

Federal Direct Parent PLUS Loan Credit Balances FAQ

What is a Federal Direct Parent PLUS Loan credit balance refund?

Under federal regulation, a credit balance on a student's Federal Direct Parent PLUS Loan is refunded to the parent borrower. The refund is typically processed within 10 business days of the end of the academic year. The refund amount is the amount of the credit balance, less any outstanding fees or charges. The refund is sent to the parent borrower's bank account on file with the lender.