

DEPARTMENT OF THE NAVY
BUREAU OF NAVAL PERSONNEL
WASHINGTON, D.C. 20370-5000

IN REPLY REFER TO

BUPERSINST 1780.1
Pers-602C
07 JUL 1995

BUPERS INSTRUCTION 1780.1

From: Chief of Naval Personnel
To: All Ships and Stations (less Marine Corps field addressees
not having Navy personnel attached)

Subj: FEDERALLY LEGISLATED EDUCATIONAL BENEFIT PROGRAMS

Ref: (a) Title 38, United States Code, Chapter 34, Vietnam
Era GI Bill (VEGIB)
(b) Title 38, United States Code, Chapter 32, Veterans'
Educational Assistance Program (VEAP)
(c) Title 10, United States Code, Chapter 107,
Educational Assistance Active Duty test program (EATP)
(d) Title 38, United States Code, Chapter 30, Montgomery
GI Bill (MGIB)
(e) Title 10, United States Code, Chapter 1606,
Montgomery GI Bill - Selected Reserver (MGIB-SR)
(f) FY-92 National Defense Authorization Act, Public Law
101-510
(g) FY-93 National Defense Authorization Act, Public Law
102-484
(h) OPNAVINST 1900.2
(i) DoD Directive 1322.16, Montgomery GI Bill (MGIB)
Program of 11 May 94 (NOTAL)
(j) DoD Instruction 1322.17, Montgomery GI Bill for the
Selected Reserve of 22 Nov 91 (NOTAL)
(k) NAVPERS 15560C, Navy Military Personnel Manual
(MILPERSMAN)
(l) BUPERINST 1900.8
(m) NAVSO P-1000, Navy Comptroller (NAVCOMPT) Manual
(n) NAVSO P-3050, Navy Pay and Personnel Procedures
Manual (PAYPERSMAN)
(o) NAVSO P-3069, Source Data Systems Procedures Manual
(SDSPROMAN)
(p) EPMAC UM-01A, Diary Message Reporting System Users'
Manual (DMRSMAN)
(q) DFAS-Cleveland 101607Z MAR 93, MPA 23/93
(r) BUPERINST 1001.39C
(s) COMNAVRESFORINST 1780.1B (NOTAL)
(t) COMNAVRESFOR UM-01B, Reserve Standard Training
Administration and Readiness Support (R-STARS) Manual
(NOTAL)
(u) OPNAVINST 1900.1D

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Encl: (1) The Navy's Federally Legislated Educational Benefit Programs

1. Purpose. To update policy, assign responsibility, and provide information to Navy personnel about federally legislated educational benefits programs authorized under references (a) through (g).

2. Discussion. A member's initial active duty date, 6 year Selected Reserve (SELRES) service obligation, or special separation program, determine eligibility for federally legislated educational benefits. This instruction describes several benefit programs and their differing eligibility criteria and benefits. References (h) through (u) provide additional guidance on the implementation and procedures of these programs.

3. Points of Contact

a. For questions regarding this instruction and/or any of the Navy's federally legislated educational benefit programs, contact:

Bureau of Naval Personnel
(Pers-602)
2 Navy Annex
Washington, D.C. 20370-6020
DSN: 224-5934, Commercial: (703) 614-5934
1-800-962-1425, FAX: (703) 614-5582/DSN: 224-5582

b. For questions regarding the Selected Reserve Montgomery GI Bill (MGIB-SR) program, affiliation with the Selected Reserve to maintain eligibility for the active duty MGIB, Reserve Transition Benefits (RTB), or recoupment of MGIB-SR benefits, contact:

Commander, Naval Reserve Force (Code 009E)
4400 Dauphine Street
New Orleans, LA 70146-5000
DSN: 363-5165/5420/1962, Commercial: (504) 948-5165/5420/1962
1-800-621-8853

c. For questions regarding a veteran's educational benefits status, contact the Department of Veterans Affairs (DVA) at 1-800-827-1000. Overseas personnel should direct inquiries to:

Washington Regional VA Office
941 North Capitol Street N.E.
Washington, DC 20421

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The Federal Benefits for Veterans and their Dependents, VA Pamphlet 80-94-1, is published annually by the DVA and contains further information on federally legislated educational programs and other VA benefits.

d. For questions regarding Montgomery GI Bill (MGIB) pay reductions or lump sum payments, contact:

Defense Finance and Accounting Service (DFAS)
Cleveland Center (Code FMXA)
1240 East 9th Street
Cleveland, OH 44199-2059
DSN: 580-5918, Commercial: (216) 522-5918

e. For questions regarding the Veterans Education Assistance Program (VEAP) allotment deductions or lump sum payments, contact:

Defense Accounting and Finance Service (DFAS)
Cleveland Center (Code FMATD)
1240 East 9th Street
Cleveland, Ohio 44199-2059
DSN: 580-6863, Commercial: (216) 522-6863

f. For questions regarding pay information or problems, contact a DFAS-Cleveland Customer Service Representative:

Active Duty: 1-800-346-3374; Reserve: 1-800-255-0974.

g. For questions regarding Personnel Accounting Administrative Systems (PASS) procedures, contact:

Bureau of Naval Personnel
(Pers-331)
2 Navy Annex
Washington, D.C. 20370-3310
DSN: 335-9092, Commercial: (703) 476-9092

h. For questions regarding the Transition Assistance Military Program (TAMP), contact:

Bureau of Naval Personnel
(Pers-662)
2 Navy Annex
Washington, DC 20370-6620
DSN: 227-6621, Commercial: (703) 697-6621

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5. Responsibilities. Appendix A assigns responsibilities and actions for all subject programs.

6. Forms. See appendix B for forms availability.

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THE NAVY'S
FEDERALLY LEGISLATED
EDUCATIONAL BENEFIT PROGRAMS

07 JUL 1995

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CHAPTER 1: MONTGOMERY GI BILL (MGIB)1.1 Eligibility

a. Members must enter active duty other than active duty for training for the first time on or after 1 July 1985. If service is terminated in the Armed Forces for reasons of being a minor, for an erroneous enlistment/induction, or for having a defective enlistment agreement, that time period is not considered as part of an individual's initial obligated period of active duty. Members who subsequently reenter the Armed Forces after being discharged for one of the reasons above, can enroll in the MGIB.

b. Members must serve on active duty for a period of:

(1) At least 2 years if on a less than 3-year obligation.

(2) At least 3 years if on a 3-year or longer obligation.

(3) At least 2 years followed by 4 years of satisfactory participation in any of the Armed Forces Selected Reserve components (2x4). Affiliation with a Reserve Unit must occur within 1 year of release from active duty.

c. The active duty requirement is not applicable to a member who is discharged or released from active duty for:

(1) Service connected disability, pre-existing medical condition, hardship or reduction in authorized strength as determined by the Secretary of the Navy; or

(2) Convenience of the Government after 20 months of active duty for a 2-year obligation; or,

(3) Convenience of the Government after 30 months of active duty for a 3-year or greater obligation.

d. The 4-year SELRES requirement is not applicable to a member if, during the SELRES service, the member is discharged or released for hardship, service-connected disability, pre-existing medical condition, or reduction in authorized strength as determined by the Secretary of the Navy.

e. U.S. Naval Academy (USNA) graduates and Naval Reserve Officer Training Corps (NROTC) scholarship graduates who were commissioned after 31 December 1976 are not eligible to enroll in the MGIB except if released from active duty under the Voluntary Separation Initiative (VSI), Special Separation Benefit (SSB), or certain involuntary separations (IVS). This restriction does not apply to U.S. Merchant Marine Academy graduates.

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f. Members cannot use the same period of service to qualify for the MGIB and MGIB-SR.

g. Members must earn a high school diploma, an equivalency certificate, or complete 12 semester hours of college prior to completing their initial obligated period of active duty.

(1) Members who enter the Navy without a high school diploma or equivalency certificate must have their educational level updated when they complete high school using reference (o), volume 1, part 3, or reference (p).

(2) A high school equivalency certificate may be earned through any state-accredited program including: test-based equivalency diploma (i.e. General Equivalency Diploma (GED)), high school certificate of attendance, adult education diploma, correspondence school diploma, occupational program certificate, or home study diploma.

(3) Members who were on active duty 2 August 1990 and whose first period of active obligated service was completed on or before 28 October 1994, had until 28 October 1994 to complete their high school diploma or equivalency. Members whose first period of active obligated service extended beyond 28 October 1994 will still have until the expiration of their initial term of active duty to earn their high school equivalency requirements.

h. The character of Service for members separated from the Navy must be HONORABLE. (NOTE: This does not include a general discharge under honorable conditions.)

i. For the purpose of determining active duty requirements for the MGIB, the term "active duty" does not include:

(1) Service as a midshipman at the Naval Academy or any other military service academy.

(2) Service as an officer or enlisted member of the Naval Reserve, where active duty consists solely of initial active duty for training (IADT), active duty for training (ADT), or annual training (AT).

(3) Service as a Sea and Air Mariner (SAM), NROTC participants who did not graduate, or any other naval reservists who were recalled to active duty for less than 24 months.

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1.2 Enrollment

a. Members are enrolled automatically in the MGIB unless they elect to disenroll. DD 2366 is used for this purpose.

b. If a member wants to disenroll, he or she must make a decision within the first 2 weeks of active duty. A one-time opportunity to either remain enrolled or disenroll, will be provided within the first 2 weeks. Baccalaureate Degree Completion Program (BDCP) personnel will be offered the MGIB upon arrival at Officer Candidate School.

c. If a member elects to disenroll, there will be no opportunity to enroll at a later date.

d. Members enrolled agree to a \$100/month pay reduction during their first 12 full months of active duty. This reduction cannot be suspended or stopped as long as the member is entitled to pay.

e. Any reduction in pay is not refundable.

f. A second opportunity existed for members who initially disenrolled before 30 June 1988. Members were allowed to enroll during an MGIB "open period" from 1 December 1988 through 30 June 1989 if they:

(1) First took the oath of enlistment or office, or first came on active duty sometime during the period 1 July 1985 through 30 June 1988; and,

(2) Remained on continuous active duty through 1 December 1988 without a break in service: and,

(3) Took action to change their MGIB status during the "open period."

(4) Members not electing enrollment into the MGIB during the open period must have been afforded the opportunity to decline by signing a service record Page 13 memorandum entry or a DD 2366 annotated with the statement "I understand that I am eligible to enroll in the MGIB during the open period and I choose not to enroll" per CNO WASHINGTON DC MSG 302000Z NOV 88.

1.3 Preparation/Distribution of DD 2366

a. Officer and enlisted personnel entering active duty for the first time, must complete DD 2366 within the first 2 weeks of active duty. Each copy must be signed by the member and distributed as follows.

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b. Naval Academy and NROTC scholarship graduates must sign block 2a of DD 2366 within 2 weeks of commissioning acknowledging that they are not eligible. NROTC College Program graduates must sign within the first 2 weeks of active duty.

c. Members NOT electing enrollment must sign each page in block 2b "Statement of Understanding" and block 3 "Statement of Disenrollment."

d. A witnessing official (block 5) must sign each page in black or blue-black ink. Stamped or facsimile signatures are not acceptable.

e. Navy College Fund participants must annotate block 4 "NCF."

f. Completed forms are distributed as follows:

(1) Original to BUPERS (Pers-313) with accession package.

(2) Copy to field service record.

(3) Copy to local disbursing office for DECLINE coding per reference (o), volume 1, part 3, or reference (p).

(4) Copy to member.

1.4 Benefits

a. The present basic educational assistance benefit for full-time attendance is:

(1) \$329.97/month for 36 months for a less than 3-year obligation; or,

(2) \$404.88/month for 36 months for a 3-year or longer obligation.

(3) \$404.88/month for 36 months for members who initially obligated for 2-years active service but actually served continuously 3-years or more.

(4) Benefit payments are prorated equally for 3/4, 1/2, and 1/4 time in class.

(5) Benefit rate increases will be adjusted to the Consumer Price Index for each 12-month period covering 1 July - 30 June. All enrolled members will automatically receive these increases.

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b. Correspondence courses are reimbursed at a rate of 55 percent of course cost. Entitlement is charged at the rate of 1 month for each \$404.88 paid.

c. Apprenticeship or on-the-job training rates are:

(1) \$303.66 for each of the first 6 months (75 percent of a month's entitlement charged).

(2) \$222.68 for each of the second 6 months (55 percent of a month's entitlement charged).

(3) \$141.71 for each month remaining in the training program (35 percent of a month's entitlement charged).

d. Full-time cooperative training is paid at a rate of 80 percent of the monthly benefit payment (\$323.90/month).

e. Tutorial assistance is available for up to \$100 per month for 12 months and entitlement is charged only for payments in excess of \$600.

f. Flight training, including solo flight hours, is authorized for individuals who have a private pilot's license and who meet the medical requirements for a commercial pilot's license. Flight school courses must be approved by the Federal Aviation Administration and the state approving agency.

(1) Benefits for flight training will be the lesser of the amount of assistance authorized or 60 percent of the established charges for tuition and fees.

(2) Entitlement is charged at a rate of 1 month for each \$404.88 that is paid.

g. In certain instances, the Department of Veterans Affairs (DVA) may approve courses offered in a shortened time frame to qualify for an accelerated educational program. These are awarded on a case-by-case basis.

h. An additional educational assistance, "kicker," is added to the basic or supplemental assistance at the discretion of the Secretary of Defense to participants who agree to enlist in ratings that are classified as critical or hard to fill. These programs are known as the Navy College Fund (NCF) and Navy Sea College Program (NSCP) and are detailed in chapters three and four.

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i. Service members discharged for a service-connected disability, pre-existing medical condition, hardship or reduction in authorized strength as determined by the Secretary of the Navy, who do not meet the minimum time-in-service requirements, are entitled to 1 month of basic educational assistance for each full month of active duty served, up to a maximum of 36 months. For example, a member discharged for a hardship with 14 months and 20 days active service is entitled to 14 months of benefits.

j. Service members who were enrolled in the MGIB and separated for hardship, disability or reduction-in-force with no more than 12 months of active service, and who later return to active duty, will be allowed to combine the two periods as if they were continuous.

k. The full 36 months of basic educational assistance is available to service members discharged for the Convenience of the Government only if the member completes a minimum of 20 months of active duty on an initial obligated period of less than 3 years, or a minimum of 30 months of active duty on an initial obligated period of 3 years or more.

l. Personnel may qualify for benefits under both the active duty and the Selected Reserve MGIB programs for different periods of service. However, the total amount of benefits paid from a combination of all DVA programs cannot exceed 48 months.

1.5 Use of Benefits

a. The MGIB may be used for programs in colleges, universities, technical or business schools, residency courses in non-college degree schools, correspondence courses, work-study, apprenticeship, on-the-job training, cooperative programs, refresher, remedial and deficiency courses, tutorial assistance, and flight training. Payment for apprenticeship, on-the-job training and cooperative programs is authorized only for veterans separated from active duty. Programs not authorized under the MGIB include elementary or secondary courses. The DVA has sole responsibility for determination of approved programs of education.

b. In-service members may utilize their MGIB entitlement while on active duty if they:

(1) Have paid the required \$1200.

(2) Completed 2 years of active duty.

(3) Completed the requirements of a high school diploma or equivalency certificate, or 12 semester hours of college.

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c. Effects on other Navy education programs:

(1) Participants in the Enlisted Education Advancement Program (EEAP), Medical Enlisted Commissioning Program (MECP), College Degree Program (CDP) and Enlisted Commissioning Program (ECP) may draw MGIB benefits if they enrolled and have met the active duty service requirement prior to starting the program. The members will retain eligibility upon completion of the program if benefits still remain.

(2) Nuclear Power Officer Candidate (NUPOC), Baccalaureate Degree Completion Program (BDCP), Civil Engineer Corps (CEC) and Health Services Collegiate Program (HSCP) participants are considered to be on active duty and are eligible to enroll in the MGIB. However, they must satisfy the requirements for in-service use before benefits can be received. MGIB eligibility is retained after program completion.

(3) Reserve Officers Training Corps (ROTC) students with prior active enlisted service are released for the Convenience of the Government prior to commencing an ROTC program. Those who were enrolled in the MGIB must ensure all eligibility requirements were met prior to being released, including active duty service to draw benefits for that period of service. Once commissioned, ROTC scholarship students forfeit further eligibility to MGIB benefits. Students who received educational assistance but did not graduate from ROTC retain eligibility. Commissioned non-scholarship ROTC graduates also retain MGIB eligibility.

(4) Broadened Opportunity for Officer Selection and Training (BOOST) students usually do not meet the minimum time-in-service requirements for MGIB eligibility due to early discharge upon successful completion of BOOST school. However, attendance at BOOST is considered active duty for MGIB purposes. Students who do not complete BOOST, retain their eligibility for MGIB benefits. Students who graduate from BOOST, are discharged for convenience of the Government from enlisted service prior to acceptance into the USNA or an NROTC program. The minimum time-in-service requirement must be met for MGIB eligibility. Track II BOOST students are required to complete the Statement of Understanding, (figure 1-1) at the beginning of BOOST school.

(5) MGIB benefits may not be utilized during attendance at the USNA. Midshipmen commissioned as officers after graduating from the USNA or any other service academy, (except for the Merchant Marine Academy), forfeit any previous eligibility for MGIB benefits. Midshipmen who do not receive their commission from the USNA, retain eligibility for MGIB benefits. Students who did not meet time-in-service requirements and who did not complete the USNA or Naval Academy Prep School, but return immediately to active duty, can combine their second period of active duty to meet MGIB active duty service requirements

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(6) Naval Postgraduate School (NAVPGSCOL) students may not use MGIB benefits.

(7) School of Medicine, Uniformed Services University of the Health Sciences (USUHS) students may be eligible for MGIB benefits. Enlisted personnel who previously elected the MGIB, must complete all eligibility requirements, including time-in-service, prior to commissioning to retain eligibility for the MGIB.

(8) Armed Forces Health Professions Scholarship Program (AFHPSP) students may become eligible for MGIB benefits. Enlisted students, who have elected the MGIB, must complete all requirements, including time-in-service, prior to commissioning to retain eligibility for the MGIB. Non-prior service students must be counseled on the advantages of MGIB enrollment and on disenrollment procedures. Navy Active Duty Delay Specialists (NADDS) remain on inactive duty and perform Active Duty for Training (AT/ADT) and are not eligible for the MGIB. If recalled to active duty for 24 months or more, NADDS then become eligible for MGIB benefits and must be counseled on both the advantages of the MGIB, as well as given the opportunity to disenroll from the program.

(9) Naval Aviation Cadet Program (NAVCAD) students are discharged for the Convenience of the Government when commissioned and must complete all requirements, including time-in-service, to retain their MGIB benefits.

1.6 Application Procedures

a. Application for benefits, whether a member is still on active duty or is a veteran, is made through contact with the Financial Aid Office or the DVA liaison at the college or institution a member plans to attend. VA 22-1990 and VA 22-1999 must be completed.

b. Educational institutions will forward the DVA application and enrollment documentation to the nearest regional DVA office:

(1) Eastern Region (Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont and West Virginia):

VA Regional Office
P. O. Box 4616
Buffalo, New York 14240-4616

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(2) Southern Region (Alabama, Arkansas, District of Columbia, Florida, Georgia, Louisiana, Maryland, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, Virginia and all training at foreign institutions, except the Philippines):

VA Regional Office
P. O. Box 54346
Atlanta, Georgia 30308-0346

(3) Central Region (Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, Wisconsin and Wyoming):

VA Regional Office
P. O. Box 66830
St. Louis, Missouri 63166-6830

(4) Western Region (Alaska, Arizona, California, Hawaii, Idaho, Nevada, New Mexico, Oklahoma, Oregon, Philippines, Texas, Utah and Washington):

VA Regional Office
P. O. Box 8888
Muskogee, Oklahoma 74402-8888

1.7 Delimiting Date

a. The delimiting date for using MGIB benefits is 10 years from the date of the member's last discharge or release from active duty. The 10-year delimiting date may be extended if the member was prevented from going to school during this period (e.g., disability, held by a foreign government, or missing-in-action).

b. If the veteran's character of service at the time of discharge or release from active duty is NOT honorable, but is later upgraded to honorable, the 10-year period begins on the date the discharge was upgraded.

c. If eligibility is based on 2 years active duty plus 4 years SELRES, the veteran's eligibility will end the LATER of:

(1) 10 years from release from active duty; or,

(2) 10 years from completion of the 4-year SELRES obligation.

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1.8 Survivor Benefit

a. A benefit will be paid to survivors if a member dies while on active duty or within 1 year of separation from active duty for service-connected causes.

b. The survivor benefit will equal the amount that was reduced from the member's pay (less any educational benefit that was already used) to the person(s) first listed below alive on the date of the member's death:

(1) The beneficiary or beneficiaries designated on the member's Servicemen's Group Life Insurance policy.

(2) The surviving spouse.

(3) The surviving child or children in equal shares.

(4) The surviving parent or parents in equal shares.

(5) If none of the above survive the member, no benefit will be paid.

c. Application is made by letter to:

Department of Veterans Affairs
P. O. Box 66830
St. Louis, MO 63166-6830

A copy of the death certificate must accompany application.

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STATEMENT OF UNDERSTANDING
FOR BOOST RECRUITS

I understand that as a recruit contracted under the BOOST program, the Montgomery GI Bill (MGIB) applies as follows:

- If I enroll in the MGIB, successfully complete BOOST, and am commissioned through the U.S. Naval Academy or NROTC scholarship I will lose my eligibility for MGIB benefits. I also understand that the \$1200 reduced from my pay will not be refunded.
- If I enroll in the MGIB but fail to graduate from BOOST and am ordered to active duty, I keep my MGIB benefits providing I serve at least 36 months on active duty and receive an honorable discharge.
- If I disenroll from the MGIB and fail to graduate from BOOST, and am ordered to active duty, I have no MGIB benefits.

Name of Recruit

Name of Witnessing Official

Signature of Recruit

Signature of Witnessing Official

Date

Date

Fig 1-1: Boost Page 13 Example

CHAPTER 2: MONTGOMERY GI BILL - SELECTED RESERVE (MGIB-SR)

2.1 Background. Both officer and enlisted members of the Selected Reserve (SELRES), who obligate for 6 years and participate satisfactorily in required reserve drills are eligible for MGIB-SR benefits.

2.2 Eligibility. To qualify for the MGIB-SR, members:

a. Must enlist, reenlist, or extend drill obligation in the SELRES for a period of not less than 6 years on or after 1 July 1985, and must participate satisfactorily in the SELRES during that time.

b. Must have earned a high school diploma or its equivalency prior to completing Initial Active Duty for Training (IADT). Recruits who are scheduled to complete IADT in two phases, known as "split (or alternate) trainers," must complete the requirements of a high school diploma or equivalency, prior to completion of the second phase of training.

c. Must complete required IADT under prescribed regulations. Personnel who have received a high school diploma or equivalency are considered to have completed IADT after the first portion of their training plan. For example, members who completed basic training and are awaiting orders for further assignment ("A" school, Split Trainers) are considered to have completed IADT for purposes of qualifying for the MGIB-SR. There is no required IADT for members accessed under the Advanced Pay Grade (APG) program.

d. Those who do not complete high school or do not achieve a high school equivalency certificate are not eligible for the MGIB-SR. If high school requirements are obtained later, personnel must execute a new 6-year obligation either by reenlisting (per reference (k), article 1160-030) or, extending current enlistment or drilling obligations for the number of months needed to make a 6-year obligation.

e. Those receiving financial assistance for a NROTC scholarship are not eligible for MGIB-SR benefits.

f. Members may qualify for benefits under both the active duty MGIB and the MGIB-SR. However, serving in the Selected Reserve (SELRES) as a "2x4" or any program which establishes eligibility for the active duty MGIB, makes members ineligible for MGIB-SR benefits until such time as they meet MGIB requirements. By combining two or more programs, a maximum total of 48 months can be received. For example, a 2-year active duty veteran enlists in the Naval Reserve to drill for a period of 4 years to establish active duty MGIB benefits (36 months).

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After the 4-year obligation is completed, the member can reenlist for 6 years to establish MGIB-SR benefits for 12 months. This gives the member a maximum of 48 months.

g. Members entitled to the MGIB-SR prior to 29 November 1989, maintain their reserve benefits during any period of active duty served as a SELRES. These personnel may qualify for benefits under the active duty and MGIB-SR for the same period served. However, members reenlisting in a regular military service component terminate eligibility for MGIB-SR, but may qualify for active duty benefits (See chapter 1).

h. Figure 2-2 is a guideline for determining MGIB-SR eligibility. References (e), (g), (j) and (s) provide detailed information about the MGIB-SR.

2.3 Enrollment Procedures

a. Members become immediately eligible for MGIB-SR benefits and will receive a Notice of Basic Eligibility (NOBE), DD 2384-1, at the time of enlistment, reenlistment or extension of SELRES service. Members must execute a Statement of Understanding agreement on an Administrative Remarks Service Record (page 13) entry as shown in figure 2-1. For officers, this 6-year period of service must be in addition to any other existing obligation.

b. When the DD 2384-1 is issued, the SELRES Naval Reserve Activity will report MGIB-SR eligibility coding per reference (t).

2.4 Benefits

a. The present basic educational assistance benefits are:

- (1) \$192.32/month - full-time training.
- (2) \$144.74/month - three-quarter-time training.
- (3) \$96.16/month - half-time training.
- (4) \$48.08/month - less than half-time training.

b. The maximum educational assistance is 36 months. Increases in benefits are tied to the consumer price index.

c. Educational assistance is available for attendance at an institution of higher education (i.e., college, university) as approved by the Department of Veterans Affairs.

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d. Educational assistance may be provided for the pursuit of any program of education that is an approved program for Chapter 30 benefits as outlined in chapter 1. To be eligible for benefits under the vocational and/or technical programs, the 6-year obligation must be on or after 1 October 1990.

2.5 Use of Benefits

a. Eligible members may draw MGIB-SR benefits only while meeting drilling requirements satisfactorily, except if separated for a disability (not the result of willful misconduct) or, if involuntary separated under the provisions of reference (g) for Reserve Transition Benefits (RTB).

b. If benefits are combined with another veterans educational benefit program, the total number of months of benefits cannot exceed 48 months.

(1) Members eligible for benefits under references (a) through (d) or any other veterans educational assistance program, may not receive benefits under both programs concurrently.

(2) Members eligible for the active duty MGIB based upon two years active duty followed by 4 years in the SELRES, cannot establish concurrent eligibility for the MGIB-SR.

c. Members receiving either enlistment bonus installments or educational assistance as a guarantee from a previous enlistment (i.e., Sea and Air Mariner Program Enlistment Bonus (EB) or Educational Assistance (EA) program, Reserve Allied Medical Program (RAMP)) may receive concurrent benefits under the MGIB-SR.

2.6 Application Procedures

a. Application for benefits is made through the financial aid office or the veterans' affairs representative at the college the member is attending. VA 22-1990 and VA 22-1999 must be completed and forwarded to the nearest DVA regional office for processing.

b. MGIB-SR participants may be required by the DVA to periodically validate their eligibility status and demonstrate continued satisfactory performance in the SELRES.

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2.7 Recoupment

a. Failure to participate satisfactorily in required drills per reference (r) may result in recoupment of previously paid benefits. COMNAVRESFOR may waive the requirement to recoup previously paid benefits or may reduce the amount of the recoupment if it is determined that the failure to participate satisfactorily was due to reasons beyond the control of the member.

b. Recoupment of benefits will not affect the member's responsibility to serve any remaining obligated commitment in the SELRES.

c. The amount to be recouped is calculated (plus interest) by:

(1) Dividing the number of months of obligated service remaining for the MGIB-SR by the original number of months of the obligation;

(2) Multiplying that ratio by the total amount of member's benefits already received.

For example, if a member satisfactorily drilled for 24 of the 72 required months and received \$3,000 in MGIB-SR benefits ($48/72 = .66 \times \$3,000 = \$2,000$). In this case \$2,000 will be recouped (plus interest) from the member.

2.8 Delimiting Date. MGIB-SR benefits end 10 years from the date of basic eligibility as shown on the DD 2384-1. If the member is currently enrolled in college on the delimiting date, that date may be extended to the end of the present course of instruction or 12 weeks, whichever is less.

2.9 Termination of Eligibility. MGIB-SR benefits are terminated when a member:

a. Receives educational assistance through a Reserve Officers Training Corps (ROTC) scholarship program; or,

b. Is declared an unsatisfactory participant in the SELRES per reference (r). MGIB-SR eligibility cannot be regained once a member is declared unsatisfactory by the Navy or any other military service; or,

c. Has a basic eligibility date of 29 November 1989 or later, obligates for 2 years or more of active duty to organize, administer, recruit, instruct, or train the Naval Reserve, and is paid from funds appropriated for reserve personnel. (These personnel may qualify for active duty MGIB see eligibility guidelines in chapter 1). Examples include:

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(1) Training and Administration of Reserve (TAR)

(2) Active Duty for Special Work (ADSW)

(3) Canvasser recruiters (CANREC)

(4) Recalled to active duty under section 265, Title 10, United States Code

d. Separates from the SELRES, with the following exceptions:

(1) Released for a disability, not the result of willful misconduct. The member remains eligible for benefits through the original 10 year delimiting date.

(2) Prevented from pursuing an educational program because of a physical or mental disability incurred or aggravated in the line of duty. The member must apply to the DVA for an extension of the 10-year delimiting date, within 1 year after the 10-year period or by the last day of the disability, whichever is later.

(3) Involuntarily separated from a SELRES status 1 October 1991 through 30 September 1999 and approved for Reserve Transition Benefits (RTB) under reference (g). The member remains eligible for benefits through the original 10-year delimiting date.

(4) Recalled for less than 2 years active duty as a Selected Reservist.

2.10 Regaining Eligibility. Members who are released from the SELRES for valid reasons following a period of satisfactory participation may regain eligibility provided requests are made for an approved period of benefits suspension. For cases greater than a 1 year period of absence from the SELRES, except for authorized missionary work, requests must be submitted to the Bureau of Naval Personnel (Pers-602) via COMNAVRESFOR (Code 009E) via the member's Chain of Command.

2.11 Required Documents

a. NAVPERS 1070/613, Administrative Remarks (Page 13):

(1) Members affiliating in the SELRES, enlisting, reenlisting or extending drill service obligation and meeting the MGIB-SR criteria, must be advised of their potential eligibility for the MGIB-SR. Commands must counsel and provide the member with a Statement of Understanding on the MGIB-SR program as illustrated in figure 2-1.

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(2) The Statement of Understanding will become part of the member's official record and replaces OPNAV 1780/1.

(3) If a member is not eligible for the MGIB-SR the command must document that the member was counseled. Example: "I am ineligible for the Selected Reserve Montgomery GI Bill (MGIB-SR) program because I do not have a high school diploma or its equivalency."

b. DD 2384 or 2384-1, Selected Reserve Educational Assistance Program (GI Bill) Notice of Basic Eligibility:

(1) If the member meets the MGIB-SR eligibility criteria, complete in quadruplicate, DD 2384-1, either by manually typing the form or having it computer generated. This must be originally signed in black or blue-black ink and delivered to the member no later than the next regularly scheduled drill.

(2) Distribution is:

- (a) Original - Bureau of Naval Personnel (Pers-313C)
- (b) 1st Copy - field service record
- (c) 2nd Copy - personal drill folder
- (d) 3rd Copy - member

The member will be informed that if he or she makes any unauthorized change or alteration to the form, the form will be void.

(3) DD 2384-1, commonly referred to as the NOBE, is the source document used to validate MGIB-SR eligibility and is vulnerable to fraudulent use. Since the NOBE is crucial, it must be safeguarded at all times. All NOBE forms will be transmitted, stored and destroyed in a manner which will prevent unauthorized use. The following procedures for control of the NOBE are mandatory:

- (a) All forms will be secured after duty hours.
- (b) All obsolete forms will be destroyed.

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(c) All forms to be discarded will be destroyed. No forms will be discarded intact.

(d) The commanding officer or officer in charge of each unit or activity authorized to issue NOBEs, is ultimately responsible for the form, but may appoint someone who has "By Direction" authority per article 1070-190 in reference (k) to requisition, control, sign, and issue blank or automated NOBEs.

(e) The preferred method for using the NOBE is through R-STARS automation. (See reference (t)).

(f) If an error is discovered after distribution of the NOBE, do not reissue a new one. Any necessary corrections will be made on the field service record or personal drill folder copy. Type or stamp "CORRECTED COPY" on top. Reproduce the corrected NOBE three more times and redistribute as a new issue. All corrections will be neat, legible, and originally signed and dated by the commanding officer or designee and the member on each copy.

(g) If a member has lost his/her copy, the command will produce a certified copy of the NOBE from the field service record or personal drill folder. At the top of the form, the words "REISSUED on (date)" must be typed, stamped or neatly handwritten. The commanding officer or designee and member will initial it and the copy is given to the member.

(h) When a member reaffiliates with the SELRES after an approved period of authorized absence, the gaining command will report the R-STARS entry per reference (t). Entries can be made from the original Date of Basic Eligibility, as verified from the NOBE, from the field service record, or from the personal drill folder.

(i) If there is a question of authenticity or if the local NOBE cannot be furnished, the official BUPERS copy from the member's permanent service record must be requested per reference (k), article 1070-150, and recognized as the official record copy.

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ADMINISTRATIVE REMARKS
NAVPERS 1070/613 (Rev 10-81)
S/N 0106-LF-010-6990

NAVAL AND MARINE CORPS RESERVE CENTER

STATEMENT OF UNDERSTANDING

(Date) I agree to remain a satisfactory participating member Of the Selected Reserve (SELRES) for a period of 6 Years to become eligible for the Montgomery GI Bill - Selected Reserve (MGIB-SR). Receipt of benefits is conditional upon satisfactory participation. I have received and have read DD 2384-1 dated (yymmdd). I understand that this entitlement does not guarantee my drill-pay assignment or take precedence over forced attrition.

I. L. GETTIT

WITNESSED:

M. L. DOE, CDR, USNR
Personnel Officer

Fig 2-1: Statement of Understanding (Page 13)

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MGIB-SR ELIGIBILITY CHECKLIST

(Instructions): To determine eligibility, questions one through four must be answered "Yes." Question five must be answered "No."

	<u>YES</u>	<u>NO</u>
1. On or after 1 July 1985, did you agree to serve in the Selected Reserve for 6 years in addition to any Selected Reserve obligation already incurred?	XX	
2. Did you sign both the DD 2384-1, Notice of Basic Eligibility, and a service record page 13, Statement of Understanding?	XX	
3. Did you complete the requirements for a high school diploma (or equivalency certificate) or 12 semester hours of college prior to the action taken in question #1?	XX	
4. Did you complete any required IADT, if applicable?	XX	
5. Are you receiving financial assistance (not a stipend) under Section 2107 of Title 10, United States Code, as a member of the Naval Reserve Officers Training Corps (NROTC) Program?		XX

Fig 2-2: MGIB-SR Eligibility Checklist

CHAPTER 3: NAVY COLLEGE FUND (NCF)

3.1 Background. The Navy College Fund (NCF) was implemented on 1 January 1990 to provide an additional educational benefit (or "kicker") to recruit qualified high school graduates into "critical or hard-to-fill" ratings. A kicker is an additional amount to be paid monthly as long as the person is in school. Qualifying recruits receive Montgomery GI Bill benefits as well as the additional "kicker." The Bureau of Naval Personnel (Pers-23) determines which Navy ratings qualify for the NCF.

3.2 Eligibility. To qualify for NCF benefits members must:

- a. Qualify for training in a selected Navy rating as a non-prior service enlistee.
- b. Enter active duty on or after 21 November 1989.
- c. Graduate from High School - no equivalency accepted.
- d. Achieve an AFQT score of 50 or higher.
- e. Be 17-35 years of age.
- f. Agree to serve on active duty for a minimum of 3 or 4 years (depending on the program for which the individual is selected).
- g. Receive no enlistment bonus.
- h. Receive an HONORABLE discharge upon separation for the qualifying enlistment. (Note: This does not include a general discharge under honorable conditions.)
- i. Enroll in the basic MGIB program and agree to a \$1200 pay reduction. Members who lose entitlement or disenroll from the MGIB also lose all "kicker" benefits.

3.3 Benefits

- a. Members are entitled to the basic MGIB rate plus the "kicker." "Kicker" amounts are subject to Navy policy.
- b. Members discharged from active duty for a service-connected disability, pre-existing medical condition, reduction in authorized strength as determined by the Secretary of the Navy, or for hardship, before completing 36 months of active duty, are entitled to 1 month of basic MGIB educational benefits and 1 month of "kicker" benefits for each month served on active duty. Only full months of benefits will be paid. For example, if a member is discharged with 15 months and 20 days of active service, he or she is entitled to 15 months of basic MGIB and 15 months of "kicker" benefits.

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c. Members will receive 36 months of basic MGIB educational assistance with a reduced "kicker" if they are discharged for the Convenience of the Government (COG) with 30 months or more of active duty.

d. Members separated with a COG discharge with less than 30 months, will lose both the basic MGIB and "kicker" benefits. However, if the member affiliates for 4 years with the SELRES within 1 year of separation AND has 24 or more months of active service, then the full basic MGIB benefit with a reduced "kicker" is restored.

e. Since NCF is part of the MGIB, the benefits will be paid for the same programs approved by the DVA for MGIB participants.

CHAPTER 4: NAVY SEA COLLEGE PROGRAM (NSCP)

4.1 Background. The Navy Sea College Program (NSCP) was established in 1986 to provide an additional educational benefit (or "kicker") to attract high-quality recruits into "hard-to-fill or critical ratings." A kicker is an additional amount to be paid monthly as long as the person is in school. NSCP eligibles were required to enlist for a total of 8 years: 2 years active duty, 4 years in the Naval Reserve, and 2 years in the Individual Ready Reserve (IRR). This program was terminated to new accessions on 1 October 1988.

4.2 Eligibility. To qualify for NSCP benefits members must:

- a. Be a non-prior service enlistee.
- b. Have entered active duty between 1 October 1986 through 30 September 1988.
- c. Have a high school diploma. (No equivalency certificate).
- d. Have achieved an AFQT score of 65 or higher.
- e. Have enlisted between the ages of 17 to 22.
- f. Be a United States citizen.
- g. Serve on active duty for a period of 2 years followed by 4 years in the SELRES as an Individual Mobilization Augmentee (IMA) outlined in reference (r). The SELRES obligation was solely based on affiliation and performance of at least 12 days annual training (AT) each fiscal year.
- h. Received an HONORABLE separation from active duty. (This does not include a general discharge under honorable conditions.)
- i. Enrolled in and contributed to the MGIB. The MGIB enrollment form, DD 2366, must have been completed with the statement "NSCP Participant" marked in block 4. Members who lost entitlement or disenrolled from the MGIB, also lost all "kicker" benefits.

4.3 Service Obligation

- a. Members must contact their local Naval Reserve Activity and identify themselves as NSCP participants within 30 days of separation from active duty.
- b. The member is identified as a "zero-drill" Individual Mobilization Augmentee (IMA), placed in a training and retirement category (TRC) "B" when affiliated and required to perform annual training (AT) of at least 12 days each fiscal year.

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c. The member may affiliate with the SELRES in a drilling unit (TRC "A"). SELRES participation is contingent upon the member meeting Naval Reserve affiliation criteria (for example, body fat standards). Members who do not qualify for affiliation in the Naval Reserve may request a waiver from the Bureau of Naval Personnel (Pers-9).

d. Members must notify their affiliated Naval Reserve Activity immediately of any change in medical status, home address, or telephone number.

e. A member who elects to drill (TRC "A") and subsequently is unsatisfactory in drill participation, is not terminated from the SELRES but is transferred back as an IMA (TRC "B") to complete any remaining SELRES obligation. If the 4 year SELRES obligation is satisfactorily completed and the member later becomes unsatisfactory in drill participation, process the member for separation per reference (r). "Kicker" benefits are not lost.

f. Upon completion of the 4 year SELRES obligation, the member is either affiliated as TRC "A" (if accession criteria were met) or is transferred to the Individual Ready Reserve (IRR) to complete the remainder of the required military service obligation.

g. The "kicker" is contingent upon the satisfactory completion of the SELRES obligation. Failure to meet and maintain SELRES affiliation criteria and to perform required AT will result in:

(1) Immediate termination of additional educational assistance benefits;

(2) A reduction of the basic educational benefit to the MGIB rate based solely on 2 years active duty; and,

(3) Possible involuntary recall to active duty under Title 10, United States Code, Section 270(b) for up to 45 days.

(4) If the member reenlists as USN or extends on active duty without affiliating in the SELRES, provided the member continuously serves 3 years or more, the member will lose the "kicker" but will be paid at the 3 year or greater MGIB rate.

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4.4 Benefits

a. Basic educational assistance (MGIB):

(1) \$404.88/month for 36 months based on 2 years active duty followed by 4 years in the SELRES. Starting 1 October 1993, this applies if a member continues on active duty for 12 months or longer with no further service in the SELRES.

(2) \$328.97/month for 36 months based on an initial obligation of 2 years with no further extension of active duty, no further service in the SELRES, or the SELRES affiliation is terminated.

(3) Members separated for the Convenience of the Government (COG) after 20 months of active service who affiliate with the SELRES will be entitled to the 3 year or greater basic MGIB rate of \$404.88 with a reduced "kicker" for 36 months.

(4) Members separated for COG with less than 20 months active duty are not entitled to any basic MGIB benefit or "kicker."

(5) Members separated for a service-connected disability, hardship, reduction-in-force, or a pre-existing medical condition who do not meet the minimum time-in-service requirements are entitled to 1 month of basic educational assistance for each month of active duty served, up to a maximum of 36 months, at the 3-year MGIB rate with the "kicker" benefit.

(6) If the 4-year SELRES affiliation occurs within 1 year of separation, then the basic MGIB rate will be paid at the 3-year rate plus the "kicker" for 36 months.

b. The "kicker" is:

(1) An additional \$222.22/month for 36 months or an \$8,000 total increase to the basic MGIB educational benefit.

(2) Reduced for service members discharged early from active duty for COG with at least 20 months of active duty.

c. NSCP participants are not eligible for MGIB-SR (chapter 1606) benefits because the current period of service establishes eligibility for active duty MGIB benefits. Upon completion of the current 4 year SELRES obligation, the member may be eligible to reenlist for a 6 year obligation in a TRC "A" drilling unit in exchange for 12 months of MGIB-SR benefits (see chapter 2).

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d. The educational programs approved for MGIB benefits also apply to the Navy Sea College Program.

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CHAPTER 5: VOLUNTARY SEPARATION INCENTIVES/SPECIAL SEPARATION
BENEFITS (VSI/SSB) MGIB ENROLLMENT

5.1 Background. Effective 5 December 1991, reference (g) granted VSI/SSB participants the opportunity to enroll in the MGIB program as described in chapter 1.

5.2 Eligibility

a. To qualify for MGIB benefits members must:

(1) Have been on active duty 5 December 1991.

(2) Be separated with a VSI/SSB qualifying Separation Program Designator (SPD) code on or after 5 December 1991 with an HONORABLE Discharge as listed in reference (1).

b. Categories of VSI/SSB members eligible for MGIB enrollment are those who:

(1) Initially disenrolled from the MGIB upon entering active duty. (On or after 1 July 1985.)

(2) Entered active duty during the Veterans Educational Assistance Program (VEAP) era. (1 January 1977 through 30 June 1985.)

(3) Initially entered active duty prior to 1 January 1977 and did not meet the eligibility conversion from the Vietnam Era GI Bill (VEGIB) to the MGIB.

(4) Do not have any benefit entitlements (e.g., are Naval Academy or Naval Reserve Officer Training Corps graduates).

c. Categories of members who are not eligible for enrollment upon separation:

(1) Vietnam Era participants that were converted to the MGIB on 1 January 1990 (chapter 7) or were initially enrolled or were enrolled during the "Open Period" on or after 1 July 1985. These members are already enrolled in the MGIB. They are not to be processed under the guidelines of VSI/SSB for MGIB purposes.

(2) Members separated under the Temporary Early Retirement Authority (TERA) are not eligible for enrollment in the MGIB.

5.3 Enrollment

a. Commanding officers/officers in charge will:

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(1) Ensure the MGIB coordinator and disbursing officer complete the proper VSI/SSB enrollment procedures prior to the member's separation.

(2) Identify VSI/SSB participants who meet the eligibility criteria for MGIB enrollment and ensure all members either enroll or elect not to enroll in the MGIB program.

(3) Have members electing MGIB enrollment sign a DD 2366. Add in the "Service Unique Education Assistance Option" block (4): "I am enrolling in the MGIB based on my voluntary separation under VSI/SSB and agree to make a \$1200 dollar nonrefundable lump sum payment. I understand that my enrollment in MGIB is irrevocable and, if I previously contributed to VEAP, I must apply directly to the Department of Veterans Affairs (DVA) to receive a refund of my VEAP contributions." Direct member to the disbursing officer to deposit a lump sum payment of \$1200.

(4) Have members meeting the criteria for MGIB enrollment but electing not to enroll, sign either a NAVPERS 1070/613 (page 13) or sign in the "Statement of Disenrollment" block of the DD 2366, with block (4) annotated: "Although I fully understand that I am eligible for enrollment in the MGIB because of my voluntary separation under VSI/SSB, I elect not to enroll. I understand that my decision to decline is irrevocable."

(5) Provide member with a certified copy of DD 2366 and distribute (per chapter 1) whether or not the member enrolls or declines the MGIB.

(6) Report MGIB enrollment code per references (o) or (p) upon verification of the \$1200 payment from the disbursing officer. Report MGIB enrollment code of "E" for both officer and enlisted members in Category 1 through 4; and, use code "D" for members declining MGIB enrollment. SDS event/Diary message must be completed first before any loss transaction is submitted. Category c. (1) members do not require action.

(7) Enclose a copy of NAVCOMPT 2277 in the left hand side of the field service record when received from the disbursing officer.

(8) Ensure members educational levels are accurate prior to their separation. Correct discrepancies per reference (o) or (p). Counsel non-high school graduates that a high school diploma, its equivalency, or 12 college credits must be obtained before MGIB benefits are paid by the DVA. A service record page 13 entry is illustrated at figure 5-1 for documentation. The delimiting date for using the MGIB will remain 10 years from date of separation.

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b. Disbursing Officers will:

(1) Process cash collection voucher, (NAVCOMPT 2277, per reference (m), volume 4, chapter 8 and reference (n), part 7, chapter 3 or reference (o), volume 2, part 7). Provide the member and the member's command with a certified copy for inclusion into the field service record.

(2) Send a priority message to DFAS-Cleveland (Code FMXA) with Bureau of Naval Personnel (Pers-602) as an information addressee. Include member's name, social security number, collection date, amount, cash voucher number, if the member is separating under (i.e. VSI or SSB), date of separation, and the Separation Program Designator (SPD) code as outlined in reference (q). DFAS will post collection data.

c. The member will:

(1) Assume responsibility to make the full \$1200 lump sum payment for enrollment in the MGIB.

(2) Request a refund of any VEAP contributions, if applicable, from the Department of Veterans Affairs (DVA) Regional Offices as listed in chapter 1, using VA 4-5281.

(3) Unless Category c.(1), sign a DD 2366 electing or declining enrollment in the MGIB.

5.4 Items for Consideration

a. Members separated through VSI/SSB or involuntarily separated who elect the MGIB do not become entitled to MGIB benefits until separated from active duty. The DVA will not pay "in-service" MGIB benefits. For members enrolled in VEAP, their benefit eligibility stops the day of separation or when VEAP contributions are processed for refund.

b. Enrollment in the MGIB is irrevocable and monies are not refundable.

c. Members are entitled to 1 month of full-time benefits at the 3-year or greater rate for each month served on active duty, up to 36 months.

d. Members who received benefits under VEAP or VEGIB and are converting to the MGIB, cannot exceed 48 months of total entitlement. This is the maximum amount of benefit months combined under two or more federally legislated education programs. For example, a member who used 12 months of VEAP or VEGIB will have 36 months of MGIB (12 + 36 does not exceed 48). A member who used 23 months of VEAP or VEGIB will have 25 months of MGIB (23 + 25 = 48).

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e. Before applying for benefits, members must complete the requirement for a secondary school diploma (i.e., high school), its equivalency, or 12 credit hours leading to a college degree.

f. Application for MGIB benefits is made directly to the educational/training institution that the member is attending using VA 22-1990. Submit a copy of the member's DD 214, NAVCOMPT 2277, and DD 2366 with application. The DVA may pay retroactive benefits for up to 12 months.

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PRE-SEPARATION COUNSELING
FOR NON-HIGH SCHOOL GRADUATES

(date):

I acknowledge that I do not have a high school diploma or its equivalency. I understand that I must acquire a high school equivalency certificate before any Montgomery GI Bill (MGIB) benefits are paid to me as outlined in BUPERSINST 1780.1. I further understand that my MGIB benefits will expire 10 years from the date of my separation and that the \$1200 I paid into the MGIB is nonrefundable.

Witnessing Official

Service Member

Fig 5-1: Non-High School Page 13 Example

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CHAPTER 6: INVOLUNTARY SEPARATIONS (IVS) MGIB ENROLLMENT

6.1 Background. Per reference (f) certain members involuntarily separated between 3 February 1991 through 30 September 1999, may enroll in the MGIB.

6.2 Eligibility

a. To qualify for MGIB benefits members must:

(1) Have been on active duty 30 September 1990 or on or after 30 November 1993.

(2) Be involuntarily separated with a qualifying Separation Program Designator (SPD) code on or after 3 February 1991 and have an HONORABLE Discharge. (Members separated with a general discharge under honorable conditions are NOT eligible). SPD codes and instructions on the DD 214 are contained in reference (1).

b. IVS members eligible for MGIB enrollment are those in the following categories (1-4):

(1) Initially disenrolled from the MGIB when first entered active duty on or after 1 July 1985; or, initially enrolled in the MGIB but did not meet the minimum time-in-service requirements.

(2) Entered active duty during the VEAP era. (1 January 1977 through 30 June 1985).

(3) Initially entered active duty prior to 1 January 1977 and do not meet the eligibility conversion from the Vietnam Era GI Bill (VEGIB) to the MGIB.

(4) Did not have any other educational benefits (e.g. Naval Academy or Naval Reserve Officer Training Corps graduates).

c. Members who are not eligible for MGIB enrollment upon separation:

(1) Vietnam Era participants who converted to the MGIB on 1 January 1990 (chapter 7), and initially enrolled or were enrolled during the "Open Period" on or after 1 July 1985 (chapter 1). These require NO ACTION as they are already enrolled in the MGIB. They are not to be processed under the guidelines of IVS for MGIB purposes.

(2) Members who separate under the Temporary Early Retirement Authority (TERA).

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6.3 Enrollment

a. Commanding officers/officers in charge will:

(1) Ensure the MGIB coordinator and disbursing officer complete the proper enrollment procedures prior to the member's separation.

(2) Identify IVS members who meet the eligibility criteria for MGIB enrollment and ensure all members either enroll or elect not to enroll in the MGIB program.

(3) Have members electing MGIB enrollment sign a DD 2366. Place the following in the "Service Unique Education Assistance Options" block (4): "I am enrolling in the MGIB based on my involuntary separation from the Navy. I must make a \$1200 nonrefundable lump sum payment and understand that my enrollment in MGIB is irrevocable. If I previously contributed to VEAP, I must apply for a refund directly to the DVA." Direct member to the disbursing officer to deposit a lump sum payment of \$1200.

(4) Have members who meet the criteria for MGIB enrollment, but elect not to enroll, sign either a NAVPERS 1070/613 or sign in the "Statement of Disenrollment" block of DD 2366, with block 4 annotated: "Although I fully understand that I am eligible for enrollment in the MGIB because of my involuntary separation, I elect not to enroll. I understand that my decision to decline is irrevocable."

(5) Provide member with a certified copy of DD 2366 and distribute (per chapter 1).

(6) Report MGIB enrollment code per references (o) or (p), upon verification of the \$1200 payment from the disbursing officer. Report MGIB enrollment code of "J" for both officer and enlisted members listed in Category (1); use code "K" for Categories (2) through (4); and, use Code "D" for members declining MGIB enrollment. The Source Data System event/diary message must be completed first before any loss transaction is submitted. Category c. (1) members do not require action.

(7) Enclose a copy of NAVCOMPT 2277 in the left hand side of the field service record when received from the disbursing officer.

(8) Ensure the member's educational level is accurately reported prior to separation. Correct discrepancies per reference (o) or (p). Counsel non-high school graduates that a high school diploma, or its equivalency, or 12 college credits, must be obtained before any MGIB benefits can be paid. A service record (page 13) entry is illustrated at figure 5-1.

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(9) The delimiting date for using the MGIB is 10 years from date of separation.

b. Disbursing Officers will:

(1) Process cash collection voucher, NAVCOMPT 2277, per reference (m), volume four, chapter eight and, reference (n), part seven, chapter three or reference (o), volume two, part seven. Provide the member and the member's command with a certified copy for inclusion into the member's field service record.

(2) Send priority messages to DFAS-Cleveland Center (Code FMXA) with Bureau of Naval Personnel (Pers-602) as an information addressee. Per reference (q), document the member's name, social security number, collection date, amount, cash voucher number, certification of IVS, the estimated or actual date of separation, and the Separation Program Designator (SPD) code. DFAS will post collection data.

c. The member will:

(1) Pay the full \$1200 lump sum payment required for enrollment in the MGIB, even if less than 12 months of active duty were served.

(2) Request a refund of VEAP contributions if enrolled in VEAP, from the Department of Veterans Affairs (DVA) regional office listed in chapter 1, using VA 4-5281.

(3) Sign a DD 2366 electing or declining enrollment in the MGIB for everyone except those in category c. (1).

6.4 Items for Consideration

a. Members electing the MGIB do not become entitled to MGIB benefits until separated from active duty. The DVA will not pay "in-service" benefits. For members enrolled in VEAP, their benefit eligibility stops the day of separation or when VEAP monies are processed for refund.

b. Enrollment in the MGIB is irrevocable and payments for the MGIB are not refundable.

c. Members are entitled to 1 month of full-time benefits at the 3-year or greater rate for each month served on active duty, up to 36 months.

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d. Members who received benefits under VEAP or VEGIB and are converting to the MGIB, cannot exceed 48 months of total entitlement. This is the maximum amount of benefit months combined under two or more federally legislated education programs. For example, a member who used 10 months of VEAP or VEGIB will have 36 months of MGIB (10 + 36 does not exceed 48). A member who used 20 months of VEAP or VEGIB will have 28 months of MGIB (20 + 28 = 48).

e. Before applying for and receiving MGIB benefits, members must complete the requirement for a secondary school diploma (i.e. high school), its equivalency or 12 credit hours leading to a college degree.

f. Application for MGIB benefits is made directly to the educational/training institution the member is attending using VA 22-1990. A copy of DD 214, NAVCOMPT 2277, and DD 2366 should also be submitted. The DVA may pay retroactive benefits for up to 12 months.

g. Separated members who believe they might have been eligible but were not enrolled in the MGIB, must contact the MGIB Customer Service Team at the Bureau of Naval Personnel (Pers-602) for determination of their status.

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CHAPTER 7: VIETNAM ERA CONVERSION TO THE MGIB

7.1 Background. Opportunity to draw educational benefits from the Vietnam Era GI Bill ended on 31 December 1989. On 1 January 1990 eligible Vietnam Era members were converted automatically from the Vietnam Era GI Bill to the Montgomery GI Bill.

7.2 Eligibility

a. As of 31 December 1989, a member had to have remaining entitlement for educational assistance under the Vietnam Era GI Bill (VEGIB).

b. Members must have been on active duty anytime between 19 October 1984 and 1 July 1985 and have served continuously from that date to:

(1) 30 June 1988; or

(2) 30 June 1987 followed by 4 years in the Selected Reserve. (To qualify for benefits under this section, a member must have affiliated with the SELRES within 1 year of separation from active duty.)

c. Members must have completed the requirements for a high school diploma or equivalency certification prior to 31 December 1989. Equivalency certification could be any state-accredited program: test-based equivalency diploma (i.e., GED, CHSPE), high school certificate of attendance, adult education diploma, correspondence school diploma, occupational program certificate, or home study diploma. Twelve semester hours of college could be substituted for the high school completion requirement.

d. The character of service for members separated from the Navy must be HONORABLE. (This does not include a general discharge under honorable conditions.)

e. NROTC scholarship and USNA graduates commissioned on or after 1 January 1977 are not eligible for the conversion.

7.3 Benefits

a. On 1 January 1990, eligible members were converted automatically from the VEGIB to the MGIB.

b. The maximum amount of educational assistance that can be converted to the MGIB is 36 months.

c. If an individual previously used VEGIB benefits, the combined amount of benefits under both the VEGIB and the MGIB cannot exceed 48 months. For example, if a member used 20 VEGIB months, the amount converted to the MGIB is 28 months.

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d. The amount and number of months of educational assistance under the MGIB is directly related to remaining entitlement from the VEGIB.

(1) VEGIB eligible personnel who converted to MGIB are eligible for benefits at an enhanced rate. The enhanced rate is equal to the basic MGIB rate plus one-half of the VEGIB allowance applicable to individuals on 31 December 1989. If an individual gained or lost a dependent while receiving the enhanced rate, benefits will be adjusted to reflect the correct amount payable based on the new number of dependents.

(2) The number of months for which the enhanced rate is payable may not be more than the months of entitlement the individual had remaining under the Vietnam Era GI Bill (VEGIB) as of 31 December 1989, or 36 months, whichever is less.

(3) If an individual has incurred more than two changes of program and has been denied further benefits under the VEGIB, the member can request another program change under the MGIB.

(4) If an individual has used all 45 months of entitlement under the VEGIB prior to 1 January 1990, there is no remaining entitlement to convert to the MGIB.

e. A service member discharged for a service-connected disability, pre-existing medical condition, hardship or reduction in authorized strength as determined by the Secretary of the Navy, is entitled to 1 month of educational assistance for each full month of active duty served after 30 June 1985. For example, a member discharged with 20 months and 15 days after 30 June 1985 is entitled to convert 20 months of benefits.

f. A service member discharged for the Convenience of the Government (COG) is eligible for benefits only if the member completes a minimum of 30 months of active duty after 30 June 1985. An individual who meets this requirement is entitled to a maximum of 36 months of benefits.

g. Active duty eligibles may use their benefits "in-service."

h. Application for benefits, whether in-service or post-service, is made through the DVA liaison or the financial aid office at the educational institution to be attended by completing VA 22-1990. These forms will be processed by the appropriate DVA regional office as listed in chapter 1.

7.4 Delimiting Date

a. The delimiting date is normally 10 years from the date of the member's last discharge or release from active duty. The delimiting date may be extended if the member was prevented from enrolling in any educational program during the original 10-year period (e.g., disability, held by a foreign government, missing-in-action).

b. If the veteran's character of service at the time of discharge or release from active duty is not honorable, but is later upgraded to honorable, the 10-year period begins on the date the discharge was upgraded.

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HOW TO USE THIS CHART

- This chart is based on 18 months of active service, after which the member is entitled to receives 45 months of VEGIB benefits. The combined entitlement used under VEGIB plus MGIB cannot exceed 48 months.
- If the member served 14 months of active duty, VEGIB entitlement would equal 21 benefit months (1 1/2 months of entitlement for each month served). The member is still entitled to 36 months of conversion, but only 21 at the enhanced rate (minus any months used) and 15 at the basic rate.
- The "Number of VEGIB Months Used", column (1), determines the monthly conversion benefits as shown in column (2).
- The number of months of combined entitlement at the "enhanced rate," column (2), is the same number of VEGIB months remaining on 31 December 1989, up to a maximum of 36 months.
- To compute the number of additional months of basic assistance shown in the "Number Months at Basic MGIB Rate," column (3): add the months used under the Vietnam Era GI Bill to the months allowed at the "enhanced rate" (column 1 + column 2). Subtract that total from 48 months, which gives "Number Months at Basic MGIB Rate", column 3; however, column (2) plus column (3) cannot exceed the converted entitlement of 36 months.

COLUMN 1 = Number of months used under the Vietnam Era GI Bill

COLUMN 2 = Number of months at the "enhanced rate"

COLUMN 3 = Number of months for basic MGIB only

Maximum Months of <u>CONVERTED</u> Entitlement:	36
Maximum Months of <u>COMBINED</u> Entitlement:	48

Fig 7-1: 34/30 Entitlement Conversion Chart

ENTITLEMENT CHART FOR CONVERTING VEGIB TO MGIB

Column 1 Number of VEGIB Months Used	Column 2 Number Months at Combined VEGIB/MGIB "enhanced rate"	Column 3 Number Months at Basic MGIB Rate
0	36	NONE
1	36	NONE
2	36	NONE
3	36	NONE
4	36	NONE
5	36	NONE
6	36	NONE
7	36	NONE
8	36	NONE
9	36	NONE
10	35	1
11	34	2
12	33	3
13	32	3
14	31	3
15	30	3
16	29	3
17	28	3
18	27	3
19	26	3
20	25	3
21	24	3
22	23	3
23	22	3
24	21	3
25	20	3
26	19	3
27	18	3
28	17	3
29	16	3
30	15	3
31	14	3
32	13	3
33	12	3
34	11	3
35	10	3
36	09	3
37	08	3
38	07	3
39	06	3
40	05	3
41	04	3
42	03	3
43	02	3
44	01	3
45	NONE	NONE

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CHAPTER 8: VETERANS' EDUCATIONAL ASSISTANCE PROGRAM (VEAP)

8.1 Background. The Veterans' Educational Assistance Program (VEAP) was a voluntary contributory education benefit plan available to those service members who entered active duty on or after 1 January 1977 through 30 June 1985. New enrollments are not possible in VEAP. However, members who had participated at any time in the program during the above period can withdraw or reenter the program as long as they are on active duty.

8.2 Responsibilities

a. The Bureau of Naval Personnel (Pers-602):

(1) Establishes overall Navy policy for VEAP.

(2) Functions as program manager.

(3) Serves as Resource Sponsor, projects budget requirements and authorizes the transfer of funds to the DVA for VEAP participants.

(4) Coordination with the Department of Veterans Affairs on VEAP matters.

(5) Provides eligibility verification to Defense Finance and Accounting Service (DFAS) - Cleveland, Code FMATD, on VEAP participants.

b. The Commanding Officer, Defense Finance and Accounting Service - Cleveland Center will:

(1) Process allotments and lump sum payments.

(2) Transfer members contributions to the DVA.

(3) Provide monthly statistics to the Bureau of Naval Personnel (Pers-602) for number of officers and enlisted members on active duty with a VEAP account.

c. Navy Campus education specialists, command educational service officers, and command career counselors shall be familiar with the provisions of this instruction and provide basic information to members as necessary.

8.3 Eligibility. To establish eligibility for VEAP, members must have:

a. Entered active duty between 1 January 1977 and 30 June 1985.

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b. Not entered the Navy under a delayed entry program:

(1) If members entered prior to 1 January 1977, and as a result of such enlistment or assignment, commenced active duty after 1 January 1977 but before 2 January 1978. These members are considered Vietnam Era enrollees per reference (a).

(2) If members entered prior to 1 July 1985, and as a result of such enlistment or assignment, initially entered active duty on or after 1 July 1985. These members qualify for MGIB enrollment per reference (d).

c. Initially enrolled in the VEAP on or before 30 June 1985 or during the open period from 28 October 1986 through 31 March 1987. VEAP was terminated on 1 April 1987. No new enrollments have been allowed since that time.

d. Must have initially enrolled by:

(1) Contributing to VEAP either by allotment or lump sum payment.

(2) Participating in VEAP even if contributions were suspended.

(3) Disenrolling from VEAP, resulting in a refund of contributions.

(4) Initiating a VEAP allotment authorization through the local disbursing office by 30 June 1985 or during the VEAP "open period," 28 October 1986 through 31 March 1987.

e. In reference to eligibility for VEAP, the terms "active duty" and "active naval service" do not include any period in which an individual:

(1) Was assigned full-time to a civilian institution for a course of study which was comparable to courses offered to civilians (i.e., Nuclear Power Officer Candidate, Civil Engineer Corps Officers School and Baccalaureate Degree Completion Program).

(2) Served as a midshipman at the U.S. Naval Academy (USNA). (Note: Time served at "BOOST" and the "Naval Academy Prep School" does count.)

(3) Was assigned to the Naval Reserve Officers Training Corps (NROTC).

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(4) Served as a member of the Naval Reserve, including SELRES personnel, whose active duty consisted solely of initial active duty for training (IADT) or active duty for training (AT/ADT).

8.4 Enrollment/Contributions

a. Service members may contribute by allotment between \$25 and \$100 per month (in multiples of \$5) up to a maximum contribution of \$2700 or \$100 for each month of active duty, whichever is less. Once an individual has contributed the maximum \$2700, no further contributions have to be made unless the member's contributions were refunded. Once the member begins to draw benefits, additional monies cannot be contributed to the fund to replace what has been drawn.

b. Once members have enrolled in VEAP, their accounts remain open, even if the member has zero dollars (\$0) in it. The account is never closed, except by the 10-year delimiting date, provided all eligibility requirements are met. The only exception is converting to the MGIB via an involuntary separation or a special voluntary separation per reference (f) or (g). Details are provided in chapters 5 and 6 of this manual. Service members may contribute by lump sum payment in addition to or instead of monthly allotment deductions. Lump sum contributions can be made at any time while on active duty, providing time-in-service requirements are met. Members with broken service who previously established a VEAP account may recontribute only if they return to active duty.

c. A single lump sum payment must meet the dual requirements of 12 continuous months participation and a minimum of \$300 (\$25 per month for 12 months). A lesser lump sum payment can be accepted if it meets the two minimum requirements when taken with other contributions the service member may have made or may agree to make. For example,

(1) If a member previously contributed by allotment for 7 months, then a lump sum payment must be designated for an additional 5 months, immediately preceding or succeeding the allotments already made in order to satisfy the 12-month requirement.

(2) If a member has completed the first obligated period of active duty and plans to draw in-service VEAP benefits, a lump sum payment of \$300 (designated at \$100/month) could be made and an allotment started to show intent to meet the 12-month requirement. If this were done, benefits could be drawn in-service even while allotment deductions were being taken monthly.

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d. A lump sum payment will be treated as a series of monthly allotments made at one time in increments between \$25 and \$100 evenly divisible by \$5. Amounts must be specified by the participant. If no designation is made, the lump sum contribution will be distributed at \$100 per month.

(1) Before a final decision can be reached on how much to contribute by lump sum payment and what time must be covered, the following questions must be asked:

(a) How much of a monthly benefit would the member need (\$225, \$300)?

(b) How many months of schooling does the member want to be able to cover?

(2) The following examples illustrate the types of considerations that should be made in arriving at lump sum designations:

(a) If an individual has an educational goal which requires enrollment in a 13-month technical program (and that is the only schooling anticipated), then it would be better for the individual to contribute \$1,300 designated as \$100/month over a period of 13 months which would yield the maximum benefit payment of \$300/month based on full-time training.

(b) If an individual who has completed a minimum 36 months of active duty, has only \$1,800 available for a lump sum payment, and anticipates completing a 4-year college program, monthly payments could be drawn over 36 months (to match the 4-year college program). The individual would then designate the lump sum payment at \$50/month for 36 months (total \$1,800), and would receive monthly benefit payments of \$150 based on full-time training.

(c) An individual who has completed a 4-year tour of active duty contemplates enlisting in the Selected Reserve. The member has \$1,800 for a lump sum payment and wants to take a 4-year program. If the individual designates the lump sum payment at \$100/month and then affiliates in the Naval Reserve under reference (e), he or she would collect \$300/month for 18 months under VEAP and \$190/month for 30 months under the Selected Reserve Montgomery GI Bill (MGIB-SR). Combining two or more programs cannot exceed the total of 48 months of benefits. MGIB-SR details are listed in chapter 2.

e. The total contribution (monthly allotment deductions plus lump sum payment) is capped at \$100 for each month of active service or \$2700, whichever is less.

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f. Benefits can be paid retroactively for up to 12 months based on school certification and the DVA determination. For example, a service member who was in school in September, but was not in VEAP at the time, could make a lump sum payment the following September, and be paid benefits for schooling received during the previous 12 months if his or her enrollment certification was received by the DVA within 1 year of the date enrollment began. Lump sum payments made in anticipation of retroactive VEAP benefits must cover the months for which benefit payments are expected. In no case could payment be made prior to the date the service member was eligible or in this case completed the first obligated period of active duty, or 6 years of active duty, whichever period is less.

g. Processing a lump sum payment takes approximately 60-90 days. Service members being discharged who wish to enroll in school immediately, should be counseled accordingly.

h. To make a lump sum payment:

(1) Prepare a letter as illustrated in Figure 8-1, specifying the amount to be contributed. Send the letter to:

Commanding Officer
Defense Finance and Accounting Service
Cleveland Center (Code FMATD)
1240 East 9th Street
Cleveland, Ohio 44199-2059.

(2) Deliver letter with the lump sum payment check to the disbursing officer for processing.

(3) The member will be given a copy of NAVCOMPT 2277, which should be retained as proof of the payment.

8.5 Redesignation. Contributions made previously, either by allotment or lump sum payment, can be redesignated by the member at any time while on active duty. The purpose of redesignating a VEAP account is to increase monthly contribution amounts (resulting in larger monthly benefits) for a shorter period.

a. For example, if a participant contributed \$75/month for 36 months (total of \$ 2,700), that amount could be changed to reflect 27 months at \$100/month. Since monthly benefit payments are made by the DVA based on the amount of monthly contributions, the change from \$75/month to \$100/month would result in an increase in benefits from \$225/month to \$300/month (based on full-time schooling) over a shorter period of time, 27 months vice 36 months.

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b. To redesignate, prepare a letter as illustrated in Figure 8-2, via the local disbursing officer for endorsement. Specify the desired monthly allotment and send to:

Commanding Officer
Defense Finance and Accounting Service
Cleveland Center (Code FMATD)
1240 East 9th Street
Cleveland, Ohio 44199-2059.

8.6 Benefits

a. The Navy matches the service member's contribution on a \$2 for \$1 basis. The service member's maximum contribution is \$2700 and the Navy's maximum contribution is \$5400, equalling \$8100. The maximum monthly benefit payment an individual may draw is \$300 for full-time schooling based on a \$100/month contribution.

b. VEAP benefits may be used for DVA-approved public or private elementary, business or high school, vocational, community college, college or university, professional, scientific or technical institutions, any institution which furnishes education at the secondary school level or above, correspondence courses, work-study, apprenticeship training, on-the-job training, cooperative programs, refresher courses, remedial courses, and tutoring. Payment for apprenticeship, on-the-job training and cooperative programs is approved only for veterans released from active duty. Further information on authorized education programs can be obtained from the DVA.

c. The dollar amount of monthly VEAP benefits for full time enrollment in an approved program is determined by dividing the individual's total fund (contributions plus Navy matching funds) by the total number of months the individual contributed to the fund (or 36, whichever number is less). One month of entitlement is credited for each month the participant contributed up to the maximum of 36 months. Although contributions can be made for as many as 108 months, entitlement cannot exceed 36 months of full-time enrollment. Monthly benefits for less than full-time enrollment is computed as a prorated amount based on full-time monthly rates.

d. The DVA pays benefits based on full-time, three-quarter-time, half-time or one-quarter-time enrollment, and use of benefits is charged accordingly. For example, if the individual is enrolled in school on a half-time basis and is entitled to \$225/month for full-time study, the member would receive one-half of \$225 or \$112.50/month. In this case one-half month is deducted from the total number of months the member has to use.

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e. The DVA will pay benefits to veterans continuously during a break in training, not to exceed a full calendar month. Active duty members using in-service benefits are not entitled to benefit payments during breaks between terms.

f. Correspondence courses are reimbursed 100 percent. Payment is made quarterly based on the number of lessons completed and the per lesson cost.

g. Apprenticeship and on-the-job training benefit rates are:

(1) 75 percent of the monthly benefit for the first 6 months.

(2) 55 percent of the monthly benefit for the second 6 months.

(3) 35 percent of the monthly benefit for each of the months following the first 12 months.

h. Cooperative training is paid at a rate of 80 percent of the monthly benefit, payable to the individual. Charge to entitlement is also 80 percent.

i. Tutorial assistance is available for up to \$100 per month for 12 months and entitlement is charged only for payments in excess of \$600.

j. High school completion benefits can be drawn as follows:

(1) The member requests a monthly benefit. In this case the member's entitlement is charged; or,

(2) The member requests payment for actual tuition and fees only. In this case the member's entitlement is not charged; i.e., the VEAP fund is not reduced.

8.7 Suspension of Participation

a. A member who suspends participation is one who stops contributing to the fund temporarily or permanently. A service member may suspend participation for any reason after 12 consecutive months of contributing by stopping the VEAP allotment. A service member may suspend participation without having completed 12 consecutive months of contributions by reason of personal hardship or financial stress (if supported by the commanding officer) or by discharge or release from active duty. Suspension from the program because of hardship will not break the 12 consecutive months of contributory participation.

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b. Resumption of contributions. A service member who suspends participation may resume contributions at a later time while on active duty, even if broken service is involved. If the member does not resume contributions at a later time, the member retains eligibility to receive matching Navy funds only for contributions made prior to suspending participation.

8.8 Disenrollment

a. A service member who disenrolls from VEAP is one who terminates participation and requests a refund of unused personal contributions. Such action results in a refund of member's contributions (excluding Navy's matching fund share). The decision to take a refund does not disqualify a member from future participation in VEAP. A service member may disenroll for any reason after contributing for 12 consecutive months. VEAP participants will be automatically disenrolled from the VEAP (and any unused portion of their monies refunded) if discharged or released from active service under dishonorable conditions.

b. Reenrollment. Following disenrollment, an active duty member may enroll again; however, a new 12-month contributory period begins at the time of reenrollment. The member may make a monthly allotment or a lump sum payment to replace amounts previously refunded. The maximum total contribution remains \$2700.

8.9 Refund Procedures

a. Only the balance of an individual's personal contributions will be refunded. No interest is included.

b. Whenever a refund is made (disenrollment), any unused contributions by the Navy will be returned to the Navy.

c. Upon the death of a participant, survivors can receive the participant's unused contributions. This will be paid to the living person or persons first listed below:

(1) The beneficiary or beneficiaries designated by members in their Servicemen's Group Life Insurance policy.

(2) The surviving spouse.

(3) The surviving child or children in equal shares.

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(4) The surviving parent or parents in equal shares.

(5) If none of the above apply, the unused VEAP monies will be paid to the member's estate. To claim a refund, a letter must be submitted to the DVA accompanied by DD 1300 (for death on active duty) or a certified death certificate, for death (if not on active duty).

d. If on active duty:

(1) Participants must initiate requests for disenrollment and a refund through their commanding officer and disbursing officer to the DVA by completing VA 4-5281.

(2) The disbursing officer will complete Part III, Section A of VA 4-5281. The date the last VEAP allotment was withheld from the member's pay must be annotated. The member's allotment will be stopped per references (n) and (o). The disbursing officer will return the entire form intact to the personnel officer for distribution.

(3) The personnel officer must forward the original VA 4-5281 to the closest Department of Veterans Affairs Regional Office at:

Buffalo, NY
Federal Building
111 W Huron Street
Buffalo NY 14202

St. Louis, MO
Federal Building
1520 Market Street
St. Louis MO 63103

Muskogee, OK
Federal Building
125 S Main Street
Muskogee OK 74401

Atlanta, GA
730 Peachtree Street NE
Atlanta GA 30365

(4) For service members stationed overseas:

Department of Veterans Affairs
Regional Office
941 North Capitol Street, NE
Washington, D.C. 20421

(5) Refunds will usually be made within 90 days of receipt by the DVA.

e. If not on active duty:

(1) The member may go to a regional office or call the DVA at 1-800-827-1000.

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(2) VA 4-5281 will be provided in triplicate to applicants requesting a refund. The applicant must complete the form and, after notarization, return it in triplicate to a DVA regional office with a copy of his or her DD 214.

(3) Those applicants appearing in person at a DVA regional office may have VA 4-5281 completed there and, in lieu of notarization, have it certified by personnel in the Veterans Services Division.

8.10 Delimiting Date

a. Veterans have 10 years after the last date of separation from active duty to use VEAP benefits. At the end of the 10-year date, the veteran is automatically disenrolled and any unused portion of his or her contributions will be refunded.

b. If a member later returns to active duty for 90 days or longer within the initial 10 years, a new 10-year delimiting date will be established when he or she separates from active duty. For example, a VEAP participant who is released from active duty on 31 May 1981, but returns to active duty on 17 November 1988, will have the original delimiting date cancelled. The new 10-year delimiting date will be computed when the member leaves active duty the second time.

8.11 Benefit Utilization

a. In-service. Active duty members may utilize their VEAP benefits in-service if they have completed their first obligated period of active duty or 6 years of active duty, whichever is less. (Note: A "Convenience of the Government Discharge" for immediate reenlistment does not satisfy this requirement.) And,

(1) Have made a minimum of 3 months of contributions while continuing allotments; or,

(2) Are pursuing an elementary or high school program during the last 6 months of the first enlistment.

b. Participants in various Navy education programs:

(1) Enlisted Education Advancement Program (EEAP), Enlisted Commissioning Program (ECP) and Nuclear Power Officer Candidates (NUPOC) participants may draw VEAP benefits provided they satisfy the eligibility criteria for in-service use of VEAP benefits.

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(2) Naval Reserve Officers Training Corps (NROTC) students with prior active service may be eligible for VEAP benefits if they satisfied VEAP eligibility criteria and were enrolled in VEAP before joining NROTC.

(3) United States Naval Academy (USNA) midshipmen who previously participated in the VEAP may use VEAP benefits only after they graduate from the academy.

(4) Naval Postgraduate School (NAVPGSCOL) students are not eligible for VEAP benefits while they attend NAVPGSCOL.

c. Veterans. Navy veterans may utilize VEAP benefits for DVA-approved education programs. An "eligible veteran" is anyone who:

(1) Entered active military service from 1 January 1977 through 30 June 1985 (unless Delayed Entry Program in 1976) and was discharged or released under conditions other than dishonorable; and,

(2) Was not eligible for benefits under references (a) or (d); and,

(3) While on active duty, enrolled in and contributed to VEAP, and did not subsequently disenroll and receive a refund; and,

(4) Served on active duty for a continuous period of more than:

(a) 180 days (if entry into service was on or before 7 September 1980 for enlisted members or 16 October 1981 for officers); or,

(b) 24 months or the full period for which the member was called or ordered to active duty (whichever is less) if entry into service was after 7 September 1980 (enlisted) or 16 October 1981 (officer); or,

(c) Was discharged or released from active duty by reason of hardship, disability, or early-out stated in Title 10, United States Code, Section 1171; or

(d) Was discharged or released from active duty with a service-connected disability which the DVA has determined to be compensable.

d. Personnel may qualify for benefits under both references (b) and (e) for different periods of service; however, the total of both programs cannot exceed 48 months. For example, a member who qualifies for full VEAP benefits, designated at \$100 per month, and who later enlists/reenlists for MGIB-SR benefits (see chapter 2), may exhaust all of his/her VEAP benefits at \$300 per month for 27 months to qualify for 21 months of MGIB-SR.

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e. Procedures. Application for benefits, whether in-service or post-service, is made directly to the financial aid office at the educational institution the member is attending. Submit completed forms VA 22-1990 and VA 22-1999 to the nearest DVA regional office for processing.

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SAMPLE LETTER FOR
LUMP SUM VEAP CONTRIBUTIONS

(Date)

From: (Name) , (BR/CL), (SSN),
(Command Address)

To: Commanding Officer, Defense Finance and Accounting
Service - Cleveland Center (Code FMATD), 1240 East
Ninth Street, Cleveland, Ohio 44199-2059

Via: Disbursing Officer (servicing member's pay account)

Subj: VEAP LUMP SUM CONTRIBUTION

1. Request lump sum payment of \$_____ be credited to my VEAP account in the amount of \$_____ per month per BUPERSINST 1780.1.

Member's Signature

Orig Code
Date

FIRST ENDORSEMENT on (Name) , (BR/CL), (SSN)
ltr of (Date)

From: Disbursing Officer, (Address)

To: Commanding Officer, Defense Finance and Accounting
Service - Cleveland Center (Code FMATD), 1240 East
Ninth Street, Cleveland, OH 44199-2059

Encl: (1) NAVCOMPT 2277 ICO (Name), (SSN)

1. Lump sum payment accepted and enclosure (1) forwarded for processing.

Disbursing Officer Signature

Fig 8-1: Lump Sum Payment Letter

BUPERSINST 1780.1
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SAMPLE LETTER FOR
REDESIGNATION OF VEAP ACCOUNT

(Date)

From: (Name) , (BR/CL), (SSN),
(Command Address)

To: Commanding Officer, Defense Finance and Accounting
Service - Cleveland Center (Code FMATD) 1240 East
Ninth St, Cleveland, Ohio 44199-2059

Via: Disbursing Officer (servicing member's pay account)

Subj: REDESIGNATION OF VEAP ACCOUNT

1. Request that my VEAP account totaling \$_____ be
redesignated to reflect a monthly contribution of \$_____.

2. I certify that I have been counseled and understand the provisions of
BUPERSINST 1780.1, chapter 8.

Member's Signature

Orig Code
Date

FIRST ENDORSEMENT on (Name) , (BR/CL), (SSN)
ltr of (Date)

From: Disbursing Officer, (Address)

To: Commanding Officer, Defense Finance and Accounting
Service - Cleveland Center (Code FMATD), 1240 East
Ninth Street, Cleveland, OH 44199-2059

1. Request approved and forwarded for action.

Disbursing Officer Signature

Fig 8-2: VEAP Redesignation Letter

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CHAPTER 9: VIETNAM ERA GI BILL (VEGIB)

9.1 Background. The Vietnam Era GI Bill (VEGIB) was available to eligible members who served in the military between 1 February 1955 and 31 December 1976. This program is no longer active. Eligible VEGIB members are now converted to and receive benefits under the Montgomery GI Bill.

9.2 Responsibilities

a. The Bureau of Naval Personnel (Pers-602) serves as the Program Manager, and maintains liaison with the Department of Veterans Affairs (DVA) regarding any policy or legislative action affecting VEGIB.

b. Navy Campus education specialists, command educational services officers, and command career counselors should be familiar with this instruction and provide basic information to members as necessary.

9.3 Eligibility

a. Members must have entered active duty after 31 January 1955 and prior to 1 January 1977; or, contracted with the armed forces in a delayed entry program (DEP) prior to 1 January 1977 that resulted in service on active duty commencing on or after 1 January 1977 but before 2 January 1978.

b. Members must have served a continuous period of:

(1) 181 or more days of active duty, any part of which began after 31 January 1955 and before 1 January 1977; or

(2) 181 or more days of active duty which began on or after 1 January 1977 and before 2 January 1978, provided that the member contracted for this period of service under a delayed entry program before 1 January 1977; or

(3) 181 or more days of active duty for training (ACDUTRA) which began after 31 January 1955 and before 1 January 1977, provided that the individual later served on active duty for at least 12 continuous months. A member in this category may have made a one-time irrevocable decision to elect VEAP benefits under reference (b) if such eligibility was more advantageous.

9.4 Delimiting date. The Vietnam Era GI Bill was terminated on 31 December 1989. Members meeting eligibility criteria with remaining VEGIB entitlement on 1 January 1990 were converted to the MGIB automatically. Details are contained in chapter 7.

9.5 Benefit rates are listed in figure 9-1.

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VIETNAM ERA GI BILL
BENEFIT RATES

<u>Type of Program</u>	<u>Zero Dependents</u>	<u>One Dependent</u>	<u>Two Dependents</u>	<u>More than Two Dependents</u> (For each dep in excess of two)
Institutional				
Full-time	\$376	\$448	\$510	\$32
Three-quarter-time	\$283	\$336	\$383	\$24
Half-time	\$188	\$224	\$255	\$17
One-quarter-time	\$94			
Cooperative:	\$304	\$355	\$404	\$23
Farm Cooperative				
Full-time	\$304	\$355	\$404	\$23
Three-quarter-time	\$228	\$266	\$303	\$18
Half-time	\$152	\$178	\$202	\$12
OJT or Apprenticeship				
First 6 months	\$274	\$307	\$336	\$14
Second 6 months	\$205	\$239	\$267	\$14
Third 6 months	\$136	\$171	\$198	\$14
Fourth/succeeding 6 months	\$68	\$101	\$131	\$14
Correspondence	Reimbursed at 55 percent of the cost of the course			

Fig 9-1: VEGIB Benefit Rates

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CHAPTER 10: EDUCATIONAL ASSISTANCE TEST PROGRAM (EATP)

10.1 Background. Reference (c) authorized implementation of the Educational Assistance Test Program (EATP) from 1 December 1980 through 30 September 1981 for selected enlisted personnel. The EATP consisted of three sections: 901, 902 and 903.

10.2 Responsibilities

a. The Bureau of Naval Personnel (Pers-602):

(1) Establishes overall Navy policy for EATP.

(2) Serves as resource sponsor and program manager.

(3) Transfers funds to the DVA and provides management of payments associated with Sections 901 (cash-out) and 902 (loan repayment).

(4) Ensures personnel data is transferred to the DVA.

b. Navy Campus education specialists, command educational services officers, and command career counselors must be able to provide basic information on this program to personnel.

10.3 Section 901, Phase 1

a. Eligibility

(1) All known eligibles have been reported to the DVA.

(2) Personnel uncertain of their eligibility for EATP benefits should forward a letter, stating Section 901, Phase 1 qualifications with a copy of DD 4 (Enlistment Contract) and a copy of DD 1966 (Application for Enlistment) via their Commanding Officer to the Bureau of Naval Personnel (Pers-602).

b. Service members were disenrolled from the program and forfeited all benefits if, during the qualifying enlistment, they were:

(1) Discharged or released from active duty before completing 24 continuous months of service; or

(2) Discharged from active duty with other than an Honorable discharge; or

(3) Forced to change rating or were dropped from the nuclear power field due to their misconduct.

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c. Benefits

(1) Educational assistance of up to \$1200 for a standard 9-month academic year for each year of enlistment, for no more than 4 years.

(2) Expenses for which payments may be made include: tuition, fees, books, and laboratory and shop fees for consumable materials used as part of classroom or laboratory instruction.

(3) Benefits accrued under Section 901 of the EATP can only be used while the member is enrolled at an accredited institution. Further information on authorized education programs may be obtained from the DVA.

(4) In addition to educational assistance, Veterans are entitled to a subsistence allowance of \$300 per month for full-time enrollment, and \$150 per month for other than full-time enrollment. Entitlement may not exceed 9 months for each year of active duty served up to a maximum of 36 academic months. Allowance is received only during the period of actual class attendance/enrollment.

(5) A service member who was dropped from EATP, Section 901, is eligible to participate in VEAP should he or she so desire.

d. Option upon First Reenlistment

(1) Cash-out: A lump sum payment equal to 60 percent of the sum of the educational assistance and the subsistence allowance, less those benefits drawn in service, was available only once and had to be elected upon the first reenlistment. Subsequent reenlistments do not qualify. Future educational benefits from the EATP are relinquished once the cash-out option is taken.

(2) Transfer to dependents: at any time after the first reenlistment the member may choose to transfer all or any part of Section 901 benefits to a spouse or dependent child. This provision may be revised or revoked by the service member at any time; however,

(a) Transferred benefits can be used by only one person at a time, however the member may choose to transfer benefits to other qualified family members.

(b) If a service member dies before electing transfer of benefits, unused benefits are automatically transferred to the spouse or, if there is no surviving spouse, to the dependent children in equal shares. A surviving spouse may elect to transfer these benefits to the dependent children.

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(c) The total amount of benefits due to a service member's spouse or dependent children may not exceed the benefits that were due to the service member alone.

(3) If a member reenlisted early and changed status by accepting a commission in the United States Navy, prior to completion of the original enlistment upon which entitlement was based, both the cash out option and transferability were lost.

e. Procedures. Application for benefits, whether in-service or post-service, is made through the DVA liaison or the Financial Aid Office at the educational institution to be attended. VA 22-8889 will be used in applying for EATP benefits. All completed applications are processed by the DVA regional office at 1400 North Valley Mills Drive, Waco, Texas 76799.

f. Delimiting date. A 10-year delimiting date following date of last discharge or release from active duty was established for veterans to use EATP benefits. In the case of a service member who died while on active duty and whose entitlement was transferred to a spouse or dependent child, such entitlement expires at the end of the 10-year period beginning on the date of the member's death.

10.4 Section 901, Phase 2

a. Eligibility. To establish eligibility for this program members must have:

(1) Completed a minimum of 6 years of active duty.

(2) Reenlisted for the second time (i.e., the third enlistment contract, even if from prior service in another military service, or with broken service).

(3) Reenlisted for 6 years during the period 1 April 1981 through 30 September 1981.

(a) Service members who reenlisted for 3, 4, or 5 years during this period could amend their second reenlistment contract by appeal to the Board for Correction of Naval Records (BCNR) per reference (k), article 1000-150.

(b) Personnel who reenlisted in EATP eligible ratings, who were eligible for the Selected Reenlistment Bonus at the time of reenlistment, and who had their contracts adjusted via the BCNR to reflect a 6 year reenlistment to qualify for EATP, may have had their SRB entitlement recomputed to include the additional obligated service.

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(4) A high school diploma or a GED certificate.

(5) Served in or converted to one of the following ratings:
EW, AT, EN, or FTG.

(6) Waived entitlement to any existing Vietnam Era GI Bill education benefits.

b. Identification of eligibles

(1) EATP eligibles were reported to the DVA.

(2) Personnel uncertain of their eligibility should:

(a) Apply by letter, stating their Section 901 qualifications; and,

(b) Forward the letter with a copy of NAVPERS 1070/601 (Immediate Reenlistment Contract), via their commanding officer to the Bureau of Naval Personnel (Pers-602). The letter must contain, as an enclosure, the following statement: "In order to establish my eligibility for educational benefits provided by Section 901 of Public Law 96-342 (Title 10 USC, Chapter 107), I hereby waive any entitlement I may have under the GI Bill (Veterans Educational Assistance, Chapter 34 of Title 38, USC). I understand that this waiver is permanent and may not be withdrawn unless I become disqualified for the EATP."

(c) The member's full name, rate, SSN, and military address must be typed or printed below the statement, accompanied by the member's signature. The statement must be witnessed and signed by a commissioned officer on active duty whose name, rank, and title must also be typed or printed below the statement.

c. A service member will be automatically disenrolled from the program and forfeit all benefits if they are:

(1) Discharged or released from active duty before completing 24 continuous months of service on the qualifying reenlistment; or

(2) Discharged from active duty on the qualifying reenlistment with other than an honorable discharge; or

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(3) Forced to change rating due to past or present misconduct, the result of which is disciplinary or adverse administrative action and/or loss of security clearance.

d. Benefits

(1) The educational benefits maximum is \$1200 for a 9-month academic year, up to and including 4 years.

(a) Benefits can be used for tuition, fees, books, and laboratory and shop fees for consumable materials used as part of classroom or laboratory instruction.

(b) Benefits accrued under Section 901 of the EATP can only be utilized while enrolled at an accredited institution.

(2) In addition to educational assistance, Veterans are entitled to a subsistence allowance of \$300 per month for full-time training, and \$150 per month for less than full-time training. Allowances may only be received during the period of actual class attendance/enrollment. Entitlement may not exceed 9 months for each year of active duty served up to a maximum of 36 months.

(3) In-service benefits are available after 2 years of active duty service; however, the subsistence allowance cannot be given to a member still on active duty.

(4) Transfer to dependents: A member can transfer all or part of his or her benefits to a spouse or dependent child when 4 years of active service is completed (it must be done on the date of reenlistment). However, the member may choose to transfer benefits to other qualified family members.

(a) Benefits that are transferred may be utilized by only one person at a time.

(b) If a member dies before transferring benefits, any unused benefits are automatically transferred to the spouse or, if there is no surviving spouse, to dependent children in equal shares. A surviving spouse can transfer these benefits to dependent children.

(c) The total amount of benefits a service member's spouse or dependent children can have may not exceed the benefits that were available to the member alone.

(5) Upon reenlistment, at the end of the reenlistment period which established entitlement to Section 901 benefits, a member can decide to receive a lump sum payment, equal to 60 percent of the sum of the educational assistance and the subsistence allowance he or she has left.

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(a) This option is available only once and may be chosen only upon the third reenlistment (fourth enlistment contract). Subsequent reenlistments do not qualify.

(b) If the cash-out option is taken, no further EATP benefits are provided.

(c) If educational benefits have been used in service, the subsistence allowance is considered used for the same number of months (even though not actually received).

(d) Members must apply for the 60 percent cash-out lump sum option within 30 days of completion of (1) the qualifying reenlistment upon which entitlement is based, and (2) the subsequent reenlistment.

(6) If a service member reenlists early and changes status by accepting a commission in the United States Navy prior to completion of the reenlistment upon which entitlement is based:

(a) Any entitlement to a lump sum cash-out is forfeited;
and

(b) Benefits continue to accrue until the member's status changes. Once the member's status has changed they may use the benefit accrued but no additional benefits will be awarded; and

(c) Transferability is only forfeited if the member's status changes before completion of 4 years on the second reenlistment.

(7) All rights to existing Vietnam Era GI Bill education benefits are waived if the member is in the EATP:

(a) Eligibility for the EATP is forfeited if any portion of Vietnam Era GI Bill education benefits were used since 1 April 1981.

(b) Any payments made under Section 901 of the EATP will be considered an overpayment and recouped if Vietnam Era GI Bill benefits were already received.

e. Benefit procedures

(1) Application for benefits is made through a Department of Veterans Affairs Office liaison or the Financial Aid Office at the educational institution to be attended. Use VA 22-8889 in applying for benefits. Applications are processed at:

Veterans Affairs Regional Office
1400 North Valley Mills Drive
Waco, Texas 76799

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f. Delimiting date. Members have 10 years to use benefits. This period commences on the last discharge or release date from active duty. In the case of a member who dies while on active duty and whose entitlement has been transferred to a spouse or dependent child, such entitlement expires 10 years after the date of the member's death.

10.5 Section 902

a. Eligibility. To establish eligibility for this program members must have:

(1) A high school diploma (GED or other test-based equivalency is not acceptable).

(2) Achieved an Armed Forces Qualifications Test (AFQT) score of 50 or higher.

(3) Be a non-prior service enlistee for whom a personalized recruiting for immediate and delayed enlistment (PRIDE) reservation is made for an active duty program or active duty for training program (Ready Mariner) in one of the following ratings or fields of ratings: STS/STG, CTT/CTR/CTI, TMT, TM(SS), RM, SM, or Nuclear Field EM, IC, ET, MM.

(4) Enlisted or contracted under a delayed enlistment agreement through any MEPS during the period 1 December 1980 through 30 September 1981 and entered on active duty before 1 October 1982.

b. Identification of eligibles

(1) Known eligibles have already had qualifying student loans repaid.

(2) Personnel who were enlisted under Section 902 of the EATP, but whose loans have not yet been repaid, should make application by letter addressed to Bureau of Naval Personnel (Pers-602C), stating their Section 902 qualifications.

c. Benefits

(1) The Navy will repay a designated portion of any loan made, insured, or guaranteed under Part B of the Higher Education Act of 1965 (Guaranteed Student Loans) or any loan made under Part E of such Act (National Direct Student Loans), after 1 October 1975. (Any loan made or incurred by the service member, except those mentioned above, will not be repaid by the Navy.)

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(2) Loan must have been made after 1 October 1975 and before entering on active duty.

10.6 Section 903 (Noncontributory VEAP)

a. Eligibility. To establish eligibility for this program members must have:

(1) A high school diploma. (GED or other test-based equivalency is not acceptable.)

(2) Achieved an AFQT score of 50 or higher.

(3) Enlisted in one of the following ratings: STS/STG, CTT/CTR/CTI, TMT, TM(SS), RM, SM or Nuclear Field EM, IC, ET, MM.

(4) Enlisted in a delayed entry program or directly on active duty at one of the following MEPS: Charlotte, NC; Raleigh, NC; Fort Jackson, SC; Detroit, MI; Milwaukee, WI; Albuquerque, NM; Amarillo, TX; San Antonio, TX; Oklahoma City, OK; or, Portland, OR.

(5) Enlisted or contracted under a delayed enlistment agreement during the period 1 December 1980 through 30 September 1981 and entered active duty before 1 October 1982.

b. Identification of eligibles

(1) Known eligibles identified as EATP participants have been reported to the DVA so that benefit payments can be made.

(2) Personnel uncertain of their eligibility should:

(a) Make application by letter stating their 903 qualifications.

(b) Forward the letter with a copy of the DD 4 (Enlistment Contract) and a copy of DD 1966 (Application for Enlistment) via their chain of command to the Bureau of Naval Personnel (Pers-602).

c. A service member will be automatically disenrolled from the program and forfeit all benefits if they are:

(1) Discharged or released from active duty before completing 24 continuous months of the qualifying enlistment, or

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(2) Discharged from active duty on this enlistment with less than an honorable or general discharge, or

(3) Forced to change rating or are dropped from the nuclear field due to past or present misconduct, the result of which is disciplinary or adverse administrative action and/or loss of security clearance.

d. Benefits

(1) The Navy will deposit into the service member's VEAP account the designated amount of \$75 for each month of active enlisted duty served on the qualifying enlistment (up to a maximum of \$2700).

(2) Additionally, the Navy provides matching funds of \$2 for each \$1 (up to a maximum of \$5400). The maximum amount is \$8100. The monthly benefit for full-time training is \$225 per month for 36 months, prorated if attending school less than full-time.

(3) No in-service benefits may be drawn until completion of the first term of obligated service.

(4) Service members with less than 24 consecutive months of active enlisted service forfeit all benefits. Benefits will begin to accrue after 24 months and will continue to accrue until the service member is released from active duty up to a maximum of 36 months. For example, if the service member is released from active duty after 25 months, entitlement is 25 months at \$225 per month for full-time training.

(5) Benefits accrued under Section 903 (Noncontributory VEAP) may be used for the same education programs authorized under VEAP. Payment for apprenticeship, on-the-job training and cooperative programs is authorized only for those separated from active duty.

(6) Members are not eligible to contribute to the Veterans' Educational Assistance Program (VEAP). Any contributions made by the member to the VEAP will be refunded without interest. A service member who is dropped from noncontributory VEAP immediately becomes eligible to participate in the contributory VEAP should he or she so desire.

e. Use of Benefits

(1) Active duty participants may use their EATP entitlement in-service if they:

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(a) Complete their first obligated period of active duty and,

(b) Did not change rating or drop from the nuclear power field during the qualifying enlistment due to malfeasance or misconduct.

(2) Participants in various Navy education programs:

(a) Enlisted Education Advancement Program (EEAP), Enlisted Commissioning Program (ECP), Naval Reserve Officers Training Corps (NROTC) and Nuclear Power Officer Candidate (NUPOC) participants are eligible for in-service use of EATP benefits if they are Section 903 qualified.

(b) EATP benefits may not be used during attendance at the USNA. Noncontributory VEAP benefits may be used upon completion of the USNA if they are Section 903 qualified.

(3) Eligible Navy veterans may use noncontributory VEAP benefits for approved education programs provided they:

(a) Served a minimum of 24 continuous months on the enlistment which is the basis for entitlement and,

(b) Did not change rating, lose their security clearance or drop from the nuclear power field during the qualifying enlistment and,

(c) Were separated from active duty under an honorable or general discharge.

f. Procedures

(1) Application for benefits, whether in-service or post-service, is made through the Department of Veterans Affairs liaison or the financial aid office at the educational institution to be attended by completing VA 22-1990 and VA 22-1999. These forms will then be sent to the nearest DVA regional office for processing.

(2) Benefits will be paid at the rate of \$225 per month for full-time training, for a maximum of 36 months, prorated if attending school less than full-time. For example, an individual entitled to \$225 per month for full-time study would receive one half of \$225 or \$112.50 per month if taking one-half of the number of credits required for full-time status which may vary at each institution.

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(3) There are no refunds allowed under Section 903 (Noncontributory VEAP) since all monies in the account are paid by the Navy. Any unused benefit will be forfeited.

g. Delimiting Date. A 10-year delimiting date following the date of last discharge or release from active duty is established for veterans to use Noncontributory VEAP benefits. At the end of this time, the veteran will be automatically disenrolled.

CHAPTER 11: OTHER EDUCATIONAL BENEFIT PROGRAMS

11.1 Background. This chapter reviews various educational benefits that are solely paid for, managed and operated by the Department of Veterans Affairs (DVA): Vocational Rehabilitation, Survivors' and Dependents' Education, Work-Study Allowance, and the Reserve Stipend Award. These programs are included in this manual for information purposes only. For applications regarding these programs, contact the DVA at 1-800-827-1000.

11.2 Vocational Rehabilitation

a. Eligibility

(1) If a veteran has a service-connected disability which commenced on or after 16 September 1940, was discharged with other than a Dishonorable Discharge, and is entitled to 10 percent or more disability compensation from the DVA, he or she may be eligible for benefits under Title 38, U.S.C., Chapter 31.

(2) The DVA assesses whether or not a veteran can overcome an impairment and thus become independent and obtain employment which is consistent with his or her abilities, physical capabilities, and aptitudes.

b. Disabled veterans usually receive assistance for up to 48 months of full-time training at a college-level institution, trade, business or technical school, on-the-job training, farm, or apprenticeship training, or combination of training programs. In some cases, the DVA may approve more than 48 months of assistance.

11.3 Survivors' and Dependents' Education

a. Eligibility. Paid to spouse and children of:

(1) Veterans who died or were totally disabled as a result of active service.

(2) Veterans who died from any cause while rated permanently and totally disabled from service-connected causes.

(3) Service members who are missing in action or captured in line of duty.

(4) Service members who were detained or interred by a foreign government.

b. Benefits are provided as monthly payments for full-time enrollment up to 45 months at DVA approved institutions.

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11.4 Work-Study Allowance

a. Eligibility. Students must be enrolled full-time or three-fourths time in a DVA approved school under the MGIB, MGIB-SR, VEAP, Vocational Rehabilitation or Survivors' and Dependents' Education programs.

b. Benefits

(1) The DVA will pay the same rate as the Federal hourly minimum wage or the applicable State minimum wage, whichever is greater. Income is not taxed by the federal government.

(2) Total number of work-study hours cannot exceed 25 times the number of weeks in a student's enrollment period. For example, school term is 16 weeks. The student may work 25 hours per week for 16 weeks.

(3) Students may work during or between courses.

c. Type of Work

(1) Work-study must be VA-related (e.g., DVA Regional Offices, DVA Medical Centers, DVA Offices of the National Cemetery System).

(2) MGIB-SR participants may be assigned to Department of Defense facilities, Reserve Centers, and other armed forces activities to provide services relating to the administration of the Chapter 1606 program.

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Appendix A: MONTGOMERY GI BILL (MGIB) RESPONSIBILITIESA.1 Responsibilities

a. The Bureau of Naval Personnel (Pers-602) will:

(1) Establish overall Navy policy on the MGIB and the MGIB-SR programs.

(2) Serve as resource sponsor and determine requirements necessary for MGIB implementation for the active and reserve components.

(3) Serve as the Navy program manager for the MGIB and MGIB-SR programs.

(4) Maintain liaison with the Office of the Assistant Secretary of Defense (Force Management and Personnel), the Office of the Assistant Secretary of the Navy (Manpower and Reserve Affairs), and the other military services in the Department of Defense to coordinate policy consistent with references (a) through (j).

(5) Maintain liaison with the Defense Manpower Data Center (DMDC) concerning transfer and collection of MGIB and MGIB-SR data from the Navy to the Department of Veterans Affairs (DVA).

(6) Maintain liaison with the DVA in reference to their regulations affecting the MGIB and MGIB-SR programs.

(7) Administer systems implementation of the MGIB and MGIB-SR programs.

(8) Monitor MGIB and MGIB-SR congressional activity.

(9) Serve as the Navy's point of contact on Government Accounting Office (GAO) investigations and internal Navy audits on the MGIB and MGIB-SR programs.

(10) Establish a system for transferring eligibility and recoupment data to the Defense Finance and Accounting Service (DFAS).

(11) Establish a system to report statistical and other data as necessary.

(12) Ensure that procedures establishing briefings for all officer and enlisted personnel entering the Navy (both active and reserve) are accurate.

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(13) Serve as major claimant for the Navy Sea College Program (NSCP).

(14) Make assist visits and periodically assess how well members are informed about the MGIB and MGIB-SR programs.

b. The Chief of Naval Education and Training (CNET) will ensure service members processed through the Recruit Training Commands (RTCs), Naval Reserve Officers Training Corps (NROTC) program, Officer Candidate School (OCS), Aviation Officer Candidate School (AOCS), and Officer Indoctrination School (OIS) are briefed on either the active duty or SELRES provisions of the MGIB.

c. The Commander, Naval Reserve Force (COMNAVRESFOR) will:

(1) Act as major claimant for the Selected Reserve Montgomery GI Bill (MGIB-SR).

(2) Serve as the MGIB-SR operational program manager.

(3) Ensure subordinate commands advise all Reserve Force accessions of their potential benefits under the MGIB-SR.

(4) Ensure DD 2384-1 forms are completed accurately and distributed properly.

(5) Establish criteria for waiving or reducing recoupment of MGIB-SR benefits.

(6) Serve as the operational program manager for the Navy Sea College Program during the SELRES obligation period and develop data necessary to track NSCP participants.

(7) Ensure that MGIB-SR directives are approved before implementation by the Bureau of Naval Personnel (Pers-602).

d. The Commanding Officer, Defense Finance and Accounting Service (DFAS) - Cleveland Center will:

(1) Establish and maintain a system for reducing pay for members participating in the MGIB program.

(2) Establish and maintain a system to notify DMDC of a member's pay reductions.

(3) Establish procedures to transfer MGIB monies to the U.S. Treasury.

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(4) Provide MGIB data as requested.

e. The Superintendent, United States Naval Academy (USNA), will ensure graduates who have not previously established MGIB eligibility are counseled and DD 2366 forms are signed concerning ineligibility for the MGIB.

f. Commander, Navy Recruiting Command (COMNAVCRUITCOM) will ensure commanding officers or officers-in-charge of recruiting districts or other units processing entrants for active duty, provide information on the MGIB to incoming active and reserve personnel.

g. Commander, Naval Reserve Recruiting Command (COMNAVRESCRUITCOM) will ensure the commanding officers or officers in charge of recruiting districts or other units processing entrants to the Navy Reserve, provide information on the MGIB-SR to new accessions.

h. Commanding officers or officers in charge will:

(1) Ensure that Command Career Counselors keep all personnel in their commands aware of the provisions of this manual.

(2) Ensure that changes in MGIB and MGIB-SR status of active and reserve members are promptly reported in personnel data bases.

(3) Provide pre-separation counseling to active duty members on educational benefits.

(4) Establish procedures to control DD 2384-1 forms.

i. Navy Campus education specialists, command educational services officers and command career counselors should be familiar with the basic provisions of this instruction and provide information to personnel as needed.

A.2 Action

a. The Bureau of Naval Personnel (Pers-602) will:

(1) Ensure sailors receive their earned benefits.

(2) Issue program guidance in a timely manner consistent with public law and DoD policy.

(3) Develop budget requirements for active duty and reserve component participants.

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(4) Provide updated information to the Chief of Naval Personnel on MGIB and MGIB-SR congressional activity.

(5) Provide necessary information to Government Accounting Office (GAO) investigators or Navy auditors conducting MGIB and MGIB-SR reviews.

(6) Establish management controls for the review and approval of all MGIB and MGIB-SR implementation directives and/or systems guidance issued by other Navy commands.

(7) Ensure program continuity through monitoring of systems development and systems implementation.

(8) Transfer eligibility and recoupment data to DFAS, DMDC, and between the active and inactive files.

(9) Provide MGIB and MGIB-SR participation information and develop data as necessary.

(10) Oversee the DD 2366 and DD 2384-1 forms for the field service record and the master microfiche record.

(11) Authorize appropriate funds transfer to the U.S. Treasury for the Department of Defense Education Benefits Trust Fund.

b. The Chief of Naval Education and Training (CNET) will monitor procedures for counseling recruits and officer candidates.

c. Commander, Naval Reserve Force will:

(1) Authorize appropriate transfer of MGIB-SR funds to the U.S. Treasury for the Department of Defense Education Benefits Trust Fund.

(2) Issue guidance and ensure the operational stability of the MGIB-SR.

(3) Prepare and distribute DD 2384-1.

(4) Maintain personnel records and issue annual training (AT) orders for NSCP participants while in the Naval Reserve.

(5) Provide data for congressional inquiries and other requests as necessary.

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d. DFAS-Cleveland will:

(1) Make monthly reductions for MGIB participants and transfer data on a quarterly basis to DMDC.

(2) Transfer pay reductions to the U. S. Treasury on a monthly basis.

(3) Recoup necessary MGIB-SR monies when authorized by COMNAVRESFOR.

e. The Superintendent, USNA, will prepare and distribute DD 2366 to midshipmen.

f. COMNAVCRUITCOM will:

(1) Provide written information on the MGIB to all enlisted and officer applicants.

(2) Discuss the provisions of the MGIB with all active duty applicants to include a full explanation of automatic enrollment, option to disenroll, and the advantages of remaining enrolled.

g. COMNAVRESCRUITCOM will counsel enlisted and officer Selected Reserve accessions on the advantages of the MGIB-SR.

h. Commanding officers or officers in charge will:

(1) Ensure MGIB/MGIB-SR enrollment and eligibility status is annotated in the field service record and reported per references (o), (p) or (t) as appropriate.

(2) Ensure a service record page 13 entry is signed by the member at pre-separation counseling per references (h) and (u). The counseling will include a discussion of education benefits provided in chapters 1 through 7, as appropriate, as well as an explanation of the procedures for and advantages of affiliating with the Selected Reserve. In addition, 2-year active duty personnel taking advantage of the higher MGIB benefit rate by drilling with the Selected Reserve for 4 years (See chapter 1) should be advised of the satisfactory SELRES participation commitment required to receive benefits. NSCP participants must be counseled on their obligation in the Naval Reserve.

(3) Appoint a military or civilian member with "By Direction" authority as outlined in reference (k), article 1070-190, to requisition, control and issue DD 2366.

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(4) Appoint a military or civilian member with "By Direction" authority as outlined in reference (k), article 1070-190, to requisition, control and issue DD 2384-1, whether automated or in paper form.

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Appendix B: MONTGOMERY GI BILL FORMS

a. FORMS AVAILABILITY. Forms listed below are available through normal Navy supply channels per NAVSUP publication (P-2002).

<u>FORM NUMBER</u>	<u>TITLE</u>	<u>STOCK NUMBER</u>
DD 4 (Rev. 5-88)	Enlistment Contract	Available through Military Entrance Processing Station
DD 1966 (Rev. 1-89)	Application for Enlistment	0102-LF-006-1900
DD 2366 (Rev. 9-93)	Montgomery GI Bill Act Of 1984 (MGIB)	0102-LF-017-0400
DD 2384 (Rev. 11-91)	Selected Reserve Educational Assistance Program (GI BILL), Notice of Basic Eligibility	0102-LF-002-3841
DD 2384-1 (Rev. 11-92)	Selected Reserve Educational Assistance Program (GI BILL), Notice of Basic Eligibility	Automated through R-STARS
NAVPERS 1070/63 (Rev. 10-81)	Administrative Remarks	0106-LF-010-6991

b. All Department of Veterans Affairs (DVA) forms are available through any local DVA office, and some may be available at a college Financial Aid Office.

VA 4-5281 (Rev. 10-82)	Application for Refund of Educational Contributions	0577-LP-054-0000
VA 22-1990 (Rev. 5-94)	Application for Education Benefits	Local VA Office or Enrolling school
VA 22-1999 (Rev. 11-93)	Enrollment Certification	The enrolling School or training program
VA 22-8889 (Rev. 6-91)	Application for Educational Assistance Test Program Benefits (Section 901, PL 96-342)	Available at Local DVA Office

Appendix C: GLOSSARY OF TERMS

ACTIVE DUTY - Active duty in the Armed Forces of the United States includes time served in a regular component as well as time served in the Training and Administration of Reserves (TAR), Active Guard Reserve (AGR), Broadened Opportunity for Officer Selection and Training (BOOST) school, Active Duty for Special Work (ADSW), Canvasser Recruiter, Navy Active Duty Delay for Specialist (NADDS), Naval Academy Preparatory School (NAPS), Officer Candidate School (OCS), and the Officer Indoctrination School (OIS).

a. The term "active duty" does not include any period during which an individual is assigned full-time by the Navy to a civilian institution for a course of education which was substantially the same as established courses offered to civilians (e.g., Civil Engineering Corps Officers School (CECOS), Baccalaureate Degree Completion Program (BDCP)).

b. MGIB participants who fail to complete the Naval Academy or the Naval Academy Preparatory School, and members with less than 12 months of active duty who are separated for HARSHIP, DISABILITY, or REDUCTION IN FORCE and who later return to active duty will be allowed to merge their second period of active duty with the initial period so that the combined length of the two periods will be considered to be one for the purpose of establishing eligibility for the MGIB.

c. Members who initially obligated to serve only 2 years of active duty, but actually served continuously for 3 years or more, are eligible for the same MGIB benefits as those who initially obligated for 3 years.

ADT - Active Duty Training. Active duty service for Reserve members performed in addition to annual training to maintain individual proficiency. ADT does not count as active duty service for MGIB purposes.

ADSW - Active Duty for Special Work. A tour of duty for reserve personnel authorized from military personnel appropriations. ADSW tours are normally limited to 139 days or less per fiscal year. ADSW counts as active duty for MGIB purposes.

APG - Advanced Pay Grade Program. Non-prior service personnel who incur an 8-year military service obligation, 6 of which must be served in the Selected Reserve. Members enter this program in a temporary pay grade and must complete specific training assignments within a certain time period in order to become permanent.

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AT - Annual Training. The minimum period of active duty that Selected Reserve members must perform each year to satisfy training requirements. AT does not count as active duty for MGIB purposes.

BOOST - Broadened Opportunity for Officer Selection and Training. BOOST is an academic program to prepare prospective officers for entrance into the Naval Academy or an NROTC scholarship program. BOOST training time counts towards the active duty requirement.

BUPERS - Bureau of Naval Personnel. Department of the Navy agency which administers most personnel functions for Navy personnel including the MGIB.

CANREC - Canvasser Recruiter. Members of the Selected Reserve who are recalled to active duty to perform the duties of a Naval Reserve Recruiter.

COG - Convenience of the Government Separation. Separation from active duty prior to the end of obligated service which may be authorized or directed by the Chief of Naval Personnel.

COMBINED ENTITLEMENT. An individual may establish eligibility for more than one educational program such as VEAP, which has 27 months of entitlement and the MGIB-SR, which has 36 months of entitlement. If a member uses benefits under more than one program the combined entitlement may not exceed 48 months.

CONVERSION. When remaining monthly entitlement from one program is converted to a different program. The only educational assistance program that may be converted to the MGIB is the Vietnam Era GI Bill (VEGIB).

DELIMITING DATE. A specific date that limits the time allotted for the use of GI Bill benefits.

DFAS - Defense Finance and Accounting Service. Administers all personnel pay and accounting matters for the Navy.

DMDC - Defense Manpower Data Center. DoD agency which administers data systems combining personnel from all services. The center is located in Monterey, California.

DVA - Department of Veterans Affairs. The Federal agency which administers and pays benefits for all veterans programs including GI Bill.

IADT - Initial Active Duty for Training. Basic military training and technical skill training for all enlisted reserve accessions. IADT does not count as active duty service for MGIB purposes.

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IMA - Individual Mobilization Augmentees. An individual Selected Reservist who receives training and is preassigned to an active component which must be filled on, or shortly after, mobilization. IMA personnel train with those organizations preparing for mobilization. A minimum of 12 days annual training (AT) is required of IMAs each year. IMA personnel are not on active duty.

IN-SERVICE BENEFITS. The amount of monthly MGIB entitlement paid to a member while on active duty. Basic eligibility requirements for in-service benefits are outlined in chapter 1. The benefit rate will be equal to the established charges for tuition and fees but may not exceed the monthly rate payable to non-active duty personnel.

IRR - Individual Ready Reserve. A manpower pool consisting principally of trained individuals who have previously served on active duty or in the selected reserve. This category does not establish eligibility for Reserve GI Bill benefits.

KICKER - An additional educational assistance payment authorized by the Secretary of the Navy to attract highly qualified recruits into "hard to fill" or "critical" ratings.

MGIB - Montgomery GI Bill. The educational benefits program available to members who first came on active duty after 30 June 1985. NROTC scholarship recipients and USNA graduates are not eligible.

MGIB-SR - Montgomery GI Bill - Selected Reserve. Educational benefits program available to members who agree to drill for 6 years in a SELRES unit. Members may be eligible even if they have previously enrolled in another benefit program as long as the combined number of months used under the two programs does not exceed 48 months.

NADDS - Navy Active Duty Delay for Specialist program. Members in receipt of an Armed Forces Health Professional Scholarship serving in the Individual Ready Reserve. NADDS physicians may elect to participate in the MGIB if recalled to active duty for 24 months or more.

NAPS - Naval Academy Prep School. Nine months preparatory school for the United States Naval Academy. Members who attend NAPS and meet the minimum academic requirements will receive an appointment to the USNA upon graduation. NAPS members are eligible to enroll in the MGIB however, if they successfully complete the program and are subsequently commissioned at the USNA, they will lose their eligibility and any monies reduced from their pay.

NCF - Navy College Fund. The Navy College Fund is offered to certain recruits who agree to enlist in rates classified as "critical" or "hard to fill." If these recruits fulfill their contract, they are eligible for a "kicker" in addition to the basic MGIB benefits.

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NOBE - Notice of Basic Eligibility. DD 2384-1, issued to members of the Selected Reserve when eligibility for MGIB-SR has been established. This form will allow the member to start receiving benefits while automated processing is being completed.

NROTC - Naval Reserve Officer Training Corps. Commissioning program under which members are enrolled as full-time students at civilian institutions. Graduating scholarship recipients are not eligible for MGIB unless they established eligibility before entering the NROTC program. Graduating College Program (non-scholarship) students are eligible for MGIB benefits.

NSCP - Navy Sea College Program. The Navy Sea College Program was offered to members who agreed to enlist in the Navy for a period of 2 years active duty followed by 4 years in the Selected Reserve. Program participants were eligible for a "kicker" in addition to the basic MGIB rate.

OCS - Officer Candidate School. Sixteen-week program under which qualified recruits and prior service members may receive a commission in the Navy. Non-prior service members are eligible for enrollment in the MGIB, however, prior service members must have already declared their intent to enroll in the MGIB or disenroll prior to acceptance in the program.

OIS - Officer Indoctrination School. OIS, located in Newport, RI, is an indoctrination course offered to direct-commissioned Staff Corps Officers. Non-prior service attendees are eligible to enroll in the MGIB, however, prior service members must have already declared their intent to enroll in the MGIB or disenroll prior to acceptance in the program.

OPEN PERIOD - An opportunity to enroll in VEAP provided to certain active duty personnel who did not elect participation before the program ended on 30 June 1985. The open period for VEAP was 28 October 1986 through 31 March 1987. An open period for MGIB was offered from 1 December 1988 through 30 June 1989 for members who declined benefits during the period 1 July 1985 through 30 June 1989.

OSAM - Officer Sea and Air Mariner. A program under which officers were recruited directly into the Selected Reserve. Officers were required to serve a specified period of IADT (usually 2 years) before affiliating with the SELRES. OSAMs are eligible for the MGIB-SR only.

RTB - Reserve Transition Benefits. Benefits intended to ensure Selected Reserve (SELRES) personnel who are involuntarily separated during the period of force drawdown are treated fairly and equitably for their service. Members eligible for MGIB-SR who separate with RTB will have their eligibility continued until the 10-year delimiting date.

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SAM - Sea and Air Mariner. Program under which members were recruited directly into the Selected Reserve. Members had to obligate for a required amount of IADT including initial recruit training before affiliating with a SELRES unit. SAMs are eligible for the MGIB-SR only.

SDS - Source Data System. The system by which individual commands, PSDs, and PSAs can update personnel computer files.

SELRES - Selected Reserve. Members of the Naval Reserve who are actively drilling.

SPD - Separation Program Designator. A three-character code which corresponds to a narrative description explaining the reason for separation. SPD codes are translated into plain language by the Defence Manpower Data Center (DMDC) for use by the Department of Veterans Affairs (DVA). BUPERSINST 1900.8 contains a complete list of SPD codes, narratives, and issuing authority.

SSB - Special Separation Benefits. A separation incentive designed to provide an alternative to active duty members who wish to separate from active duty prior to retirement eligibility. This program provides a lump-sum separation payment. Members may enroll in the MGIB.

TAR - Training and Administration of Reserves. TARs are reservists who serve on active duty for the purpose of training and supporting the SELRES. TARs are eligible for the active duty MGIB if they serve on active duty for more than 24 months.

TERA - Temporary Early Retirement Authority. A short-term program designed to help the Navy reduce in size. This program permits personnel with between 15 and 20 years of service the opportunity to request retirement.

TRC - Training and Retired Category. The category identifying a Reservist's training or retirement status in a Reserve Component.

VEAP - Veterans Educational Assistance Program. The educational benefits program available for members who first entered active duty between 1 January 1977 and 30 June 1985.

VEGIB - Vietnam Era GI Bill. The educational benefits program available to members who first entered active duty between 1 February 1955 and 31 December 1976. The DVA stopped paying benefits under this program on 31 December 1989. However, eligible members were automatically converted to the MGIB on that date.

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VSI - Voluntary Separation Initiative. A separation incentive designed to provide an alternative to active duty members who wish to separate from active duty prior to retirement eligibility. This program provides an annual annuity for twice the number of years served on active duty. Members may enroll in the MGIB.

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