

## PLUS Additional Information and FAQ

**Note:** Please keep this information sheet with your other important financial aid papers. For updated information please visit [studentloans.gov](https://studentloans.gov) (<https://studentloans.gov/myDirectLoan/index.action>)

### How to obtain a Federal Parent PLUS Loan

Complete a Federal Parent PLUS Loan Application and Credit Authorization Form and return it to the Louisiana State University Student Financial Aid Office, or complete the online application at [studentloans.gov](https://studentloans.gov) (log in using your parent FSA ID). We will use the information on this form to inform the Federal Government of your interest in obtaining a loan and certify the student's planned enrollment and Federal Parent PLUS Loan eligibility.

Please visit [Studentloans.gov](https://studentloans.gov) (<https://studentloans.gov/myDirectLoan/index.action>) to complete your master promissory note (MPN) if you are a new borrower for this student or if your MPN has expired. This will be the PLUS MPN for parents of Dependent students, be sure to use your parent FSA ID.

### What is a Master Promissory Note?

A Promissory Note is a binding legal document that lists the conditions of your loan and the terms of repayment. Instead of completing a MPN every year, we utilize a multi-year MPN that only has to be completed once while your student is attending LSUA.

### How do I sign a MPN?

You will sign the MPN with your FSA ID. This is why it is very important to be sure you use your correct log in.

### What is the interest rate?

Federal Parent PLUS Loans have a fixed interest rate of 7.00%.

### Other than interest, are there any fees or charges to get a Federal Parent PLUS loan?

Yes, the loan fee is 4.276% for loans disbursed before 10/01/2017, and 4.264% for those disbursed on or after 10/01/2017.

### When will repayment begin?

Repayment begins right after the last disbursement of the loan. Interest accrues as soon as the first disbursement is made. There is no grace period for this loan; the parent borrower repays both principal and interest while their student is in school. The repayment term will be 10 to 30 years depending upon the repayment plan selected. Parents have the options to defer payments for PLUS loans originated after July 1, 2008 provided the designated student is enrolled at least half-time each semester (six or more credit hours that can be counted for Title IV aid). Parents can contact their loan servicer to request a deferment. Visit the National Student Loan Data System ([www.nslds.ed.gov](http://www.nslds.ed.gov)) to see who is currently servicing your loan and how to contact them.

### When will the Federal Parent Plus Loan Disburse?

In accordance with federal loan regulations and LSUA's disbursement schedule, the loan will be applied to your students account once all requirements are met after the 14th class day. The loan funds (less the fees) are evenly disbursed between the Fall and Spring semesters, unless the loan is for a single semester in which case the loan will be split into two disbursements for that semester.

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### **What if additional financial aid is received and I want to reduce or cancel my Federal Parent PLUS Loan?**

If your student receives additional aid and you wish to reduce or cancel your Federal Parent PLUS Loan, it is important that you notify LSUA in writing as soon as possible. You have the right to cancel or reduce your Federal PLUS loan at any time during the loan period. Please keep in mind if a refund had already been processed a portion of those funds may need to be returned. If the financial aid received by the student results in aid that is in excess of your student's cost of attendance, our office will automatically reduce the appropriate loan fund.

### **What if I want to apply for additional Federal Parent PLUS Loan funds?**

Contact LSUA to apply for additional Federal Parent PLUS loan funds. The total amount of a PLUS loan may not exceed the cost of attendance minus all other financial aid. Please note your credit history may be reviewed again.

### **What am I consenting to by signing the credit authorization?**

Your consent verifies that you have read the privacy act disclosure as follows and gives Louisiana State University at Alexandria permission to authorize the U.S. Department of Education to review your credit report:

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 §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. The information on this form will be used to determine your eligibility for a Parent PLUS. The information in your file may be disclosed to third parties as authorized under routine uses in the Privacy Act notices called "Title IV Program Files" (originally published on April 12, 1994, Federal Register, Vol. 59 p. 17351) and "National Student Loan Data System" (originally published on December 20, 1994, Federal Register, Vol. 59 p. 65532). Thus, this information may be disclosed to federal and state agencies, private parties such as relatives, present and former employers and creditors, and contractors of the Department of Education for purposes of administration of the student financial assistance program, for enforcement purposes, for litigation where such disclosure is compatible with the purposes for which the records were collected, for use by federal, state, local, or foreign agencies in connection with employment matters or the issuance of a license, grant, or other benefit, for use in any employee grievance or discipline proceeding in which the Federal Government is a party, for use in connection with audits or other investigations, for research purposes, for purposes of determining whether particular records are required to be disclosed under the Freedom of Information Act, and to a Member of Congress in response to an inquiry from the congressional office made at your written request. Because we request your social security number (SSN), we must inform you that we collect your SSN on a voluntary basis, but sections 484(a)(4) of the HEA (20 U.S.C. 1091 (a)(4) provides that, in order to receive any grant, loan, or work assistance number Title IV of the HEA, a student must provide his or her SSN. Your SSN is used to verify your identity, and as an account number (identifier) throughout the life of your loan(s) so that data may be recorded accurately.

### **What if my credit is denied?**

If your application is denied due to credit, we will notify the student through their LSUA e-mail, and then you will receive notification from the Direct Loan Servicer with the reason for the credit decision. You may contact the servicer to request seeking a credit status override, or to submit documents for extenuating circumstances.

If you choose not to pursue those options, your student can apply for additional unsubsidized loans based on the denial. Please contact LSUA Financial Aid at (318)473-6423 to discuss this option.