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Federal Lender Code 834241

America's Top Student Loan Consolidator

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Military Benefits for Students and Graduates

Joining the military has its perks. In exchange for serving the country, personnel are given many options for financial assistance for education. To support higher education, the military has created financial aid programs such as the Montgomery G.I. Bill, the Tuition Assistance Program, the Student Loan Repayment Program, and ROTC scholarships.

Montgomery G.I. Bill

The Montgomery G.I. Bill offers eligible veterans of the Army, Navy, Air Force, Marine Corps, and Coast Guard up to 36 months of education benefits. The benefit amounts, which may be accessed while on active duty or after honorable discharge, change yearly in accordance to the Consumer Price Index (CPI).

If the monthly payment rate increases due to CPI adjustments, all recipients of the G.I. Bill will reap in the increased benefits regardless of when they became eligible or when they began using their benefits.

Currently, the G.I. Bill offers \$1,034 per month for those who have actively served for three years or more, \$840 per month for those who have served two years, and \$297 per month for those who serve part-time in the Reserve or National Guard. Depending on one's level of service, veterans can potentially receive \$10,692 to \$37,224 over the span of 36 months.

Aside from duty status, another determining factor of the monthly payment rate is student status. Full-time students attending regionally or nationally accredited universities with Veterans Affairs (VA) -approved programs can receive as much as \$1,034 per month while half-time students can receive as much as \$517 per month. In addition, it should be noted that if a service member decides to use his or her benefits while on active duty, the G.I. Bill will only reimburse the actual tuition. However, veterans receive the full payment rate. This means that veterans will receive \$1,034 a month even if their tuition requires only \$900 a month. In this scenario, active duty recipients will only receive \$900, losing an additional \$134 per month.

Veterans should use all their G.I. Bill benefits within ten years of leaving the service, after which any remaining benefits will be lost.

In order to qualify for the G.I. Bill, military personnel must meet the following criteria: They must consent to have \$100 dollars deducted from their monthly pay for the first 12 months of active duty; they must have completed high school or its equivalency; and they must have served two years of active duty.

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Tuition Assistance

The Armed Forces Tuition Assistance (TA) offers benefits to members of the Army, Navy, Marines, Air Force, and Coast Guard. Although Congress allows these services to pay 100 percent of all tuition costs, it is limited to \$250 per credit hour and \$4,500 annually. If the TA benefits do not fully cover tuition expenses, the Montgomery G.I. Bill can be used to pay the difference.

Each service individually determines the benefit amount, as well as their own rules regarding eligibility, restrictions, requisite services, and the application process. Currently, the Army offers up to \$70,000; the Navy, up to \$50,000; and the Marine Corps, up to \$30,000. The actual benefit amount is usually paid directly to the institution by the individual service.

In order to qualify, the service member must pledge six years of military service and have competitive academic credentials.

Student Loan Repayment Program

Annually, the Student Loan Repayment Program pays a student 33.3% of his or her loan's remaining unpaid principal balance or \$500, whichever amount is greater. The Army and Navy will pay \$65,000 in qualified education loans for those who have served full-time for three or more years. The Air Force will pay up to \$10,000. And the Army Reserve will pay as much as \$20,000 for recruits who have enlisted for six years.

The Education Incentives and Counseling Branch will make three annual payments directly to your lender after one year of active duty.

In order to be eligible for the SLRP, the service member must have a high school diploma, an Armed Forces Qualification Test score of 50 or higher, and a qualifying loan taken prior to entering active duty (PLUS, SLS, Stafford, Perkins, William D. Ford, and consolidated loans). Additionally, the recruit must be enlisted in a critical military occupational specialty.

After the recruit has completed documentary evidence that shows that he is qualified for the SLRP, he will receive a DOD Educational Loan Repayment Program Annual Application, which he must complete and return to his loan holder. The loan holder must then complete his designated section of the application and forward the document to the Education Incentives and Counseling Branch.

SLRP loan payments are taxable by the federal and state government. It should be noted that recruits cannot be recipients of both SLRP and the G.I. Bill. If the recruit is already enrolled in the

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G.I. Bill, then he must disenroll within the first three days working days of entering active duty. If not, the recruit is automatically ineligible for SLRP.

There are a few pros and cons that should be considered in making the decision between choosing SLRP and the G.I. Bill. Firstly, SLRP loan payments are considered taxable income by the federal and state government. Secondly, the army does not pay loans that are in default. Third, the G.I. Bill pays tuition for enrolled students while the SLRP pays a recruit's remaining loan balance. It is best to calculate the actual benefit in order to gauge which program is better suited for the individual recruit.

ROTC Scholarships

Reserve Officers' Training Corps Program provides tuition money to current students. The only stipulation is that, in addition to your full course load, one must also enroll in a military science course and, upon graduation, enter the service as a commissioned officer. Full scholarship, which reaches up to \$20,000 per year, is awarded based on a student's merits and grades and can pay for almost all tuition, fees, and books charges.

The ROTC Program offers various scholarship options.

To qualify for a four-year scholarship, you must be a U.S. citizen, be between 17 to 26 years of age, have a high school diploma or equivalent, have a minimum high school GPA of 2.5, score 920 or higher on the SAT or 19 on the ACT, meet physical requirements, and agree to serve in the U.S. Army Reserve or Army National Guard.

With the exception of a few key differences, the requirements for a three-year scholarship are similar to the four-year scholarship. Instead of having a minimum high school GPA of 2.5, applicants for three-year scholarships must have a college GPA of at least 2.5. Also, applicants can be 27 years old and still qualify for three-year scholarships.

For a two-year scholarship, as long as you have a minimum college GPA of 2.5 and are between the ages of 17-27 years old, recruits can still be eligible even if they haven't taken the SAT or ACT exams.

The ROTC Program offers to pay for students' living expenses. The actual amount is awarded according to the number of years one has been in the ROTC program. First years receive \$300 per month; second years, \$350 per month; third years, \$450 per month; and fourth years, \$500 per month.

Because there is no military commitment for first years, freshmen can explore the pros and cons of the ROTC program without committing to it.