*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.
- More than one parent may borrower but each MUST complete their own credit authorization and Master Promissory Note.
  *Note: Requirements and Information listed at: Parents Sharing the Parent PLUS Eligibility.
- The Federal Direct Parent PLUS Loan Program provides long-term, low-interest loans for parents borrowed directly from the U.S. Department of Treasury.

**Step 1. Accept the Federal Direct Parent PLUS Loan.** The student must review the Financial Aid Award on the MySanDiego portal on the Torero Hub at the My Financial Aid Account to access the offer and accept all or a portion of the loan.

The loan is for the ENTIRE ACADEMIC YEAR. The funds are disbursed equally per semester.

**Step 2. Log on to studenloans.gov** to complete the Federal Direct Parent PLUS Loan Application and Credit Authorization. It is the borrowing parent’s responsibility to complete the requirements for the loan. The following will be required during the process:

- Parent’s Social Security Number, date of birth, and driver's license number.
- Federal Student Aid Username and Password, to complete and electronically sign the electronic Master Promissory Note (MPN).
- DO NOT LIST THE STUDENT AS THE PARENT, this is the most common error and cause for delay.
- 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.
- **Stay signed in to complete Step 3.**

**Step 3. Complete the Electronic Master Promissory Note (MPN).**

- This step is essential to the continued process of the loan.
- Be certain the Master Promissory Note is for the correct PLUS Loan type, (Parent);
- DO NOT LIST THE STUDENT AS THE PARENT, this is the most common error and cause for delay.
- The process may take an estimated 30 minutes to provide:
  a. Personal Parent Borrower information
  b. Personal References
  c. Review terms and conditions
  d. Review to be certain parent borrower information is listed in the correct section.
  e. Print a copy for own records

If the Credit Authorization is Denied:

*NOTE: The credit decision is valid for 180 days; submitting more than one credit authorization for the same borrower before the expiration date will not change the result but can delay the process.

The credit result is immediate and options are offered:

a. Appeal the credit decision. Instructions are available online at the time result is provided. PLUS Loan Counseling is required.
b. An endorser may be pursued. Instructions are available online at the time result is provided. PLUS Loan Counseling is required.
c. Selecting “Undecided”: the USD Office of Financial Aid will offer the student an additional Unsubsidized Stafford loan; the amount of which depends on remaining eligibility and grade level. The Parent PLUS Loan is cancelled.

When an Endorser is secured:

- The USD Office of Financial Aid is notified electronically with the credit result.
- The Parent Borrower must complete a new Master Promissory Note for the loan to continue processing.
  *Note: Each PLUS Loan approved with an endorser requires a new Master Promissory Note from the parent borrower.
- The Parent Borrower is required to complete PLUS Loan Counseling on studentloan.gov.