How To Apply for a PARENT PLUS LOAN

General Information
If the total amount on your student’s award letter is not enough to cover the amount owed to the Menlo College Student Accounts Office (e.g. for tuition/fees and/or Room and Board), you may want to take out a Parent PLUS Loan.

This loan is available to the parents of dependent students and will require a credit check. Your PLUS loan eligibility is based on the following formula: \( \text{Budget Total} - \text{Total Awards} = \text{PLUS eligibility} \). Use the worksheet below to help you figure out your total PLUS eligibility.

When determining the balance owed to the College, the Student Accounts Office will only deduct PLUS loans that are pre-approved with a completed PLUS Loan Master Promissory Note.

Payments are due and payable starting after the second semester’s loan distribution and the current interest rate is 7.9\% for Federal Direct PLUS Loans. The Federal Direct Loan Program will withhold 4.0\% as an origination fee from the amount it releases to the school so please factor this into the amount as you determine how much you need to borrow.

If desired, you may be eligible to receive a postponement of payments to your PLUS loan.

If a PLUS Loan is Denied
If the parent is denied the PLUS loan due to a negative credit history, based on federal regulations, the school is allowed to offer an additional Unsubsidized Direct Loan to the student of up to $4,000 for freshmen and sophomores or $5,000 for juniors and seniors (per academic year). If the parent is denied due to credit reasons, Menlo College will revise the student’s award package and offer the additional Unsubsidized Direct Loan to the student.

Instructions to Apply for a PLUS Loan
- Deciding how much to borrow. A worksheet follows to help you decide on an amount.
- Any time after April 15, 2013, log in to www.studentloans.gov using your (you the parent) information and PIN. Select “Request a Direct PLUS Loan”. Once you complete the application a credit check will be completed.
- If credit approved, complete the Parent PLUS Loan Master Promissory Note (MPN) online at www.studentloans.gov.
- After you are pre-approved and have completed a PLUS Loan MPN, please complete and sign the attached Parent PLUS Direct Loan Request Form and return the request form to Menlo College, Office of Financial Aid, 1000 El Camino Real, Atherton, CA 94027-4301.
# PLUS LOAN AMOUNT WORKSHEET

*(This sheet is for your records only. Please do not turn in)*

Use this worksheet if you want to receive a loan that meets Tuition and standard Room & Board charges as well as other educational expenses (e.g. books/supplies, and miscellaneous living expenses)

| Cost of Attendance (COA) | A | First, you will need to know your **Cost of Attendance (COA)** at Menlo College, which depends on your housing status. For Line A, enter one of the following:
<table>
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<tr>
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<tr>
<td></td>
<td></td>
<td>$53,960 for Living on Campus</td>
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<tr>
<td></td>
<td></td>
<td>$54,330 for Living Off Campus</td>
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<td></td>
<td></td>
<td>$47,688 for Living with Parent or Relative</td>
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<tr>
<td>Aid</td>
<td>B</td>
<td>Total Free Aid (grants and scholarships)</td>
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<tr>
<td></td>
<td>C</td>
<td>Total Student Direct Loans (if student will be taking advantage of these guaranteed loans)</td>
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<tr>
<td></td>
<td>D</td>
<td>Federal Work-Study</td>
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<tr>
<td></td>
<td>E</td>
<td>Other Aid (DO NOT INCLUDE PLUS LOANS)</td>
</tr>
<tr>
<td></td>
<td>F</td>
<td><strong>Aid Subtotal</strong> <em>(Add Lines B, C, D, AND E)</em></td>
</tr>
<tr>
<td>LOAN AMOUNT</td>
<td>G</td>
<td><strong>COA less Aid Subtotal</strong> <em>(Line A minus Line F)</em> *<em>This is the MAXIMUM amount that you can borrow in a PLUS loan.</em></td>
</tr>
</tbody>
</table>

Remember that you need to allow for the fact that the Federal Direct Loan Program for Parents will withhold 4.0% from the amount it releases to the school.

For your records, note here: ____________________________________________________________________________

Amount Requested

________________________________________________________________________
PARENT- PLUS DIRECT LOAN REQUEST FORM  
Fall 2013-Spring 2014

Student Last Name  First  MI  Social Security Number

Borrowing Parent Last Name  First  MI  Social Security Number

PARENT BORROWER REQUEST AND AFFIRMATIONS:

- I am requesting a PLUS loan for my student’s attendance at Menlo College.

- I am aware that I must have a PLUS Loan MPN and be credit pre-approved. I completed an MPN during the following month and year:

  Month: ___________ Year: ___________

- I request the following PLUS loan amount(s) for my student’s attendance at Menlo College. I understand that per federal regulations, the Office of Financial Aid will process this amount in two equal halves, one per semester.

  $ ___________________ (annual amount)

- If the PLUS loan causes a credit balance on my son or daughter’s billing statement, I instruct the Office of Student Accounts to issue a check representing PLUS loan proceeds directly to (check one):

  ☐ My son or daughter, to be used for the student’s educational expenses (such as books, supplies, transportation, off-campus housing, or other miscellaneous expenses).

  ☐ Me, the parent, to be forwarded to my address on file with the Office of Student Accounts.

- I acknowledge the following: In compliance with federal regulations, Menlo College reserves the right to divide the amounts I request into two equal installments within an enrollment period. If my son or daughter has signed and accepted a PLUS loan for an amount stated on his/her Menlo College award letter but I have requested a LESSER amount on this loan request form, Menlo College will certify a loan for no higher than the amount stated on this loan request form. I understand that the Federal Direct Loan Program will withhold an origination fee from the amount that it releases to the school. I may receive additional loans at Menlo College in the future using the same MPN, and all debts acquired under this MPN are fully enforceable in a court of law.

My signature below constitutes my request for a PLUS loan and affirms that I understand all of the above.

Parent Signature  Date

PLEASE SUBMIT THIS FORM TO THE OFFICE OF FINANCIAL AID