

## Old Technology Still Blocks Some GI Bill Payments

Amanda Collier started college last August armed with a certificate of eligibility to use Post-9/11 GI Bill benefits that her dad, a Coast Guardsman of 22 years, had earned and transferred to her.

Next week Amanda will take final exams for her first semester at the University of Central Oklahoma. But neither she nor the university has received any GI Bill money yet to cover her tuition, housing or other costs.

The missing payments "made the semester a lot more complicated than it should have been," said Amanda Wednesday. "Usually the first semester is hardest because you're trying to figure out everything. Having money complications made it a lot more stressful."

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Amanda is among an unknown number of Post-9/11 GI Bill users still victimized by computer software at the Department of Veterans Affairs that left VA staff unable to process two categories of claims. These cases simply were set aside to await a software upgrade. Impacted students and schools, it appears, never even got a letter to explain why payments were frozen.

What might be called a "black hole" for some GI Bill claims hit students whose Post-9/11 GI Bill award levels needed adjusting after the semester began, usually because a student added or drop a course, as Amanda had done. But it also impacted students who had changed campuses or schools, and therefore created "overlapping terms" which the old GI Bill software couldn't handle, said Keith Wilson, director of VA's education service.

Amanda's situation was made more stressful because, as a dependent using transferred benefits she was ineligible for the \$3000 lump-sum emergency payment VA officials began to make in early October to relieve financial stress on thousands of students whose new GI Bill payments were delayed by various start-up challenges.

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"We don't have the mechanism for them to apply for that," Wilson said. The lump sum payments, he explained, had to be made available quickly. VA computers only held data on veterans, to validate eligibility and track payments, and not on dependents.

"Once you start needing to rely on information removed from veterans' status, it becomes infinitely more complex," said Wilson. "So it was a challenge to set something up for dependents in the compressed time we were looking at."

Susan Collier, Amanda's mother, said she tried to learn everything she could over the past year about the new GI Bill and transferability so that financing her daughter's education this fall would be smooth. Her husband applied for benefits as so as he could and transferred 100 percent of his GI Bill to his daughter. By Aug. 28, she had GI bill Certificate of Eligibility.

But when Amanda dropped a course in September, cutting total credit hours from 15 to 12, VA couldn't process an adjusted benefit award. So Amanda couldn't be paid her book stipend or her housing allowance to cover dorm costs. Her university couldn't be paid promised tuition fees.

"The Housing Office at the school threatened us with letters each month that they were going to turn us over to a collection agency," Susan said. "We called the Housing Office each month and they finally agreed to wait for the money...until the next month came and still no money."

To make matters worse, Amanda wants to transfer next semester to a smaller school. But the university, Susan said, "will not give her a final transcript because she still owes them money...All of this means we are on the hook for over \$15,000 since the VA isn't paying."

Wilson said the software fix that impacted students like Amanda was installed in early November. VA officials have told Susan the back payments should arrived by mid-December.

Wilson couldn't say if the impacted students were notified that their payments weren't come until after the software upgrade happened. The Colliers said they only learned of the issue after multiple calls to the VA and eventually being assigned a case manager. At a minimum, Susan said, VA could have explained the situation on the GI Bill website but didn't.

As of Dec. 1, VA had received 340,000 applications for Post-9/11 GI Bill eligibility determinations. Action has been completed on 276,000.

Among the pool of applicants found eligible for benefits, 124,000 have enrolled in school. A total of 104,500 students, and their schools, are receiving Post-9/11 GI bill payments.

VA has issued the \$3000 advance payments to more than 62,000 students. One of VA's next big challenges will be to recoup the advance payments from students no longer impacted by payment delays.

"We're setting up the mechanics of how that will be done right now," Wilson said. "We will notify the student concerning the amount of the advance payment. Then that [amount] will be recouped out of the future housing allowance and book stipend that would have gone to them."

The overall backlog of GI Bill payments is shrinking, Wilson said.

"We peaked the second week in September, and it has been going down from that point," he said. Wilson isn't ready yet to say VA won't need the advance payment program next semester.

"We will keep it in place as long as necessary," Wilson said. "We are working very hard to make sure we go into the spring enrollment period without a backlog of cases. That's our goal. And if we can meet that goal then there isn't a need for an advance payment process."

In October VA had to hire a contractor to help process the easier Montgomery GI Bill claims, to free more VA staff to work on the more complex Post-9/11 backlog. In total, VA has added 760 people to its workforce over the last year to implement the new benefit, Wilson said.

A new, fully automated IT system to process GI Bill benefits is scheduled to be operational by December 2010.

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