

University of Missouri Columbia
Ford Federal Direct Grad PLUS (Grad PLUS)

2009-2010 Information and Application

Ford Federal Direct Grad PLUS (Grad PLUS) are loans from the U.S. Department of Education (ED) which provide additional funds for educational expenses not met by other types of aid. They enable a graduate/professional student to borrow up to the cost of education minus other aid.

To be eligible to receive a Grad PLUS loan the borrower must:

1. be accepted for enrollment in a degree seeking program,
2. be registered at least half-time, according to their degree program, in courses counting toward a graduate/professional degree,
3. file a 2009-2010 Free Application for Federal Aid (FAFSA),
4. not be in default on any type of student loan,
5. not owe a repayment on a student grant, and
6. pass a credit check by the U.S. Department of Education (ED).

To apply for your first Grad PLUS for 2009-10, complete the attached application and return it to the Student Financial Aid Office. Subsequent Grad PLUS requests for 2009-10 can be made by completing another application.

Graduate/professional students borrowing their first Grad PLUS will be required to sign a Master Promissory Note (MPN). Subsequent loans will not require a new MPN. After federal approval, the borrower may complete an MPN online using their federal PIN at www.dlenote.ed.gov. If preferred, a paper MPN will be mailed to the borrower to sign. The borrower must request a paper MPN by calling the Student Financial Aid Office at 1-573-882-7506 or if in MO, IL or KS 1-800-225-6075.

After the borrower has satisfied all eligibility requirements, loan money will normally be paid to the borrower's University account in two installments. For specific anticipated payment dates the borrower should refer to the Disclosure Statement they will receive from ED. At disbursement ED calculates a 4% processing fee but only deducts 2.5% from the disbursement amount. If the borrower does not remain current during repayment, the other 1.5% will be charged back to the loan balance.

The interest rate on the Grad PLUS is 7.9%. Repayment begins within 60 days of the final loan disbursement. Principal and interest payments may be deferred if the borrower meets deferment requirements. In-school deferments are available for borrowers enrolled at least half-time in a degree seeking program. To learn more about available deferments and how to apply for deferment status, please contact ED's servicer at (800)848-0979.

