



## PLUS Loan General Information

Dear Parent:

The Dordt University Financial Aid Office wants to help you arrange financing for your student's education. This form will provide you with the information you will need to complete the PLUS (Parent Loan for Undergraduate Students) Loan process should you choose to use these funds. It is important to remember that the PLUS Loan will be in the *parent's name*, not the *student's name*.

You will need to complete a Master Promissory Note (MPN) online at StudentAid.gov. The PLUS Loan Information Form must also be completed, signed, dated, and returned to the Financial Aid Office. Please complete both of these items as timely as possible to ensure that the funds are available when the fall semester begins. If you do not need these funds for the fall semester, but would like to have them available for the spring semester, please have everything completed by November 15.\*

After you have completed your MPN online and have returned the PLUS Loan Information Form to our office, we will certify your loan and determine disbursement dates.

If you have questions about the PLUS Loan process, please contact the Financial Aid Office at (712) 722-6087 or (800) 343-6738, option #2.

Sincerely,

Harlan Harmelink  
Director of Financial Aid

### Checklist to apply for a Federal Direct PLUS Loan

- ☐ Complete, sign, and return the PLUS Loan Information Form. This form indicates the amount that a parent wishes to borrow. It also allows Dordt University to submit the parent borrower's information to the Federal Direct Loan Servicer. Once this information has been submitted, a credit check will be conducted by the Federal Direct Loan Servicer. The parent borrower will be notified once the PLUS Loan is approved by the federal servicer. Allow seven to ten days for this approval.
- ☐ Submit an electronic PLUS Loan Master Promissory Note (MPN) online at StudentAid.gov. The electronic MPN must be submitted and approved by the Direct Loan Servicer before funds may be disbursed. The MPN is a multi-year note designed to cover the maximum loan amount a parent chooses to borrow for all years of a student's enrollment at Dordt University. The parent borrower will receive a disclosure statement each year identifying the exact amount disbursed.

\* In future years if a parent is a repeat Federal Direct PLUS Loan borrower, they will only be required to complete, sign, and return the PLUS Loan Information form to the Dordt University Financial Aid Office verifying the amount that they wish to borrow under their existing Federal Direct PLUS Loan Master Promissory Note.

# PLUS Loan General Information

## Frequently Asked Questions

### How will I know if I am eligible?

After the PLUS Loan Information Form from Dordt University is processed, you will be notified by the Direct Loan Servicer of your loan eligibility. Generally, you are eligible if:

- you filed the Free Application for Federal Student Aid (FAFSA) for this academic year
- you do not have an adverse credit history (a credit review will be completed)
- you are not in default on a federal student loan (including Federal Direct PLUS Loan)
- you meet the other eligibility requirements outlined on your loan information form

### What is a Master Promissory Note (MPN)?

A promissory note is a binding legal document that lists the conditions of your loan and the terms of repayment. Instead of completing a promissory note every year, a Master Promissory Note (MPN) is a multi-year promissory note that only has to be completed once while your student is attending Dordt University. The MPN will simplify the processing of your loan(s).

### If I already have a PLUS Master Promissory Note (MPN) on file with Dordt University, what else is required?

A signed and completed PLUS Loan Information Form must be submitted to our office as confirmation that you wish to borrow a loan for this academic year. We will send your application to the U.S. Department of Education for credit approval.

### What will the interest rate be on a Federal Direct PLUS Loan?

The interest rate on a Federal Direct PLUS Loan disbursed on or after July 1, 2024, was fixed at 9.08%. For the 2025-26 school year, the rate will be determined by the U.S. Department of Education by July 1.

### What if additional financial aid is received and I want to reduce or cancel my PLUS loan?

If your student receives additional financial aid and you wish to reduce or cancel your PLUS loan, it is important that you notify the Financial Aid Office in writing as soon as possible. You may cancel all or a portion of your loan after funds have been credited to your student's account by notifying us in writing within 30 days after the date of your loan disbursement notice. Canceling your PLUS loan will not make your student eligible for additional unsubsidized loan amounts.

If the additional financial aid received by your student results in aid that is in excess of your student's cost of attendance, our office will automatically reduce the appropriate loan fund. These loan funds will be returned to the U.S. Department of Education. The amount returned will appear as a charge on the student's monthly account statement.

### What if I want to apply for additional PLUS loan funds?

You may apply for additional PLUS loan funds by completing another PLUS Loan Information Form. The total amount of a PLUS loan may not exceed cost of attendance minus all other financial aid. You must list the additional amount you wish to borrow and indicate on the application that you are requesting additional funds. Please note that your credit history may be reviewed again to determine your eligibility.

### What if my credit is denied?

If your application is denied due to credit, you will receive notification from the Direct Loan Servicer. At that time, please contact the Dordt University Financial Aid Office at 1-800-343-6738 option #2 to discuss further possibilities.

### When will a PLUS loan disburse?

In accordance with federal loan regulations and Dordt University's disbursement schedule, the loan will be applied to your student's account once all the requirements are met. There is a loan fee of 4.228% deducted from each disbursement. If enrolled in the fall and spring semesters, one-half of the loan will be disbursed at the beginning of each semester. If enrolled in one semester only, the total amount of your loan will disburse at the beginning of the semester.

### When will repayment begin?

Repayment will begin 60 days after disbursement of the full amount borrowed for an academic year. Interest accrues as soon as the first disbursement is made. There is no grace period for this loan; the parent borrower repays both principal and interest while their student is in school. The repayment term will be 10-30 years depending upon the repayment plan selected. Parents have the option to defer payments on PLUS loans, provided the designated student is enrolled at least half-time each term (six or more credits). Parents must contact the Direct Loan Servicer after the loan is disbursed to request deferment.

### Where can I find information about who services my other federal loans?

You can find information about the servicers of your other federal loans at [studentaid.gov/manage-loans/repayment/servicers](https://studentaid.gov/manage-loans/repayment/servicers). You will need your FSA ID from the FAFSA to access this information.