

DISCLAIMER: PARENT PLUS REQUESTS

2017-2018 School Year: Includes Fall 2017, Spring 2018, and Summer 2018

Parent PLUS Request applications for the 2017-2018 school year will be available beginning June 1, 2017 through <https://studentloans.gov> for the following loan periods:

- Fall Only - August 2017 - December 2017
- Fall/Spring - August 2017 - May 2018
- Spring Only - January 2018 - May 2018
- Summer Only - May 2018 - August 2018

How Much Can the Parent Borrow?

Parent borrowers are eligible to borrow up to the student's cost of attendance minus other estimated financial aid. Estimated financial aid includes federal/state grants, scholarships, federal work-study, federal student loans, tuition discounts, or any other aid paid by a third-party.

Examples:

	Student A	Student B	Student C	Student D
Cost of Attendance (COA) for fall/spring	\$ 22,448.00	\$ 22,448.00	\$ 22,448.00	\$ 22,448.00
- Estimated Financial Aid (EFA)	\$ 5,500.00	\$ 9,000.00	\$ 12,000.00	\$ 22,448.00
= Max. Direct PLUS Loan Eligibility	\$ 16,948.00	\$ 13,448.00	\$ 10,448.00	\$ 00.00

- ❖ Student A received a \$ 5,500.00 student loan.
- ❖ Student B received a \$ 5,500.00 student loan and \$ 3,500.00 State Lottery award
- ❖ Student C received a \$ 5,500.00 student loan, a \$ 3,000.00 Pell Grant and a \$ 3,500.00 State Lottery award
- ❖ Student D received a \$ 5,815.00 Pell Grant, \$ 5,500.00 in student loans, \$ 2,000.00 State Grant, \$ 5,000.00 State Lottery awards, and \$ 4,133.00 in Federal Work Study.

**Note: Parent borrowers should work closely with their son or daughter to view the cost of attendance budget and estimated financial aid awarded through the student's MYTSU account. Students may view their online Shopping Sheet for their cost of attendance and estimated financial aid awards administered by the Financial Aid Office. The Shopping Sheet is available on MYTSU under the Financial Aid tab.*

Interest Rates and Fees

PLUS Loans have a fixed interest rate for the life of the loan. In addition to interest, the U.S. Department of Education automatically deducts a loan fee from each loan disbursement before the money is credited to the student's account. For current interest rate and fee information, visit the Direct Loan website at <http://studentaid.ed.gov/types/loans/plus> or call the Direct Loan Servicing Center at (800) 557-7394 (TTY 1-800-730-8913).

When Does Repayment Begin?

Repayment of the Direct Parent PLUS loan begins 60 days after the loan is fully disbursed. Parent borrowers may postpone repayment by requesting a deferment while the dependent student is enrolled at least half-time. During periods of deferment, interest will continue to accrue. During the online application process, the parent borrower will be given the option to select whether or not to defer the loan.

Federal Direct Parent Loan for Undergraduate Student (PLUS) Information

Tennessee State University does not automatically award PLUS as part of the financial aid package. However, parents with good credit histories may borrow funds through the PLUS program to assist with educational expenses of a dependent undergraduate student enrolled at least half-time.

Who May Borrow?

- Must be the biological or adoptive parent of the student.
- Step-parents may apply if married to the biological or adoptive parent and the step-parent's income and assets are listed on the FAFSA

Eligibility Requirements

- Student must have a FAFSA completed and on file for the appropriate award year.
- The student must be considered dependent by FAFSA and enrolled at least half-time in an eligible degree seeking program.
- Both the student and the parent must be a U.S. citizen or an eligible non-citizen.
- Student must be making satisfactory academic progress per the policies of the university.
- Both the parent and the student cannot be in default on their own federal student loans or owe a refund on any federal grant or loan.
- The parent borrower must have a good credit standing as determined by the U.S. Department of Education loan servicing agency.
-

Application Process

- The application for the Parent PLUS Loan can be found online at <https://studentloans.gov>
- The parent must log in using the parent's FSA ID Username and Password
- After logging in, choose "Apply for a PLUS Loan"
- Under the Direct PLUS Loan Request for Parent Borrowers section, click "Complete PLUS Request for Parent." Continue to follow the prompts to complete the online application.
- If credit is approved, first time PLUS Loan borrowers must complete a Direct PLUS Master Promissory Note (MPN) for Parents on the same website at <https://studentloans.gov>. The parent must also print the Undergraduate Parent PLUS Loan Update Form and submit it to the financial aid office. Once these steps have been completed allow 5 to 7 business days for processing.
- If credit is denied and the credit decision is not appealed or an endorser is not obtained, the dependent student will receive additional unsubsidized loan funds based on grade level and remaining eligibility for aid. Typically, the additional unsubsidized amount is up to \$ 4,000 for freshman and sophomores annually. Juniors and seniors may be eligible for up to an additional \$ 5,000 annually.

Plus Counseling Requirement

Parent who are not initially credit approved for the PLUS loan, but who qualify by documenting extenuating circumstances or obtaining an endorser, must complete PLUS counseling at <https://studentloans.gov> before the loan can be created and disbursed.