PLUS loan, the student 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.

### **Completing the Online Application:**

**Apply for Federal Direct Parent PLUS loan at <https://studentloans.gov>.** If you have problems with the online PLUS application process you can contact Direct Loan Applicant Services at 1-800-557-7394 for assistance:

- ✓ **Do not submit application before May 1, 2019.**
- ✓ Credit check is good for 180 days.
  
- 1. Sign in with your FSA ID and password. Important - The borrowing parent must sign-in using their information and FSA ID and password. **(Please note: Not with the student's FSA ID and password)**
- 2. Click on the Parent Borrowers tab
- 3. Select Apply for a Plus Loan to complete the credit check and determine eligibility

#### **Step 1. School and Loan Information**

- ✓ Select Award Year 2019-2020
  - ✓ Complete Student Information Section
  - ✓ Select Deferment Option
  - ✓ Authorize Use of Loan Funds
  - ✓ Credit Balance Option
  - ✓ Complete School and Loan Information Section
- Note:** If you do not know the amount you want to borrow, save the application and contact Alvernia's Student Financial Planning Office at 610-796-8356 to help determine the amount you need or enter 0 and your student will be packaged to your student's cost of attendance.
- ✓ Select Loan period for Loan:
    - 08/26/2019 - 05/08/2020 \* Full Academic Year Loan
    - 08/26/2019 - 12/13/2019 \* Fall Only Loan
    - 01/13/2020 - 05/15/2020 \* Spring Only Loan
    - 05/18/2020 - 08/28/2020 \* Summer 2020 Loan (Will NOT be available until registered for Summer)

#### **Step 2. Borrower Information**

- ✓ Complete all sections for Borrower Information

#### **Step 3. Review Request**

- ✓ Review all information under School and Loan Information and Borrower Information. Click Edit to update any information.

#### **Step 4. Credit Check and Submit**

- ✓ Review and check consent for credit check and certification information.



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

- ✓ A Master Promissory Note (MPN) must be completed for all parents approved to borrow a Federal Direct Parent PLUS loan. 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.
- ✓ **Please Note:** *Parents who are Eligible Non-Citizens and completing the Federal Direct Parent PLUS Loan, Alvernia's Student Financial Planning office will need a copy of the Parent's Alien Registration Card. A copy is needed in order for the Parent PLUS Loan being disbursed onto the student's account.*

**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.
- ✓ Provide documentations of extenuating circumstances to appeal the credit decision.
- ✓ Beginning March 29, 2015, any parent who is denied for the PLUS loan but is approved on appeal or with an endorser must complete Loan Credit Counseling before the loan can be processed by Alvernia University. Loan Credit Counseling is available by logging into [www.studentloans.gov](http://www.studentloans.gov) with your FSA ID and password and clicking the "Complete PLUS Counseling" option, select parent of an eligible dependent undergraduate student.
- ✓ Will not pursue Direct PLUS Loan. If you choose not to pursue, your student may be eligible to receive additional unsubsidized loan funds.
- ✓ Undecided. If undecided is chosen, the student will be packaged with additional unsubsidized loan.

Once the PLUS application is submitted, an electronic confirmation will be transmitted to Alvernia's Student Financial Planning. Please be aware that it may take 24 - 48 hours for Alvernia to receive your submitted application.