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

Some basics every private college should know
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.

www.naicu.edu/GIBill
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.
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 x 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.
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
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
POST 9/11

GI BILL

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