



Disclaimer for Parent PLUS Request

2019-2020 School Year: Includes Fall 2019, Spring 2020 and Summer 2020

Parent PLUS Request applications are currently available for students attending the 2019-2020 school year. Eligible 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 by applying at <https://studentloans.gov> for a period of enrollment below.

Semester Enrolled	Loan Period for Enrollment
➤ Fall 2019/Spring 2020	August 2019 – May 2020
➤ Fall 2019 only	August 2019 – December 2019
➤ Spring 2020 only	January 2020 – May 2020
➤ Summer 2020 only	May 2020 – August 2020

**Note: A PLUS credit check is valid for 180 days from the date the credit check was performed. Tennessee State University does not automatically award PLUS Loans as part of the financial aid award package.*

Who May Borrow a PLUS Loan?

- Must be a biological or adoptive parent of the student.
- If biological parent is not listed on the Free Application for Federal Student Aid (FAFSA) student must provide a copy of the birth certificate to prove qualifying parent.
- Step-parents may apply if married to the biological or adoptive parent and the step-parent's income and assets and demographical information are listed on the FAFSA.

Eligibility Requirements

- Student must have a completed FAFSA on file for the appropriate award year.
- The student must be considered a dependent student by the U.S. Dept. of Ed and enrolled at least half-time in an eligible degree seeking program.
- Both the student and 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 student and parent 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 Direct PLUS Loan"
- Next to the Direct PLUS Loan Application for Parents section, click the "Start" button; continue to follow the prompts to complete the online application.

- If the credit is approved or denied and parent secures a co-signer or appeals credit decision and is then eligible for the loan, parent must go to TSU’s website to download [Institutional application](#) to submit to Financial Aid.
- If credit is approved, first time PLUS Loan borrowers must complete a PLUS MPN for Parents (Master Promissory Note) on the same website at <https://studentloans.gov> Once completed, please allow 3-5 business days for TSU to receive notification that you have satisfied this requirement.
- If credit is denied and the credit decision is not appealed or an endorser is not obtained, the dependent student is eligible for additional unsubsidized loan funds based on grade level and remaining eligibility for aid. Typically, the additional unsubsidized amount is up to \$4,000 for freshmen and sophomores annually and up to \$5,000 for Juniors and Seniors annually.

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 disbursed 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)-848-0979 (TTY 1-800-557-7395).

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:	<u>Student A</u>	<u>Student B</u>	<u>Student C</u>	<u>Student D</u>
Cost of Attendance (COA) for Fall/Spring	\$ 22,448.00	\$ 22,448.00	\$ 22,448.00	\$ 22,448.00
- Estimated Financial Aid (EFA)	<u>\$ 5,500.00</u>	<u>\$ 9,000.00</u>	<u>\$ 12,000.00</u>	<u>\$ 22,448.00</u>
= 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 \$ 3000.00 Pell Grant and a \$ 3,500 State Lottery award
- ❖ Student D received a \$ 5,500.00 student loan, \$ 5,815.00 in Pell Grant, \$ 2,000.00 in State Grant, \$ 5,000.00 in 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 via “myTSU”.*

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.

PLUS Counseling Requirement

Parents 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.