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## Post-9/11 GI Bill: Teasing Out Insights about Veterans' Success in Postsecondary Education

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### ABSTRACT

This paper (1) examines the challenges researchers face in using publicly available databases to track veterans use of GI Bill benefits and their success in earning postsecondary credentials, and (2) presents the methodology and findings of several Veterans Education Success reports that, despite these challenges, teased out important insights on veteran outcomes.

Several Department of Veterans Affairs (VA) databases provide information about the use of GI Bill educational benefits, but they do not allow researchers to differentiate among veterans and other individuals who use those benefits, such as eligible family members or individuals who are still serving. Moreover, the VA data focus on beneficiaries who are *using* benefits even though some individuals may have exhausted their benefits yet may still be attending school. Our research has shown that GI Bill beneficiaries consist of distinct cohorts having different characteristics; these cohorts' merit separate investigation, e.g., veterans vs. GI Bill eligible dependents; graduate vs. undergraduate student veterans; or veterans using vs. not using benefits.

Among publicly available data sets, only **the Department of Education's (ED)** nationally representative surveys allow researchers to differentiate among beneficiary cohorts and assess student *veteran* outcomes, including their graduation rates, non-completion, the impact of disabilities on outcomes, and student loan debt both for veterans using and not using benefits. For example, our research suggests that about 41 percent of veterans who graduated in 2015-16 enrolled for the first time in 2005 or earlier.<sup>1</sup> Given such long matriculation, these veterans likely exhausted their 36 months of GI Bill benefits well before graduation. As a result, student loan debt may be necessary for some veterans to cross the finish line. If VA shared data with ED on all individuals who are eligible for or who have received GI Bill benefits, including their remaining months of entitlement, researchers could obtain a better understanding of the factors that result in many veterans not using GI Bill benefits.

### INTRODUCTION

When the Post-9/11 GI Bill was implemented in 2009, Congress failed to establish metrics to measure its success in helping veterans' transition from military service to rewarding civilian careers. Veterans Education Success has attempted to fill this information void by using the available ED and VA datasets to shed light on

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<sup>1</sup>Ochinko, Walter and Kathy Payea (2018). *Postsecondary Non-Completion Among Veterans: Contributing Factors and Implications*. Washington, D.C.: Veterans Education Success, November.

institutional sector enrollment trends and student veteran outcomes. [Veterans Education Success](#) is a nonprofit organization dedicated to preserving the promise and integrity of the GI Bill.

First, we provide a brief overview of the challenges in identifying veterans and analyzing student veteran outcomes using the publicly available data sets. Second, we describe the strengths and weaknesses of those data sets. Third, we summarize initiatives to increase the collection of data on GI Bill student outcomes. Finally, we describe the methodology and key findings from several Veterans Education Success reports that analyzed the publicly available data.

## ELIGIBILITY FOR AND USE OF THE POST-9/11 GI BILL

Veterans, dependents, active-duty servicemembers, and National Guard and Reserve forces are eligible for VA-administered educational benefits, including the Post-9/11 GI Bill.<sup>2</sup> Eligibility does not automatically equate with drawing down benefits when a beneficiary enrolls in a postsecondary credential program. Differences in the way schools and beneficiaries are paid across the five GI Bill benefit programs currently operating limit the categories of data reported.

### WHO IS ELIGIBLE?

Veterans qualify for the Post-9/11 GI Bill by serving for a minimum of 90 days after September 10, 2001. To qualify for the maximum 36 months of benefits, veterans must have served at least 3-years.<sup>3</sup>

Active-duty servicemembers may allocate their Post-9/11 GI Bill to spouses or children before they separate from the military. The dependents of servicemembers who died in the line of duty are also eligible for educational benefits.

Once they meet the eligibility requirements for the GI Bill, servicemembers may begin to use those benefits while still on active duty. Finally, members of the National Guard and Reserves earn credit towards educational benefits when they are called to active duty and may also begin using those benefits in between activations once they have met the statutory eligibility thresholds.

### USE OF GI BILL BENEFITS

Not all beneficiaries use the GI Bill while enrolled in school—particularly veterans and members of the National Guard and Reserves. Use of benefits is dependent upon meeting eligibility criteria (see table 1). Because the maximum benefit is generally 36-months (the equivalent of four, 9-month semesters), some beneficiaries may exhaust their eligibility before they graduate. Other beneficiaries

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<sup>2</sup>The enactment of the Post-9/11 GI Bill in 2008 did not sunset other existing GI Bill benefit programs, such as its immediate predecessor, the Montgomery GI Bill. Research by Veterans Education Success found that 83 percent (\$87 billion) of overall [GI Bill payments](#) from fiscal years 2009 to 2018 were for beneficiaries using the Post-9/11 GI Bill, which is more generous than its predecessors. Post-9/11 benefit payments include tuition and fees as well as book stipends and living allowances.

<sup>3</sup>For example, after 90 days of active-duty servicemembers are eligible for [50 percent](#) of the maximum 36 months of educational benefits.

may forgo use of the GI Bill because of a state scholarship. Thirteen [states](#) offer free tuition for veterans (some states have residency requirements) and [all but a few states](#) offer free tuition or tuition discounts to members of the National Guard. Moreover, beneficiaries who enroll at an inexpensive community college may choose to save their GI Bill eligibility to earn a higher-level degree at a 4-year institution. Finally, some veterans may not qualify if they received a less-than-honorable discharge from the military.

Table 1: Eligibility Criteria May Explain Why Some Veterans Enrolled in Postsecondary Education Programs Are Not Using the GI Bill

Criteria/reason	Explanation
Exhausted benefits	<ul style="list-style-type: none"> <li>○ Changing majors, working full-time while enrolled, and multiple transfers between postsecondary institutions increase the time-to-degree for veterans. In addition, part-time enrollment results in the accumulation of fewer credits and a longer time-to-degree, but consumes the same amount of benefits as full-time enrollment. As a result, some veterans may not have completed college prior to exhausting their 36 months of GI Bill benefits.</li> </ul>
Choice	<ul style="list-style-type: none"> <li>○ <b>Veterans may save their benefits to earn a bachelor's or advanced degree.</b> Unpublished research by Veterans Education Success has found that a higher proportion of veterans attending community colleges are not using benefits compared to veterans enrolled in other sectors. Community colleges are by far the least expensive path to a certificate or associates degree. In addition, veterans may choose to <a href="#">rely on state programs that cover tuition</a>.</li> </ul>
Do not qualify	<ul style="list-style-type: none"> <li>○ Separation date: If a 40-year-old veteran had enlisted at age 18 and served 7 years, he would have separated at age 25—prior to September 10, 2001—and therefore would not be eligible for the Post-9/11 GI Bill.</li> <li>○ Less than honorable discharge: An honorable discharge is an eligibility requirement for GI Bill benefits. According to DOD data, more than 352,000 servicemembers have received less than honorable discharges since 2000, about 15 percent of those who were discharged.</li> </ul>

Source: Veterans Education Success.

## BENEFICIARIES HAVE A CHOICE OF GI BILL BENEFIT PROGRAMS

From Fiscal Years 2009 through 2018, seven GI Bill programs provided educational benefits to eligible beneficiaries. Enactment of the Post-9/11 GI Bill in 2008 did not sunset any of the GI Bill programs that were available to eligible beneficiaries in 2009 and only two program have stopped enrolling new beneficiaries since then (see table 2).

The Post-9/11 GI Bill is the only educational benefit program that pays tuition and fees directly to the school and separate living and book stipends to the beneficiary.<sup>4</sup> All other GI Bill benefit programs provide a lump sum

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<sup>4</sup>The Post-9/11 GI Bill caps tuition and fee payments to private for-profit and nonprofit institutions at [\\$24,477](#) for academic year 2019. If tuition at such private institutions exceeds this cap, VA will match any amount that a school contributes to closing the tuition

payment to the beneficiary, who is responsible for allocating the funds between tuition and fees, books, and living expenses.

Table 2: GI Bill Programs Enrolling Beneficiaries, Fiscal Years 2009-2018

GI Bill	Year enacted
VRAP (Veterans Retraining Assistance Program)	2011
Post-9/11	2008
REAP (Reserves Educational Assistance Program)	2005
Montgomery—Active Duty	1985
Montgomery—Selective Reserve	1985
VEAP (Post-Vietnam Era Veterans Educational Assistance Act)	1976
DEA (Survivors and Dependents Educational Assistance Program)	1956

Source: [Congressional Research Service](#) (CRS). Eligibility requirements and benefit levels for each GI Bill program are described on p. 26 of this [CRS report](#).

Note: VRAP was limited to 99,000 participants who could enroll in training programs designated as “high demand” by the Labor Department from July 2012 through March 1, 2014. New enrollment in REAP ended in 2015 but beneficiaries already enrolled were allowed to finish their programs. [DEA](#) provides education benefits to the dependents of totally disabled veterans and to the survivors of servicemembers who died in the line of duty after September 10, 2001. The latter are also eligible to receive the Post-9/11 GI Bill.

## STRENGTHS AND WEAKNESSES OF KEY DATA SETS

VA and ED collect and publish data via websites on the use of GI Bill educational benefits (see table 3). All of these data sets pose challenges for researchers. In fact, VA’s GI Bill Comparison Tool was designed not for researchers but rather to help beneficiaries select a postsecondary institution. Only data from ED’s nationally representative surveys allow researchers to explore and report on veteran-specific outcomes. The surveys, however, cannot be used to examine outcomes at the institutional level.

Table 3: Key Data Sets with Information on Veterans’ Use of Benefits and Student and Veteran Outcomes

Federal Agency	Data set	Type of data
VA	<ul style="list-style-type: none"> <li>GI Bill Comparison Tool</li> <li>WEAMS</li> <li>Annual benefits report</li> </ul>	<ul style="list-style-type: none"> <li>Data on use of benefits at the school level;<sup>a</sup> currently not reporting outcome data</li> <li>Identifies degree programs eligible to enroll beneficiaries</li> <li>GI Bill enrollment and total expenditures by benefit program</li> </ul>
ED	<ul style="list-style-type: none"> <li>Integrated Postsecondary Data System (IPEDS)</li> <li>College Scorecard<sup>b</sup></li> <li>Surveys by the National Center for</li> </ul>	<ul style="list-style-type: none"> <li>Schools that participate in Title IV report data on veteran enrollment and benefits</li> <li>Overall student outcomes only</li> <li>Can be used to drill down to</li> </ul>

gap through the Yellow Ribbon Program. School participation in the Yellow Ribbon Program is voluntary. Public institutions are required by law to charge [in-state tuition](#) for veterans and eligible dependents to whom benefits were transferred.

	Education Statistics	veteran specific outcomes
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Source: Veterans Education Success.

<sup>a</sup>VA’s Comparison Tool reports on the total number of beneficiaries using benefits but reports tuition and fee payments only for those using the Post-9/11 GI Bill.

<sup>b</sup>IPEDS is the underlying source of College Scorecard outcome data.

## ENROLLMENT DATA

The [GI Bill Comparison Tool](#), VA’s annual benefits report, and ED’s [Integrated Postsecondary Data System](#) (IPEDS) are the primary sources of public data on the use of GI Bill benefits by eligible individuals.<sup>5</sup> IPEDS covers a subset of institutions that enroll beneficiaries—those that participate in Title IV federal student aid.

**According to the Comparison Tool, 23,533 “schools” are eligible to enroll GI Bill beneficiaries.**<sup>6</sup> Only about 6,300 schools, however, were Title IV eligible in 2018-19.<sup>7</sup> The Comparison Tool was designed as a resource to help beneficiaries make an informed choice when selecting a postsecondary institution. Consistent with this objective, the 2018 data currently reported will be replaced with 2019 data later in the spring.<sup>8</sup>

Data in the Comparison Tool and IPEDS have the most granularity, showing the enrollment and tuition payments to each institution eligible to enroll beneficiaries. However, they understate benefit expenditures. First, both data sets limit the reporting of tuition and fee payments to the Post-9/11 GI Bill—the only currently operating benefit program paying tuition and fees directly to the school.<sup>9</sup> Second, the Comparison Tool does not report living and book stipends, which are the largest component of Post-9/11 GI Bill expenditures.<sup>10</sup> Aggregate data on enrollment and total benefit expenditures are **available in VA’s annual benefits report**.

Neither the Comparison Tool nor IPEDS allow researchers to disaggregate data by beneficiary category—e.g., veteran vs. eligible family member, etc. Moreover, the

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<sup>5</sup>IPEDS data is available on ED’s College Navigator website.

<sup>6</sup>[GI Bill Comparison Tool](#) dataset, “Quick Facts” tab, downloaded on January 30, 2020.

Reasons why the number of “schools” eligible to enroll GI Bill beneficiaries is significantly higher than the number of Title IV participating schools include: (1) not all schools participate in Title IV and such participation is not a requirement for enrolling recipients; and (2) many non-college degree programs are offered by organizations that would not be considered schools by ED but offer GI Bill approved training, such as police and fire departments that have training programs for those professions.

<sup>7</sup>Authors analysis of IPEDS data. In 2017-18, 6,642 schools participated in Title IV. By 2018-19, 361 institutions had closed, including 319 for-profit schools.

<sup>8</sup>VA did release an [historical file](#) of Post-9/11 GI Bill tuition and fee payments from Fiscal Years 2009 through 2017. We used the data to identify the [10 schools](#) receiving the most revenue for beneficiaries using the Post-9/11 GI Bill.

<sup>9</sup>As noted earlier, other benefit programs pay a lump sum to student veterans which can be used to cover all education related expenses, including housing and books. VA does not know what portion of the benefit is applied toward tuition and fees.

<sup>10</sup>Veterans Education Success research found that [55 percent](#) of program expenditures from Fiscal Years 2009 through 2017 were for non-tuition related benefits. We determined the proportion of benefits allocated to tuition and fees vs. stipends by subtracting VA historical data on **Post-9/11 tuition and fee payments from total benefits paid using VA’s annual benefit reports**.

Comparison Tool does not identify the credential being pursued or whether the degree program is at the undergraduate or graduate level.<sup>11</sup> WEAMS, another VA database, can be used to determine the specific credential programs approved to enroll beneficiaries at each institution but has no enrollment data.<sup>12</sup> In contrast, IPEDS reports the number of beneficiaries pursuing both undergraduate and post-baccalaureate credentials.

## OUTCOME DATA

ED's College Scorecard website provides outcome data on students in general. However, nationally **representative surveys conducted by ED's National Center for Education Statistics (NCES)** can be used to analyze veteran-specific outcomes.

*College Scorecard.* **ED's College Scorecard** website provides outcome data on students enrolled at Title IV institutions. The [metrics](#) reported, which have been revised several times, currently include graduation rates after 8 years and the proportion who withdrew; retention rates; the proportion who borrow; median federal student loan debt; and typical earnings in the first year after graduation.<sup>13</sup> No veteran-specific or GI Bill beneficiary outcome data is available. Recently, the College Scorecard has begun to make some limited outcome data available for the individual degree programs offered by institutions.<sup>14</sup>

Until recently, **VA's** Comparison Tool (1) imported data from the College Scorecard on selected outcomes for students who enrolled at Title IV institutions (including graduation and retention rates, and earnings); and (2) also reported some VA administrative data on veteran specific outcomes. **Because of "the overwhelming demand from schools," VA removed** its veteran-specific outcome data from the

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<sup>11</sup>VA's annual benefits report does provide statistics for the fiscal year covered on (1) credential level being pursued for beneficiaries who began receiving benefits in that fiscal year (2 year, graduate, undergraduate, and non-college degree); and (2) beneficiary type (veterans/servicemember, transfer of eligibility, or eligibility earned when a servicemember dies during active duty service). See Veterans Benefits Administration, [Annual Benefits Report Fiscal Year 2018](#), pp. 150 and 155, respectively.

<sup>12</sup>In 2015 and 2018, we published [reports](#) that used the WEAMS database to identify programs at GI Bill participating schools that lacked the required accreditation to enable graduates to become licensed or certified in their field of study. In 2016, Congress amended the statute governing the GI Bill to require that approved degree programs be appropriately accredited. See § 409 of [P.L. 114-315](#).

<sup>13</sup>Previously, the College Scorecard reported earnings for both graduates and those who failed to complete 10 years after enrolling as well as the proportion earning more than a high school graduate. It had also shown how an institution compared to the national average on each metric. Although these changes made the metrics less useful, ED graduation rate data is now more comprehensive, encompassing both full-time and part-time students and individual who are not first-time students.

<sup>14</sup>We last used the College Scorecard data for a 2019 [report](#) on GI Bill beneficiary outcomes at trade schools attended by beneficiaries. At that time, program-level data was limited to the number of borrowers, the number of degrees awarded, and the mean and median amounts of debt. Because of privacy concerns, small programs (<10) had no data at all. Many of the outcomes we were interested in analyzing were not included in the program-level data and we lacked enrollment data for the programs selected by beneficiaries. See p. 15 of this paper for a discussion of GI Bill beneficiary outcomes at trade schools.

Comparison Tool.<sup>15</sup> For example, VA had begun reporting beneficiary graduation rates at some GI Bill eligible schools. However, **VA's administrative data only** captured credential completion for those individuals using benefits in the term that they earned a certificate or degree, resulting in an undercount of actual veteran graduation rates. **In fact, all of VA's administrative data** reflects only those beneficiaries who are using GI Bill benefits.

**NCES. ED's** NCES conducts several nationally representative surveys—the National Postsecondary Student Aid Study (NPSAS), Beginning Postsecondary Students (BPS), and Baccalaureate and Beyond (B&B). The samples for B&B and BPS track outcomes for a cohort of students over time and are drawn from NPSAS. These three surveys allow researchers to isolate student veteran outcomes by excluding other beneficiaries who are using benefits, such as eligible dependents and students still connected to the military. Useful demographic data is collected on survey participants such as age, marital status, gender, race, first-generation college student, disability, and employment status. The data can be used to examine outcomes by institutional sector but not at the individual schools attended by the survey participants. None of these surveys allow researchers to identify the GI Bill program from which beneficiaries receive benefits and benefits use is limited to the year of the survey rather than the entirety of a beneficiary's enrollment.

National Postsecondary Student Aid Survey. [NPSAS](#) is conducted every 4 years to determine how students finance their college education. Veterans Education Success has used NPSAS to analyze trends in undergraduate veteran student loan debt before (2008) and after implementation of the Post-9/11 GI Bill (2012 and 2016).<sup>16</sup> The survey sample contains about 89,000 undergraduate students at more than 1,800 public, nonprofit, and for-profit postsecondary institutions. In addition to student interviews, NPSAS relies on data from institutional and government records. In prior surveys, veteran status was determined by using school administrative data, the Free Application for Federal Student Aid (FAFSA), and interviews of survey participants. In 2015-16, NCES increased the sample size for veterans and matched the Social Security numbers of students with data from the VA to better identify veterans in its sample.<sup>17</sup>

Beginning Postsecondary Students. Each cycle of **the BPS** follows a cohort of students who are enrolling in postsecondary education for the first time. First-time beginning postsecondary students participated in three interviews: in 2012, at the end of their first year in postsecondary education; in 2014, about 3 years after they first enrolled; and, in 2017, approximately 6 years after they first enrolled. The survey collects data on student persistence in, and completion of, postsecondary

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<sup>15</sup>Personal communication with VA staff on January 24, 2020.

<sup>16</sup>See Ochinko, Walter and Kathy Payea (2018). [Veteran Student Loan Debt Before and After the Post-9/11 GI Bill](#). Washington, D.C.: Veterans Education Success (May); and Ochinko, Walter and Kathy Payea (2019). [Veteran Student Loan Debt 7 Years After Implementation of the Post-9/11 GI Bill](#). Washington, D.C.: Veterans Education Success (January). Both reports are discussed latter in this paper.

<sup>17</sup>Students who were on active duty during the 2015-16 academic year, but who were discharged prior to the end of the 2015-16 academic year, were included as veterans.

education programs; their transition to employment; demographic characteristics; and changes over time in their goals, marital status, income, and debt, among other indicators.

Baccalaureate and Beyond. [B&B](#) follows a cohort of students who completed their baccalaureate degree and provides insights on their post-collegiate transition. It contains detailed information **about bachelor's degree recipients approximately 4 years (2011-12 and 2016-17) after they completed their 2007-08 degrees**. B&B **allows researchers to address questions regarding bachelor's degree recipients'** undergraduate experiences, including their participation in various financial aid programs; undergraduate debt; loan repayment; entrance into and progress through post-baccalaureate education; employment; earnings; and expenses.

## INITIATIVES TO INCREASE THE COLLECTION OF DATA ON GI BILL STUDENT OUTCOMES

There have been several attempts since 2008 to establish datasets on GI Bill student outcomes. None of these initiatives would allow researchers to distinguish veterans from other GI Bill beneficiaries.

- April 2012. [Executive Order 13607](#) directed ED, VA, and the Department of Defense to develop outcome measures for beneficiaries using the GI Bill. The proposed measures would have permitted comparisons across federal educational programs and institutions.<sup>18</sup> **Although** the measures were never implemented, they are available through a [link](#) on the College Navigator homepage.
- November 2016. VA and ED signed an [agreement](#) that would allow VA to help ED identify GI Bill beneficiaries using Post-9/11 GI Bill benefits in its student loan databases. ED has not been able to identify veterans since a skip pattern for independent students was introduced to the FAFSA in 2009. Because most veterans are independent students (24 years or older or have dependents), they never have an opportunity to self-identify as veterans. The memorandum said that VA planned to publicly report the following data on the GI Bill Comparison Tool: cohort default rates, median loan debt, and repayment rates at the aggregate and institutional level for Post-9/11 GI Bill beneficiaries who also receive federal loans. No data has been posted to date.
- December 2016. Congress authorized VA to require schools to report “**...such information regarding the academic progress of the individual as the Secretary may require.**”<sup>19</sup> Previously, reporting was voluntary, and VA lacked the authority to require schools to report graduation rates or other outcomes. According to VA, all institutions were required to begin reporting academic progress data beginning January 1, 2019. In April 2019, VA told us that it was validating institutional submissions.

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<sup>18</sup>In 2013, **ED's** Technical Review Panel, which recommends changes to IPEDS reporting standards, required schools to report the number of Post-9/11 GI Bill beneficiaries, the number of servicemembers using DOD Tuition Assistance, and the amount of benefits received.

<sup>19</sup>See § 404 of [P.L. 114-315](#).



- March 2019. Pending legislation known as the [College Transparency Act](#) would establish a student unit record system that would create a postsecondary federal data system to collect and generate accurate, comprehensive information on **student progress and success. One of the data elements is “military or veteran benefit status.”** Veteran status is defined as the receipt of benefits.
- February 2020. The House Veterans Affairs Committee is considering a bill that would require VA and ED to sign an MOU to report outcome data for GI Bill beneficiaries and eligible family members. Data elements include, persistence rates, transfer-out rates, graduation rates, average number of years to graduate, employment rates of graduates and those who fail to complete, average salaries, median federal student loan debt, and cohort default rates. Without data on other non-traditional students, however, Congress will lack a comparison point to put the student veteran data in perspective.

## SELECTED VETERANS EDUCATION SUCCESS FINDINGS ON VETERAN AND GI BILL STUDENT OUTCOMES

Veterans Education Success has published more than two dozen reports using the VA and ED databases discussed in this paper. Our reports examine trends in the use of GI Bill benefits and veteran outcomes. All Veteran Education Success research reports are available on our [website](#). Here we summarize key findings from five of those reports.

### VETERAN STUDENT LOAN DEBT

*Background.* A major goal of the Post-9/11 GI Bill, which modernized veterans’ educational benefits, was to provide veterans with the opportunity for a debt-free, postsecondary education—or, at a minimum, to mitigate their student loan debt.<sup>20</sup> Because use of the Post-9/11 GI Bill **does not diminish veterans’ eligibility for either** subsidized or unsubsidized federal student loans, beneficiaries are allowed to take out federal student loans up to the cost of attendance. A 2009 NCES [report](#) examined the student loan debt of military-connected students—active duty military, veterans, and reservists—and suggested that its report would provide a baseline to assess the impact of the new, more generous Post-9/11 GI Bill. Our analysis focused on the veteran cohort and excluded the 11 percent of veterans pursuing post-baccalaureate degrees because they already have an undergraduate degree and face different challenges than veteran undergraduates who are more likely to be first-time college students.<sup>21</sup>

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<sup>20</sup>The Post-9/11 GI Bill increased federal tuition support for veterans and added stipends for non-tuition expenses to reflect the increased costs of higher education and the unique financial challenges of non-traditional students, that is, older adults who are no longer dependent on their parents.

<sup>21</sup>In a November 2018 [report](#), we compared the demographics of veterans pursuing undergraduate vs. graduate degrees. We noted that graduate student veterans are more **likely to have been officers who already had a bachelor’s degree. Moreover, graduate student veterans are older; may be seeking a postgraduate degree to enhance their earnings potential; are more likely to have clear career goals and to be working full-time; and may have older dependents.** We found that undergraduate veterans are less likely to

*Methodology.* We published three reports examining undergraduate veteran student loan debt using successive releases of NPSAS—2008-09, 2011-12, and 2015-16. We analyzed (1) annual federal borrowing during the year in which the survey was conducted, (2) cumulative (total) student loan debt for veterans who graduated during the survey year, (3) borrowing by institutional sector, (4) private student loan debt, and (5) receipt of Pell Grants. To put data on veterans in context, we compared the debt of student veterans to that of a similar cohort—non-veteran independent students. Veterans more closely resemble older students who are financially independent—not typical 18-year old high school graduates who enroll in college soon after earning a high school diploma and who depend on their parents for financial support.

Two of these reports analyzed borrowing for all veterans, irrespective of their use of benefits.<sup>22</sup> We chose to look at all veterans because, as discussed earlier in the paper, NPSAS captures use of benefits during the year in which the survey is conducted and it is impossible to determine why veterans are not using benefits, e.g., whether they had run out of benefits or were relying on state scholarships for veterans. The third report analyzed student loan debt separately for those using and not using benefits.<sup>23</sup>

#### *Trends in veteran student loan debt, 2009 to 2016*

- Overall, the generosity of the current Post-9/11 GI Bill is a factor in reducing the need to borrow for those veterans using their education benefits (see fig. 1). Moreover, increased use of the more generous Post-9/11 GI Bill may have contributed to the continued decline in borrowing evidenced in survey data from the 2015-16 academic year. According to VA, the proportion of veterans using the Post-9/11 GI Bill increased from 60 percent in [FY 2011](#) to almost 80 percent by [FY 2016](#).
- After a steep decline from 2007-08 to 2011-12, the proportion of veterans taking out *federal loans* at for-profit schools showed little change in 2015-16. However, borrowing by veterans attending 4-year public and nonprofit institutions, which had not changed as dramatically by 2011-12, declined further (see fig. 1). The proportion of veterans taking out federal student loans also declined at 2-year public institutions.
- In contrast to student veterans, the proportion of other independent students with *federal loans* was substantially higher across all sectors from 2007-08 to 2015-16, further evidence that the generosity of the Post-9/11 GI Bill was a factor in the decline in veteran borrowing.
- The proportion of veterans taking out *private loans* declined at for-profit and public 4-year institutions from 2011-12 to 2015-16. There was insufficient data to report on community colleges and nonprofit institutions.

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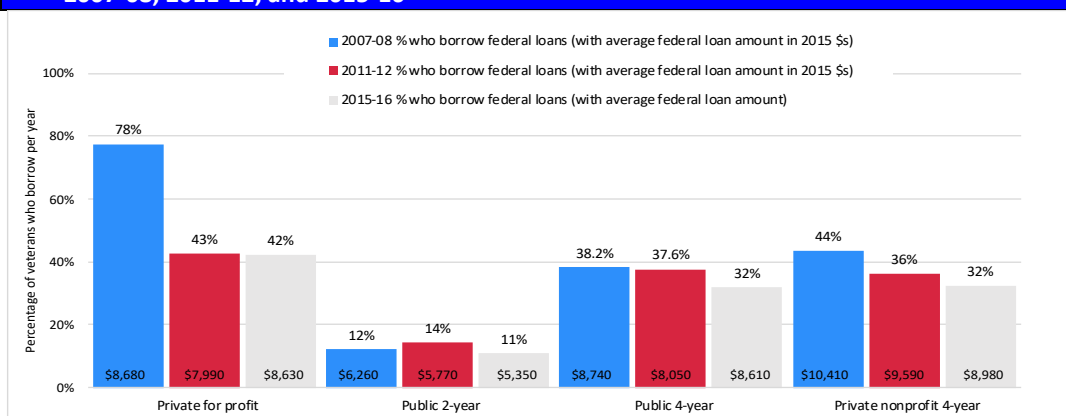
borrow than their graduate veteran counterparts because a much higher percentage are receiving GI Bill benefits or attending inexpensive community colleges.

<sup>22</sup>Op. cit., see footnote 16.

<sup>23</sup>Ochinko, Walter and Kathy Payea (2019). *Annual and Cumulative Student Loan Debt Among Veterans Using and Not Using GI Bill Benefits*. Washington, D.C.: Veterans Education Success, October.

- Compared to other sectors, the average cumulative (total) student loan debt of **veterans who graduated after earning a bachelor’s degree in 2015-16** was about 20 percent higher at for-profit schools. The proportion of veterans with cumulative debt was the lowest at nonprofit institutions and similar at for-profit and public schools.<sup>24</sup>

**Figure 1: Percentage of Veterans Borrowing Federal Loans and Average Annual Amount by Sector, 2007-08, 2011-12, and 2015-16**



Source: Veterans Education Success analysis of NPSAS:08,12,16.

Note: The data represent average amount borrowed in a single academic year. Federal loans include subsidized and unsubsidized loans and Perkins loans. The 2007-08 and 2011-12 average loan values are in 2015 dollars and are rounded to nearest \$10. Private loans are not reported here.

### *Trends in borrowing among veterans using and not using benefits*

- According to NPSAS survey data from 2015-16, similar proportions of undergraduate veterans are receiving (53 percent) or not receiving (47 percent) any GI Bill benefits.
- The difference in annual federal borrowing among undergraduate veterans using and not using GI Bill benefits in 2015-16 was \$200—smaller than might be expected given the high proportion of veterans not using GI Bill benefits.
- Similar proportions of undergraduate veterans using and not using GI Bill benefits did not borrow in 2015-16, 76 percent and 69 percent respectively.
- In contrast to annual borrowing, a much higher proportion of both veterans using and not using GI Bill benefits who graduated with any degree or certificate in 2015-16 had borrowed while pursuing their education. For example, 57 percent of beneficiaries and 73 percent of nonbeneficiaries who earned

<sup>24</sup>The acceleration in the conversion of for-profit schools to nonprofit status presents a dilemma for researchers who analyze trends across institutional sectors. A Century Foundation report has dubbed such conversions “[covert for-profit](#),” characterizing them as an attempt by for-profit owners to escape federal regulations, such as the 90/10 cap on Title IV revenue or the Gainful Employment regulation, while still benefiting by the contractual services provided to the new nonprofit entity or otherwise operating to the private financial benefit of the owners.

**bachelor's degrees in 2015-16** had borrowed. The total amount borrowed over the course of their enrollment, however, was less than four times the annual borrowing rate.

- Running out of GI Bill benefits may be one factor contributing to the disparity between annual borrowing and cumulative debt at graduation.

## VETERAN NON-COMPLETION

*Background.* Non-completion often leaves students worse off than if they had not pursued a postsecondary education. Student veterans who fail to complete will have exhausted some portion of their 36 months of benefits, lack the credential intended to pave their way to a civilian career, and may have taken on student loan debt that could be harder to repay because they failed to earn a credential.

*Methodology.* **Our analysis used NCES's BPS survey**, which surveyed first-time students twice from 2011 to 2014 to examine the factors contributing to and the implications of undergraduate non-completion among veterans.<sup>25</sup> We focused on veteran undergraduates and compared their outcomes to those of non-veteran independent students.

### *Findings*

- By most measures, student veterans demonstrated stronger rates of persistence and completion than non-veterans.
  - Twenty percent of veterans who first enrolled in postsecondary education in 2011-12 had left without a degree by 2014 compared to 40 percent of non-veterans.
  - Twenty-eight percent of veterans had earned a certificate or associates degree compared to 23 percent of their non-veteran counterparts. Moreover, about half were still enrolled 3 years after starting school while only about one third of non-veterans were still pursuing a degree.
  - BPS may overstate veteran non-completion because of the somewhat greater propensity of student veterans to take breaks and then reenroll, a circumstance that makes it difficult to say with certainty that they will not at some point return to earn a degree.
- The demographics of veterans who left without a degree by 2014 (see table 4) are closely associated with risk factors often linked to non-completion.<sup>26</sup>  
Veterans who left higher education:

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<sup>25</sup>Op. cit., see footnote 1. ED has released the most recent iteration of BPS, which now tracks students 6-years after first enrolling. We plan to update our 2018 report.

<sup>26</sup>We analyzed eight risk factors—no high school diploma, part-time enrollment, have dependents, single parents, full-time employment, first-generation student, attendance at two or more institutions, and disability status.

- were more likely to be first in their family to go to college, lack a traditional high-school diploma, be disabled, be single or married with dependents, and work full-time.<sup>27</sup>
  - exhibited 5 or more risk factors associated with non-completion compared to their peers who earned certificates or degrees—21 percent vs. 4 percent, respectively.
  - A greater proportion of both non-veterans who left higher education and non-veterans who graduated had 5 or more risk factors, but the proportion for non-veterans who graduated was more than 4 times larger than for veterans who earned a certificate or degree—17 percent vs. 4 percent.
- Although not a recognized risk factor, research suggests that online courses are the most difficult for those who are the least prepared, leading to worse outcomes than brick and mortar classes. Because most veteran undergraduates use their GI Bill benefits after discharge from active duty, they may not have been in a classroom setting since leaving high school and may require remedial coursework.<sup>28</sup> Moreover, online classes are appealing to older, adult learners who are juggling family and work responsibilities.<sup>29</sup> The proportion of veterans and non-veterans who left after taking classes exclusively online was similar, but the divergence between non-completion at for-profit and public institutions was stark.
    - Thirty six percent of veterans enrolled exclusively online at for-profit schools had left by 2014, compared to 19 percent at public institutions.
    - Non-veterans exhibited a similar intra-sector pattern, but much smaller proportions left—22 percent of those attending for-profit exclusively online programs vs. 9 percent of those enrolled exclusively online at public institutions.
  - Compared to veterans, larger proportions of non-veterans incurred federal or private student loan debt, including those who left without a degree.
    - Seventy-two percent of veterans who left had no student loan debt, possibly a result of the new, more generous Post-9/11 GI Bill and a reflection of the considerable proportion of veterans who attend inexpensive community colleges. In contrast, 54 percent of non-veterans who left without a degree had no student loan debt, an 18-percentage point difference.
    - A larger proportion of veterans who left for-profit schools without a degree had student loan debt compared to their peers at public institutions—36 percent vs. 24 percent, respectively.

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<sup>27</sup>When evaluating risk factors that may adversely affect persistence and attainment for **nontraditional students, BPS classifies individuals with a GED as having “no high school diploma.”**

<sup>28</sup>On average, veterans have a 5-year gap between high school graduation and when they begin or continue their higher education.

<sup>29</sup>The majority of veterans (58 percent) who enrolled for the first time in 2011-12 were 25 or older.

- Repayment challenges can begin prior to graduation. Just over 25 percent of currently enrolled veterans and non-veterans were in repayment because they had taken a break (stopped out) and then re-enrolled.<sup>30</sup> Students enter repayment if they drop below half-time or fail to resume their studies within 6 months of stopping out. The implications of making student loan payments while still enrolled are daunting for both veterans and non-veterans. Such payments likely increase the use of deferments and may lead to delinquency and, potentially, default. They may also increase the pressure to work while enrolled or the number of hours worked; working while enrolled is a risk factor associated with noncompletion.

Table 4: Demographic Characteristics of First-Time Student Veterans Who Enrolled in 2011-12 and Veterans Who Left by 2014

	All veterans	Veterans who left
	Distribution (percentage)	Distribution (percentage)
<b>Age</b>		
<25	42	36
25-34	40	46
35-44	9	11
45+	9	8
<b>Gender</b>		
Male	87	95
Female	13	5
<b>Race</b>		
White	61	52
Minority	39	48
1 <sup>st</sup> generation	52	54
<b>Family status</b>		
Single (no dependents)	41	38
Married (no dependents)	15	9
Single (dependents)	20	27
Married (dependents)	23	26
No high school diploma <sup>a</sup>	13	15
Have a disability <sup>b</sup>	30	32
<b>Employment status</b>		
Full-time	20	25
Part time	23	19
Not working	57	56

Source: Veterans Education Success analysis of BPS: 12/14.

<sup>a</sup>When evaluating risk factors that may adversely affect persistence and attainment for **nontraditional students, BPS classifies individuals with a GED as having “no high school diploma.”**

<sup>b</sup>BPS asked respondents four disability related questions: (1) are you deaf or do you have difficulty hearing; (2) are you blind or do you have a serious difficulty seeing even with glasses; (3) do you have a serious physical, mental, or emotional condition that causes serious difficulty concentrating, remembering, or making decisions; and (4) do you have serious difficulty walking or climbing stairs.

<sup>30</sup>The decision to re-enroll may have been influenced by the availability of loan payment deferments for individuals still in school.

## GI BILL BENEFICIARY OUTCOMES AT TRADE SCHOOLS

*Background.* Considerable attention is focused on GI Bill beneficiaries seeking college degrees where, despite variation, the return on investment is generally considered to be high, particularly for **bachelor's degrees**. The return on investment for those pursuing job-oriented, career-education training at trade schools receives much less attention.

*Methodology.* We explored using outcome data reported on the Comparison Tool for GI Bill beneficiaries but determined the data were not reliable and were too limited.<sup>31</sup> As a result, we **used ED's College Scorecard to analyze outcomes for trade schools that offer no other credentials than certificates and that enroll GI Bill beneficiaries**. Because it is not possible to focus on veteran or other beneficiary outcomes using Scorecard data, we used overall student outcomes as a proxy. We excluded other schools that had certificate programs if they also offered degrees. To identify trade schools that GI Bill beneficiaries attend, we used the GI Bill Comparison Tool, which reflected calendar year 2017 enrollment. We excluded job training, flight programs and foreign schools from this analysis. These exclusions left a total of 14,185 participating schools. Of those, 7,778 (55 percent) offer no other credentials than certificates—that is, they are trade schools. Fifty-seven percent, however, had no beneficiary enrollment in 2017.

The number of trade schools enrolling at least one beneficiary that we were able to match in College Scorecard differed by outcome because some schools lacked data for one or more of the six variables we analyzed.<sup>32</sup> For example, earnings and repayment data were available for about 900 trade schools, while 1,400 to 1,500 schools had data for graduation and federal loans, respectively. The Scorecard data reflect outcomes for 2016-17 academic year. The averages reported are unweighted and count each institution equally. The size of the match was limited by the fact that some trade schools eligible to enroll GI Bill beneficiaries are not Title IV eligible and therefore are not included in the Scorecard.

### *Findings*

We found that student outcome data at Title IV-participating trade schools that enroll GI Bill beneficiaries in certificate programs showed a disappointing return-on-investment but robust retention and graduation rates (see table 5).<sup>33</sup> For example, 70 percent of students graduated from trade schools attended by GI Bill beneficiaries, but less than half earned more than a high school graduate 10 years after enrolling. Although other research shows that earnings after graduation vary

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<sup>31</sup>VA no longer reports these data.

<sup>32</sup>Since we published our report in September 2019, ED has changed some of the College Scorecard metrics. For example, it now reports earnings in the first year after graduation rather than earnings 10 years after enrollment for both graduates and non-graduates and it no longer reports the proportion earning more than a high school graduate.

<sup>33</sup>Ochinko, Walter and Kathy Payea (2019). [Weak Return on Investment at Trade Schools that Enroll GI Bill Beneficiaries](#). Washington, D.C.: Veterans Education Success, September.

considerably based on the certificate being pursued, the dataset we used is only beginning to provide such program-level data.

Table 5: Student Outcomes at Trade School Certificate Programs That Enroll GI Bill Beneficiaries

Outcomes	Average rate (percent)
Retention	75
Graduation (first-time, full-time students) <sup>a</sup>	70
Borrowed federal student loans	51
Repaid 1 year after entering repayment <sup>b</sup>	31
Defaulted within 3 years of entering repayment	14
Earned more than \$28,000 after 10 years <sup>c</sup>	43

Source: Veterans Education Success analysis of data on the ED's College Scorecard website.

<sup>a</sup>Rate reflects students who graduate within 150 percent of the program's length.

<sup>b</sup>Repayment rates are for independent students who paid down at least \$1 of their federal student loan debt principal. Independent students are no longer financially dependent on their parents.

<sup>c</sup>The average earnings of high school graduates aged 25-34 is \$28,000. The robust graduation rate of 70 percent is likely related to the shorter-term nature of certificates compared to associate's degree programs: just 32 percent of first-time, full-time students earned an associate's degree by 2017-18, 3 years after first enrolling.

In addition to aggregate data, we also analyzed outcomes by sector. The for-profit trade schools that we analyzed skewed the aggregate outcomes because they enrolled 77 percent of the students attending certificate programs. However, student outcomes at for-profit trade schools are generally poorer than in the public and nonprofit sectors (see table 6).

Table 6: Student Outcomes for Trade School Certificate Programs That Enroll GI Bill Beneficiaries

Outcomes	For-profit	Public		Nonprofit
		Percent		
Retention	75	74	82	
Graduation (first-time, full-time students) <sup>a</sup>	69	72	79	
Borrowed federal student loans	57	29	48	
Repaid 1 year after entering repayment <sup>b</sup>	30	39	34	
Defaulted within 3 years of entering repayment	14	13	12	
Earned more than \$28,000 after 10 years <sup>c</sup>	38	57	56	

Source: Veterans Education Success analysis of data on the ED's College Scorecard website.

<sup>a</sup>Rate reflects students who graduate within 150 percent of the programs' length.

<sup>b</sup>Repayment rates are for independent students who paid down at least \$1 of their federal student loan debt principal.

<sup>c</sup>The average earnings of high school graduates aged 25-34 is \$28,000.

## CONCLUSIONS

Our research has identified challenges in tracking veterans' use of the GI Bill and their success in graduating and transitioning to the civilian workforce. Despite these challenges, our research has teased out important insights from the publicly available data. Better data and improved data-sharing across federal agencies, particularly ED and VA, would enrich our understanding of veterans' outcomes and



help identify policy solutions to the challenges veterans face when using their benefits.

First and foremost, VA should share data with ED on all individuals who are eligible for or who have received GI Bill benefits, including their remaining months of entitlement. The goal is to obtain a better understanding of factors that result in many veterans not using GI Bill benefits.

The November 2016 ED and VA data sharing agreement that will allow ED to identify Post-9/11 beneficiaries who received federal student aid has several shortcomings. The agreement excludes beneficiaries who are receiving educational assistance from other GI Bill programs. Moreover, the agreement makes no mention of other data points that could shed light on why veterans borrow, such as (1) their eligibility levels; (2) whether they had exhausted their benefits; (3) whether any gap between the tuition charged at a for-profit or nonprofit school had been covered through the Yellow Ribbon Program or institutional grants; (4) whether they received Pell Grants, which could reduce the need to borrow; and (5) rank at separation, e.g. enlisted or officer. For example, ED could (1) compare by institutional sector the average debt levels of veterans with 100 percent coverage under the Post-9/11 benefit to debt levels of veterans with less than full coverage, or (2) determine if veterans who received Yellow Ribbon funding incurred less debt than those that did not. Access to such analyses would improve oversight of federal educational benefits because high levels of debt among veterans with 100 percent coverage or who had Yellow Ribbon funding would raise a red flag suggesting that some veterans may be incurring unnecessary federal student loan debt.

Another data-sharing roadblock is the different systems that ED and VA use to identify schools in their respective databases. Although the two departments manually matched school identifiers in 2013 to create a crosswalk, no system is in place to keep the crosswalk up to date as schools merge, are sold, or apply to change their identifiers. Our research has identified errors and found that some GI Bill participating schools lack a crosswalk. An up-to-date crosswalk is essential for both ED data analysis and federal oversight. ED needs to adopt a 2013 proposal by the Veterans of Foreign Wars to automate the maintenance of the crosswalk, to make sure that the crosswalk is accurate, and to ensure that it does not omit some schools.

Moreover, improved oversight of private student loans is warranted. **ED's student loan database** has no data on private loans and NPSAS provides a snapshot of such college financing only once every 4 years. The Consumer Financial Protection **Bureau's [report](#)** on private student loans also recognized the need for a comprehensive picture of student borrowing that is inclusive of both federal and private student loans. Although the Secretary of Education, who collaborated on the report, recommended that ED and VA work with the Congress to identify the necessary resources for such a database, no action has been taken to date.

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I want to acknowledge the work of Kathy Payea, my colleague at Veterans Education Success and my co-author on research on veterans' outcomes, which

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