

FEDERAL DIRECT PARENT PLUS LOAN INFORMATION AND INSTRUCTIONS

The Parent PLUS Loan is a loan for the biological mother or father, custodial stepparent (if information was reported on the FAFSA), or adoptive parent of a dependent undergraduate student. A parent can borrow up to the total estimated cost of attendance less the student's total financial aid. If more than one parent wish to borrow a Parent PLUS Loan for the same student, each must complete a separate 2020-2021 Federal Direct Parent PLUS Loan application and Master Promissory Note (MPN).

Steps to Process a Parent PLUS Loan 2020-2021

A. Student must complete a 2020-2021 Free Application for Federal Student Aid (FAFSA)

If you haven't already done so, you can apply online at www.studentaid.gov and make sure to include Diablo Valley College's school code (001191). The 2020-2021 Federal Direct Parent PLUS Application cannot be processed without the student's completed FAFSA on file.

B. Complete and return a 2020-2020 Federal Direct Parent PLUS Loan Request Form.

Complete and return this form to the DVC Financial Aid Office. Be sure to print clearly and answer all questions. This form collects the information necessary for DVC to electronically transmit loan data to the Department of Education. It also authorizes the Department of Education to send the loan funds to DVC using Electronic Funds Transfer (EFT) and for DVC to release the check in the name of the student via parent authorization.

C. Complete Department of Education Online Requirements.

Parent borrowers must complete the Parent PLUS Loan requirements online at www.studentaid.gov. Please view the attached instructional for specific instructions.

Eligibility Requirements

- ❖ Student and parent must not be in default on any federal education loans or owe an overpayment on a federal education grant.
- ❖ Student and parent must be a U.S. citizen or eligible non-citizen.
- ❖ **Parent must receive a credit approval as determined by the U.S. Department of Education.**
- ❖ Student must be enrolled at least half-time (6 credit hours).
- ❖ Student must be maintaining Satisfactory Academic Progress (SAP) at www.dvc.edu/financialaid

Interest Rates

The Parent PLUS Loan interest rate is fixed at 5.30%. Interest begins to accrue at the time of each loan disbursement.

Loan Fees

An origination fee charged by the U.S. Department of Education for processing the Parent PLUS Loan. The fee is 4.236% for loans disbursed between 10/1/19 - 9/30/20 and 4.248% for loans disbursed 10/1/20 – 9/30/21 and is deducted from each disbursement.

Disbursements

A positive credit check and completed MPN must be received before any funds can be disbursed to the student. The U.S. Department of Education will send funds via EFT (Electronic Funds Transfer) to the school. The school will in turn release a check to the student, in the student's name on one of the scheduled payment dates.

Repayments

Repayment on a Parent PLUS Loan begins 60 days after the final disbursement of the loan. The Direct Loan Servicer will send information about repayment options to you. If you are experiencing difficulty making your scheduled payments, you should contact Borrow Services at the Direct Loan Servicing Center.

Federal Direct Parent PLUS Loan Request Form

Note: This is only an application. Credit Approval is determined by the U.S. Department of Education

- Please complete this form and return it to the DVC Financial Aid Office. If submitting this form is submitted by email, fax, or mail please attach a copy of the parent and student state-issued ID.
- By signing this application, you are consenting to a credit check by the U.S. Department of Education. You agree to have the check released in the student's name. Also, you attest that you have read and agree to all the information on the front of this form.
- A first-time Direct Parent PLUS loan borrower must complete a Master Promissory Note (MPN) at www.studentaid.gov

STUDENT INFORMATION: (please print)			
Last Name:	First Name:	MI:	
DVC Student ID:	Student email:		
City:	State:	Zip:	
PARENT INFORMATION: (please print)			
<u>The parent who completes this application must be the parent who completes the Master Promissory Note and Credit Check Requirements online!</u>			
To apply for a PLUS loan, the borrower must be a natural parent, adoptive parent ,or stepparent (if stepparent's income and assets are considered on the FAFSA) of a dependent student			
Parent's SSN:		Email:	
Last Name:	First Name:	MI:	
Address:	City:	State:	Zip:
Date of Birth: (mm/dd/yyyy)	Home Phone:		
Citizenship Status (check one):			
<input type="checkbox"/> US Citizen or eligible non-citizen <input type="checkbox"/> Non-citizen <input type="checkbox"/> Alien Registration # _____			
Driver's License #:		State:	
Are you in default on any Federal Parent/Student Loans? <input type="checkbox"/> YES <input type="checkbox"/> No			
LOAN PERIOD AND LOAN AMOUNT REQUESTED			
The U.S. Department of Education will deduct the appropriate loan from the total loan amount before the funds are disbursed.			
Loan Period <input type="checkbox"/> Fall 2020 Only <input type="checkbox"/> Fall 2020 and Spring 2021 <input type="checkbox"/> Spring 2021 Only <input type="checkbox"/> Spring 2021 and Summer 2021 <input type="checkbox"/> Summer 2021 Only <input type="checkbox"/> Fall 2020, Spring 2021, & Summer 2021		Loan Amount Requested \$ _____	Please choose one: <input type="checkbox"/> 1 st Request <input type="checkbox"/> Additional Request
AUTHORIZATION AND SIGNATURE			
By signing this application, you authorize Diablo Valley College to release the Parent PLUS Loan check in the name of the student.			
Parent/Borrower Signature		Date	