

Post-9 / 11 GI BILL

Specific Topics- NCD Schools

Chapter 33 NCD Payments Introduction

- **On October 1, 2011**, VA began paying Chapter 33 benefits to individuals pursuing the following non-IHL non-degree programs:
 - **Non-College Degree (NCD) schools**
 - **On-the-Job Training (OJT) and Apprenticeship programs**
 - **Flight training programs**
 - **Correspondence courses**
- NCD programs cannot overlap with another Chapter 33 training type, but they may overlap with another NCD program

Chapter 33 NCD Payments Payments

- **On October 1, 2011**, NCD program may receive the following payments:
 - Tuition and Fees
 - Monthly Housing Allowance
 - Chapter 30/1606 Kickers
 - Chapter 33 Kicker/Supplemental
 - Books and Supplies Stipend

Chapter 33 NCD Payments

Payments

Individuals pursuing an approved program at an NCD school will receive the lesser of the following:

- The **actual net cost** for in-state tuition and fees after the application of any waiver, scholarship, aid, or assistance (other than loans and Federal funds provided under Title IV), **or \$17,500** for the academic year beginning on August 1, 2011
- The amount of the yearly cap will be adjusted each year based upon a Cost of Living Allowance and is subject to proration based upon benefit level

Chapter 33 NCD Payments

Tuition and Fee Payments

- **Tuition and Fees are based** on the actual net cost for tuition and fees, up to a maximum annual cap of \$17,500 for the academic year that began August 1, 2011. The cap is pro-rated based on the claimant's **Benefit Level**.

Benefit Level	Academic Cap
100%	\$17,500.00
90%	\$15,750.00
80%	\$14,000.00
70%	\$12,250.00
60%	\$10,500.00
50%	\$8,750.00
40%	\$7,000.00

Chapter 33 NCD Payments Payments

Individuals pursuing an approved program at an NCD school will receive the lesser of the following:

- A **Monthly Housing Allowance** based upon the appropriate in-residence or distance learning training hours (prorated by training time and Benefit Level)
 - based on the zip code for the education institution
- A lump-sum **Books & Supplies Stipend** in an amount equal to \$83 for each month (prorated for partial months of attendance and Benefit Level)
 - up to an annual maximum of \$996 each year

Chapter 33 NCD Payments

Books and Supplies Payments

The Books and Supplies Stipend is calculated as follows:

$$\text{Number of Days in Enrollment} \div 30 \times \$83 \times \text{Benefit Level}$$

Example: A claimant is enrolled in a **NCD** program that begins November 15, 2011 and ends November 14, 2013 (720 days).

$$720 \div 30 \times \$83 \times 100\% = \$1,992.00$$

A **Books & Supplies** payment in the amount of \$1,992.00 will be sent to the claimant for the **NCD** program.

FYI: Books and Supplies are paid for the ENTIRE program. A change in the END DATE may generate additional debts and/or payments

Chapter 33

OJT/Apprenticeship Payments

- OJT or Apprenticeship programs are available to:
 - **Veterans**
 - **Transfer of Entitlement (ToE) recipients (except for the spouse of an active duty member)**
 - **Frye recipients**
- OJT or Apprenticeship cannot overlap with an active duty service period
- OJT or Apprenticeship enrollments cannot overlap with another Chapter 33 training type OR another OJT/Apprenticeship program:

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OJT/Apprenticeship Payments

Individuals pursuing an approved OJT or Apprenticeship may receive the following benefit payments:

- **Monthly Housing Allowance**
- **Chapter 30/Chapter 1606 Kickers**
- **Chapter 33/Supplemental**
- **Books and Supplies Stipend**

Chapter 33

OJT/Apprenticeship Payments

Individuals pursuing an approved OJT or Apprenticeship will receive the lesser of the following:

- **First 6 months:** A monthly amount equal to the BAH rate for an E-5 with dependents where the employer is located (prorated for benefit level and/or less than 120 hours per month)
- **Second 6 months:** A monthly amount equal to 80% of the BAH rate for an E-5 with dependents where the employer is located (prorated for benefit level and/or less than 120 hours per month)
- **Third 6 months:** A monthly amount equal to 60% of the BAH rate for an E-5 with dependents where the employer is located (prorated for benefit level and/or less than 120 hours per month)

Chapter 33

OJT/Apprenticeship Payments

Individuals pursuing an approved OJT or Apprenticeship will receive the lesser of the following:

- **Fourth 6 months:** A monthly amount equal to 40% of the BAH rate for an E-5 with dependents where the employer is located (prorated for benefit level and/or less than 120 hours per month)
- **Over 24 months:** A monthly amount equal to 20% of the BAH rate for an E-5 with dependents where the employer is located (prorated for benefit level and/or less than 120 hours per month)
- **A Lump-sum Books and Supplies Stipend:** in an amount equal to \$83 for each month (prorated for benefit level, partial months, and/or less than 120 hours per month)

Chapter 33

OJT/Apprenticeship Payments

Individuals may receive a **Monthly Housing Allowance** based on the zip code for the educational institution after entry of a certification (i.e. retroactively):

The MHA payment is adjusted by a **Step Level** and **claimant's Benefit Level (%)**:

Step	%	Period	MM-DD – MM-DD
1	100%	1 st 6 months	00-01 – 06-00
2	80%	2d 6 months	06-01 – 12-00
3	60%	3d 6 months	12-01 – 18-00
4	40%	4 th 6 months	18-01 – 24-00
5	20%	Over 24 months	>= 24-01

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OJT/Apprenticeship Payments

The Monthly Housing Allowance (MHA) payment is adjusted by a **Fifteenth value** when a claimant works less than 120 hours in a month

Certified Hours	Fifteenth Value	Equivalent
0 – 3	00 / 15	0.00000
4 – 11	01 / 15	0.06667
12 – 19	02 / 15	0.13333
20 – 27	03 / 15	0.20000
28 – 35	04 / 15	0.26667
36 – 43	05 / 15	0.33333
44 – 51	06 / 15	0.40000
52 – 59	07 / 15	0.53333
60 – 67	08 / 15	0.46667
68 – 75	09 / 15	0.53333
76 – 83	10 / 15	0.60000
84 – 91	11 / 15	0.73333
92 – 99	12 / 15	0.80000
100 – 107	13 / 15	0.86667
108 – 115	14 / 15	0.93333
>= 116	15 / 15	1.00000

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OJT/Apprenticeship Payments

- The Monthly Housing Allowance (MHA) payment is adjusted by a **Fifteenth value** when a claimant works less than 120 hours in a month
- The MHA is calculated as follows:
Housing Rate X Step % X Benefit Level X Fifteenth Value

Example: A claimant is enrolled in an **OJT** program and is currently at Step 2. The **MHA** rate for the educational institution is \$1500 per month and a monthly certification is received for 120 hours

$$\$1500 \times 80\% (\text{Step 2}) \times 100\% \times 1.00000 = \$1200$$

This will generate a \$1200 **MHA payment** for the period of the certification.

Chapter 33

OJT/Apprenticeship Payments

- **Chapter 30/1606 Kicker Payments:**

- Payment after entry of a monthly certification
- Adjusted by the claimant's Step Level
- Adjusted by the Fifteenth value when a claimant works less than 120 hours in a month
- Chapter 30/1606 Kicker Calculation:
Kicker Rate X Step % X Fifteenth Value

Example: A claimant is enrolled in an **OJT** program and is currently at **Step 2** and has a **Ch30 Kicker** in the amount of \$900 per month. A monthly certification is received for 120 hours

$$\$900 \times 80\% (\text{Step 2}) \times 1.00000 = \$720$$

Chapter 33

OJT/Apprenticeship Payments

- **Books and Supplies Stipend:**

- May receive a stipend in the amount of \$83 per month (up to an annual* of \$996)
- Paid as a lump sum for the current academic year when the enrollment is processed
- Adjusted by the claimant's **Benefit Level** and **pro-rated** for partial months of attendance
- Books and Supplies stipend calculation:

Number of Days in Enrollment ÷ 30 X \$83 X Benefit Level

Example: A claimant is enrolled in an **OJT** program that begins November 15, 2011 and ends November 14, 2012 (256 day 2011-2012, 104 days 2012-2013).

$$256 \div 30 \times \$83 \times 100\% = \mathbf{\$708.27}$$

$$104 \div 30 \times \$83 \times 100\% = \$287.73$$

Payment for this academic year is \$708.27 and additional Books and Supplies Stipend will be sent when a subsequent academic year certification is entered into the system

Note: Academic year ends 7-31-11

Chapter 33 Flight Programs

Individuals pursuing an approved flight program (regardless of the institution providing the program) will receive the lesser of the following:

- The **actual net cost** for in-state tuition and fees after the application of any waiver, scholarship, aid, or assistance (other than loans and Federal funds provided under Title IV), or \$10,000 for the academic year beginning on August 1, 2011
- The amount of the yearly cap will be adjusted each year based upon a Cost Of Living Allowance and is subject to proration based upon benefit level

Chapter 33 Flight Programs

- **Kickers:** individuals may receive a Chapter 30/1606 kicker payment after entry of a certification
- As with flight training under other VA programs, benefit payments will be issued after certification of charges are submitted

Chapter 33 Flight Programs

Rates as of the academic year beginning August 1, 2011:

Benefit Level	Academic Cap	Daily Rate
100%	\$10,000.00	\$27.777778
90%	\$9,000.00	\$25.000000
80%	\$8,000.00	\$22.222222
70%	\$7,000.00	\$19.444444
60%	\$6,000.00	\$16.666667
50%	\$5,000.00	\$13.888889
40%	\$4,000.00	\$11.111111

Chapter 33 Correspondence Courses

- Effective October 1, 2011 Correspondence Course benefits are available to:
 - Veterans
 - Active duty service members
 - Transferor of Entitlement (ToE) recipients
 - Fry recipients
- Correspondence enrollments cannot overlap with another Chapter 33 training type or another Correspondence program
- May receive the following payments:
 - Tuition
 - Chapter 30/1606 Kickers

Chapter 33

Correspondence Courses

Individuals pursuing an approved program of education exclusively by correspondence will receive the lesser of the following:

- The **actual net cost** for tuition and fees after the application of any waiver, scholarship, aid, or assistance (other than loans and Federal funds provided under Title IV), or \$8,500 for the academic year beginning on August 1, 2011
- The amount of the yearly cap will be adjusted each year based upon a Cost Of Living Allowance and is subject to proration based upon benefit level
- As with correspondence training under other VA programs, benefit payments will be issued quarterly for courses completed

Chapter 33

Correspondence Courses

Tuition and Fees:

- Tuition payments are calculated as:

$$\text{Reimbursable Lessons} \times \text{Submitted Rate} \times \text{Benefit Level}$$

August 1, 2011 Academic Year:

Benefit Level	Academic Cap	Daily Rate
100%	\$8,500.00	\$23.61111
90%	\$7,650.00	\$21.25000
80%	\$6,800.00	\$18.88889
70%	\$5,950.00	\$16.52778
60%	\$5,100.00	\$14.16667
50%	\$4,250.00	\$11.80556
40%	\$3,400.00	\$9.44444

Chapter 33

Correspondence Courses

Tuition and Fees:

Example: The educational institution reported on VA Form 22-6553b-1 that the total number of lessons to date is 5 and the **Submitted Rate** for each lesson is \$100. The claimant is eligible at 100% Benefit Level.

Reimbursable Lessons X Submitted Rate X Benefit Level

$$5 \times \$100 \times 100\% = \$500.00$$

A payment will be sent to the educational institution for **Tuition** in the amount of \$500.

Chapter 33 Correspondence Courses

Entitlement Charge:

***Note: all official entitlement charges should be deemed by the VA**

Step 1: Determine claimant's Daily Rate

$$\text{Academic Year Cap} \times \text{Benefit Level} \div 360 \text{ Days}$$

Example: $\$8500 \times 100\% \div 360 = \$23.61111/\text{day}$

Step 2: Determine Entitlement Charge

$$\text{Tuition} \div \text{Daily Rate}$$

Example: $\$500 \div \$23.61111 = 21.17647 \text{ days}$

Claimant will be charged 21.17647 days of **Ch33 Entitlement Used.**

Chapter 33 NCD Payments Summary

Veterans, Dependents of Veteran, & Fry Scholar not on duty effective 10/01/11:

	NCD Only	OJT/Apprenticeship	Flight	Correspondence
Tuition & Fees	\$17,500	Not Paid	\$10,000	\$8,500
Books & Supplies	\$83 a month	\$83 a month	Not Paid	Not Paid
MHA	If ROP >.5	Paid, step & 15th	Not Paid	Not Paid
Kickers	Paid*	Paid*	Paid*	Paid*

- Payment Limits should be multiplied by Benefit Level if Less than 100% (see the Matrix)
- Kickers not subject to benefit level

Chapter 33 NCD Payments Summary

Service Member, Spouse of active duty member, Fry Scholar on duty effective 10/01/11:

	NCD Only	OJT/Apprenticeship	Flight	Correspondence
Tuition & Fees	\$17,500	Not Paid	\$10,000	\$8,500
Books & Supplies	\$83 a month	Not Paid	Not Paid	Not Paid
MHA	Not Paid	Not Paid	Not Paid	Not Paid
Kickers	Paid	Not Paid	Paid	Paid

- Payment Limits should be multiplied by Benefit Level if Less than 100% (see the Matrix)
- Kickers not subject to benefit level

Chapter 33 NCD Entitlement Charges Entitlement

Applies to Non-College Degree (NCD) Schools ONLY effective 10/01/11:

Entitlement Charged (T&F charges paid)				
	NCD @ IHL Private	NCD Only	OJT/Apprenticeship	Flight
T & F	RoP X days	\$48.61**	Based on MHA paid	\$27.78**
Entitlement Charged (MHA paid and no T&F charges paid)				
	NCD @ IHL Private	NCD Only	OJT/Apprenticeship	Flight
T & F	Not Paid	Not Paid	None	None
MHA	RoP X days	RoP X days	FT MHA = 1 month	None
Entitlement Charged (B&S "only" paid)				
	NCD @ IHL Private	NCD Only	OJT/Apprenticeship	Flight
T & F	Not Paid	Not Paid	None	None
MHA	Not Paid	Not Paid	None	None
B&S	\$41.67**	\$41.67**	Paid but no charge	None

- RoP means Rate of Pursuit
 - ** Charge one day of entitlement per this amount paid.
- EC = (B&Spaid / **amount from table)

Certifying Modular Programs

- **Question #1** – Should you report tuition and fees per the students' billing cycle or can schools report tuition and fees to maximize tuition payout?

Answer: Schools should report tuition and fees based on the submission of each term or modular program.

Certifying Modular Programs

Scenario: A student is pursuing a certificate program which cost \$20,000 and the program is broken into 5-week terms. The school is actually billing the student \$20,000 on the first term.

Question #2: Should the school report \$20,000 on the first term or, divide the total cost of the program by the total number of terms and report the amount from the calculation on each term certified (or whatever formula they use)?

Certifying Modular Programs

Answer #2: The school **should not** report \$20,000 on just the first term for the entire program. The school should break-up the tuition and fees and apply them to each modular term.

Questions?

