2016-2017 Federal Direct Parent Plus Loan Instructions

In order to obtain a Federal Direct 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 PLUS loan at www.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:

1. Sign in with your FSA ID and password. Important - The borrowing parent must sign-in using their information and FSA ID and password.
2. Click on: Apply for a PLUS loan
3. Under Select the loan type click on Direct PLUS Loan Request for Parent Borrowers.

Step 1. School and Loan Information
• Select Award Year 2016-2017
• 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:
  08/22/2016 - 05/12/2017 * Full Academic Year Loan
  08/22/2016 - 12/09/2016 * Fall Only Loan
  01/17/2017 - 05/12/2017 * Spring Only Loan
  05/15/2017 - 08/25/2017 * Summer 2017 Loan (Will NOT be available until student is registered for Summer 2017)

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.

If the 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 PLUS loan. The Parent PLUS MPN can be completed at www.studentloans.gov. The Parent 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.
• 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 Entrance Counseling before the loan can be processed by Alvernia University. Entrance Counseling is available by logging into 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.