A Parent PLUS Loan is a loan from the federal government to the parents of dependent undergraduate students. Parent PLUS loans are credit based using the provided parent's financial information to determine if the loan will be approved. Parents who are not approved for the Parent PLUS Loan may appeal the credit decision or apply with a co-signer (also called an endorser).

Who is eligible to apply for a Parent PLUS Loan?
To be eligible to apply for a Parent PLUS Loan an individual must be:
- Student’s biological or adoptive parents (regardless of if they have custody of the student or not)
- Stepparents if the stepparent’s financial information is required to be reported on the FAFSA

Who is not eligible to apply for a Parent PLUS Loan?
The following individuals are not eligible to apply for a Parent PLUS Loan
- Legal Guardians
- Non-Citizens
- Individuals who are in default on a federal student loan or owes a federal student grant overpayment
- Individuals whose property is held in a lien by the federal government or who are incarcerated
- Individuals with adverse credit history as determined by the Department of Education

How do I apply for a Parent PLUS Loan?
To apply for a Parent PLUS loan:
1. The Parent borrower must go to studentloans.gov and "Sign In" using their FSAID and password
   Note: if the student logs in using their information, the student will be the borrower and will not be eligible for the loan
2. Select “Request an Direct PLUS Loan”

3. Select “Parent PLUS”

4. Select the award year that the student will be attending

5. Enter student demographic information

6. Select if the parent wishes to defer payment of the PLUS loan while the student is in school

7. Authorize the use of loan funds for other charges

8. Select who should receive any payments if the student has a credit balance; parent or student. (see Step 18 for Direct Deposit Options)

Note: Verify the Borrower and SSN matches the Parent’s information. If not, log-out and sign back in using the parent’s information and PIN.
9. Select the school information by identifying the state and name of the school.

![Image showing school information]

Should be:

ILLINOIS
NORTHERN ILLINOIS UNIVERSITY

10. Select the “Loan Amount Requested” as either:

- “I want to borrow the maximum Direct PLUS for which I am eligible, as determined by the school”
  
  Note: Selecting this option may result in a reduction of federal work study.

- “I would like to specify a loan amount”
  
  Note: An amount must be specified or the application process may be delayed while the school requests this information from the parent.

- “I do not know the amount I want to borrow. I will contact the school”
  
  Note: if you choose this option, it is important you contact the school or the application process may be delayed while the school requests the information from the parent.

11. Select the Loan Period from the drop down list:

- Only if graduating in Fall 2015—select Fall only
- Only if graduating in Spring 2016—select Spring only
- If enrolled in both the Fall and Spring semesters, must be full year.
  
  Note: Contact the Student Financial Aid Office if unsure when you will be attending.
11. Select the citizenship of the parent borrower.

12. Acknowledge that the parent borrower is not in default on a federal student loan or owes an overpayment on an federal student grant.

13. Enter a phone number and email address for the parent borrower

14. Provide current employer information or select “I am not employed”
15. Review the student and borrower information and update if necessary.

16. Review the “IMPORTANT NOTICES” by selecting the link

17. Certify the accuracy of the information on the application and authorize the Department of Education to check the credit of the parent borrower.

Upon selecting “Continue” the results of the PLUS application will be displayed.

18. Loan funds are disbursed to the Bursar account after the add/drop period is closed. If the Federal Direct Parent PLUS disbursement generates a refund after University charges are paid, the refunded amount will go to the parent unless the parent borrower indicates on the PLUS application that they authorize any refund to be sent to the student.

If the disbursement generates a parent refund, the parent borrower has the option of signing up for direct deposit. Direct Deposit offers a timely, reliable and safe way to deliver your refund to your checking or savings account. Complete the Direct Deposit Form (pdf) and return it to the Bursar Office. For more information on refunds, please see the Bursar Office website.
Parent PLUS Loans

What happens if the Parent PLUS Loan is denied?

If the Parent PLUS Loan is denied, there are four options available:

- **Apply with an endorser**—allows the borrower to reapply with a co-signer. If after reapplying with an endorser, the borrower is still denied, or the parent decides not to pursue an endorser, the student may receive additional Unsubsidized Stafford loans up to the independent amount for the student’s grade level.

- **Appeal the credit decision**—allows the borrower to provide documentation to the Department of Education to prove extenuating circumstances that may override the initial credit decision. If after appealing the credit decision, the borrower is still denied or the parent decides not to appeal the credit decision, the student may receive additional Unsubsidized Stafford loans up to the independent amount for the student’s grade level.

- **Do not pursue the Parent PLUS Loan**—the borrower acknowledges the denial of a Parent PLUS loan. Using this option allows the student to receive additional Unsubsidized Stafford loans up to the independent amount for the student’s grade level.

- **Undecided**—NIU will offer the additional Unsubsidized Stafford loans if this option is selected. NIU will be automatically notified if an endorser or credit appeal is approved at a later date and will make adjustments to the loans as necessary.