

2016-2017 FEDERAL DIRECT PARENT PLUS LOAN

The federally sponsored Direct Parent PLUS loan is *an option* for parents (including biological, adoptive or step-parent) of a dependent student who is enrolled at least half time in an undergraduate program. The lender is the U.S. Department of Education rather than a bank or other financial institution. Maximum eligibility for the PLUS loan, along with other aid resources, may not exceed the cost of attendance.

The interest rate for the current year (2015-2016) Direct Parent PLUS loan is fixed at 7.21%. (Rates for the 2016-2017 year will be set by the U.S. Department of Education prior to June 30, 2016.) There is a 4.272% origination fee deducted from each disbursement. Repayment on a PLUS loan begins 60 days after the final loan disbursement for the academic year ***unless the parent borrower makes deferred payment arrangements*** with the Federal Student Aid Center 1-800-4-FED-AID. Deferred payment on a PLUS loan begins six months after the student graduates or drops below six credits (half-time) in a semester.

The parent should apply for a loan to cover the **full 2016-2017 academic year**. (We recommend the student or parent contact the Student Accounts Office at 315-279-5237 to get an *estimate* of the balance due before applying.) Funding will be **equally** disbursed as *early as 10 days prior* to the start of classes for the fall and spring semesters, assuming all paperwork has been completed by the parent borrower.

To qualify for a Direct PLUS loan for the 2016-2017 academic year:

1. **The parent can apply online at www.StudentLoans.gov**

The application must be completed by the parent borrower in whose name the loan will be made. *Only one parent may sign this document*. The parent borrower must pass the credit check to be eligible for the PLUS loan.

2. The same parent borrower who completed the PLUS loan application must go online and complete an electronic Master Promissory Note (MPN). Simply log onto www.StudentLoans.gov and click on the SIGN IN button in the “Manage My Direct Loan” box. Scroll down the page until you see “Master Promissory Note” on the left hand side of the page and click on “Complete MPN”. *(The parent will need to use their FSA ID to complete the MPN. Should the parent have misplaced their FSA ID, they may log onto www.pin.ed.gov to request a duplicate).*

Disbursement of funds will not occur until notification of the successfully completed credit check AND the signed MPN is received by the Office of Financial Aid.

Keuka College
Office of Financial Aid
141 Central Avenue
Keuka Park, NY 14478
Phone: (315) 279-5232 Fax: (315) 536-5327
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PLUS Loan Information Sheet

The Federal Direct Parent PLUS loan enables the parent to pay the education expenses of their dependent student who is enrolled at least half time (6 credits). The PLUS loan can help bridge the gap between the financial aid the student receives and the charges on his/her account.

- The parent may borrow the total cost of the undergraduate student's education including tuition, room and board, and additional fees, minus any other aid received. The total amount borrowed cannot exceed the student's total cost of attendance. This allows the parent to cover a balance due or borrow extra funds for books and living expenses. However, the PLUS loan may not be used to cover balances from a previous academic year. (Please use the chart below to calculate the maximum PLUS loan eligibility the parent may borrow for the 2016-2017 academic year. Parent borrowers *are not required* to borrow the maximum amount calculated. Use discretion and borrow wisely.)

	Resident Student (lives on campus)	Commuter Student (lives on own)	Commuter Student (lives with parent)
*Cost of Attendance	\$	\$	\$
Total of Aid (Listed on student's award letter. Include all aid in total.)	minus \$ _____	minus \$ _____	minus \$ _____
Maximum PLUS loan eligibility	= \$ _____	= \$ _____	= \$ _____

*The **cost of attendance** is the total amount of *direct* and *indirect costs* you may need to cover your expenses for school. *Direct costs* include tuition, room & board, and fees. *Indirect costs* include books, supplies, loan fees, transportation, and housing/food allowance.

Keuka College's OPEID number is 002744.

- To be eligible to borrow a PLUS loan, the parent must not have adverse credit. If the PLUS loan is denied, the parent has the option to apply with an endorser who does not have adverse credit. The endorser is someone who agrees to repay the PLUS loan if the parent cannot. In order to use an endorser, the parent must log on to www.StudentLoans.gov. Should the parent choose not to apply with an endorser, the student may be eligible for additional unsubsidized federal Direct loan funds. Maximum unsubsidized federal Direct loan eligibility is determined by grade level as follows (*per academic year*): Freshman/Sophomore \$4,000, Junior/Senior \$5,000.
- Keuka College requires all students who plan to receive any type of financial assistance to file a FAFSA. The 2016-2017 FAFSA can be completed online at www.fafsa.ed.gov. The student will complete the FAFSA in their name, using both student and parent 2015 federal tax information.

A complete list of information on all direct loan programs can be found online at www.direct.ed.gov.

2016-2017 Federal Direct PLUS Loan Application

Please detach and return to the Office of Financial Aid at Keuka College either by mail, email or fax.
Keep the informational sheet attached for your records. Incomplete applications will be returned unprocessed.

PARENT borrower information: (please print clearly)

Name: _____ Date of Birth: _____ / _____ / _____
First MI Last Month Day Year

SSN: _____ - _____ - _____

Relationship to Student: _____ Father _____ Mother _____ Step-Father _____ Step-Mother

U.S. Citizenship Status (check the box that applies):

U.S. Citizen or national Permanent resident or other eligible alien Other: _____

Alien registration number: _____ Issue date: _____

Address: _____
Street City State Zip

Daytime phone number: () _____ - _____

Email Address: _____

Requested loan amount (*for entire 2016-2017 academic year*): \$ _____

Parent borrower signature: _____ Date: _____

Your signature authorizes the initiation of the mandatory credit review required for the Parent PLUS loan. In addition, the Privacy Act of 1974 (5 U.S.C.552a) requires that the following notice be provided to you. The authority for collecting the information requested on this form is section 451 *et seq.* of the Higher Education Act of 1965, as amended. Your disclosure of this information is voluntary. However, if you do not provide this information, you cannot be considered for a Parent PLUS loan. The information on this form will be used to determine your eligibility for a Parent PLUS loan.

STUDENT information: (please print clearly)

Name: _____ Date of Birth: _____ / _____ / _____
First MI Last Month Day Year

SSN: _____ - _____ - _____ Email: _____ Daytime phone: _____

Student signature: _____ Date: _____

Check below **ONE** option in the event the Parent PLUS loan is denied due to the results of the credit check:

Use Endorser (credit-worthy co-signer)

Please log online to www.studentloans.gov for detailed information regarding endorser requirements. The parent must contact the Financial Aid office if an endorser is used.

Allow the student to be considered for the additional federal Direct Unsubsidized Loan.

The student will be contacted upon a PLUS loan denial. At this time, if the student accepts any additional unsubsidized federal Direct loan funding, the student's signature listed above will serve as the student's written acknowledgement of acceptance for the 2016-2017 academic year. Maximum student eligibility is determined by grade level as follows: Freshman/Sophomore \$4,000, Junior/Senior \$5,000. Additional loan funding will be disbursed equally in the fall and spring semesters. Unsubsidized federal Direct loan funding has a fixed 4.66% interest rate, and a 1.073% fee will be deducted from each disbursement (as of 2015-2016)

Take no further action.