



2024/2025 Federal Direct PLUS Loan Authorization

Parents **MUST** complete this form and the Federal Direct PLUS Master Promissory Note online at www.studentaid.gov.

Student Information:

Student's Name: _____ Student ID: _____

Borrower (Parent) Information

REQUIRED PARENT INFORMATION (please print clearly)

Borrower's Last Name: _____ First Name: _____ MI: _____

Phone Number: _____ Social Security Number: _____

Parent's Date of Birth: _____ Are you a U.S. Citizen? ___ Yes ___ No

Permanent Address: _____

City: _____ State: _____ Zip: _____

Driver's License # _____ State: _____

Parent Email Address: _____

PLUS LOAN CERTIFICATION REQUEST

Total amount you wish to borrow (**REQUIRED**): \$ _____

Process this application for: ___ Fall/Spring **OR** ___ Fall Only ___ Spring Only ___ Summer Only

Parent Borrower Certification:

I authorize the Financial Aid Office at Minnesota West Community & Technical College to certify and submit my Federal Direct PLUS Loan application. I understand that the Minnesota West Financial Aid Office will determine my maximum PLUS loan eligibility and will submit the loan application for the lesser of my requested amount and the maximum eligibility.

I authorize the College Business Office at Minnesota West to electronically endorse and automatically apply the PLUS loan proceeds to my son/daughter's account to pay education debts he/she owes Minnesota West for the enrollment period of the loan.

If there are any remaining funds after the educational charges at Minnesota West are paid, my son/daughter will receive the overage as a direct deposit to their bank account if they have completed the direct deposit form. If no direct deposit form is on file, a check will be mailed to student. If you do not agree, place an "X" here. _____ (If checked, any overage will be mailed directly to you via paper check).

Parent Signature: _____ **Date:** _____

If a parent of a dependent student is denied the PLUS loan the student may be eligible for additional Unsub Direct Loan funds. If the student would like to borrow more, they will need to fill out another Student Loan Request Form.

For parents who are submitting this request for CREDIT DENIAL only, your signature below grants Minnesota West Community & Technical College the authorization to perform a credit check through Direct Loan for denial purposes. See Privacy Disclosure Notice (page 2).

Parent Signature: _____ **Date:** _____

***** **If you are requesting a Credit check only we CANNOT accept this form via fax** *****

Return this completed form to: Financial Aid Office, 401 West Street, PO Box 269, Jackson MN 56143 FAX: 507-847-5389

Federal Parent PLUS Loan Information Sheet

What is the Federal Parent PLUS Loan?

The Federal Parent PLUS loan enables a parent or stepparent to borrow to pay the educational expenses of a child who is a dependent undergraduate student enrolled at least half-time. Applicants are encouraged to borrow the **minimum amount** needed to cover actual costs. Eligibility is determined by subtracting the student's total financial aid and resources from the cost of attendance.

Who may borrow a Parent PLUS Loan?

To borrow a PLUS loan for a student, the parent must be the student's biological or adoptive mother or father. Both parents may take out a PLUS loan as long as the total aid package does not exceed the student's cost of attendance. A stepparent is also eligible to borrow a PLUS loan if his/her income information was reported on the FAFSA. A legal guardian is not considered a parent for financial aid purposes, and therefore cannot borrow a PLUS loan.

What if I don't pass the credit check?

If you do not pass the credit check, you will be notified in writing by the Department of Education, and they will indicate that you have the following options:

- Appeal*: If you can document extenuating circumstances related to the adverse credit information.
- Endorsement*: You may obtain someone else who does not have an adverse credit history to endorse the loan. This person would be responsible to repay the loan if you are unable to make the payments.
- Federal Unsubsidized Loan: Your undergraduate student can request additional loan funds (maximum \$4,000 for freshmen and sophomores, \$5,000 for juniors and seniors). The additional loan is available to your student only if the PLUS loan is denied due to an adverse credit check.

*PLUS Counseling must be completed at www.studentaid.gov before a PLUS loan can be received by applicants who qualify by obtaining an endorser who does not have an adverse credit history, or who document to the satisfaction of the Department that there are extenuating circumstances related to the adverse credit information.

Who receives the Federal Parent PLUS Loan funds? How will the loan be paid to my student's account?

The loan will be divided equally between the semesters that the loan covers. Minnesota West Community & Technical College will receive the funds and apply them (and any other financial aid your student is receiving) to the charges on your student's account (usually tuition, fees, living expenses). If any funds remain after your student's bill is paid, a refund will be sent to the parent or the student (depending upon the refund option selected by you on the PLUS loan application and the order in which the aid is paid to your student's account). This refund is processed by the Minnesota West Business Office. Students may receive a refund via direct deposit if they have signed up for it. Parents receive a paper check in the mail.

Repayment information

After you have accepted the PLUS loan, a "Disclosure Statement" will be sent to you by the Department of Education indicating the amount you are borrowing, the loan period and the loan fees for 2024/25. Repayment of principal & interest begins after the final loan disbursement for the academic year. Interest begins to accumulate at the time the first disbursement is made.

Interest rates are established by the Federal Government each year for loans first disbursed between July 1 and June 30. The current interest rate for Parent PLUS loans for 2024-2025 is a fixed rate of 9.08%. A 4.228% origination fee is currently charged to loans first disbursed on October 1, 2020 and before October 1, 2025. Origination fees are also subject to change on a yearly basis in October, as determined by the Federal Government.

Can I postpone payments? Yes, payments may be postponed while your student is enrolled at least half-time and for an additional six months after your student ceases to be enrolled at least half time. Please contact your loan servicer to request a deferment. For more information about interest rates, repayment plan options, and monthly payment options, visit the Department of Education Web site at www.studentaid.gov

Privacy Act Disclosure Notice

The Privacy Act of 1974 (5 U.S.C. 552A and 20 U.S.C. 1232g) 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 Direct PLUS Loan. The information on this form will be used to determine your eligibility for a Direct PLUS Loan. 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 and updated on August 14, 2008 through Public Law 110-315). 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 enquiry 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 section 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 under 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 date may be recorded accurately and is required for federal loan processing. Forms containing SSNs should be delivered in person, mailed through the U.S. Postal Service or faxed to Minnesota West at 507-847-5389.