



Texas Southern University

Office of Student Financial Assistance

Ph: 713-313-7071 • Fax: 713-313-1858 • financialaid@tsu.edu • www.em.tsu.edu

Federal Direct Parent Loan (PLUS) Instructions

Description – What is the Parent PLUS Loan Program

The Federal Direct PLUS Loan allows parents to borrow federal funds on behalf of a dependent child, who is an undergraduate student. Generally, the federal definition of a parent is a biological or adoptive father, mother, or step-parent of the student.

If the parent is listed on the FAFSA, the student must accept the loan in the TSU award package and the parent must complete the on-line process at <https://studentaid.gov/>. There are multiple steps in the on-line process. The on-line process includes the application, credit check and master promissory note. The most common mistake encountered by applicants is the parent entering the student's name and social security number where the parent's information should appear.

Understanding the Credit Review Process

When you apply for a Direct PLUS Loan, the U. S. Department of Education will check your credit history. To be eligible to receive a PLUS Loan, **you must not have an adverse credit history**. If you are determined to have an adverse credit history, you may still receive a Direct PLUS Loan if you obtain an endorser who does not have an adverse credit history. An endorser is someone who agrees to repay the Direct PLUS Loan if you do not repay the loan. In some cases, you may also be able to obtain a Direct PLUS Loan if you document that there are extenuating circumstances related to your adverse credit history. The parent applying for the loan may contact the U. S. Department of Education at 1-800-557-7394 for additional information on remedying the credit denial.

Parents Not Listed on the Free Application for Federal Student Aid (FAFSA)

In addition to completing the on-line process, parents that are not listed on the FAFSA must submit a paper Federal Parent PLUS Loan application directly to the Office of Student Financial Assistance.

Availability of Funding

The Federal Direct Parent PLUS Loan may be secured up to the designated cost of attendance minus any other aid or resources awarded to the student. Parents are advised to apply, beginning June 1, 2020, to ensure funding is available for course selection or housing's financial review process.

Process – What actions must the parent and student complete?

The parent and student must

1. Have a valid FSA ID. If you have lost or forgotten your FSA ID you may visit <https://fsaid.ed.gov> and click on "Edit My FSA ID"
2. Submit the Free Application for Federal Student Aid (FAFSA) at www.fafsa.ed.gov
3. Submit any supporting documentation directly to the INCEPTIA verification gateway.
4. Accept the Federal Direct Parent Plus Loan on the MyTSU web account notifying TSU, that the parent and student wish to participate in the Federal Direct Parent PLUS Program. **This does not indicate the loan has been approved.**

Please send your documents to:

Texas Southern University
Office of Student Financial Assistance
3100 Cleburne Street
Houston, TX 77004



Texas Southern University

Office of Student Financial Assistance

Ph: 713-313-7071 • Fax: 713-313-1858 • financialaid@tsu.edu • www.em.tsu.edu

5. **The parent must log in to <https://studentaid.gov/> using parent's FSAID and password. Failure to properly log in using the parent's information will delay the process. Do not log in with the Student's Information.**
6. Complete the credit review at <https://studentaid.gov/>
 - a. Hover Over – Apply For Aid
 - b. Select – Apply for a Parent PLUS Loan
 - c. Click START
 - d. First Select an Award Year (2020-2021)
7. If the Federal PLUS Loan is approved, the applicant will be allowed to complete the Plus online process.
 - a. *Designate recipient (parent or student) of any funds in excess of allowable charges on student's TSU account.*
 - b. *Any funds in excess of the student's allowable charges at the point of disbursement will be forwarded to address entered on the Federal Plus on-line application.*
 - c. *If the Federal PLUS Loan is denied consider getting a co-signer or appealing the denial by contacting the U.S. Department of Education at 1-800-557-7394 for additional information on remedying the credit denial.*
 - d. *If loan is approved with an Endorser, Parent will have to complete the PLUS credit counseling. (Endorser will click to Endorse a PLUS Loan)*
8. Complete Master Promissory Note (MPN) online at <https://studentaid.gov/>.
 - a. Hover Over – Complete Aid Process
 - b. Click – Parent PLUS MPN
 - c. Print and retain a copy for your records.
 - d. A positive credit approval is required to use the Parent PLUS Loan as a guarantee to pay for campus housing and meal plans and is not applicable toward the housing deposit.

Disbursement - How will my funds arrive?

- The TSU Financial Aid Office will receive an electronic notification from the U.S. Department of Education requesting certification of the Parent PLUS Loan.
- TSU Office of Student Financial Assistance will certify the loan within 5 working days of receiving request.
- The Parent borrower will receive a disclosure statement from the U.S. Department of Education.
- An electronic confirmation is received from the U.S. Department of Education and the funds are posted to the student's TSU account.
- The Parent Loan will show as paid on the student's MyTSU web account under the account summary by term.
- The student has funds in excess of the outstanding allowable charges on their TSU account, the excess funds are refunded to student or parent within 14 working days to the address that is listed on the MPN.

Please send your documents to:

Texas Southern University
Office of Student Financial Assistance
3100 Cleburne Street
Houston, TX 77004

**TSU School Code
003642**