

Financial Aid



Federal Direct Graduate PLUS Loan

These loan funds are made available by the U.S. Department of Education to students studying at the graduate, doctoral or professional levels, and are meant to assist students with covering their remaining charges after applying the Federal Direct Unsubsidized Loan. The University of Dayton's Office of Financial Aid will determine the student's eligibility for this loan.

Direct Graduate PLUS Loan Eligibility

To be eligible to apply for a Graduate PLUS Loan, all of the following criteria must be met:

- Be in a degree seeking program and enrolled at least half-time (3 credit hours for graduate students and 6 credit hours for law students).
- Not have an adverse credit history (credit check will be performed). If the borrower (student) does not pass the credit check, he/she may still receive a loan if someone (such as a relative or friend who is able to pass the credit check) agrees to endorse the loan. The endorser promises to repay the loan if the student fails to do so.
- Be a U.S. citizen or eligible noncitizen, must not be in default on any federal education loans, or owe an overpayment on a federal education grant, and must meet other general eligibility requirements for the federal student aid programs.
- Have FAFSA results sent to the University of Dayton. For most programs, summer term is used as a 'trailer' to the academic year so uses the current aid year FAFSA results. For MBA@Dayton students, the summer term (beginning in July) is a 'header' term.

Master Promissory Note

The U.S. Department of Education must have a valid Master Promissory Note (MPN) on file in order to disburse the loan funds to the university. The MPN is a legal document in which the borrower promises to repay the loan and any accrued interest and fees to the U.S. Department of Education. It also explains the terms and conditions of the loan. In most cases, the MPN can be used to disburse approved loans during the student's entire graduate enrollment, although the borrower must complete a Loan Request for each school year.

Loan Limits

The maximum PLUS loan amount a student can borrow is the cost of attendance (determined by the school) minus any other financial assistance received. There is no aggregate limit of borrowing for the PLUS loan.

Interest Rate

PLUS Loans have a fixed interest rate. Interest is charged from the date of the first disbursement until the loan is paid in full. Find current rates at studentaid.gov.

Origination Fee

The U.S. Department of Education will retain an origination fee on the loan disbursement, which is a percentage of the principal loan amount. Therefore, be sure to account for this when determining the amount to borrow. Find current fees at studentaid.gov.

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Disbursement

The U.S. Department of Education will send the loan funds directly to the University of Dayton. Loans approved for the academic year will be disbursed in two equal amounts at the beginning of each semester following federal regulations*. The school will use the loan funds first to pay the student's tuition, fees, and other school charges. If any loan funds remain, the student will receive the amount as a check or other means. Any remaining loan funds must be used for the student's education expenses.

*For MBA@Dayton students, loans approved for the academic year will be disbursed evenly over the number of terms they are expected to attend for the aid year, or based on actual enrollment.

Repayment

Students that receive a Direct PLUS Loan as a graduate or professional student are not required to make any payments while enrolled in school at least half-time, and for an additional six months after the student graduates, leaves school, or drops below half-time enrollment. During any period when the student is not required to make payments, interest will accrue on the loan. Students may choose to pay the accrued interest or allow the interest to be capitalized (added to the loan principal balance) when they have to start making payments. The federal loan servicer will notify the student when first payment is due.

More detailed Federal Direct PLUS Loan information can be found at studentaid.gov.

Loan Timeline

A PLUS loan request should not be completed for the upcoming academic year until mid-May. If you plan to use the loan for the full academic year (fall and spring terms), we encourage you to apply for the full year amount (August – May) upon initial request. Adjustments can always be made during the loan period if needed. Be sure to select the correct **'award year'** when completing the request.

*If an MBA@Dayton student plans to be enrolled for the full academic year (summer, fall, winter, spring terms), they are encouraged to apply for the full year amount (July-June) upon initial request.

Applying for Your Loan

The financial aid office will notify students of their financial aid eligibility once their files are complete. The student will receive an email directing them to view the information via the student portal 'Porches'. In order for the financial aid office to be able to certify the loan, the student must be registered for the initial term of the loan period.

Steps to apply for the loan:

1. Student should review the financial aid award and decide how much of the Graduate PLUS Loan eligibility he/she will need to cover all charges/expenses.
2. Student will sign in to the U.S. Department of Education's student loan website using his/her Federal Student Aid ID (studentaid.gov).
3. Once logged in, you may be asked to review your account information and accept terms.
4. At the top of the page, select **'Apply for Aid,'** then select **'Apply for a Graduate PLUS Loan.'**
5. Select **'Start'** under 'Apply for a PLUS Loan.
6. Select the correct aid year and complete each section accurately, then submit the request.
7. If approved, the student will need to complete the **'Master Promissory Note'** (MPN) and the **'Entrance Counseling'** (only if student is a first time borrower or requires the use of an endorser) before funds can be disbursed to the student's account.
8. If denied, the student can choose to appeal the decision or seek an endorser. Those options are handled on the studentaid.gov site.