

2024-2025 Request for Federal Direct PLUS Loan

Frequently Asked Questions

- **What is a Direct PLUS Loan?**

Direct Parent PLUS loans are available to parents of dependent undergraduate students enrolled at least half-time (6 credit hours) in an eligible program at an eligible school. These are low-interest, unsubsidized loans available to parents to supplement their children's aid package up to the school's cost of attendance.

- **Who can apply?**

The biological or adoptive parent of a dependent undergraduate or the parent's spouse whose income and assets were reported on the Free Application for Federal Student Aid (FAFSA). Must be a U.S. Citizen or National or Permanent Resident/Other Eligible Non-Citizen

- **When should I apply?**

New applications for the Direct Parent Plus Loan may be completed after August 23rd, 2024.

- **What is the interest rate on a Direct Parent PLUS Loan?**

New loans disbursed on or after July 1, 2024 – June 30, 2025, have an interest rate of 9.08 %.
(Interest rates are updated annually and may differ from the stated amount.)

- **What is the Origination Fee?**

New loans from October 1, 2024 – September 30, 2025, will have an origination fee of 4.228 %.
(Origination Fees are updated annually and may differ from the stated amount.)

- **How much can I borrow?**

With credit check approval, parents can borrow an amount equal to the cost of attendance minus any other financial aid their student receives. This information can be found on the student's Banner Portal (my.okstate.edu).

- **What dates do I use?**

All applications are for **one academic year** at most; however, applications may be completed by trimester only and decided by the dates entered. Applications for the full academic year of 2024-2025 should be dated 08/24 through 09/25. The 2425 academic year covers three trimesters: Fall 2024, Spring 2025, and Summer 2025.

- **When do I start repaying a PLUS Loan?**

Generally, repayment must begin within **60** days after the loan is fully disbursed. There is no grace period for these loans. This means interest begins to accumulate when the first disbursement is made. Parent PLUS loans aren't automatically deferred while your child is enrolled in college and for the six-month grace period afterward. You can decide if you wish to begin repayment immediately or defer until after your child graduates or otherwise leaves school.

TO APPLY FOR A PARENT PLUS LOAN, YOU MUST COMPLETE THE FOLLOWING STEPS:

- 1) Go to www.studentaid.gov website. You **MUST** log in using the **PARENT FSA ID**. If the parent does not have one click, **create account**.
- 2) Select the **"Loans and Grants"** from the dropdown header, then click **"PLUS Loans: Grad PLUS and Parent PLUS."** Select your borrower type. **Complete the application.**
- 3) If application is approved, a **Master Promissory Note (MPN) for Parent Plus** under **"Loans and Grants"** must be completed.
- 4) Should your Parent PLUS application loan be denied, you have the option to
 - Appeal the credit decision, or
 - obtain an endorser and complete PLUS Credit Counseling and Master Promissory Note, or
 - the student may be eligible for an additional unsubsidized loan of up to \$4,000.00 per year. (Contact the financial aid office to complete an Aid Revision Form)

For assistance with the studentaid.gov website, PLUS application, MPN, credit decision appeal, loan counseling, endorser addendums, and general questions, please call **1-800-557-7394**.