**Red Flags on the portal begin to update mid-July 2016 when Federal Direct Loan processing begins.**

### Before Borrowing:

- You may calculate payments before borrowing by going to the Federal Student Aid Direct Loan website, [direct.ed.gov/calc.html](http://direct.ed.gov/calc.html).
- This loan option is only available after you have borrowed the maximum in your Unsubsidized Stafford Loan eligibility.
- The loan is for the **ENTIRE ACADEMIC YEAR (fall and spring)**. Funds are disbursed equally per semester.

### Step 1: Accept the Federal Direct Graduate PLUS Loan:

Review your Financial Aid Award on your MySanDiego portal and **accept all or a portion** of your Federal Direct Graduate PLUS Loan. The accepted amount is equally disbursed per semester. **Federal regulations require the total amount of the Federal Direct Unsubsidized Loan be accepted before any Federal Direct Graduate PLUS Loan.**

### Step 2: Complete the Graduate Entrance Loan Counseling (ELC):

**First time USD Borrowers ONLY** — If this is the first time you are applying for a Student Loan (Federal Direct Unsubsidized and Graduate PLUS) at USD as a Graduate student, you are required to complete Graduate Entrance Loan Counseling online at: [StudentLoans.gov](http://StudentLoans.gov).

Use the green **“Log in to StudentLoans.gov”** button to sign in using your Federal Student Aid (FSA) Username and Password in the Log In box and complete the necessary information. Select **Complete Counseling** and choose **Entrance Loan Counseling**.

### Step 3: Complete the Application & Credit Authorization:

This process may take up to 30 minutes. Allow time to complete the entire process in a single session. When completed, please print a copy for your records. Go to [StudentLoans.gov](http://StudentLoans.gov), log In with your information and follow the steps below:

- Select **Request Direct PLUS Loan** link in the left column.
- Select **Graduate PLUS** link and complete the following steps:
  - Borrower Information – Address, telephone number, employer information if applicable
  - Select Award Year, and School & Loan Information
  - Review Application
  - Submit information; your credit is reviewed and you are notified immediately whether you are approved or denied.

*Note:* Credit results for the fall term **automatically apply to intersession Grad PLUS applications** as long as the original credit has not expired. **It is the responsibility of the borrower to follow up with the Dept. of Education regarding credit status.**

### If the Credit Authorization is denied:

Credit authorization results expire after 180 days from the decision date. Submitting more than one application during this time will result in the **SAME outcome** and can delay the loan process.

The credit result is immediate and options are offered:

- **Appeal the credit decision.** Instructions are available online at the time result is provided. PLUS Loan Counseling is required on [StudentLoans.gov](http://StudentLoans.gov).
- **An endorser may be pursued.** Instructions are available online at the time result is provided. PLUS Loan Counseling for the borrower is required on [StudentLoans.gov](http://StudentLoans.gov).

### When an Endorser is secured:

- The USD Office of Financial Aid is notified electronically with the credit result.
- The borrower **must complete a new Master Promissory Note** for the loan to continue processing.
  
  *Note: The PLUS borrower is required to complete a new Master Promissory Note for this and each subsequent PLUS Loan with an endorser.*
- The borrower is required to complete **PLUS Loan Counseling** on [Studentloan.gov](http://Studentloan.gov).

### Step 4: Complete a New Electronic Master Promissory Note:

In the left column under **Master Promissory Note**, select **Complete MPN** to complete the following steps:

1. Enter Personal Information – Driver’s License, address, telephone number, employer, school information.
2. Two personal references with their full name, address, and telephone number. Each person **must** have a separate U.S. address that is **not** the same as the student’s.
3. Review all Terms & Conditions of the Loan.
4. Review Personal Data Entered and Sign the MPN electronically.