Options When the Parent PLUS Credit is Denied

This information is intended to assist PLUS borrowers navigate the U.S. Dept. of Education’s PLUS process.

PLUS borrowers receive an immediate result after completing the federal credit authorization on https://studentaid.gov/. The lender, the U.S. Dept. of Education, offers a few options to assist borrowers continue with the loan process. Each option is accessible through the https://studentaid.gov/ site MENU listed at the top right corner where the borrower selects the Customer Support option and then Sitemap to begin.

A Federal Direct Loan Borrower Representative is available for assistance by calling (800) 557-7394.

All credit results and selected options are electronically transmitted to USD’s Office of Financial Aid within 3-5 business days. The information will ONLY populate the USD Financial Aid portal if the PLUS Loan is accepted by the student on their Financial Aid portlet.

Appeal the Decision.
- The U.S. Dept. of Education provides instruction to submit documentation of extenuating circumstances.
- An approved appeal requires the borrower to complete PLUS Credit Counseling on https://studentaid.gov/.
- The appeal process is completed between the borrower and the U.S. Department of Education through https://studentaid.gov/. Only when federal requirements are met will USD receive an electronic update.
- The PLUS Loan status will remain at ORIG on the student’s Financial Aid tab while the appeal is in process.
- The PLUS borrower is required to complete a new Master Promissory Note (MPN).

Pursue an Endorser
- Endorser will require a Federal Student Aid (FSA), User ID requested through https://studentaid.gov/. The process can take 3-5 business days for the FSA ID to become available.
- The endorser requires the parent borrower’s last name and Endorser Code provided at the time credit was denied.
- The PLUS Borrower is required to complete a new Master Promissory Note (MPN) for this and each subsequent PLUS Loan approved with an endorser.
- The status of the PLUS Loan will remain at originated status on the student's Financial Aid portal while an endorser completes the process.
- The borrower is required to complete PLUS Credit Counseling on https://studentaid.gov/.

No Longer Pursue the Loan
- The borrower will have no further loan requirements to fulfill.
- USD will update the PLUS Loan status to DENY and the loan origination will no longer be active.
  - To pursue an endorser or to appeal the credit decision a new PLUS offer is required. Contact the Office of Financial Aid by email to OneStop@sandiego.edu with change information.
- Undergraduate students are offered Additional Unsubsidized Loan eligibility based on the current grade level and financial need.

Undecided
- The borrower will have no further loan requirements to fulfill.
- The PLUS Loan status on the student’s portlet will reflect DENY and the loan origination will no longer be active.
- Undergraduate students are offered Additional Unsubsidized Loan eligibility based on the current grade level and financial need.

IMPORTANT

Email the USD Office of Financial Aid at OneStop@sandiego.edu when:
- A different parent will borrow the Parent PLUS Loan as ONLY ONE parent is linked to a single loan offer.
- No longer pursuing an appeal or endorser which will allow Additional Unsubsidized Loan eligibility for student.