



Office of Financial Aid
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2020-2021 FEDERAL DIRECT PARENT PLUS LOAN PROGRAM LOAN INFORMATION AND PROCESSING PROCEDURES

The Federal Direct Parent PLUS Loan is a non-need-based loan which has a fixed interest rate of 7.079% for the 19-20 academic year (this rate will change for the 20-21 academic year, rate currently unknown). As the parent of a dependent undergraduate student, you may borrow up to your student's cost of attendance as calculated by our office less any financial aid your student has been awarded. A fee of 4.236% will be deducted from the loan amount before the loan is released to pay your student's tuition and fees. Your student must be enrolled full time (3 credits as an undergraduate student) and meet all other federal eligibility requirements to qualify for this loan. Loan proceeds will not be available until your student begins enrollment at Willamette University. If you have questions or need more information about the request process, any of the information requested and/or the amount you're eligible to borrow, please contact our office.

Before we can consider your request for a Federal Direct PLUS Loan, your dependent student must have filed a 2020-2021 Free Application for Federal Student Aid (FAFSA). The FAFSA can be filed online at fafsa.ed.gov. Be sure to list Willamette University (Federal School Code 003227) as one of the schools to receive the FAFSA results.

Instructions for completing the Parent PLUS Loan Request

1. **COMPLETE** the online request form at studentloans.gov.
 - The parent borrower will need to log into the website using the parent borrower's FSA ID.
 - Once logged in, click the "Request a Direct PLUS Loan" link in the middle of the page.
 - Read the information provided and click the "Parent PLUS" link at the bottom of the page.
2. **ANSWER** all questions completely. The following are extremely important to answer:
 - Loan amount requested (applications with MAX or UNKNOWN for loan amounts will not be processed)
 - Authorization to use the funds to cover all of your student's charges
 - What you would like to happen with any excess funds that might be created by the loan
3. **REMEMBER** that eligibility for a Federal Direct PLUS Loan is based on the parent borrower's creditworthiness. Once you have completed the online form, you will be notified of your credit decision.
4. **WILLAMETTE UNIVERSITY** will be notified within a few days of your Parent PLUS Loan request and credit decision. If additional information is needed, you will be contacted via email or phone. The loan will be added to your student's financial aid award within two weeks.
5. **PROCESSING** of the Parent PLUS Loan can take up to two weeks. Please keep this in mind when determining when to apply. Late fees may be added to your student's account if the loan is not processed before the semester begins. No PLUS Loan can be initiated after the term for which the loan is requested has ended.

NEW DIRECT PLUS LOAN BORROWERS: You will need to complete a Federal Direct PLUS Loan Master Promissory Note and Application (MPN).

The MPN can be completed online at www.studentloans.gov. Once logged on to the site, click on "Complete Loan Agreement" and follow the instructions.