

PARENT'S GUIDE TO IMPORTANT FINANCIAL AID INFORMATION

Frequently Asked Questions & Answers
for Parents of College Students



Welcome to Red Rocks Community College and the Financial Aid Office.

We hope that your students' experiences here are some of the most memorable and rewarding of their lifetime.

You are probably concerned about how you and your student will finance his or her education while he or she is at RRCC. We are very aware that applying for financial aid for the first time can be daunting and frustrating and we are here to help! This brochure has been developed to assist parents and students with the most frequently asked questions about the FAFSA and the financial aid process.



The Basics

Q. What is the FAFSA (Free Application for Federal Student Aid) and why should it be completed by my student?

- A. The FAFSA is the very first step toward receiving federal aid for college. It gives students access to the largest source of financial aid to pay for college or career school. Many states and colleges use your student's FAFSA to determine their eligibility for state and institutional aid. In addition, some private financial aid and scholarship providers use FAFSA information to determine whether or not your student qualifies for their aid.

Q. Is it the student or the parent who is actually the applicant for financial aid?

- A. The student is the applicant who is applying for aid and the parent is merely providing supplemental information on the application. The student AND the parent should work on the FAFSA together, with the student supplying the initial information (name, address, social security number, date of birth, etc). Both the student and one parent should apply for a PIN (personal identification number) so that both can sign the application and make any required changes or additions.

Q. Which FAFSA does my student complete?

- A. At certain times during the year, there are two different FAFSAs which are available online for students to submit. The correct FAFSA to submit depends on when the student plans to attend college. In order to receive aid for Fall of 2015, Spring of 2016, or Summer of 2016, students would submit the 2015-2016 FAFSA, which collects 2014 income tax information.

Q. If I already have a PIN (personal identification number) for my own FAFSA or for my other children who are in college, do I need to get another one?

- A. No, if you already have a PIN number, you may use that one for your own FAFSA or that of your other children.

Dependent versus Independent Students

Q. What is the difference between a dependent and an independent student for the FAFSA?

- A. Your student's dependency status criteria are determined by federal regulation. A student cannot just declare that he/she is an independent student simply because they are living or plan to live on their own. Your student's answers to questions on the FAFSA determine whether they are dependent or independent.

Q. What are the questions on the FAFSA that make the determination of dependency or independency?

- A. These are the questions that the student will be required to answer on the FAFSA.
- Were you born before January 1, 1992?
 - As of today are you married? (Also answer "Yes" if you are separated but not divorced).
 - At the beginning of the 2015-2016 school year, will you be working on a master's or doctorate degree (such as an MA, MBA, MD, JD, PhD, EdD, or graduate certificate, etc)?
 - Are you currently serving on active duty in the U.S. Armed Forces for purposes other than training?
 - Are you a veteran of the U.S. Armed Forces?
 - Do you now have or will you have children who will receive more than half of their support from you between July 1, 2015 and June 30, 2016?
 - Do you have dependents (other than your children or spouse) who live with you and who receive more than half of their support from you, now and through June 30, 2016?
 - At any time since you turned 13, were both parents deceased, were you in foster care, or were you a dependent or ward of the court?
 - As determined by a court in your state of legal residence, are you or were you an emancipated minor?
 - As determined by a court in your state of legal residence, are you or were you in legal guardianship?
 - At any time on or after July 1, 2014, did your high school or school district homeless liaison determine that you were unaccompanied youth who was homeless or were self-supporting and at risk of being homeless?

- At any time on or after July 1, 2014, did the director of an emergency shelter or transitional housing program funded by the U.S. Department of Housing and Urban Development determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless?
- At any time on or after July 1, 2013, did the director of a runaway or homeless youth basic center or transitional living program determine that you were an unaccompanied youth who was homeless or were self-supporting and at risk of being homeless?

If your student must answer NO to all of the above questions, then parental information will be required on the FAFSA. Your student is then considered a “dependent” student for financial aid purposes, even if they are completely supporting themselves.

Q. I no longer claim my student as a dependent on my federal taxes. Does this make any difference or must my student still provide my information on their FAFSA?

- A. Whether or not you claim your student on your taxes makes no difference; they are still considered a dependent student for the FAFSA. Your student must still provide your information on the FAFSA unless they can answer YES to any of the dependency questions asked on the FAFSA

Parent Definitions

Q. Who counts as a parent on the FAFSA?

- A. In most cases, it’s clear who the parents are, but not always. Hopefully the paragraphs below will help your student report the correct information on the FAFSA:
- Legal parents married to each other: If the student’s legal parents (biological and/or adoptive parents) are married to each other, the student answers questions about both of them, regardless of whether they are of the same or opposite sex.
 - Married parents of the same sex: Students whose parents are of the same sex who were legally married in a state or other jurisdiction (foreign country) answer the questions on the FAFSA for both parents. The questions will refer to “Parent 1” and “Parent 2” effective with the 2015-2016 FAFSA. Refer to the following website for additional information: <http://studentaid.ed.gov/sites/default/files/reporting-same-sex-marriage-on-fafsa.pdf>.

Parent Definitions (cont.)

- Divorced or separated parents who do not live together: If the student's parents are divorced or separated and don't live together, the student answers the questions about the parent with whom they lived more during the previous 12 months. If the student lived the same amount of time with each divorced or separated parent, they should give answers about the parent who provided more financial support during the past 12 months or during the most recent 12 months that they actually received support from a parent.
- Divorced or separated parents who still live together: If the student's divorced parents still live together, they indicate that their parent's marital status is "unmarried and both parents living together" and then they answer the questions about both of them on the FAFSA. If the student's separated parents still live together, they indicate that their parent's marital status is "married or remarried" (NOT "divorced or separated") and then the student answers questions about both of them on the FAFSA.
- Adoptive parents: An adoptive parent is treated just like a biological parent and the student answers the questions about the adoptive parent on the FAFSA.
- Stepparents: A stepparent is considered a parent if married to a biological or adoptive parent and if the student counts that stepparent in their household size. The student answers the questions about the stepparent on the FAFSA along with their biological or adoptive parent. However, a stepparent who did not adopt the student cannot be the sole parent for determining dependency status. If the biological or adoptive parent dies or leaves the home for some reason, the student is still a dependent of the biological parent, not the stepparent.
- Foster parents: A foster parent or a legal guardian is not treated as a parent for purposes of the FAFSA. If at any time since the age of 13 both of the student's parents were deceased (and the student did not have an adoptive parent) or they were in foster care, then the student is considered independent. We may also consider other kinds of support as part of the student's financial resources and use professional judgment to include the support under the item for student's untaxed income.
- Legal guardians and relatives: Neither legal guardians nor relatives are treated as a parents for purposes of the FAFSA. It doesn't matter if the student lives with their grandparents, older brothers or sisters, aunts or uncles, foster parents or legal guardians, they still do NOT report the information of those people on the FAFSA (unless they have adopted the student). Any cash support from persons other than the student's parents should be reported as untaxed income.

Parent Refusal to Provide Information

Q. What if I refuse to help my student complete the FAFSA or refuse to sign it?

- A. We understand that, in some cases, parents are not supporting their dependent student at all and refuse to provide their information on the student's FAFSA. If that is the case, your student can complete the FAFSA without your information and check a box stating that they cannot provide parent information. The RRCC Financial Aid Office will require that both you and your student complete and sign a RRCC form called the "Dependent Student with no Parental Data Form". The form indicates that you refuse to provide your information on the FAFSA and that you provide absolutely NO support to your student. Support in this instance would be providing them with a car to drive, allowing them to live in your home, including them for health insurance or car insurance, or any other assistance. We will review the situation and decide whether or not to accept your statement and that of your student. If the statements are accepted, the only financial aid that your student will be able to receive is an unsubsidized loan (regardless of the student's own income). You might want to consider this, though: If the FAFSA is completed without parental income when it is otherwise required, the student will not receive an EFC (expected family contribution). Some non-federal aid programs, such as state aid and scholarships, look at the EFC (expected family contribution) to determine eligibility and so not having an official EFC could eliminate them from consideration. We would encourage you to provide your information and signature on the FAFSA. Doing so will not require you to support them in any way, but might actually provide them with some valuable financial aid.

Q. Why am I being asked detailed information about my taxes or my personal circumstances?

- A. In order to best determine the ability of the family to assist the student with college expenses, it is sometimes necessary that we discuss circumstances that are very personal. An example of this might be when a parent has been laid off from work or when there is a separation or divorce between the parents. It is our goal to assist the student and the family to the best extent possible, which sometimes requires exploring household composition, income, assets, and circumstances beyond what the FAFSA and the tax return can explain.

Parent Refusal to Provide Information (cont.)

- Q. As a parent, I am concerned about providing my information on my student's FAFSA because of my citizenship status. Should I worry about that?**
- A. No, your citizenship status does not affect your student's eligibility for financial aid and in fact, the FAFSA doesn't even ask about your status. If you do not have a Social Security number, you should enter all zeroes for yourself on the FAFSA where it asks for that information.



Next Steps

Q. When should my student apply for financial aid?

- A. RRCC's priority dates are September 1 for the following Spring, February 1 for the following Summer, and April 1 for the following Fall. These are "priority dates", not deadlines, and aid can usually be received even though the student has not met the priority date. You will want to contact our office for the strict "deadlines", after which aid cannot be received.

Q. Is there someone at RRCC who can assist my student and me with completing the FAFSA?

- A. Yes, we have someone from the Educational Opportunity Center (EOC) who takes appointments at the Lakewood Campus two days of every week to assist students with completing the FAFSA. You may call the RRCC Financial Aid Office at (303) 914-6256 to schedule an appointment with him and to find out what documentation you need to bring with you. Both you and the student will need to come for the appointment so that you both can electronically sign the FAFSA. Remember that the student is the applicant and needs to take an active role in completing the FAFSA!

Q. Will completing my student's FAFSA with my income affect my credit rating?

- A. No, including your information on the FAFSA does not affect your credit. Applying for a PLUS loan will show up on your credit report, however.

Q. What if the circumstances reported on the FAFSA have changed, such as loss of income or a divorce has occurred?

- A. If changes have occurred since the time that your student submitted their FAFSA to RRCC, your student should contact the RRCC Financial Aid Office to see whether or not those changes can be taken into account. Students and parents should not attempt to make those changes directly on the FAFSA, because there are regulations that dictate how those changes affect eligibility.

Q. What is the income cut-off for being ineligible for grants and other free money?

- A. There is no specific figure that we can provide that answers that question. There are many factors that make up the equation that determines the EFC (expected family contribution). Factors such as type of income (earned income versus unearned income), number in the household, number in college, assets

Next Steps (cont.)

available to the parent and the student, and even the state that the family lives in can make a difference in the equation. We suggest that all students apply for financial aid via the FAFSA in order to be considered for all types of aid.

Q. How does my student complete the FAFSA when they have not yet graduated from high school?

- A. In general, students must have a high school diploma or GED in order to receive federal or state financial aid. If your student is applying for aid during the spring before they graduate, they check the box that states that they will have their high school diploma by the time they begin college in the 2015-2016 school year. They then list the name of the high school that they will graduate from.

Q. After my student completes the FAFSA, who decides how much money my student will receive?

- A. Your student's eligibility depends on the Expected Family Contribution (EFC) calculated from the FAFSA, your student's year in school and enrollment status, and the cost of attendance where they are attending. Once the FAFSA is complete and all required documentation has been submitted, the RRCC Financial Aid Office will determine how much financial aid your student is eligible to receive. Your student may be offered aid that they decide not to accept (such as loans and work study) and the RRCC Financial Aid Office is happy to discuss those options with them.

Q. What is verification and why was my student's financial aid file selected?

- A. Do not panic when your student's file is selected for verification and don't assume that you're being accused of doing something wrong. Verification is the process your school uses to confirm that the data reported on the FAFSA is accurate. Your school has the authority to contact your student for documentation that supports the information you reported. Students are selected for verification randomly by the Department of Education and when they are selected, we must verify the information that was reported on the FAFSA. You and your student simply need to provide the documentation we ask for as soon as possible. If you and your student used the Internal Revenue Service Data Retrieval Tool (IRS DRT) when filling out the FAFSA, and you have not changed any of the information retrieved, you will not have to verify that information. If you didn't use the IRS DRT and your student is selected for verification, log back in at www.fafsa.gov to see whether you can use IRS DRT to fill in the relevant fields on your FAFSA. If not, we may require you to submit a tax return transcript as part of the verification process. You can find your tax transcript through the IRS's Get Transcript service at www.irs.gov/transcript

Direct PLUS Loan

Q. What is the Direct PLUS Loan?

A. The Direct PLUS (Parent Loan for Undergraduate Students) is a loan for the parents of dependent students and for graduate and professional degree students. Interest is charged during all periods. The student must still submit the FAFSA with parent information in order to qualify for the PLUS loan to be processed by the RRCC Financial Aid Office. Below are the eligibility requirements for a parent to get a Direct PLUS Loan:

- You must be the biological or adoptive parent (or, in some cases, the stepparent) of the student for whom you are borrowing
- Your student must be a dependent undergraduate student who is enrolled at least half-time at a school that participates in the Direct Loan Program.
- You cannot have an adverse credit history (a credit check will be done).
- In addition, you and your student must be U.S. Citizens or eligible noncitizens, 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.

Q. Should I just apply for the Direct PLUS Loan so my student can skip applying for the Direct Stafford Loan?

A. No, the Direct Stafford Loan is a better loan for your student than the Direct PLUS Loan is for you, because your student does not have to meet rigid income requirements and go through the credit check. We always suggest that if you intend to pay for your student's education and loans are going to be necessary on the part of the family, then it is best to allow the student to receive the Direct Stafford Loan (subsidized if they qualify) and you can choose to make their payments for them once they go into repayment. This is a much better economic decision than for you to take out the Direct PLUS Loan. Be aware that PLUS loan borrowers generally must begin repayment while their student is still in school (there can be exceptions) and some other benefits available to the student under the Direct Stafford Loan program are not available under the PLUS Loan program. Please visit <http://studentaid.ed.gov/sites/default/files/direct-loan-basics-parents.pdf>.

Refunds and Payment Plan

Q. What is the Higher One card and what does my student do with it?

- A. Your student will receive a Colorado Community College System (CCCS) Refund Card from Higher One in the mail, sent to their primary address on file with RRCC, once they register in classes for the first time. The card is used to activate the student's refunding preference. There are multiple options to choose from, but the card must be in the your student's possession before the preference can be selected. The options are: to open a OneAccount (which is a checking account with Higher One), to have the funds electronically deposited to an existing checking or savings account, or to receive a check directly from Higher One via mail.

Q. Can you explain the refund process whereby my student will receive any unused funds?

- A. Payments made by credit card will first be refunded to the credit card originally used for payment, whenever possible. Any remaining refund amount is delivered via the option selected when activating the CCCS Refund Card. Once financial aid has been disbursed/posted to the student account, the Cashier's Office reviews the account and processes a "Batch Refund" if applicable. Once the "Batch Refund" has posted to your student's account, the funds should be available by close of business on the following Friday, if your student chooses the OneAccount with Higher One. If they choose to have the refund electronically deposited to their own checking or savings account, they should have their money 2-3 business days later. Overall, the refund should be available to your student 10-14 days from the disbursement/posting of financial aid to their student account.

Q. What if my student doesn't qualify for financial aid OR they are not offered aid that they want to accept OR the aid offered doesn't cover his/her expenses?

- A. An alternative to paying with financial aid is for the student to sign up for the RRCC payment plan. Details are on the RRCC website at www.rrcc.edu/tuition/payment-plans.

Additional Information

Q. Does the financial aid that my student receives have any effect on other assistance that I (or my student) may receive?

A. It is always best that you contact your counselors in the other programs (Department of Labor, Housing Authority, Social Services, Social Security Administration, etc.) about whether or not aid received has any impact on other benefits.

Q. I am also a student in college. How does my student attending college affect MY financial aid?

A. The EFC (expected family contribution) calculation takes into account both the number of people in the household AND the number in college. Parents who are also students in college may designate that their child is also a college student on the FAFSA only if the other student (their child) will attend at least half-time in 2015-2016 in a program that leads to a college degree or certificate.

Q. Can I use my student's financial aid authorization to purchase books at the RRCC bookstore when they are out of town or unavailable?

A. We require that the student go to the bookstore themselves and purchase their own books, showing their RRCC student ID card.

Q. Why can't the RRCC Financial Aid Office talk to me about my student's financial aid?

A. The Family Education Rights and Privacy Act (FERPA) requires that we get your student's permission before we discuss their application and status with you. This prevents us from releasing information that your student might not have wanted us to release. Your student's educational record and their privacy are very important to us. Your student can sign a form called a FERPA Release (available on our website or in our office) authorizing us to discuss the status of their financial aid file, what other documents we may need, etc. We will NOT, however, discuss your student's grades with you as we feel that it is their responsibility to inform you of the details of their academic record. The RRCC Admissions Office may require a separate FERPA Release if you are trying to get admission information.

Additional Information (cont.)

Q. How can I prevent my student from accepting a student loan that is offered to them?

- A. Unfortunately if a student “accepts” the loan either electronically or in our office, and meets all the eligibility requirements for a student loan, the loan must be paid to the student. The RRCC Financial Aid Office will provide your student with information explaining the significance of student loan borrowing and the consequences of default. We are available to assist in discussing a reasonable budget and provide them with other options that they might want to consider (such as attending part-time, continuing to live at home instead of living apart from parents, working part-time, etc). RRCC also offers many workshops geared toward financing their education and avoiding student loans which we hope your student will take advantage of. As a parent, you can assist by having honest discussions about what you (and they) can afford toward their expenses and assisting them in making the best financial decisions. The amount of debt that students are incurring at RRCC and other colleges is alarming to us all and we are here to help your student try to avoid borrowing if at all possible.

Q. What is a 529 savings plan and how does it affect my student’s financial aid eligibility?

- A. A 529 college savings plan is an investment, similar to a 401K or an IRA, but for college. They are offered by almost every state and the investment grows tax-free. One of the drawbacks is that you must use the money for college. Another drawback is that whatever money is in a 529 plan is reported as an investment on the FAFSA. That means that if your student is a dependent student, the 529 plan is reported as your investment or a resource on the FAFSA (even if the account is owned by your student).

Q. Where can I get more information about the process of applying for financial aid at RRCC?

- A. You may visit the RRCC Financial Aid website at www.rccc.edu/financial-aid or contact us at (303) 914-6256. You may also visit us in person at the RRCC Financial Aid Office in Lakewood or in Arvada.



Promoting Financial
Literacy at RRCC

RRCC Financial Aid Office

Lakewood Campus

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