Pennsylvania College of Art & Design

2017-2018 Parent Direct PLUS Loan Instructions

Federal Direct Parent PLUS Loans are federal loans that credit-worthy parents of dependent undergraduate students can borrow to help pay education expenses (which include tuition, fees, estimated off campus housing, supplies and other educational expenses) not covered by other aid. Detailed information is available at https://studentaid.ed.gov

1. **Complete the Federal Direct PLUS Loan application, go to the website www.studentloans.gov:**
   - **The parent logs in.** Parents can create an account using their Federal Student Aid ID (FSA ID)*.
   - Select **"Apply for a Direct PLUS Loan."**
   - Select **"Direct PLUS Loan Application for Parent Borrowers"**, **Click on the "Start" button** and choose the award year **"2017-2018."**
   - Complete student section and choose deferment options
   - Select "Pennsylvania" and "Pennsylvania College of Art & Design" as the School Name in the drop down box
   - In the "Loan Amount Requested" we recommend that you specify a loan amount and <u>not</u> choose the option for the maximum allowed (to control your indebtedness) you may (not encouraged) indicate maximum eligibility**, please calculate amount you wish to borrow.
   - **For "Loan Period" we advise you apply for the amount needed for the <u>full 2017-2018 academic year, fall 2017 and spring 2018 semesters. Requested loan Start date 09/2017 and End date 04/2018</u>**. Half will disburse in the fall semester and half in the spring semester.
   - Continue to follow the application process.
   - Authorize a Credit Check and submit - You will receive the results of a borrower-initiated credit check immediately.

If approved, you will be advised to complete a **Direct PLUS Loan Master Promissory Note (MPN)**. *Parents who have completed an MPN for PCA&D for a prior year PLUS loan will not have to complete a new MPN (unless a different parent is applying).* The MPN process must be completed in a single session so be sure you have enough time to complete it. The MPN session takes approximately 30 minutes to complete.

2. **New** borrowers complete the **Federal Direct PLUS Master Promissory Note (MPN)** at www.studentloans.gov:
   - If you haven't already done so, log in
   - Select "Complete Loan Agreement (Master Promissory Note)"
   - Select "PLUS MPN for Parents" as the loan type and Click on the "Start" button
   - Provide personal information (citizenship, driver's license, address, telephone number, etc.)
   - Provide employer information
   - Provide student and loan information (name, SSN, date of birth)
   - Select "Pennsylvania College of Art & Design" as the School Name in the drop down box
   - Provide reference information
   - Review Terms and Conditions, electronically sign and submit MPN
   - Print a copy of your MPN for your records

If denied, the borrower has a few options as to how they want to proceed. Students, whose parents are denied a PLUS loan based on credit, can request limited additional Direct Unsubsidized Stafford Loan. If you wish to use that option, have your student return the completed form available on our website at www.pcad.edu/finaid to the PCA&D Financial Aid Office.

The earliest you can apply for a Parent PLUS loan for PCA&D is May 15th. The school will be notified of the results. If you are planning to apply for a Federal PLUS Loan, please complete this process by early July. For more PLUS Loan information: https://studentaid.ed.gov

Note: Although financial aid may be deducted from semester tuition bills prior to the arrival of the funds to the college; loan refunds due to the student because of a credit balance created by funds will not be made until the money is received by the college. Loan refunds are usually available to the student in early October in the Fall semester and mid February in the Spring semester. Please plan your finances accordingly. All refunds will be mailed by the bursar's office.

*The FSA ID replaced the federal PIN# beginning on 5/10/15. You will need to register for your FSA ID, individuals who already have a federal PIN will be able to link it to their new FSA ID.
** "maximum eligibility" is cost of attendance (tuition/fees, estimated room/board cost, books/supplies etc) minus any other aid. Please refer to your "Payment Worksheet" included in your financial aid packet to help estimate expenses.