

## DIRECT PARENT LOAN TO UNDERGRADUATE STUDENTS (PLUS)

To apply for a Federal Direct Parent Plus loan follow instructions below. If you are a parent of an eligible undergraduate dependent student who is enrolled at least half-time and you meet the borrower eligibility criteria for a Parent PLUS loan (see statements 2 – 5 on information sheet), you can choose to borrow a Federal Direct PLUS loan to help pay educational expenses for your son or daughter. The lender is the U.S. Department of Education (ED) rather than a bank or other financial institution. A parent can request a loan up to the cost of attendance (for their student) minus any financial aid (including scholarships) that the student receives. Parents are encouraged to only apply for what they feel is necessary to pay for their student's college expenses and what they can reasonably afford to repay. We cannot process a Parent PLUS loan until our office has received a 2011 – 2012 Free Application for Federal Student Aid (FAFSA) for their student and the loan worksheet. All parents must submit the loan worksheet to the financial aid office and all students need to submit their FAFSA for every academic year that they want the loans.

### INSTRUCTIONS FOR COMPLETING YOUR PARENT PLUS LOAN REQUEST

- Step 1: Complete and sign your Direct Loan Master Promissory Note (MPN).** You will need to complete this step **BEFORE** we process your loan request. Please go to [www.studentloans.gov](http://www.studentloans.gov). You must first "Sign In" by using your Federal Financial Aid PIN. It is the same PIN you used to sign on your student's FAFSA. If you do not remember your PIN number or do not have a PIN, go to [www.pin.ed.gov](http://www.pin.ed.gov) to request your PIN. Once you have signed in select "Complete Master Promissory Note" and then select "Parent PLUS". Complete all four steps and submit. \*Note: If you took out a Direct Parent PLUS loan at WVC, then you do **NOT** need to do this step, go to Step 2.
- Step 2: Complete and submit the attached parent PLUS loan worksheet to the WVC Financial Aid Office.** *Keep this instruction/information sheet for later reference; do **not** turn it in with worksheet.*
- Step 3: Loan request is processed** once steps 1 & 2 are completed and we receive confirmation from the ED regarding your MPN. Processing time can take up to 6-8 weeks depending on the volume of applications our office receives. An award letter notification will be sent to your student after we certify your loan request. The award letter will have the loan amount(s) for which you are eligible for.
- Step 4: The loan servicer will perform a credit check.** No PLUS funds will be disbursed until the servicer receives a valid PLUS loan worksheet and the parent passes the credit evaluation. Unfortunately, not all applications are approved. If your PLUS loan is denied, please have your student contact the WVC Financial Aid Office to see if they qualify for additional student loan funds.
- Step 5: Checks are mailed.** The loan funds will be sent to the college and will first be applied to any outstanding tuition and related fee charges. The remaining funds will be mailed to either you or your dependent student based on what you indicate on the loan worksheet. **Loans processed PRIOR to the quarter are not disbursed until the quarter starts.** Loans processed AFTER the beginning of the quarter are disbursed in 4 to 12 business days depending on whom it is mailed to.

Your single contact to get your account information for your Direct loan:

Direct Loan Servicing Center

Phone: 1-800-848-0983

Web site: [www.dl.ed.gov](http://www.dl.ed.gov)

If you do not have Internet access, you may use the computers next to the financial aid office or WVC library to complete the MPN.

## PARENT PLUS LOAN INFORMATION

Please read all the information on this page. Return only the loan worksheet to the financial aid office.

1. Your student must have a completed financial aid file at the WVC Financial Aid Office. This means the FAFSA has been completed, received and processed by both the Department of Education (ED) and the financial aid office.
2. You must be the natural parent, adoptive parent or stepparent of the dependent student that is attending WVC.
3. You must be a U.S. citizen or an eligible non-citizen.
4. You must not be in default of an educational loan or owe a refund on an educational grant.
5. You must not have an adverse credit history. **If your PLUS application is denied**, please have your student contact the WVC Financial Aid Office to see if they qualify for additional student loan funds.
6. WVC began participating in the Direct Loan program for the 2008/2009 school year. Parents who completed the electronic **Direct Parent PLUS Loan Master Promissory Note (MPN)** at WVC do NOT need to do so again. **Parents who have not, will need to do so BEFORE we can certify a Parent PLUS Loan.** Borrowers are only required to complete the Direct Loan MPN one time during your student's attendance at WVC. Once we have received confirmation from the ED that this has been completed we will then certify your loan.
7. For each quarter you wish to receive a loan, **your student must be enrolled in an eligible degree or certificate program, taking at least six credits and maintaining satisfactory academic progress.** For more info, please refer to the satisfactory academic progress policy available on our website or in our office.
8. **Your loan will be issued in multiple disbursements.** If you only check one quarter or awarded for one quarter, you will receive a one quarter loan separated into two payments; one at the beginning of the quarter and one half-way through. If you check two or more quarters, the loan will be divided among all checked quarters for which your student is eligible. We can divide the loan between prior quarters in the same academic year, if your student was eligible during the prior quarters. If you have any questions please contact the financial aid office.
9. **Maximum loan amounts:** There are no set limits, although Parent Plus loans can not exceed the cost of the student's attendance for the academic year minus any other financial assistance they may be receiving.
10. Remember, this a loan and it **MUST BE REPAYED**, regardless of whether your student completes the quarter or not. The parent is the borrower rather than the student, so responsibility for repayment rests with the parent. Don't borrow more than you will need to help pay for your students expenses. You can defer payments on a PLUS loan until six months after the date your student ceases to be enrolled at least half time. The interest rate is a fixed 7.9 percent. Check with the Direct Loan Servicing Center for details regarding repayments and deferments.
11. **The ED charges a loan origination fee.** This fee is deducted before you receive any loan money, so your net loan amount will be the amount you requested minus the loan fee. The loan fee is 4 percent of the borrowed amount.
12. **No checks are issued before the quarter begins.** We do request the funds from the ED before the quarter starts to give us time to process them, but we do not disburse checks until the quarter starts.
13. If you select the credit balance to be sent to your student, the check is mailed to your student and can expect it to arrive within 4 to 7 business days after the loan request has been processed; unless the request has been processed before the start of the quarter, in which case the check will be sent during the first week of the quarter. Checks mailed directly to the parent can take up to 5 business days longer.
14. You have the right to cancel your parent loan at any time. If you want to cancel a future loan disbursement, you should notify our office two weeks before the expected disbursement date. If your loan funds have been disbursed to you, you can return part or all of the funds to the college within 14 business days of the disbursement to have them returned to the ED. If you have already received your loan disbursement and it has been more than 14 days, you can send the funds directly back to ED. Contact the financial aid office if you have any questions.

**FEDERAL DIRECT PARENT (PLUS) LOAN WORKSHEET**      **2011-2012**  
**Summer 2011 – Spring 2012**

This form is to apply for a Federal Direct Plus Loan. This is a loan and must be repaid.



- ◆ Please read carefully and complete every item. An incomplete form will delay processing of your loan.
- ◆ Your student's FAFSA and their financial aid file must be completed (see statement # 1 on information sheet)
- ◆ All Plus loan applicants must meet eligibility requirements (see statements # 2 – 5 on information sheet)

Parent borrower must complete the electronic Direct Loan Master Promissory Note (MPN) **BEFORE** we process your loan request. Go to [www.studentloans.gov](http://www.studentloans.gov). Sign-In and select Complete Master Promissory Note and then select Parent PLUS. (see statement # 6 on information sheet)

**STUDENT INFORMATION**

Student SID Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_  
Student Social Security Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_      Student Date of Birth: \_\_\_\_\_  
Student Last Name: \_\_\_\_\_      Student First Name: \_\_\_\_\_      MI: \_\_\_\_\_

**PARENT (BORROWER) INFORMATION**

Parent Last Name: \_\_\_\_\_      Parent First Name: \_\_\_\_\_      MI: \_\_\_\_\_  
Parent Permanent Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_      State: \_\_\_\_\_      Zip: \_\_\_\_\_  
Parent Social Security Number: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_      Parent Date of Birth: \_\_\_\_\_  
Parent Day or Cell Number: \_\_\_\_\_  
 US Citizen     Eligible Non-Citizen (you must submit a legible copy of your non-citizen registration card with this form)  
Parent Driver's License #: \_\_\_\_\_      State issued by: \_\_\_\_\_

**LOAN PERIOD & CREDIT ENROLLMENT** (see statements # 7 & 8 on information sheet)

1) For which quarter(s) are you requesting a loan? Check all quarters that apply AND indicate the number of credits your student plans on taking.  
 Summer 11 \_\_\_\_\_ Credits     Fall 11 \_\_\_\_\_ Credits     Winter 12 \_\_\_\_\_ Credits     Spring 12 \_\_\_\_\_ Credits  
**Note:** Your loan will be divided among all checked quarters for which your student is eligible.

**LOAN AMOUNT** (see statements # 9 – 11 on information sheet)

2) How much do you want to borrow? \$ \_\_\_\_\_ or  Maximum allowable  
You can request a specific dollar amount or request the maximum allowable. Either way, the parent loan will be processed only for the cost of the student's attendance for the academic year minus any financial assistance they may be receiving.

**PARENT AUTHORIZATION, CERTIFICATION AND SIGNATURE**

I understand that Wenatchee Valley College will first apply my Federal Direct PLUS Loan to any outstanding amounts of my student's tuition and related fees incurred during the academic year and that the funds will be sent to the college first before disbursement.

Any remaining credit balance should be disbursed to: Check only one box below.

- My dependent student (the quickest process to mail a check to the student)
- Me, the parent. I understand the funds will be sent to the address provided in the parent's section of this form and may take up to 5 additional business days for processing.

With my signature below I authorize the U.S. Department of Education to perform a credit check required for this loan. I certify under the penalty of perjury under the laws of the United States of America that the above information is true and correct to the best of my knowledge. I also certify that I am the natural, adoptive or stepparent of the student named above. The proceeds of any loan made as a result of this application will be used for educational purposes only for the student named above.

3) Parent (Borrower) Signature: \_\_\_\_\_      Date: \_\_\_\_\_