



2016-2017 Federal Direct PLUS Loan Application Procedures

ELIGIBILITY:

PLUS loans may be submitted once the student has received their award letter and the student is registered for the current academic semester. Students must be enrolled in an eligible program leading to a certificate or degree and be registered for at least six (6) eligible credit hours for any semester of attendance covered by the PLUS loan.

LOAN FORMS SUBMISSION CHECKLIST:

The following forms must be complete and submitted before loans may be certified by the Financial Assistance Office:

1. Copy of Direct PLUS Master Promissory Note (MPN)
2. Federal Direct Plus Loan Acceptance Form

MASTER PROMISSORY NOTE (MPN):

The loan promissory note is completed on line at www.studentloans.gov. This is your **promise to repay** the parent loan and it is a legally binding document. **Your MPN is not submitted until you receive the message "Thank you for completing your MPN."** Print **page one** of the completed promissory note. If you have questions with this process, please contact **Direct Loan Applicant Services at 800-557-7394**.

INTEREST RATE AND LOAN FEES:

Interest rates are established every June for the upcoming award year of July 1 through July 30th. The interest rate determined is fixed for the life of the loan. There is a 4.272% loan origination fee on all Direct PLUS Loans disbursed prior to October 1, 2016. A new fee will be established for loans disbursed on or after October 1, 2016. The fee is proportionately deducted from each loan disbursement.

PROCESSING:

Loans will be certified for the amount requested or for the amount of eligibility up to the cost of attendance (if less than requested). If the student is enrolled less than full-time, the cost of attendance is adjusted to reflect the actual credit hours enrolled. **Any change in enrollment status after the loan is certified by the College may require recalculation and revision of your original loan amount.**

If your application is submitted prior to the tuition due date, the student will be held in classes. If he/she decides **not to attend** ICC, they must **officially withdraw** from classes within the refund period to avoid tuition charges.

DISBURSEMENT OF FUNDS:

- Federal Loan Regulations prohibit the disbursement of loan funds for first-time borrowers until 30 days following the start of the semester.
- Loans are disbursed in two payments during the loan period. A Fall/Spring loan will have a disbursement during each semester. A one semester loan will have two disbursements during the semester; the second occurring after midterm.
- Loan funds are disbursed directly to the student account. Charges owed to the College will be paid and any excess loan funds will be disbursed to the parent. Loan refunds are issued no later than two weeks after funds are credited to the student account.

WITHDRAWING FROM CLASSES (returning money to the Federal Government)

If a recipient of financial aid withdraws or stops attend all classes during a period of enrollment, the school must calculate the amount of aid the student **earned** up through the last date of attendance. Unearned aid (including loans) must be returned to the federal financial aid programs (Title IV Programs). Federal financial aid (Title IV Programs) includes Pell grant, SEOG and Federal Stafford and PLUS loan programs. When a student withdraws before completing 60% of the semester, a calculation of return of funds will be performed to determine the amount to be returned. This is called Return to Title IV. When it is necessary to return loan funds, ICC is required to return the money to the federal government that was disbursed to the student and the student will be required to reimburse ICC for the repayment amount.



2016-2017 FEDERAL DIRECT PLUS LOAN ACCEPTANCE FORM

This form is a request for the Office of Financial Assistance to process a parent PLUS loan. You must also complete the PLUS Loan Master Promissory Note (MPN) on line with the U.S. Department of Education at www.studentloans.gov. Do not leave any items blank. All information is needed for loan certification.

Parent Name _____ Soc. Sec. # _____

Parent Address: _____ Phone # _____

Parent's Date of Birth: (mm/dd/yy) _____

Student Name: _____ Student ID# _____

Student's Anticipated Graduation Date from Illinois Central College ____/____ (month/year)

Amount Requested: \$ _____

Please indicate the semesters to be included in your loan period (check only one). All loans are disbursed in two payments during a loan period, including one semester loans. This is required by Federal Regulation.

Loan Period: **Check only ONE loan period.**

Fall/Spring Semesters Fall Semester Spring Semester Summer Semester

Parent Borrower's Signature: _____ Date: _____