

PLUS Loan Program Overview

Program Description

A Federal Direct PLUS loan is a non-need based federal loan program administered by the University of Nevada, Las Vegas. Please refer to the *Direct Loan Basics for Parents* brochure provided by the Department of Education for a more detailed explanation. The brochure is available at the following web address: www.ed.gov/offices/OSFAP/DirectLoan/pubs/parentbasics.pdf

Borrower

To borrow a PLUS loan for a student, the parent must be the student's biological or adoptive mother or father. A stepparent is also eligible to borrow a PLUS loan. A legal guardian is not considered a parent for federal student aid purposes

Eligibility Criteria

Parents and Student are:

- U.S. citizens or eligible non-U.S. citizens.
- Not in default on prior educational loans.

Parent:

- Borrows on behalf of the dependent student and is responsible for loan repayment.
- Meets federally defined creditworthiness standards.

Student is:

- Enrolled in at least 6 credits.
- Meeting Financial Aid & Scholarships satisfactory academic progress (SAP) requirements.

Eligible Annual Loan Limits

The cost of attendance minus all other financial aid (Grants, Loans, and Scholarships.) You can also refer to our online cost of attendance calculator located at the following web address:

<http://financialaid.unlv.edu/Information/Costs/coacalc.asp>

Fees

2.5% origination fee (4.0% with a 1.5% rebate if the first 12 monthly payments are made on time.)

Interest Rate

The current interest rate is 7.9%. Rates may change depending on legislation so please visit: www.ed.gov/offices/OSFAP/DirectLoan/calc.html for current rates.

Repayment Terms

Interest begins to accumulate upon the first disbursement. Repayment begins 60 days after the final disbursement during the academic year in which the loan is taken. You will repay both the principle and the interest that accumulates. The maximum repayment period is generally 25 years.

Options if Denied Based on Credit

If the applicant is denied a Federal Direct Parent PLUS Loan due to an adverse credit decision, there are three options:

1. Request a review of the credit check due to inaccurate information on the credit report by contacting the Direct Loan Origination Center at 1-800-557-7394.
2. You can obtain an endorser's signature. Your endorser must also pass a credit check. Additional information is available by contacting the Direct Loan Origination Center at 1-800-557-7394.
3. Your child may be eligible for a Federal Direct Unsubsidized Loan. You will automatically receive an application for this loan if you are denied the Parent PLUS loan. Your child is not obligated to borrow the Federal Direct Unsubsidized Loan. This is only an option. If you would like more information about this alternative you can speak to a financial aid counselor by phone or by visiting our office.

Financial Aid & Scholarships
Box 452016
4505 S. Maryland Parkway
Las Vegas, NV 89154-2016

Phone: (702) 895-3424 Fax: (702) 895-1353 E-mail: financialaid@unlv.edu

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2008-2009 FEDERAL DIRECT PARENT LOAN (PLUS) ORIGINATION WORKSHEET

Student Name _____ Student ID# _____

TO BE COMPLETED BY ONLY ONE PARENT BORROWER. Your daughter/son has been offered a Federal Direct Parent Loan (PLUS). You must be a U.S. citizen or eligible non-citizen AND a natural parent, adoptive parent or stepparent to apply. To accept this loan offer, please complete and return this form. Answer all items to avoid processing delays. The information you provide is confidential and will be used to produce a promissory note. You will receive instructions on how to complete the final step (the promissory note) approximately three weeks after submitting this form.

Parent Last Name _____ First Name _____ Middle Initial _____

Parent Borrower's Relationship to Student: Natural Parent Adoptive parent Stepparent

Parent Address: _____ Parent City/State/Zip: _____

Parent SS#: _____ Parent Date of Birth (MM/DD/YY): ____/____/____

Parent Phone Number () _____ - _____ Driver's License: Number _____ State _____

Citizenship Status: U.S. Citizen Permanent Resident/Alien I.D. Number _____

Are you currently in default on a federal education loan or owe a refund on a federal student grant? YES NO

State the TOTAL amount of PLUS loan you are requesting for FALL 2008 plus SPRING 2009 \$ _____

- Refer to your student's award notice online for maximum PLUS loan eligibility.
- The amount requested will be divided in half between the Fall and Spring semesters unless your student will be attending UNLV for only one semester in the 08/09 academic year in which case the amount awarded may be reduced.

I, the parent borrower, authorize the Secretary of the U.S. Department of Education to investigate my credit record and report information concerning my credit to the proper person and organizations.

The U.S. Department of Education has ruled the proceeds of a PLUS loan must be used to cover educational expenses incurred by the student. The University of Nevada, Las Vegas will apply the net loan disbursement to the student's institutional charges including tuition, fees, and if applicable, housing fees. A refund will be produced if the disbursement exceeds the student's institutional charges. **YOU MUST INDICATE WHO THE REFUND WILL BE SENT TO BY MARKING ONE OF THE CHOICES BELOW.**

- I authorize the University of Nevada, Las Vegas to refund excess PLUS loan proceeds **directly to the student** in a check payable to the student. This refund method occurs **within 7 days** of the PLUS loan disbursement to the student's university account. (Student Financial Services encourages you to discuss the proper disposition of the funds with your child. For example, after receiving the refund, the student could forward the funds to you, or use the funds for supplies.)
- I do not authorize the University of Nevada, Las Vegas to refund the excess PLUS loan proceeds to the student. I would like any **refund mailed to me at the address provided above**. I understand this refund method **may take up to 45 days** from the date of the PLUS loan disbursement to the student account, and may require additional documentation so the funds may be sent directly to me.

PARENT BORROWER SIGNATURE _____

DATE _____

08-09 PLUS worksheet (12/17/2007)