

The Montgomery GI Bill for Active Duty Personnel

I. THE BASICS

The *Montgomery GI Bill* (MGIB) is an educational program, administered by the VA, which can be used for degree and certificate programs, flight training, apprenticeship/on-the-job training and correspondence courses. There are four main categories of eligibility:

- Category 1: officers who started active duty on or after July 1, 1985.
- Category 2: those with remaining entitlement under the Vietnam Era GI Bill
- Category 3: those who were involuntarily separated for certain reasons or separated under the Voluntary Separation Incentive (VSI) or Special Separation Benefit (SSB) program.
- Category 4: former Veterans Educational Assistance Program (VEAP) participants who converted to MGIB during the open window periods, and a small number of National Guard members who were given a brief opportunity to elect MGIB.

To qualify for benefits under Category 1 you must:

- Enroll in the MGIB **upon entry** into active duty,
- Have \$1200 deducted from your pay in 12 monthly installments,
- Agree to serve on active duty either for 24 or 36 months. These deductions are non-refundable.

Note: Your benefit is greater if you elect a three year obligation. However, if you elected the two year obligation, but then serve three consecutive years, your benefit would be raised to the higher amount. If you elected the three year obligation, you can begin using your benefits after two years. However, if you fail to serve your full three years, you forfeit any remaining benefits, unless you meet specific qualifying criteria. These may include disability and hardship (see specific qualifying separation reasons at www.gibill.va.gov). If you do meet the qualifying criteria, you'll receive one month of entitlement for each month of service. Note that the obligation is for 24 or 36 continuous months.

II. USING YOUR BENEFITS

- Your eligibility for the MGIB generally ends 10 years from the date of your last separation from active duty, or when you use all your months of entitlement, whichever is earlier. For example, if you only use 12 months of your entitlement while on active duty, you have ten years after you honorably discharge to use your remaining entitlement.
- “Entitlement ” is the number of months of benefits you may receive. The MGIB provides up to 36 months of benefits. The monthly rate is different depending on the type of training, the amount of time you've served, if you're active duty or separated, training full or part-time, and any increases above the basic rate.
- The basic monthly rates increase every October 1 with the Consumer Price Index increase, for current rates go to www.gibill.va.gov.

III. HOW IS AN ENTITLEMENT CHARGED?

- You are charged one full day of entitlement for each day of full-time benefits you receive. Entitlement is charged in months and days. Each month is counted as 30 days. If you train part-time, the entitlement charge is adjusted according to your training time.
- For example, if you receive full-time benefits for 12 months, the charge is 12 months of entitlement. If you receive one-half time benefits for 12 months, the charge is six months.
- For correspondence, flight training, accelerated payments for high-cost, high-technology courses, and a test for a license or certification, the entitlement is determined by dividing the amount you were paid by your MGIB monthly rate for full-time training.
- For example, at the current full-time monthly rate for a person enlisted over 3 years, a \$1250 specialty board certification test would “cost” about 1 month, 7 days of entitlement.

IV. IS THE AMOUNT OF EDUCATIONAL ASSISTANCE DIFFERENT WHILE ON ACTIVE DUTY VS AFTER SEPARATION FROM ACTIVE DUTY?

- While on active duty, the amount of educational assistance you receive for college and vocational school is limited to the tuition and fees for your course, or your maximum monthly rate, whichever is less.
- After separation from active duty, your monthly payment is based on your training time (full time, three quarter time, half time). When you train less than half time you’ll receive no more than tuition and fees.
- For example, on active duty, you are enrolled full-time in a Masters of Public Health Program for one semester (3 months) You’ve been active duty PHS for over 3 years and are eligible for MGIB benefits. Your tuition and fees for the semester are \$1500. Therefore, your monthly rate would be \$500, and you would be charged 3 months of entitlement.
- After separation, your monthly rate would be the current full-time monthly rate (\$1034.00 for 2005) for three months (\$3102 total), and you’d be charged the same 3 months of entitlement.
- Therefore, if you take expensive classes (more the monthly rate), or train less than half time, there’s no difference. But if you train half-time or more, you may receive a lower monthly rate for the same classes if you are active-duty vs separated.

V. WHAT TYPES OF TRAINING ARE COVERED?

You can receive benefit for a wide variety of “approved” training. A state agency or VA must approve each program offered by a school or company. Examples of types of training you can take are:

- A degree program at a college or university, including accredited independent study programs

- A certificate or diploma from a business, technical or vocational school, including cooperative programs
- Apprenticeship or on-the-job training program offered by a company or union
- A correspondence course
- Flight training
- Courses offered by a Small Business Development Center that provide entrepreneurship training to help you start or enhance a small business
- You may receive benefits for approved tests required for a license or certification. You can't receive benefits for other fees relating to a license or certification, for example, study materials. You may take as many tests as you need. You don't have to pass the test to receive benefits. You can receive benefits to retake a test you failed, and to renew or update your license or certificate. You can receive reimbursement for the cost of the test, up to \$2,000 per test. You can find out the approved tests at the internet site, www.gibill.va.gov, on the *Licensing and Certification* page. Also included are instructions in applying for benefits. They will require a copy of your test results. Examples of approved tests include all the APTA specialty certifications.
- The MGIB does **not** cover continuing education.

VI. CAN YOU RECEIVE ACCELERATED PAYMENT FOR HIGH-COST, HIGH-TECHNOLOGY PROGRAMS?

An accelerated payment is a lump sum payment of 60% of tuition and fees for certain high cost, high tech programs, such as engineering, mathematics, and computer specialties. To qualify, you must be enrolled in a high tech program and you must certify that you intend to seek employment in a high tech industry as defined by VA (such as Biotechnology, Aerospace, or Electronics). See www.gibill.va.gov for details.

VII. CAN YOU INCREASE YOUR ENTITLEMENT ABOVE THE BASIC RATE?

Yes. If you're eligible for MGIB under Category 1 as described above, you can contribute up to \$600 to significantly increase your monthly rate. For every \$20 you contribute, you can receive an additional \$5 on your monthly MGIB full-time rate. If you're eligible for the maximum 36 months of MGIB benefits, contributing \$600 will increase your total benefit by \$5,400. You must make this contribution while on active duty.

* Remember, if you plan to use the MGIB while on active duty, your monthly rate can be no more than tuition and fees for your classes. So you may want to compare the current monthly rates to the expected cost of your courses before making the added contribution.

VIII. CAN YOU CHANGE PROGRAMS?

Yes. You can change once without VA approval. If you successfully complete a program and enroll in a new program, you won't be charged a change of programs.

IX. MUST YOU MAINTAIN SATISFACTORY ATTENDANCE, CONDUCT, AND PROGRESS?

Yes, or the certifying official must notify the VA and your benefits will be stopped.

X. HOW DO YOU APPLY FOR BENEFITS?

- 1) Decide on a program
- 2) Find out if the program is approved for VA benefits by checking with the school's Financial Aid Office or training facility employment office, or contact VA. If the facility hasn't requested approval before, ask the school or training facility official to contact the VA to request approval.
- 3) Get and submit the application for benefits (VA form 22-1990), which you'll find at www.gibill.va.gov and click on *Electronic Application*. You'll need to print out the signature page and send it to VA, since they need an original signature. Also, active duty will also require the signature of your Education Service Officer. This should go to your regional VA office.
- 4) Ask the school or training official to certify your enrollment to VA. This will require that you find out who the certifying official is. At a school, this certifying official may be in one of the following offices: Financial Aid, Veterans Affairs, Registrar, Admissions, Counseling, or others. For on-the-job training or an apprenticeship, the official may be in the Training, Finance, Personnel, or other office. VA will review your application and let you know whether they need anything else. The certifying official isn't a VA employee, and can't make decisions about your eligibility for VA benefits.

XI. HOW DO YOU RECEIVE PAYMENTS?

- 1) Certify your enrollment
- 2) Verify your attendance. Find out how to do this online on the *Verifications of continued Training* page.
- 3) You can get your payment by check or direct deposit. If you train half-time or more, and the school agrees to handle advance payments, you can request an advance payment in writing. Advance payment is not available for apprenticeship/on-the-job, correspondence courses, flight training, or for accelerated payment for high-cost, high-technology programs.

XII. CAN YOU TRANSFER YOUR BENEFITS TO YOUR DEPENDENTS?

No

XIII. WHO DO I CONTACT WITH QUESTIONS ABOUT YOUR MGIB BENEFITS?

- Go to the website www.gibill.va.gov for more information. To email a question click on *ask a question*, or
- Call 1-888-GIBILL-1 (1-888-442-4551), or
- Try your VA regional office, VA medical center, or Education Service Officers or education counselors at military bases