

STAFFORD, PLUS, GRADUATE PLUS, and ALTERNATIVE LOANS QUESTIONS AND ANSWERS

Q: When can I begin the loan application process?

A: You can begin to apply or claim your loan on June 15 of each year.

Q: I borrowed in a prior year. How do I know who my lender is?

A: To find out who you have previously borrowed from, visit www.nsls.ed.gov. You will need your federal P.I.N. to access this site. NSLDS also contains your complete loan history. You can also contact the SFS office.

Q: How do I check on the status of my loan?

A: You can go online to the Student Portal and check your financial aid and loan history. Your lender may have online access to check your status. You can also go online to www.elmresources.com and click on "Student Loan Borrowers" to check your status.

Q: When will I receive my loan disbursements?

A: Disbursements are generally received during the third week of each semester or quad. If you borrow during the semester, disbursements will be scheduled accordingly. Federal Loan disbursements are received on Wednesdays and Alternative Loan disbursements are received on Thursdays.

Q: Is it best to stay with one lender?

A: Yes, by borrowing from a single lender you will simplify your loan repayment experience. You will contact only one lender for one monthly payment or deferment/forbearance requests.

Q: What if I borrowed previously from the Federal Direct Loan program, can I continue borrowing a Direct Loan?

A: Point Loma Nazarene University does not participate in the Federal Direct Loan program. At PLNU you will borrow from the Federal Family Education Loan Program (FFEL), so you will have two lenders (one for your Direct loan and one for your FFEL loan). You will have to choose a lender in and fill out a new Master Promissory Note in order to borrow a Federal Stafford Loan. An available option is to consolidate all FFEL and Direct loans into one loan when you have completed your borrowing.

Q: I borrowed a Stafford loan previously while enrolled at another school and would like to stay with the same lender. What do I do?

A: You will have to complete a Supplemental Loan Request Form and indicate your prior lender and amount you would like to borrow.

Q: Should I apply with more than one lender for a loan?

A: No, you should apply with only one lender. The school may only certify a request with one lender. Please research carefully; each lender has different borrower repayment incentives, to see which lender will meet your needs. For Alternative loans, if you apply with more than one lender, your credit will always be checked, which will affect your credit score.

Q: I was denied a Parent PLUS based on my credit review. Now what?

A: If you have been denied a Parent PLUS loan, your options are:

- Submit a request for a “second review” with your lender.
- If still denied after the second review, your dependent student could be eligible to borrow limited additional funds under the Federal Unsubsidized Stafford Loan program. Submit your denial letter from the lender and a Supplemental Loan Request Form (available on PLNU’s Financial Aid website to Student Financial Services. A revised award letter will be sent.
- You have an alternative to use an endorser/co-borrower. Ask your lender about this option.
- Or you may reapply with a different lender, but remember that every time there is a credit inquiry it will be recorded in your credit report.

Q: I was denied a Graduate PLUS based on my credit review. Now what?

A: If you have been denied a Graduate PLUS loan your options are:

- Submit a request for a “second review” with your lender.
- You have an alternative to use an endorser/co-borrower. Ask your lender about this option.
- Or you may reapply with a different lender. But remember that every time there is a credit inquiry it will be recorded in your credit report.

Q: How do I know my loan amount?

A: For Stafford borrowers, refer to your PLNU Online Award Letter, which can be accessed through the PLNU Student Portal for your maximum Stafford Loan eligibility. Apply for the full amount needed for the entire academic year (funds are disbursed equally per semester or quad).

For PLUS and Alternative borrowers, please contact the Student Financial Services Office to speak to an SFS Advisor to help determine how much you need to borrow. It is advisable to apply for the full amount needed for the entire academic year.

Q: Why should I apply for the full year?

A: For Stafford borrowers, if enrolled in both fall and spring semesters or two consecutive semesters for Regional Center students, the amount requested is split equally between semesters or quads. If enrolled in one semester only, the entire amount is disbursed in that one term.

Although it is advisable to apply for the full amount needed for the entire academic year, PLUS and Alternative loan borrowers may apply for a semester loan. Eligibility is determined by one semester costs and resources instead of the full academic year.

Q: Why should I electronically sign my Master Promissory Note (MPN)?

A: It is a safe process that is faster and more efficient than the paper process. However you have the option to print and sign your MPN and return it by regular mail. Please remember you must have your Federal P.I.N. number to electronic sign your application. Some lenders may have alternative ways to electronically sign.

Q: I don’t want to borrow as much as the amount on my PLNU online award letter. What should I do?

A: For Stafford Loan new borrowers, before you apply on-line, please complete a Loan Adjustment Form and indicate the lower amount.

For Stafford Loan Prior borrowers, when you claim your loan, you will have an opportunity to lower your amount.

Q: I want to apply for a Parent PLUS, but I don't want to submit a FAFSA. What is the process?

A: A FAFSA is not required to apply for a Parent PLUS. The same process is followed by all Parent PLUS borrowers. In addition, your student for whom you are borrowing must complete the PLNU Application for Financial Assistance. The form is accessible by online on PLNU's Financial Aid website.

Q: I want to apply for a Graduate PLUS, but I don't want to submit a FAFSA. What is the process?

A: You must complete a FAFSA! Also, you are not eligible for a Graduate PLUS until you borrow your complete Stafford eligibility for the academic year.

Q: I borrowed a lesser amount and I would like more Stafford or PLUS money, what do I do?

A: You must complete a Supplemental Loan Request Form and request the additional amount. The form is available online or in the SFS Office. You can use this form to apply for a PLUS loan, but you should go through the normal process because a credit check must be completed.

Q: I applied for or requested too much money, how do I return the funds?

A: You should complete a Loan Adjustment Form to request the amount you want to return. The form is available online or in the SFS Office.

Q: What is consolidation?

A: Consolidation is an option to combine multiple loans into a single monthly payment with a fixed interest rate. You may consolidate with one of your Federal Stafford lender or with a different lender. It is not right for everyone. If you are considering consolidating your loans, we recommend you check out EDFUND's consolidation website at www.edfund.org/students/managing/loan_consolidation.html for guidance.