

2021-2022 FEDERAL DIRECT PARENT PLUS LOAN INSTRUCTIONS

Parents of Dependent FAFSA filers are eligible to apply for a Federal Direct PLUS Loan which can be used towards his/her education at Catawba College. The Federal Direct PLUS Loan is a federally sponsored loan that is available to the parents of dependent undergraduate students. It **features a fixed interest rate of 7% and long-term repayment options**. While parents of all income levels are eligible, a credit-worthiness evaluation is required. Parents may borrow up to the cost of attendance minus any other aid received by the student annually. All Federal Direct PLUS Loans are subject to an origination fee of 4.276%, which is automatically deducted from each disbursement before crediting to the student's account. Dependent undergraduate students also must be enrolled at Catawba for at least 6 or more credit hours in any semester to be eligible.

APPLICATION PROCESS FOR A FEDERAL DIRECT PLUS LOAN AT CATAWBA COLLEGE

1. Student must have successfully submitted the 2021-2022 Free Application for Federal Student Aid (FAFSA) which is available online at www.fafsa.gov.
2. Either biological or adoptive parent of a dependent undergraduate student is eligible to apply for this loan. Step-parents can apply for this loan if they are an adoptive parent or their financial information is listed on the FAFSA.
3. The parent applying for this loan must have a valid FSA ID. Parents can apply for a FSA ID at <https://fsaid.ed.gov/>.
4. Parents must go through a credit application process online at www.studentloans.gov.
 - a. Parent must 'Log In' to the site using your personal information and FSA ID.
 - b. Once signed in, click the link that states 'Apply For a Direct PLUS Loan', then hit 'Start' by the Parent Direct PLUS Loan Application option.
 - c. On the credit application, before you submit, be certain that your name as **parent** is clearly listed on the application as the **borrower**. Also, be certain that your student's full name, date of birth, and social security number are correctly listed on your credit application. Incomplete or incorrect student information can cause delays or ultimately prohibit your PLUS loan from processing at Catawba College. Parents have the option to apply for a 'Maximum Amount' up to cost of attendance or a specific amount.
 - d. The loan year on your credit application must be specified as the 2021-2022 academic year. Loan periods are defined as the following:
 - i. Full Academic Year: August 2021 – May 2022
 - ii. Fall Only: August 2021 – December 2021
 - iii. Spring Only: January 2022 – May 2022
 - iv. Summer: May 2022 – July 2022
 - e. Successfully complete and submit all sections of the credit application, including the Default Certification section. Populate the school's information as Catawba College.
5. If your loan is approved, you must complete and submit the Parent PLUS Loan Master Promissory Note (MPN) at www.studentloans.gov. Catawba will electronically receive the results of your credit application and submitted MPN within 48 hours.
6. Print and save a copy of your credit notification and MPN for your permanent records. **Also, make a special note of your Loan Application/Reference Number.**
7. Parents who are approved for a Federal Direct PLUS Loan with an endorser or with an approved credit appeal MUST complete online PLUS Loan Entrance Counseling at www.studentloans.gov.

If your Federal Direct PLUS Loan is APPROVED and/or ENDORSED, please fill out the attached PLUS Request form and Parent Authorization form for Catawba College and send to:

Financial Aid Office
Catawba College
2300 West Innes Street
Salisbury, NC 28144
Fax: (704) 637-4252
Scan/Email: finaid@catawba.edu



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2021-2022 FEDERAL DIRECT PARENT PLUS LOAN REQUEST FORM

Student Name: _____ Student ID# _____

PARENT/BORROWER INFORMATION

Parent Name: _____
Last First Middle

Parent Date of Birth (MM/DD/YY): _____

Parent Contact Telephone: (____) ____ - _____ Parent Email Address: _____

2021-2022 Federal Direct PLUS Loan Application/Reference Number: _____
Provided upon credit approval from www.studentloans.gov

Loan Period (check only one): _____ Fall & Spring _____ Fall Only _____ Spring Only _____ Summer

SELECT ONLY 1 OF THE FOLLOWING OPTIONS:

<p>CERTIFY MAXIMUM ALLOWABLE AMOUNT UP TO COST OF ATTENDANCE</p> <p><input type="checkbox"/></p> <p>By selecting this option you acknowledge that Cost of Attendance is inclusive of tuition, housing, books, transportation, and living expenses (both billable and non-billable charges). Amount cannot exceed Cost of Attendance OR your credit approval amount (whichever is less)</p>	<p>CERTIFY A SPECIFIC LOAN AMOUNT</p> <p><input type="checkbox"/> \$ _____</p> <p>By selecting this option you authorize Catawba College to ONLY certify the amount you list above. Loan amounts can be adjusted with written authorization from the borrower. Amount cannot exceed Cost of Attendance OR your credit approval amount (whichever is less)</p>
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PARENT ACKNOWLEDGEMENT & AUTHORIZATION

I attest that all information listed above is accurate. I hereby authorize Catawba College to certify a Federal Direct PLUS Loan in my name on behalf of my student for the 2021-2022 academic year.

Parent Borrower Signature: _____ Date: _____

<u>FOR OFFICE USE ONLY</u>		
Loan Period-	PLUS Entrance Counseling - <input type="checkbox"/> Required <input type="checkbox"/> Waived	RHACOMM <input type="checkbox"/>
<input type="checkbox"/> Fall/Spring <input type="checkbox"/> Summer		Initial _____
<input type="checkbox"/> Fall Only	PLUS Loan Total- _____	Date _____
<input type="checkbox"/> Spring Only	Comments _____	



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TITLE IV FEDERAL STUDENT AID PARENTAL AUTHORIZATION FORM

All parents approved for the Direct Parent PLUS Loan, a loan included in the Title IV Federal Student Loan programs, are required to complete a Title IV Authorization Form. Your authorization form provides Catawba College instructions on how to apply excess Title IV funds to your student’s account.

Federal Regulations require Catawba College to apply Title IV funds to qualifying charges only, such as: tuition, student fees, room, and board billed by Catawba College. Other qualifying charges can include books, or other school supplies.

Any Title IV funds remaining after these qualifying charges have been paid are considered “excess Title IV funds”. You may choose to authorize Catawba College to apply excess Title IV funds to other non-qualifying charges such as: library fines, parking fines, and other various fees. To avoid any confusion regarding the payment of outstanding charges, we suggest students authorize Catawba College to apply any excess Title IV funds to all charges.

TITLE IV AUTHORIZATION

I authorize Catawba College to apply my excess Title IV funds created by my Federal Direct Parent PLUS Loan to all outstanding non-qualifying charges that are charged to my student’s account. **(Check only one.)**

- Yes**, apply my excess Parent PLUS funds to all outstanding charges, qualifying and non-qualifying.
- No**, do not apply my excess Parent PLUS funds to non-qualifying charges. I understand that my excess Parent PLUS funds will be refunded back to the student and we will be billed for any outstanding non-qualifying charges on my student’s account.

Federal Title IV financial aid funds are restricted to payment of current academic year tuition, fees, room, and board. Catawba students are not permitted to use FSA funds for prior year expenses in any amount.

Your authorization will remain in effect during the 2021-2022 academic year, and you may cancel or modify your authorization at any time.

STUDENT NAME (please print): _____ STUDENT ID# _____

PARENT NAME (please print): _____

PARENT SIGNATURE: _____ Date _____