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GI Bill Cheat Sheet

What is the GI Bill?

The GI Bill is a benefit that military service members earn through service. It covers up to 36 months (or 4 academic years) of schooling and includes money for tuition, living expenses, and books. The amount you get for books is generally \$1,000, while the amount you get for tuition and living expenses varies depending on where you go to school.

Who is Eligible for Benefits?

To be eligible for the GI Bill a person has to have served three years in active duty in any branch of the military.

How do you Qualify for Transferability?

You have to serve the 3 years that you normally would serve to qualify for the G.I. Bill and then commit to additional qualifying service after that. [This military.com blog post](#) has more details about how to qualify.

How Do You Transfer Your GI Bill To Your Kids?

The first step is to transfer at least one month of your G.I. Bill to each of your dependents before you leave the military. You can later change the number of months allocated to each dependent even after you separate from the military. However, you cannot **add** new dependents once you separate from the military

Can You Maximize Your GI Bill Benefits?

Proper planning can make a big difference in the amount of benefits that you receive. There are a number of different considerations to take in mind when you consider how best to use your G.I. Bill. The [GI Bill Comparison Tool](#) is a great way to compare schools.

How Much Does the GI Bill Cover at Private vs. Public Schools?

The G.I. Bill pays around \$20,000 (\$21,084.89 in 2015) towards a year at a private college, but pays full in-state tuition at a public college, no matter the cost.

What are Yellow Ribbon Schools?

In addition to the \$20,000 you get towards a year at a private college, some private colleges have joined the Yellow Ribbon Program to help you even more. If a school is a Yellow Ribbon Member, it will offer GI Bill recipients an extra amount of aid which the V.A. will match. Often the Yellow ribbon benefits will cover the remaining cost of tuition and fees and bring your tuition cost to \$0.

How Much Do You Get As a Living Allowance?

The amount you get varies according to where your child is going to school and is connected to the Basic Allowance for Housing (BAH) for an E-5 with dependents. Your BAH is connected to your zip code.

Do You Have to Declare the G.I. Bill on FAFSA or CSA Profile?

No, it is not considered an asset or income for the purposes of either FAFSA or CSA Profile. If you do receive financial aid, the GI Bill will top up your tuition fees.

Should I Use the GI Bill for a Bachelor's Degree or An Advanced Degree?

You can use your G.I. Bill for up to 36 months (or 4 academic years) for any type of degree at a qualified educational institution. It will cover 2-year, 4-year, associates, bachelor, advanced degree and professional degrees. Since some degrees cost more than others, it may make sense to use your G.I. Bill benefits on the more expensive degree if you plan on getting more than one or if you have more than one child.

Interested in learning more?

Check out our recorded interview with an expert on the G.I. Bill who works for the *Office of Education Service*. [Click here to listen to it!](#)

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How to Maximize the G.I. Bill for Your Children:

For years, career soldiers asked the military to make their GI Bill benefits transferable to their families and with the Post-9/11 G.I. Bill their wish was finally granted! Many servicemen and service women plan to serve in the military throughout their whole career, they already have a degree, or they don't need or want to get a degree.

That means that the option to transfer their G.I. Bill to their children is a great way for them to benefit from the G.I. Bill as well.

How to Qualify for Transferability:

The Post-9/11 G.I. Bill introduced a new perk to the G.I. Bill. For the first time you could transfer your G.I. Bill to any of your dependents including your spouse or your children if you do not plan to use it. In order to qualify for transferability, you have to serve for the 3 years that you normally would serve to qualify for the G.I. Bill and then commit to additional service after that. At the point that you sign up for those additional years, your G.I. Bill becomes transferable. [This website](#) has more details about how to qualify.

What to do Before You Leave the Military:

It's critical for those who are leaving the military to transfer some of their G.I. Bill to each of their dependents before they leave. While you can move around the number of months allocated to each dependent after you separate from the military, you cannot add any new dependents after you leave. That means that you will not be able to use your G.I. Bill for your children if you have left the military without adding them as a beneficiary.

Factors to Consider to Get the Most out of Your G.I. Bill

There are a number of different considerations to take in mind when you consider how best to use your G.I. Bill. If you have more than one kids who you will be helping to pay for college, you'll have to figure out what is the best use of the G.I. Bill in order to get the most money. Some parents might split the G.I. Bill in half and give it to their children equally, but you might want to consider these factors:

Private vs. Public:

The G.I. Bill pays around \$20,000 (\$21,084.89 in 2015) towards a year at a private college but pays full in-state tuition at a public college, no matter the cost. Depending on the costs of various different schools

Yellow Ribbon Schools:

In addition to the \$21,084 you get towards a year at a private college, some private colleges have joined something called the Yellow Ribbon Program to help you even more. If a school is a Yellow Ribbon Member, it will offer military dependents an extra amount of aid which the V.A. will match. This matching money often makes tuition free at that school. Not all private schools participate in the Yellow Ribbon program and some have stipulations on how many students they'll support every year.

Differences in Living Allowance:

The G.I. Bill gives students a stipend for their living expenses. However, the amount you get varies according to where your child is going to school and is equivalent to the Basic Allowance for Housing (BHA) for an E-5 with dependents which is connected to the zip code where your child is attending school.

In some cases, the living stipend your child will qualify for will be more or less than the cost of room and board at that school. For example, if the school your child is attending is in an area where housing is cheap, they might get less than they'll need to cover the cost of residence and a meal plan.

Bachelor vs. Advanced Degrees:

You can use your G.I. Bill for up to 36 months for any type of degree you can get at a qualified educational institution. Since some degrees cost more than others, it makes sense to use your G.I. Bill benefits on the more expensive degree. If your child wants to be a doctor or a lawyer, it could make the most sense for them to use your G.I. Bill to go to medical school or law school since you'll be likely to get more money that way.

Other Aid:

One of the great things about the G.I. Bill is that it isn't counted on either the CSS Profile or the FAFSA. That means that your family might also qualify for federal and institutional financial aid and scholarships at the schools that your children want to attend. This should factor into your planning as you try to maximize your use of the G.I. Bill. Since the G.I. Bill tops up the costs of school after scholarships and financial aid come into play, if one of your children gets a lot of aid or a partial scholarship for athletic or academic reasons, then using the G.I. Bill for that child might not get you the most benefits. If you have another child who is less likely to get merit scholarships then it might make sense to use the G.I. Bill to help them.

Use the G.I. Bill Comparison Tool to Compare:

Luckily, figuring out how best to use your G.I. Bill is pretty easy since the V.A. created a [G.I. Bill Comparison Tool](#) that allows you to quickly and easily check to see which school is going to get you the most money.

By inputting some information about yourself and the schools your children are considering, you can easily find out whether it makes sense to use the G.I. Bill for one of your children or to save it for another.

The one caution I would add as you use this tool is that the tuition amounts are not always up to date. They might vary from what you'll actually have to pay at a particular school depending on what program your child is taking since some programs are more expensive than others.

Let's compare two schools to get an idea of what kind of benefits you'll get.

New York University (NYU):

Your calculated benefits

Calculate your complete benefit

Tuition / Fees (year): ⓘ

Scholarships (not Pell): ⓘ

Enrolled: ⓘ

School Calendar: ⓘ

Eligible for Kicker: ⓘ Yes No

Calculator Results

\$3,744 / month Housing Allowance

Total GI Bill Benefits: \$54,931

Paid to school: \$20,235

Paid to You: \$34,696

Out of Pocket Tuition: \$27,515

Tuition & Fees Charged: \$47,750

GI Bill Pays: \$20,235

	Fall	Spring	Total (Yr)
<u>Tuition / Fees Benefit:</u>	\$20,235	\$0	\$20,235
<u>Housing Allowance:</u>	\$16,848	\$16,848	\$33,696
<u>Book Stipend:</u>	\$500	\$500	\$1,000

As you can see in the image above, the tuition at NYU is \$47,750, but the GI Bill will pay \$20,235 (this is the 2014 amount) towards the costs. Since you're living in New York City, you qualify for an elevated housing allowance of \$3,744 per month that equals out to \$33,696 over two terms.

Now, let's compare that to the actual costs of NYU, according to College Board:

On Campus

Tuition and fees	\$47,750
Room and board	\$17,580
Books and supplies	\$1,070
Estimated personal expenses	\$2,000
Transportation expenses	\$2,044
Estimated Total	\$70,444

Tuition: \$47,750 - \$20,235 = \$27,515 (out of pocket)

Room and Board: \$17,580 - \$33,696 = -\$16,116 (additional)

Total out-of-pocket: \$27,515 - \$16,116 = \$11,399 out of pocket

Since the estimated room and board cost for NYU is \$17,580 over two term, you end up with \$16,116 extra in housing allowance which you can presumably put towards the \$27,515 that you'd have to pay out of pocket in tuition and fees. That means that you'll still end up paying **\$11,399 out of pocket at NYU.**

Notre Dame

Your calculated benefits

Calculate your complete benefit

Tuition / Fees (year): ⓘ
\$47,929

Receiving Yellow Ribbon? ⓘ Yes No

Yellow Ribbon Amount From School (year): ⓘ
\$13100

[See YR rates »](#)

Scholarships (not Pell): ⓘ
\$0

Enrolled: ⓘ
Full Time ▼

School Calendar: ⓘ
Semesters ▼

Eligible for Kicker: ⓘ Yes No

Calculator Results

\$1,137 / month Housing Allowance

Total GI Bill Benefits: \$57,668

Paid to school: \$46,435

Paid to You: \$11,233

Out of Pocket Tuition: \$1,494

Tuition & Fees Charged: \$47,929

GI Bill Pays: \$46,435

	Fall	Spring	Total (Yr)
<u>Tuition / Fees Benefit:</u>	\$20,235	\$0	\$20,235
<u>Yellow Ribbon (School):</u>	\$1,865	\$11,235	\$13,100
<u>Yellow Ribbon (VA):</u>	\$1,865	\$11,235	\$13,100
<u>Housing Allowance:</u>	\$5,117	\$5,117	\$10,233
<u>Book Stipend:</u>	\$500	\$500	\$1,000

As you'll see from the screenshot, the GI Bill will cover \$20,235 of tuition. However, because the University of Notre Dame is a Yellow Ribbon school, your child could qualify for \$13,100 from Notre Dame that would be matched by the V.A. to total \$26,200 extra. That would mean you would get \$46,435. Because you're living in Indiana, the cost of living is much cheaper so you'll only get \$1,137 per month for a total of \$10,233 over two semesters.

Now let's look at the actual costs of attending Notre Dame according to College Board:

On Campus

Tuition and fees	\$47,929
Room and board	\$13,846
Books and supplies	\$1,050
Estimated personal expenses	\$1,200
Transportation expenses	\$750
Estimated Total	\$64,775

Tuition: \$47,929 - \$46,435 = **\$1,494 (out of pocket)**

Room and Board: \$13,846 - \$10,233 = **-\$3,613 (out of pocket)**

Total out-of-pocket: \$27,515 - \$16,116 = \$5,107 out of pocket

Given that you'll have \$46,435 to put towards your tuition and fees, you'll only have to pay \$1,494 towards your tuition out of pocket. However, you'll get only \$10,233 to put toward room and board which will cost you \$13,846 which will mean that you'll have to pay \$3,613 out of pocket on room and board and **\$5,107 total out of pocket on tuition, fees, room and board.**

The Comparison:

That leaves you paying **\$6,292** more if your child attended NYU then if they attended Notre Dame. Of course, if you were comparing Notre Dame to a state school in the same state or to another private Yellow Ribbon school in New York City, you would most likely get very different results.

Interested in learning more?

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