



**Session #: S201**

# **Working with Veterans Affairs to Help Students**

**Kristin Rodriguez**

**U.S. Department of Veterans Affairs**

**Harold McCullough**

**U.S. Department of Education, FSA**



# Session Overview

- Veterans Education Programs that VA Does and Does Not Administer
- General Payment Rules and Processing Claims for VA Programs
- Statutory and Regulatory Definitions for Title IV Purposes
- Treatment of Veterans Education Benefits for Title IV Purposes



# Veterans Education Programs

**Kristin Rodriguez**  
**U.S. Department of Veterans Affairs**



# Veterans Education Benefits

- Veterans Education Programs that VA administers
  - Montgomery GI Bill—Active Duty
  - Montgomery GI Bill—Selected Reserve
  - Dependents Educational Assistance
  - Reserve Educational Assistance Program



# Veterans Education Benefits

- National Call To Service
- Post Vietnam Era Educational Assistance Program
- Vocational Rehabilitation and Employment
- Restored Entitlement Program for Survivors



# Veterans Education Benefits

- Veterans Education Programs VA Doesn't Administer
  - Reserve Officer Training Corps Scholarship
  - Reserve Officer Training Corps Program



# Veterans Education Benefits

- General Payment Rules for VA Programs
  - Payments generally are made to the student
  - Payments are generally made monthly
  - Payments are affected by-
    - The program
    - The student's "training time"



# Montgomery GI Bill—Active Duty (Ch. 30)

- For Individuals Who Entered Active Duty Pre-1977 or Post-mid-1985
- Three Basic Full-time Monthly Rates
  - \$894
  - \$1,101
  - \$1,289





# Montgomery GI Bill—Active Duty (Ch. 30)

- Factors that Affect the Amount of MGIB—Active Duty Payments
  - Number of Dependents
  - “Kickers”
  - “Buy Up”
  - Active Duty Status





# Montgomery GI Bill— Selected Reserve (Ch. 1606)

- For Individuals Who Entered the Selected Reserve (Including the Guard) from Mid-1985 to Present
- Current basic rate is \$317 per month
- Factors that Affect the Amount of MGIB—Selected Reserve Payments
  - Continued eligibility
  - “Kickers”



# Reserve Educational Assistance Program (REAP or Ch. 1607)

- For Reservists Called to Active Duty After Sept. 10, 2001
- Factors that Affect REAP Payments
  - Continued eligibility
  - Length of time spent on active duty
    - Basic full-time monthly rates are \$440.40, \$660.60, and \$880.80
  - MGIB—SR “kickers”
  - Active Duty Status



# National Call to Service

- For enlisted individuals
  - Service must include at least 15 months of active duty, and may include
    - Additional active duty
    - Service in the Selected Reserve
    - Service in Americorps



# National Call to Service

- Enlistee may choose ONE of four enlistment incentives
  - \$5,000
  - Repayment of up to \$18,000 in outstanding student loans
  - 12 months of education benefits at the MGIB 3-year rate
  - 36 months of education benefits at ½ the MGIB 2-year rate



# Post-Vietnam Era Veterans' Educational Assistance Program (VEAP or Ch. 32)

- For Individuals Who Entered Active Duty 1977-mid-1985
- Educational Assistance Pilot Program
- Factors that Affect the Amount of Payments
  - Amount contributed
  - “Kickers”



# Vocational Rehabilitation and Employment (Ch. 31)

- Served on or after September 16, 1940  
AND
- Service-connected disabilities are rated at least 20% VA (or 10% if there is a serious employment handicap) AND



# Vocational Rehabilitation and Employment (Ch. 31)

- Vocational rehabilitation is required to overcome an employment handicap AND
- Less than 12 years since VA notified of the eligibility (longer if certain conditions prevented training)





# Vocational Rehabilitation and Employment (Ch. 31)

- A veteran eligible for this benefit:
  - has tuition and fees paid by VA directly to the educational institution
  - has required books and supplies paid
  - is provided with on-going case management
  - receives a monthly subsistence allowance
    - Current basic full-time rate is \$520.74 per month



# Dependents' Educational Assistance (Ch. 35)

- For Children, Spouses and Surviving Spouses of Individuals—
  - Who died while on active duty; or
  - Whose death was caused by a service-connected disability; or



# Dependents' Educational Assistance (Ch. 35)

- Who died while permanently and totally disabled as a result of a service-connected disability; or
- Who have a permanent and total service-connected disability



# Dependents' Educational Assistance (Ch. 35)

- Current basic full-time rate is \$881 per month
- Choice of beginning date of eligibility affects payments



# Restored Entitlement Program for Survivors

- Restores to the survivors of some military personnel the Social Security benefits lost in 1981
- Survivors include children in college between age 18-22
- Monthly payments range from \$800 to \$1,700



# Processing Claims for Veterans Educational Benefits

- Vocational Rehabilitation claims are processed at each of VA's **57** regional offices
- REPS claims are processed in St. Louis, MO





# Processing Claims for Veterans Educational Benefits

- Other claims for educational benefits are processed at four regional processing offices
  - Buffalo, NY; Atlanta, GA; St. Louis, MO and Muskogee, OK





# Processing Claims for Veterans Educational Benefits

- Original Vocational Rehabilitation and Dependents' Educational Assistance claims take the longest time
- Re-enrollments take the shortest time





# Claims Processing—VR&E

- Veteran applies for VR&E (completes 28-1900)
- VR&E Division in the regional office determines eligibility
- VR&E counselor determines entitlement



# Claims Processing—VR&E

- Veteran and counselor explore vocational goal based upon comprehensive assessment of skills, aptitudes and interests
- VR&E counselor and veteran develop rehabilitation plan
- VR&E provides case management services until veteran is rehabilitated



# Claims Processing—REPS

- Claims may be submitted at any VA office, but will be processed in St. Louis
- If eligibility has never been established, it takes 4 to 6 months for the claim to be processed
- After eligibility is established it takes 30-45 days to process a supplemental claim



# Claims Processing—Other Programs

- Claimant files a 22-1990 or 22-5490
- Educational institution certifies claimant's enrollment
- VA, DoD or Coast Guard determines eligibility
- Payment is authorized



# Web Sites

- Education Service Home Page  
<http://www.GIBill.va.gov>
  - Has information on basic monthly rates for ch.30, ch.1606, and ch.1607
- Veterans Benefits Administration Home Page  
at <http://www.vba.va.gov>
  - Go to “Benefits”. Click on Vocational Rehabilitation and Employment and drill down to ch. 31 rates



# Information Available to Schools

- Information about the types and amounts of benefits received or scheduled to be received by a student is available through –
  - On-Line to “VA-ONCE”. Available to the school’s designated VA certifying official.
  - “Pay Listing” paper roster. Sent to the school’s designated VA certifying official.



# Treatment of Veterans Education Benefits for Title IV Purposes

**Harold McCullough**  
**U.S. Department of Education**





# Statutory Definitions: “Untaxed Income and Benefits”

- “Untaxed Income and Benefits” (HEA section 480(b))
  - Includes veterans noneducation benefits. Used in calculating the student’s EFC – (Worksheet B)





# Statutory Definitions: “Other Financial Assistance”

- “Other Financial Assistance” (HEA section 480(j))
  - Includes veterans education benefits (HEA section 480(c)) a student will receive during the award year
  - Veterans education benefits are reported in questions 46 (months) and 47 (monthly amount) of the 2008-2009 FAFSA
  - Veterans education benefits are not used in EFC calculation



# **Regulatory Definition: “Estimated Financial Assistance” (EFA)**

- The term EFA is used for “Other Financial Assistance” under the FFEL and Direct Loan programs (34 CFR 682.200 and 685.102), the Campus-Based programs (34 CFR 673.5(c)), and the ACG and National SMART Grant programs (34 CFR 691.62 (c))



# Regulatory Definition: EFA

- The concept of EFA does not apply to the Pell Grant Program
- The Pell Grant award is never adjusted to take into account other forms of financial aid



# Regulatory Definition: EFA

- The HEA (section 428(a)(2)(C)) requires a school to exclude Montgomery GI Bill-Active Duty (Chapter 30) veterans education benefits (and AmeriCorps education awards or post-service benefits) from EFA when determining eligibility for **subsidized** FFEL and Direct Loans



# Regulatory Definition: EFA

- This required exclusion of Chapter 30 benefits for subsidized loans is repeated in the definition of EFA in the FFEL and Direct Loan regulations
- This required exclusion does not apply to other veterans education benefits such as those under Chapter 1607
- This special exclusion of Chapter 30 benefits is not provided for unsubsidized loans



# Regulatory Definition: EFA

- The HEA did not provide a similar exclusion of these Chapter 30 benefits for the Campus-Based programs and the ACG and National SMART Grant programs
- To allow students to have the full advantage of the statutory exclusion for subsidized loans without losing eligibility for the Campus-Based programs and the ACG and National SMART Grant programs, the regulations for these programs added an optional exclusion to the definition of EFA



# Regulatory Definition: EFA

- When determining a student's eligibility for funds under the Campus-Based programs and the ACG and National SMART Grant programs, a school **may** exclude as EFA any portion of a subsidized FFEL or Direct Loan that is equal to or less than the amount of the student's Chapter 30 benefits (and AmeriCorps education awards or post-service benefits)



# Packaging Example: Chapter 30 Benefits and Title IV Aid

- Bradford is a first-year, independent undergraduate student enrolled in a 4-year program at Carney University
  - His COA is \$16,900 and he has an EFC of 1800, a Pell Grant of \$2,981, and Chapter 30 benefits of \$9,909
  - His need is \$15,100 ( $\$16,900 \text{ COA} - 1800 \text{ EFC}$ )





# Packaging Example

- His assistance from the Pell Grant and Chapter 30 benefits equals \$12,890 ( $\$2,981 + 9,909$ )
- The difference between his need and his assistance is \$2,210 ( $\$15,100 - 12,890$ )





# Packaging Example

- Because the Chapter 30 benefits do not count as EFA for subsidized loans, Bradford is eligible for a subsidized loan in an amount that exceeds \$2,210



# Packaging Example

- His COA minus his EFC and Pell Grant would leave an unmet need of \$12,119 ( $\$16,900 - 1,800 - 2,981$ ) based on the required exclusion
- The maximum subsidized loan amount for a first-year student is \$3,500 and is less than his \$12,119 unmet need for subsidized loan purposes, so he is able to receive a subsidized loan up to \$3,500 not just \$2,210



# Packaging Example

- The decision to take the subsidized loan of the full \$3,500 is the student's to make and the school must follow the HEA and regulations
- In this example, his assistance totals \$16,390 ( $\$2,981 + 9,909 + 3,500$ ) which exceeds his need of \$15,100
- This is not considered an overaward or an overpayment under the HEA and regulations



# Packaging Example

- When the school considers Bradford for aid under the Campus-Based programs, it has the option of excluding his subsidized loan as EFA up to the amount of his Chapter 30 benefits (the same option applies for purposes of ACG or the National SMART Grant programs)
  - His need is \$15,100 and his total EFA minus the subsidized loan would be \$12,890 ( $\$16,390 - 3,500$ )



# Packaging Example

- The school may award aid under the Campus-Based programs up to \$2,210 (\$15,100 – 12,890), for example, \$1,710 in FWS funds and \$500 in FSEOG funds
- The decision to apply the EFA exclusion under the Campus-Based programs is a school option, it is not required



# Packaging Example

- Under this exclusion for the Campus-Based programs, his assistance would be as follows:
  - 2,981 Pell Grant
  - 9,909 Chapter 30 benefits
  - 3,500 Subsidized Stafford loan
  - 1,710 FWS
  - 500 FSEOG
- \$18,600 Total Aid



# Packaging Example

- Bradford's assistance of \$18,600 would exceed both his need of \$15,100 and his COA of \$16,900
- Again, this is not considered an overaward or an overpayment





# Institutional Responsibility

- FAA must coordinate closely with other offices at the school that may have information about the students who are receiving veterans education benefits



# Student Access to VA Payment Information

- Students who receive Chapter 30, Chapter 1606, or Chapter 1607 benefits may access their payment information on the Web at <https://www.gibill.va.gov/wave>
- Student's dates of enrollment period(s) and monthly rate are provided
- Students may print information for financial aid purposes



# Contact Information

**If you have further questions, we can be contacted at:**

**Kristin.Rodriguez@va.gov**

**Harold.McCullough@ed.gov**