

Auburn University Summer 2017 Graduate PLUS Loan Information and Guide



PLEASE CAREFULLY REVIEW THIS INFORMATION BEFORE YOU APPLY

What is a Direct Graduate PLUS Loan? The Direct Graduate PLUS Loan is an unsubsidized loan for students enrolled in a degree-seeking Graduate or Professional Program (Masters, PhD, Veterinary Medicine, Doctor of Pharmacy). PLUS loans help pay for education expenses up to the cost of attendance minus all other financial assistance. The interest rate for 2016-2017 loans is 6.31%. An origination fee of 4.276% is charged by the US Department of Education on each loan disbursement. A gross loan disbursement of \$5000 will net at \$4787.

Eligibility requirements for a Direct PLUS:

- You must have a 2016-2017 FAFSA on file with Auburn University, and any additional required documentation must be satisfied.
- You must be enrolled at least half time, which is a minimum of 5 credit hours.
- You must be U.S. citizen or eligible noncitizen, must not be in default on any federal education loans or owe an overpayment on a federal education grant.
- You must be maintaining Satisfactory Academic Progress (SAP). Please refer to www.auburn.edu/finaid in the "Additional Information" section to review the requirements for SAP.
- You cannot have an adverse credit history (a credit check will be performed during the application process). Please review the credit criteria at <https://studentaid.ed.gov/sa/sites/default/files/plus-adverse-credit.pdf>. A PLUS loan approval does not ensure future PLUS loan approvals, as that will be based on the information in your credit file at the time of application. If your PLUS loan is declined, based on your credit history, you will be provided some options within the application.

PLEASE SEE PAGE 3 OF THIS DOCUMENT FOR DENIAL OPTIONS.

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Application Steps:

- 1) Review the eligibility requirements from the first page of this guide. If all requirements are met, move on to step 2.
- 2) You will need your Federal Student Aid ID. www.studentaid.gov/fsaid
- 3) Go to www.studentloans.gov and log in using your FSA ID.
 - a. Once you are successfully logged in, you will select “Apply for a Direct PLUS Loan”, then “Direct PLUS Loan Application for **Graduate Students**”.
 - b. Select Award Year 2016-2017
 - c. Choose Auburn University as your intended school, then choose a loan amount (**maximum** will be the Cost of Attendance minus any other aid received such as grants, waivers, stipends, and Unsubsidized loans). After your application has been processed, if you see that your requested amount is incorrect, you may adjust your amount in the following ways: for a reduction, you may email your request to finaid7@auburn.edu; for an increase, you will follow this application process again at www.studentloans.gov. If you select “I do not know the amount. I will contact the school.”, the loan process will be delayed until **you** send an email with your requested loan amount to finaid7@auburn.edu.
 - d. The loan period for Summer is May 2017-August 2017.
 - e. Review your request and then continue to the credit check and submission. If your application is declined for credit, please refer to the eligibility requirement on page 3 of this guide for options.
- 4) If your application is approved for credit, and you do not have a PLUS Master Promissory Note (MPN) on file with Direct Loans, you will need to complete that under the parent borrower’s login at www.studentloans.gov. The PLUS MPN can be completed under “Complete Master Promissory Note” for the “Parent PLUS”.
- 5) Once your application has been submitted, please allow 48 business hours for Auburn University to receive and process your request.



PLUS Loan Denial Options:

In the event that your loan application is denied, due to adverse credit, you will be given some options within the loan application at www.studentloans.gov. Please review the information below for further clarification of the options that will be offered to you.

- **WILL NOT PURSUE APPROVAL:** If you choose “will not pursue approval of the PLUS loan”, nothing will happen with your loan.
- **APPEAL:** If you choose to appeal the credit decision, you will do so through the www.studentloans.gov site under “Document Extenuating Circumstances”. If the appeal is successful, you will be notified by Direct Loans and the school will be notified approximately one business day later.
 - If your loan is approved through appeal, you will be required to complete PLUS loan counseling prior to your loan being fully approved for disbursement.
- **ENDORSER:** If you choose to apply with a credit-worthy endorser, you will receive an email from Direct Loans with a “PLUS Loan Endorser Code” shortly after submitting your application online. You will need to have your endorser apply for a Federal Student Aid ID (www.studentaid.gov/fsaid) and use that to log into www.studentloans.gov with their information. Once logged in, they will select the option “Endorse a Direct PLUS Loan”. They will use the provided “PLUS Loan Endorser Code” where requested.
 - If your loan is approved with an endorser, you will be required to complete PLUS loan counseling prior to your loan being fully approved for disbursement.
 - A new PLUS MPN (Master Promissory Note) is required for each endorser-approved PLUS Loan.
- **UNDECIDED:** If you choose “undecided”, **nothing** will happen with your PLUS request, until our office hears from you.