

# GRADUATE PLUS (2020 - 2021) INSTRUCTIONS (Federal Direct Loan)

The Catholic University of America participates in the William D. Ford Federal Direct Graduate PLUS Loan Program (Direct PLUS). The Direct PLUS Loan program is a non-need based, low-interest loan available to graduate students. The student may borrow an amount up to the cost of attendance less any financial assistance. Please note that each new loan you receive requires a separate payment each month.

The PLUS interest rate is fixed at **5.30% until 6/30/2021**. Interest on the loan begins to accrue at time of disbursement. The PLUS Origination Fee is **4.228% until 9/30/2021**. The actual amount disbursed will be the gross amount minus origination fees.

Repayment begins 60 days after the full disbursement of the loan, and any changes to the loan must be executed by the University's Office of Student Financial Assistance within 14 days of disbursement of the loan. Student borrowers must be U.S. citizens or permanent residents to apply for the loan.

## Steps to Obtain a Federal Direct Graduate PLUS Loan at Catholic University

### Important Notes:

- **Do not omit any of the steps (1-4)**. Your loan will not process unless ALL steps are completed.
- See "**Timeline for Processing of the Direct Graduate PLUS Loan**" section below for details on what happens after application.
- If selected for Federal Verification, loan(s) are not processed until Verification is completed and updates are confirmed.
- Credit inquiry does expire at the credit expiration date (set by federal regulations, currently 180 days)

1. Complete the Free Application for Federal Student Aid (FAFSA) at <https://studentaid.gov/h/apply-for-aid/fafsa>. Both the student and the endorser (if applicable) must each have a **FSA ID**, which can be obtained at <https://fsaid.ed.gov/npas/index.htm>.
2. The student borrower must complete the Catholic University "**Federal Direct Loan Graduate PLUS Application**" on page 4. Return instructions are at the bottom of the application. Apply as early as possible before classes begin to ensure funds are available. **Late applications must be submitted at least 2 weeks prior to the end of the semester.**
3. The student borrower (if you are a first-time borrower of a Federal Direct Graduate PLUS Loan at Catholic University) must complete a loan "**Entrance Counseling**" session at <http://studentaid.gov>. You must complete an entrance loan counseling session so that you are aware of your rights and responsibilities as a borrower. The online session will take you about twenty minutes to complete.
4. The student borrower must complete the "**PLUS Loan Master Promissory Note**" (MPN) at [studentaid.gov](http://studentaid.gov). You will only be required to complete another promissory note for a subsequent application if you applied previously with an endorser.

## Options if your Application is denied by the Department of Education

Federal regulations require credit checks for the graduate student applicants. Students with adverse credit history, those who have accounts more than ninety days delinquent, or have filed bankruptcy in the past may be denied the Direct Graduate PLUS loan. Student borrowers will be notified (by Direct Loans) if the application is denied, the reason for the denial, and the name of the credit bureau from which the denial was obtained.

- A. Student can call Direct Loans to appeal decision. (800) 557-7394
- B. Student can add an Endorser (commonly called a co-signer) to the loan application at [studentaid.gov](http://studentaid.gov). If you experience difficulties with this process, call the Office of Student Financial Assistance at (202) 319-5307.

**Important Notes:** \* If you are approved through either appeal decision or by adding an Endorser then the borrower will be required to complete Credit Counseling at [studentaid.gov](http://studentaid.gov).

## Timeline for Processing of the Direct Graduate PLUS Loan



1. When the FAFSA and the Catholic University "Federal Direct PLUS Application" are received the PLUS loan amount is determined. The university may request additional documentation if needed. This will be communicated through the student's "To Do List" in Cardinal Station.
2. Once the PLUS loan is awarded then Catholic University will initiate a credit check that Federal Direct Loans will conduct. The entire process typically takes 5-7 business days from the date we receive the Catholic University PLUS Loan application.
3. The PLUS loan will appear as "anticipated" aid on the student's bill once the following conditions are met:
  - A) The credit approval and a valid MPN must be completed.
  - B) The student must be enrolled at least half-time in a degree-seeking program.

**Important:** *We encourage students considering the Direct Graduate PLUS Loan to complete the entire application process well in advance of the start of the academic year. Late applications are unlikely to be completed before the fall term due date. Students who find themselves applying late should plan to use other means to cover the cost of attendance while their Direct Graduate PLUS Loan application is pending.*

## Disbursement of Funds

### When Things Happen and How

- After loan approval, the Direct PLUS funds will be available for disbursement **no earlier than 10 days before the start of the term**.
- Once the funds are disbursed to the student account, the [Office of Enrollment Services](#) will refund any excess funds to the student.
- Funds are normally payable in two disbursements, one-half of the total loan amount for each semester (Fall / Spring). Make sure to check your academic plan to apply for Summer Loans.

### Other Important Notes:

- A financial aid award notice will be available in Cardinal Station indicating the total loan amount of the Direct Graduate PLUS loan awarded. The loan will not appear on the student's bill until all requirements have been met.
- If additional financial assistance or other resources are received by the student at any point during the year after the Direct Graduate PLUS application is certified, loan disbursements may be reduced or cancelled to prevent over-awards. Similarly, if tuition charges are reduced because of a change in enrollment at any point during the year, loan disbursements may be adjusted or cancelled entirely.
- Direct Deposit for refunds is available for Students.  
[Students set up Direct Deposit](#) using the "Cardinal Pay" tab in the Cardinal Station student portal.

## Doing the Math

Student's Cost of Attendance (COA) \_\_\_\_\_

Cost of Attendance will vary based on enrollment projections. See notes below regarding your COA and enrollment.\*\*

In Cardinal Station:

1. click "View Financial Aid"
2. click aid year
3. click "Financial Aid Summary"

Student's Total Financial Aid Award -- \_\_\_\_\_

COA is the number beside "Estimated Financial Aid Budget". Click the number for more detail

Follow steps 1-2 above

Maximum you may borrow \_\_\_\_\_

(Enter up to this amount on the attached form)

Loan Type	Fall			Spring			Summer			Total		
Federal Direct Graduate PLUS Loan		4.228%			4.228%			4.228%				
	Gross (Please Enter)	Loan Fee	Net	Gross (Please Enter)	Loan Fee	Net	Gross (Please Enter)	Loan Fee	Net	Gross	Loan Fee	Net

### Other Important Notes:

- Cost of Attendance for graduate programs are projected assuming half-time enrollment.\*\*
  - If you are enrolled full-time (8 or more credits), contact our office to update your cost of attendance.
- When calculating the amount you wish to borrow, please consider all expected expenses for the **entire academic year** (typically Fall and Spring).
- Graduate students may apply for a PLUS loan up to student's estimated Cost of Attendance (COA) minus all other financial aid.
- The Cost of Attendance (COA) and the student's total financial aid can be found on the student's award notice OR on the ["Costs" section of our website.](#)

**Summer Note:** Graduate students seeking to apply for a PLUS loan for the summer must complete a "Summer Financial Aid Application" Prior to the beginning of the summer term.



Office of Student Financial Assistance

# GRADUATE PLUS (2020 - 2021) APPLICATION

(Federal Direct Plus Loan)

For Catholic University to process your Direct Graduate PLUS Loan application, you must complete the following steps:

- 1) Free Application for Federal Student Aid (FAFSA). Available at <https://studentaid.gov/h/apply-for-aid/fafsa>
- 2) CUA's "Federal Direct Loan Graduate PLUS Application" (Late applications must be submitted 2 weeks prior to end of semester.)
- 3) Federal Direct PLUS Promissory Note (MPN). Available at <https://studentaid.gov>
- 4) Federal Direct PLUS Loan Entrance Counseling. Available at <https://studentaid.gov>

The Federal Direct Graduate PLUS Loan is for graduate students who have borrowed the annual maximum of \$20,500 from the Federal Direct Stafford Loan Program. Your actual Federal Stafford Loan eligibility is listed on your financial aid award notification. **You should fully utilize your Federal Direct Stafford Loan eligibility before requesting additional loan funds from the Federal Direct PLUS Loan Program.**

Graduate PLUS interest rate is 5.30% (until 6/30/2021)

*Keep in mind, Federal Unsubsidized Loan interest rate is 4.30%\**

Interest accrues upon disbursement for both the Unsubsidized Stafford and PLUS Loans. Unsubsidized Stafford Loans enter repayment after the one-time six month grace period which begins when you graduate, leave school or enroll less than half-time. PLUS Loan repayment begins within 60 days after the loan is fully disbursed. There is no grace period for the PLUS Loan, but while you are enrolled in school on at least a half-time basis, you are eligible for an in-school deferment which allows you to postpone payments on your Direct PLUS Loan until you graduate or drop below half-time status.

You may apply for a loan amount up to the unmet cost of attendance. The unmet cost of attendance is the difference between the cost of attendance and your financial aid offer.

You have the option of paying interest while you are in school, or having the interest capitalized (added to the loan principal). A loan origination fee is charged as a percentage of the principal amount of each Federal Direct Graduate PLUS Loan a student receives.

Graduate PLUS loan origination fee is 4.228% until 9/30/2021

The U.S. Department of Education deducts the fee before the loan disburses, so the loan amount received will be less than the amount originally borrowed. You will have to repay the entire amount, including the fee. The Federal Direct Graduate PLUS Loan offers the same repayment plans as the Federal Direct Student Loan Program. Information on repayment plans is available from the Direct Loan Servicing Center at <https://studentaid.gov>.

NAME: _____ Student ID #: _____ (please print) Last First M.I.	
<b>Loan Amount Requested</b> (please note that this amount may be reduced depending on eligibility)	
I request the maximum amount (Your application will be processed for the maximum amount if this question is left blank)	
I request the following amount \$ _____ .00	
<b>Loan Term</b> (CHECK ONE) ACADEMIC YEAR (half of loan in fall; half of loan in spring) FALL ONLY SPRING ONLY SUMMER ONLY	<b>Anticipated Enrollment</b> (CHECK ONE) Full Time (8+ credits) Part Time (4-7 credits) Dissertation Guidance/Comprehensive Exam Other _____ (explain)
<b>STATEMENT OF EDUCATIONAL PURPOSE:</b>	
My signature indicates that I am applying for, am eligible to receive, and accept a Federal Direct Graduate PLUS Loan in the amount requested above to be used for expenses related to attendance at Catholic University of America. I authorize the U.S. Department of Education to investigate my credit record and determine my credit worthiness for this loan. I certify that any funds received from this loan will be used for expenses related to my attendance at Catholic University, that I am eligible to receive the proceeds of this loan, and that the information provided on this form is complete and accurate to the best of my knowledge. I further certify that I am not in default on an education loan nor do I owe a refund on a federal grant.	
By signing below I authorize Catholic University of America to initiate a credit check and understand that credit check will be completed by the U.S. Department of Education.	
Borrower's Signature _____	Date _____
<small>NOTE: Signature must be handwritten. Computer fonts not acceptable.</small>	

**USE ONE OF THE FOLLOWING METHODS TO RETURN THIS FORM:**

MAIL	FAX	SCAN / EMAIL
The Catholic University of America Father O'Connell Hall, Suite M300 620 Michigan Avenue, NE Washington, DC 20064	202-319-5573	<a href="mailto:cua-faforms@cua.edu">cua-faforms@cua.edu</a>