

What is a PLUS Loan? (Parent Loan for Undergraduate Students)



What is a PLUS Loan?

A Federal Direct PLUS Loan is a federal education loan for the parent of an undergraduate student. The U.S. Department of Education is the lender and the parent is the borrower. The funds are used to help pay for the college costs of the student.

How much can a parent borrow?

The amount a parent is eligible to borrow depends upon the amount of other federal, state, institutional and private funds the student receives. The maximum amount a parent could borrow would be the total federal cost of attendance.

How does a parent apply for a PLUS Loan?

Step 1: The student must apply for and be admitted to UCA.

Step 2: The student must complete the Free Application for Federal Student Aid (FAFSA).

Step 3: The Financial Aid Office will notify the student of any additional paperwork or information needed.

Step 4: Once the student's file is complete, the Financial Aid Office will determine eligibility for all federal aid for which the student is eligible to receive. Eligibility for federal grants will always be determined prior to determining the amount of loans the student is eligible to receive.

Step 5: The student then determines the type and amount of aid the student wants to accept based on the aid notification on their myUCA account. A student never has to accept a loan offered to them.

Step 6: If the student and parent determine the amount of aid the student is eligible to receive is not sufficient to meet their needs, the Parent may want to consider applying for a PLUS loan.

The biological or adoptive parent or a step-parent, if their information is listed on the FAFSA are eligible to apply for a PLUS loan for the student. To apply, the parent will log into studentaid.ed.gov and will click on the Parent tab and then select Apply for a Parent PLUS loan.

Once submitted, the parent will be notified immediately if the loan is approved or denied.

Step 7: The U.S. Department of Education will notify UCA of the status of the PLUS loan application usually within two days.

Step 8: If approved and the student remains eligible, the PLUS loan funds will be applied to the student's charges or will be disbursed as excess aid, according to the schedule outlined by the Student Accounts Office.

Please contact the Office of Student Financial Aid for any question regarding the PLUS Loan program.