

## Federal Direct Parent PLUS Loan Processing

### Steps for Applying for a Federal Direct Parent PLUS Loan

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- 1) The student must complete and submit the [FAFSA](#) (Free Application for Federal Student Aid). The student should expect to receive a "Document Request E-MAIL" from the Financial Aid Office (FAO) after the FAFSA has been processed. This letter lists the specific documentation required to complete the student's file.
- 2) The student must turn in all documents requested on the "Document Request E-MAIL" to complete their file so that processing may begin. We *CANNOT* process a loan application until all requested documents are on file and have been reviewed.
- 3) Review this link for [Federal Direct Parent PLUS Loan Information](#).
- 4) Parent must do the following after June 1<sup>st</sup> for the upcoming school year:
  - ➔ Complete a [PLUS Loan Application](#) online with the Department of Education
  - ➔ Obtain a credit approval from the Department of Education. *When you apply for a Federal Direct Parent PLUS Loan, the Department of Education will check your credit history. To be eligible for a PLUS Loan, you must not have an adverse credit history. PLUS credit checks are good for 90 days.*
  - ➔ Sign a [Federal Direct Parent PLUS Master Promissory Note\(MPN\)](#)
- 5) Submit the [Federal Direct Parent PLUS Loan Request Form](#) to the financial aid office. The Financial Aid Office (FAO) will process PLUS loan requests once credit approval is received.
- 6) An award email from Fresno State will be sent to the student/parent reflecting the certified Federal Direct Parent PLUS loan amount. *Certified amounts may be less than the original request to avoid over-awarding a student financial aid.*
- 7) Funds will be sent to Fresno State via Electronic Funds Transfer (EFT).

### Disbursements of Federal Direct Parent PLUS Loan

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Once the semester has begun, funds arriving in the Student Financial Services office will be disbursed to the parent.

If the student has charges on their account, they will be paid with proceeds from the Federal Direct Parent PLUS Loan. Any remaining balance of the Federal Direct Parent PLUS Loan will be mailed to the parent.

#### The funds will only disburse if:

- ➔ The student is enrolled in the contracted number of units for the loan period and the actual loan period has begun.
- ➔ The student is maintaining [Satisfactory Academic Progress](#) according to financial aid requirements.
- ➔ The student is not over-awarded financial aid (**not receiving more money than eligible to receive**).
- ➔ The student is enrolled in full time units. Federal Direct Parent PLUS Loan awards are based on full time enrollment. **If the student will not be enrolled in 12 or more units, please notify the financial aid office.**