



2020-2021 Federal Direct PLUS Loan Application (Parent)

The Direct PLUS Loan is available to parents of dependent students who wish to borrow funds to assist with their child's education.

Processing Steps:

- After receiving your completed application, your information will be entered into our Banner System and forwarded to the Direct Loan processor.
- All borrowers are subject to a credit check by the U.S. Department of Education to determine credit-worthiness. The credit check determines if the borrower has an adverse credit history.
- A letter will be sent from the Direct Loan processor indicating your credit decision.
- If the loan is approved, then the parent borrower must have a **Master Promissory Note and PLUS Credit Counseling on file**
- If the loan is not approved, the student may request additional unsubsidized loan funds or the parent can secure an endorser and submit the information to the U.S. Department of Education
- The Free Application for Federal Student Aid (FAFSA) must be completed. This can be done online at: www.fafsa.ed.gov.

*Instructions for Applying:

Parent loan borrowers must fill out the attached Federal Direct PLUS Loan Application. Parents must complete the **PLUS Credit Counseling, Master Promissory Note**, and **Request a Direct Plus Loan** on the following website www.studentaid.gov before submitting the Federal Direct PLUS Loan Application to the Financial Aid Office.

Disbursement:

The PLUS loan will be disbursed to the student's account in two equal installments. If the loan period requested is spring and summer, then the first installment will be disbursed at the beginning of the spring semester and the second installment will be disbursed at the beginning of the summer semester. If the loan period is for one semester only then the first installment will be disbursed at the beginning of the semester and the second installment will be disbursed after midterm.

Otero Junior College

1802 Colorado Avenue

La Junta, CO 81050

Phone: 719-384-6834

Fax: 719-384-6933



Student's Name _____ SID# _____

Parent Borrower Information – To be completed by the Parent Borrower

- 1. SSN _____
- 2. Parent Borrower Name _____ (Last, First, Mi)
- 3. Street Address _____
- 4. City _____ State _____ Zip _____
- 5. Date of Birth _____ Phone _____
- 6. U.S. Citizenship Status (Check one) Citizen Non-Citizen Alien (Alien Registration Number) _____
- 7. Driver's License # _____ State of Driver's License _____
- 8. E-mail Address _____
- 9. Are you (parent borrower) in default on any Federal Direct PLUS or Student Loan? Yes No
- 10. Parent Borrower relationship to student _____

Loan Request Information- To be completed by the Parent Borrower

- 11. Fall/Spring 2020-2021 Spring Only 2021 Summer Only 2021
- 12. Amount Requested \$ _____

PLUS Denial Due to Adverse Credit Decision- To be completed by Parent Borrower

13. By signing below I agree that if my PLUS loan is denied by the Department of Education due to an adverse credit decision, I will not secure an endorser/cosigner allowing my child to apply for an additional unsubsidized loan.

Parent Borrower's Signature

Date



Consent to Obtain Credit Report- To be completed by the Parent Borrower

14. By signing below I consent to the U.S. Department of Education and its agents obtaining a report of my credit record and using the information from that report in determining whether to make a Direct PLUS Loan to me. I understand that I will be notified in writing of the results of the credit check with my respect to my PLUS Loan application.

Privacy Act Disclosure Notice

The Privacy Act of 1974 (5 U.S.C.552a) 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 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). Thus, this information may be disclosed to federal and state agencies, private parties such as relatives, present former employers and creditors, and contractors of the Department of Education for purposes of administration of the student financial assistance programs, 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 purpose 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 inquiry from the congressional office made at your written request.

Parent Borrower's Signature

Date

Authorization to Credit Student's Account and Release of Excess Funds

15. By signing below, I authorize Otero Junior College to disburse Federal Direct PLUS funds to the student's college account to be used for expenses related to my child's study (tuition, fees and other charges). I authorize the release of excess funds, if any, to the student.

Parent Borrower's Signature

Date

NOTE: Please notify your child's financial aid advisor if you do NOT want the excess funds, if any, credited to the student's account.

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