

The New Post 9/11 GI Bill and The Yellow Ribbon Program

Some basics every private college should know



National Association of Independent Colleges and Universities

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The New Post 9/11 GI Bill

- Available to veterans who have served in the military after 9/10/01.
- Includes:
 - tuition and fees;
 - housing allowance; and
 - allowance for books and supplies.
- **Eligible veterans may use these benefits at any college—public or private—that offers a program approved by the VA.**
- The Yellow Ribbon Program is an “add-on” option for private colleges.





Yellow Ribbon Program

- Yellow Ribbon Program was created to promote institutional choice.
- Private colleges can voluntarily help fill the “gap” between the basic tuition and fees benefit and the amount charged by the school.
- The VA provides a dollar-for-dollar match of amounts put up by the school.
- Like the basic benefit, Yellow Ribbon funds are federal entitlement dollars.





Calculating the Basic Benefit and the “Gap”

- Calculating the basic tuition and fee amount an eligible veteran can receive at any college within a state is complicated.
- Start with the [Tuition and Fee Tables on the VA Web Site](#) CAUTION: Tuition v. Fees: Don't Add Them Together !! The [VA Yellow Ribbon page](#) has calculation instructions.
- Check the tables often – They're not final yet.



Tuition & Fees – Doing the Math

- Determine the number of credit hours taken by the student (i.e. 12).
- Multiply the credit hours by the max credit hour for your state (i.e. Alabama) listed on the max charge/credit hour column on the table (i.e. \$243). [$12 \times \$243 = \$2,916$] This (\$2,916) is the **amount of tuition** the VA will pay as a basic benefit. (If an institution's charges are lower, the lesser amount will be paid.)
- Determine the amount of **tuition** you have charged to the student (i.e. \$5,000). If your tuition charge exceeds the basic tuition benefit amount, determine the difference. [$\$5,000 - \$2,916 = \$2,084$] This is the tuition "gap."





Tuition & Fees – Doing the Math

- Next, determine the amount of **mandatory fees** charged to the student for the term (i.e. \$300).
- Find fees for your state (i.e. Alabama) listed on the max total fees/term column on the table. Compare the fees charged to the student (\$300) with the max listed on the table (\$12,612). The VA will **pay the lesser amount** (\$300). In this case, there is no fee “gap.”
- Add the basic tuition benefit (\$2,916) and the fee benefit (\$300). [$\$2,916 + \$300 = \$3,216$]. This is the **basic tuition and fee benefit** the VA will pay for the term.
- Figure the difference between your charges [$\$5,000$ tuition + $\$300$ fees = $\$5,300$] and the basic tuition and fee benefit paid by the VA ($\$3,216$). [$\$5,300 - \$3,216 = \$2,084$] This is the total tuition and fee “gap” subject to a Yellow Ribbon agreement.





Yellow Ribbon – Doing the Math

- If you choose to participate in the Yellow Ribbon program, you may provide any dollar amount up to 50% of the “gap” and that amount will be matched by the VA.
- **Keep in mind that a Yellow Ribbon agreement covers an entire academic year.** In the example above, if the term were a semester; and the student enrolled for 2 semesters in the academic year, then the total “gap” would be \$4,168 [$\$2,084 \times 2 = \$4,168$]. You could agree to put up any dollar amount up to \$2,084; and that amount will be matched by the VA.
- An excellent resource for institutions in making these calculations is a spreadsheet developed by the [National Association of College and University Business Officers \(NACUBO\)](#).





The Yellow Ribbon Agreement

- You are bound for one year and must enter into a new agreement each year.
- This year, the due date is June 15.
- In the future, the due date will be February 15.
- Late agreements will not be accepted, either this year or in the future.



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Filling the Gap: What are your Options?

The Yellow Ribbon Program Agreement

- First come-First served
- Source of funds for match
- Length of commitment
- Individual payment amounts
- Number of students included
- Graduate v. Undergrad Students & School by School
- Setting a dollar amount



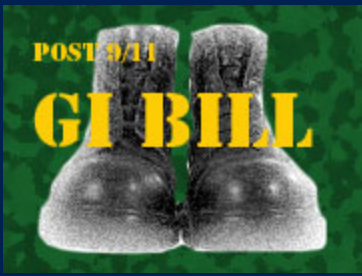
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Dependents

- The Department of Defense will authorize transfer of benefits to eligible dependents.
- Some dependents eligible for benefits on August 1.
- Eligible dependents are also eligible for Yellow Ribbon program.



Timeline: From Here to August 1

- May 1 - Veterans start signing up
- June 15 - YRP agreements due
- August 1 – Payments begin



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