PLUS Loans

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General Information

PLUS loans are federal loans that parents of dependent undergraduate students can borrow to assist in paying for educational expenses. All requests for PLUS loans must be submitted electronically through the studentloans.gov website. A credit check is performed by the U.S. Department of Education upon submission of the PLUS loan request. Credit decisions of the borrower are valid for 180 days. The U.S. Department of Education is the lender and the maximum loan amount is limited by the student’s cost of attendance, which is determined by the school minus other financial aid. Interest is charged during all periods beginning on the day the loan first disburses, but there is an option to defer payments until six months after the student ceases at least half time enrollment. The interest rate for the PLUS loan and the origination fee are subject to change each year. You may check https://studentaid.gov/interest for the most accurate interest rate and origination fee.

Student Eligibility Requirements

☐ You must complete a FAFSA.

☐ You must be enrolled at least half time (6 hours).

☐ You must meet Satisfactory Academic Progress Requirements.

☐ You must not be in default on any federal student loans.

☐ You must not have received an overpayment of any federal grant.

☐ You must meet all general eligibility requirements.

Parent Borrower Eligibility Requirements

☐ As the borrower, you must be the biological or adoptive parent.

☐ As the borrower, you can qualify by being the spouse of the parent as long as your income and assets were reported on the Free Application for Federal Student Aid (FAFSA).
As the borrower, you must not be in default on any federal student loans.
As the borrower, you must not have received an overpayment of any federal grant.

As the borrower, you must meet general eligibility requirements.

As the borrower, you must not have adverse credit.

How to Apply

1. To complete a Direct PLUS Request, you must have a FSA ID login to studentloans.gov. If you do not have one, you may create an FSA ID by visiting https://fsaid.ed.gov.
2. After you have a valid FSA ID, login to studentloans.gov.
3. Select the option to Apply for a Direct PLUS Loan.

4. Select the type of Direct PLUS Loan Request you would like to preview or complete.

5. Complete steps 1-4 of the Direct PLUS Request. After you have submitted your application, you will receive a response if you were approved or denied.

Note: The credit decision could take up to 48 hours before the school receives it and an additional three business days before it is available for use. During peak times, July and August, the review of the PLUS loan may take longer to be processed due to larger volume.
After the Credit Decision

There are only three credit decision responses that will be provided: approved, denied, or pending.

An approved credit decision means that the loan has met the minimum requirements with the credit check, but now the school has to confirm the eligibility of the student and borrower. The borrower should complete the Master Promissory Note on studentloans.gov. If the borrower is a graduate or professional student and has never borrowed loans before, graduate entrance counseling must also be completed on studentloans.gov.

A denied credit decision means that the minimum requirements with the credit check have not been met but the borrower does have options. Parent PLUS applicants who have been denied have three options: appeal the decision, obtain an endorser, or do nothing to allow the student to receive additional unsubsidized loan funds.

A pending credit decision means that no decision could be made because there is a problem with the borrower identifiable information within the application process. For these credit decisions, the borrower should contact Applicant Services at 1-800-557-7394 for further information.

After the credit decision is made, the loan request is sent to the financial aid office for review. After we receive the loan request, a message will display on the student’s Self Service Carolina account that our office has received the PLUS application.
Appealing the Credit Decision

If you have received an adverse credit decision, you may still be eligible to receive a PLUS Loan. To do so, you must document to the U.S. Department of Education that the information that resulted in the adverse credit decision is incorrect, or that there are extenuating circumstances.

The borrower must also complete **PLUS Credit Counseling**, an additional counseling that provides valuable information about responsible borrowing. This counseling is available on studentloans.gov under the PLUS Loan Process.

After you submit your request to document extenuating circumstances, Applicant Services will contact you. The determination could be provided within 7-10 business days. Once the credit decision has been overturned and approved, the school will be sent the information for review.

For any questions concerning how to appeal, contact Applicant Services at 1-800-557-7394.

*Note: The credit decision could take up to 48 hours before the school receives it and an additional three business days before it is available for use. During peak times, July and August, the review of the PLUS loan may take longer to be processed due to larger volume.*
A PLUS Loan borrower can still obtain a PLUS loan with an adverse credit history if an endorser is obtained. The endorser cannot not have adverse credit history. The endorser is responsible for repaying the loan if the borrower does not and is subject to the same penalties as the borrower. For an endorser to cosign the loan, they must sign an endorser addendum electronically via studentloans.gov. The borrower will need to complete the PLUS counseling on studentloans.gov.

### Obtaining an Endorser

The endorser will need the following:
- FSA ID
- Borrower’s Last Name and either the Endorser Code or the Award ID
- Personal and Employer Information
- School Name
- Reference Information for two people with different U.S. addresses who you have known for at least 3 years. (The Direct PLUS borrower or the dependent undergraduate student cannot be used as a reference).

Once the endorser is approved, the information will be sent to the school for review.

*Note: The credit decision could take up to 48 hours before the school receives it and an additional three business days before it is available for use. During peak times, July and August, the review of the PLUS loan may take longer to be processed due to larger volume.*
Additional Unsubsidized Loans

Parent borrowers who do not wish to appeal or obtain an endorser have the option of choosing to do nothing and allowing the dependent undergraduate student to receive additional unsubsidized loan funds. The school will automatically process these funds as long as you did not choose to appeal or seek an endorser. If you did choose to appeal or seek an endorser, you can opt out of the choice by completing the Clarification of Intent to Pursue Parent PLUS Loan Form. This form is available on the financial aid office’s website www.sc.edu/financialaid under the Forms section.

Disbursement of Funds

After university charges have been paid, the Parent PLUS funds will be disbursed to the parent borrower or to the student, depending on the applicant’s response on the PLUS application request. For updates to the loan, contact the financial aid office.
Contact Us

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