



## FEDERAL DIRECT PLUS LOAN APPLICATION INSTRUCTIONS (GRADUATE & PARENT) 2024-2025

Parents of dependent, undergraduate students and Graduate/Professional students are eligible to apply for the Federal Direct PLUS loan. This credit-based loan can assist students and/or their families in meeting the cost of college expenses.

### Eligibility Information

A completed and valid 2024-2025 FAFSA (Free Application for Federal Student Aid) is required before completing the Federal Direct PLUS Loan. Borrowers must be U.S. Citizens or Permanent Residents and must not be in default on a federal loan. Students must be enrolled at least half-time at Concordia University Texas (CTX)

PLUS loans are restricted to the biological or adoptive parents of a dependent undergraduate student or to Graduate/Professional students. Step-parents whose information is included on the FAFSA may also apply. Grandparents, aunts, uncles & friends may not apply for the PLUS loan.

Eligibility for the Federal Direct PLUS loan is based, in part, on the credit worthiness of the borrower. If the borrower's credit is not approved they may still receive the loan if someone (such as a relative or friend who is credit-worthy) agrees to endorse the loan. The endorser promises to repay the loan if the parent fails to do so. The borrower may also appeal the credit decision to the U.S. Department of Education if he or she can demonstrate extenuating circumstances.

### Federal Direct PLUS Loan Interest Rate & Repayment Information

**Interest Rate:** The Federal Direct PLUS Loan interest rate is fixed at 8.05% for all loans disbursed from July 1, 2023 through June 30, 2024 (this rate is subject to change by the U.S. Department of Education each year on July 1st). Loans begin to accrue interest at the time of disbursement. A 4.228% origination fee is deducted from each disbursement (this rate is also subject to change by the U.S. Department of Education each year on October 1st).

**Repayment Information:** Repayment begins 60 days after all disbursements for the loan period requested have been paid. Parents also have the option to defer payments until their dependent, undergraduate student ceases to be enrolled at least half-time. To request deferment of payments, borrowers should contact the loan servicer assigned by the U.S. Department of Education.

**Please contact your Admissions Counselor/Student Central with any financial aid questions.**

Student Financial Services  
11400 Concordia University Drive  
Austin, TX 78726-4141

Student Central Phone: 1.512.313.4700  
Student Financial Services Fax: 1.512.313.1670  
Email: [financialaid@concordia.edu](mailto:financialaid@concordia.edu)

### Application Process:

Once the PLUS Loan offer has been accepted in MyInfo all PLUS Loan borrowers must complete the PLUS Application online at <https://studentaid.gov>.

#### Step 1:

- Go to <https://studentaid.gov>. The borrower will select the drop down arrow at the top of the page next to “Apply for Aid” and select “Apply for a Parent PLUS Loan” or “Apply for a Graduate PLUS Loan” (Graduate Students Only) to access the PLUS Application. On the next page, scroll down and click “Log in to Start”. The borrower will be required to log in using his/her FSA ID. If they do not have an FSA ID they will need to create one first using the “Create an Account” button after selecting “Log in to Start”.
- Complete the application process (which includes the credit check) to confirm approval or denial of the loan. The borrower will be asked to choose a loan period (Fall only, Fall/Spring, Spring only, Fall/Spring/Summer, etc.) and specify a loan amount. If “maximum amount” is selected, CTX will process the loan for the amount awarded and accepted by the student for the specified loan period on their Student Award Letter.

#### Step 2:

All PLUS applicants will be notified by the U.S. Department of Education regarding their loan application status – Approved or Denied.

### Approved Loans

- **Parent borrowers** must complete the Parent PLUS Master Promissory Note (MPN).
- **Graduate/Professional Student borrowers** must complete the Graduate PLUS Master Promissory Note (MPN) and Entrance Counseling. NOTE: Graduate/Professional students must have applied for and accepted their annual loan maximum eligibility under the Federal Direct Unsubsidized Loan before receiving a Graduate/Professional PLUS Loan.

Once CTX receives confirmation from the U.S. Department of Education of approved credit status and completed Master Promissory Note CTX will update the student’s award to reflect the approved PLUS loan and submit the final information to the U.S. Department of Education to set the loan for disbursement. Within 30 days of the first scheduled disbursement date the borrower will receive a disclosure notice from U.S. Department of Education with details regarding their loan.

## Denied Loans

Borrowers who are denied the PLUS may take one of the following actions:

- **Appeal the decision.** Contact Federal Student Aid at 1-800-557-7394 or go to <https://studentaid.gov> and select “Apply for Aid” at the top and choose “Appeal a Credit Decision”. CTX will receive updated credit information if the appeal is approved. **NOTE:** if approved, the borrower must also complete PLUS Credit Counseling before any funds are disbursed.
- **Secure an Endorser.** If the borrower elects to use an Endorser, the Endorser will need to secure their own FSA ID and go to <https://studentaid.gov>. Select “Apply for Aid” at the top and then choose “Endorse a PLUS Loan” to complete the Endorser Addendum. CTX will receive an updated credit record indicating either approval or denial of the Endorser. The parent will also be required to complete PLUS Credit Counseling if the Endorser is approved before any funds disburse.
- **Request additional Unsubsidized Loan (Parent PLUS only).** Parent borrowers may request this option by sending an email to [financialaid@concordia.edu](mailto:financialaid@concordia.edu) stating that they will not Appeal or secure an Endorser and that they want the additional Unsubsidized Federal Direct Loan added to their student’s award. The email must be submitted by the parent who applied for the PLUS and received the denial and include the students name and Banner ID. The maximum amount for an additional unsubsidized loan will vary based on the dependent undergraduate student’s classification and eligibility.