



Boston University Financial Assistance

**SUMMER 2024
DIRECT PLUS LOAN FACT SHEET
FOR GRADUATE STUDENTS**

The Graduate Federal Direct PLUS is a federal credit-based loan, which is available to assist students with the costs of higher education. The student borrower must pass the PLUS loan credit check review and cannot have an adverse credit history. The student borrower must be a citizen or permanent resident of the United States. The student must be enrolled for at least 6 credit hours in a degree-granting program. The credit hours must be accepted towards the degree program. Repeat classes cannot count towards the credit hour requirement. An enrolled student must be making satisfactory academic progress and have no outstanding balance due from a prior period of enrollment at Boston University.

During the 2023/2024 academic year, the interest rate was established at 8.05%, fixed for the life of the loan. The specific interest rate that a borrower is charged will be included in a disclosure statement that is sent out after the first disbursement of the loan. Interest begins to accrue on the date of the first loan disbursement.

Repayment for the Graduate Federal PLUS loan begins 60 days after you have received the last installment of the loan. However, as long as you are enrolled at least half-time (6 credits), you will be granted a deferment that allows you to postpone payments while you are continuing your education. Your account will be placed in an in-school deferment status. There is no grace period for the PLUS loan, so you will be expected to begin repayment as soon as your deferment ends. Your Loan Servicer will notify the student of the payment start date between 30-60 days before the deferment period ends.

Students may annually borrow a Direct PLUS up to the cost of the student's education less any financial aid the student is receiving. However, students are strongly urged to borrow no more than they are able to repay. A loan fee of 4.228% will be deducted from the loan prior to disbursement.

Loan eligibility cannot be determined until the student is registered for the Summer Session(s). It is important that your loan request be submitted as soon as possible after your registration is finalized. Your application will take approximately seven to ten business days to review.

How Do I Apply?

- 1) Complete the Free Application for Federal Student Aid (FAFSA) online at studentaid.gov/, if you have not already done so.
 - Submit the 2024/2025 FAFSA if you are a NEW student, a student who received federal student aid during Summer Term 2023, or a student who is enrolling in classes that begin on or after 07/01/24.
 - Your 2023/2024 FAFSA information may be utilized if you are a current student, received federal aid for the 2023/2024 academic year and wish to apply for a summer loan.
- 2) Complete the Summer 2024 PLUS Request Form. This form authorizes the U.S. Department of Education to perform a credit review.
- 3) Special loan counseling is required for any student who has an adverse credit history but qualifies for the Graduate PLUS loan through the reconsideration process or by obtaining an endorser for the loan. The loan counseling requirement must be completed online at studentaid.gov/.

The student will be notified by the Department of Education if the student needs to complete special loan counseling.

- 4) Prior borrowers who completed a PLUS promissory note for the 2023/2024 academic year are not required to complete a new PLUS promissory, unless an endorser was required to secure that loan. First time borrowers and all other borrowers are required to complete a new PLUS promissory note.

To complete the PLUS promissory note, the borrower does so online at studentaid.gov/. The borrower will be required to use their FSA ID to complete the online promissory note. If the borrower does not have an FSA ID, the borrower can create one when logging in to studentaid.gov/. Boston University will be notified within 3-5 business days that you have completed your promissory note online. Failure to complete the promissory note at least two weeks before the end of the summer loan period may result in cancellation of the loan.

- 5) All first time borrowers must complete entrance counseling for the Graduate Federal Direct PLUS loan. The requirement may be completed online at studentaid.gov/. Entrance counseling must be completed before loan eligibility can be finalized and before funds can be disbursed to Boston University.

In order to receive loan funds, all above requirements, including a positive credit check review, must be successfully processed and approved before the student's last day of the summer enrollment period. Please note the PLUS loan cannot be processed if you have a credit freeze with a credit bureau.

NEW Boston University is implementing a new Student Information System in Summer 2024. Due to this system implementation, some PLUS applicants may be required to submit a secondary PLUS application through the Federal Student Aid website: <https://studentaid.gov/plus-app/>. If you are required to submit the Secondary Application, you will receive an email from ofaloans@bu.edu with instructions.

