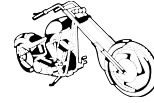




Hot Rod Institute

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Info on Veterans Affairs Programs Available for HRI Students

Hot Rod Institute is approved to accept VA Education Benefits for veterans, but the benefits differ from program to program (Chapter 30, 33, 35 or VRAP). When it comes down to picking which VA Benefit to use while attending Hot Rod Institute, it will ultimately be the decision of the incoming veteran student. The structure and amount of the benefits awarded differs from program to program. For example, both chapters of The Montgomery GI Bill, Chapter 30 and Chapter 1606 (Selected Reserve), are disbursed monthly directly to the Vet, and it is the Vet's responsibility to pay the proper amount towards tuition and housing. The Post 9/11 GI Bill (Chapter 33) separates the tuition and housing disbursements. The Post 9/11 GI Bill's tuition and fees are paid directly to the educational institution, while a monthly housing allowance is disbursed directly to the Veteran.

As most of you know when dealing with the VA (or any governmental program for that matter), there are obviously many more differences and idiosyncrasies that separate the bills and their benefits, but in many cases the Post 9/11 GI Bill provides a larger amount towards HRI's tuition and fees. The link below will display a Comparison Tool found on the GI Bill VA website to help you decide which benefit program is best for you.

http://gibill.va.gov/resources/benefits_resources/benefit_comparison_tools.html

Post 9/11 GI Bill Benefits – The Post 9/11 GI Bill is the most popular choice among Vets attending HRI. Below is a bit more info on the program.

(Info from the website - http://gibill.va.gov/resources/benefits_resources/rates/CH33/Ch33rates080112.html)

Non-college Degree Granting Institutions – Actual net costs for in-state tuition & fees not to exceed \$18,077.50 during the academic year. (If a student is certified at 100% benefits.)

You may also be eligible to receive:

Monthly Housing Allowance – Your Monthly Housing Allowance (MHA) is generally the same as the military Basic Allowance for Housing (BAH) for an E-5 with dependents. Your MHA is based on the ZIP code of your school and is paid retroactively for each month. In other words it will be disbursed after the month has passed (example – the MHA for January will be disbursed February 1st).

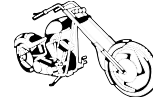
The MHA total will be prorated for any month that includes an HRI “down week”. The “down weeks” are the vacation periods in between a class end-date and the next class start-date, during which students will not be attending any HRI classes.

Books/Supplies Stipend – A yearly books and supplies stipend of up to \$1000 paid proportionately based on enrollment.



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Rural Benefit – A one-time payment of \$500 may be payable to certain individuals relocating from highly rural areas if they reside in a county with 6 persons or less per square mile (as determined by the most recent decennial census) and either:

- Physically relocate at least 500 miles to attend an educational institution. OR...
- Travel by air to physically attend an educational institution if no other land-based transportation exists.

Yellow Ribbon Program – Unfortunately we are not able to participate in the Yellow Ribbon Program because it is available for degree granting institutions only, which we are not. Technical schools offering certificates and diplomas are not approved for the Yellow Ribbon Program. Hopefully changes will be made to the law in the future allowing us to participate in the program.

VA's Academic Year and HRI's Academic Year – One important factor to remember when deciding which VA benefit program to use (and what HRI start date to enroll in) would be the VA's definition of an academic year. The VA Academic Year is from August 1st to July 31st - every year.

Using the Post 9/11 GI Bill as an example...

A veteran would like to enroll in an HRI 5 Class Diploma Program (HRDP5) at \$6,500 per class. For this particular program the total for tuition would be \$32,500. If the student took four HRI classes in one VA Academic Year the tuition and fees would total \$26,000 (the remaining fifth class would be taken in the next VA Academic Year). The total tuition for those four classes would be over the allotted yearly amount of VA benefits of around \$18,075, so the veteran would be responsible for paying the difference of roughly \$7,925. Conversely, if a student were to only enroll in three HRI classes in one VA Academic Year the tuition and fees would total \$19,500. The student (vet) would be responsible for paying the difference of \$1,425 not covered by the allotted yearly VA Benefit amount.

Because the VA's Academic Year and HRI's Academic Year (and quarterly start dates) do not perfectly align, it's important to remember that whichever VA Academic Year an HRI class starts in, the entire class will be considered in that VA Academic Year. Ultimately it works out best to try to take 2 or 3 HRI classes in one VA Academic Year, and 2 or 3 HRI classes in the following VA Academic Year. This is most easily done by NOT starting a Hot Rod Institute educational program during the Fall Start (usually the end of September or the beginning of October). By starting an HRI educational program in the Fall Start, a student (vet) would end up taking 4 classes in one VA Academic Year, requiring the student to pay for at least one HRI class out of pocket.

Obviously there are a lot of factors that play into the VA's disbursement amount to students, so it is impossible to say with all certainty "that the VA will pay for ALL of a vet's education at Hot Rod Institute." The good news it will provide funds for a very large portion of it (especially if some careful planning is done prior to attending.)

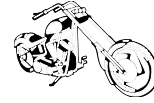
Overpayments and Repayments – From time to time a veteran may be required to repay funds disbursed in their name, either from an accidental overpayment or a failure to complete the class they are enrolled in.

Any veteran who decides to enroll as a student at Hot Rod Institute, using VA Benefits to pay for tuition and fees, must remember that the Government is serious its "money" programs. By agreeing to use VA Benefits, the veteran is responsible to successfully complete the class and adhere to all HRI policies and procedures. If the



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veteran fails to complete the class successfully, he or she will be required to repay a prorated amount back to the VA.

Once the veteran's failing status has been reported to the VA, the collection process will begin. A Debt Management Letter and Repayment Coupon will be sent to inform the veteran of the repayment process and requirements. If a veteran refuses to repay the amounts owed, the VA will pursue steps to enforce the repayment, including reporting to the status to the IRS and Credit Report Companies. Under certain mitigating circumstances and emergency situations, veterans may be granted clemency for any funds in repayment status. Any veteran pursuing clemency will be required to send a letter and supporting documents to the VA describing the situation for review. Long story short, be diligent in your studies while at HRI and you should not have to repay your entitlement.

Schooling After HRI – Another thing to keep in mind while making the decision of which benefit to use while attending Hot Rod Institute, would be any other schooling that you would like to pursue after graduating and if you would use any leftover benefits to attend. This will obviously differ tremendously from student to student (vet to vet), and it will be the decision of the student to use their benefits for their education at Hot Rod Institute.

It is important to remember how the VA calculates a "month" of benefits used. For most schools (with tuition lower than HRI) a student will not run into this problem, but because our approximate monthly tuition is over the amount of the VA's calculated monthly amount a veteran will use a month of their benefits quicker than 30 days. This may sound a little strange (it did to us when we first learned of it).

The VA considers every \$1506(ish) of VA benefits disbursed to be equal to one month of benefits. The math below will try to explain the VA's reasoning.

\$18,075	= Yearly Benefit Cap
$\div 12$	= Months in a Year
\$ 1506	= 1 Month VA Benefits
\$ 2167	= 1 Month of Tuition at HRI (approximate)

When a veteran calculates his or her estimated amount of benefits to be used while at Hot Rod Institute, the vet must divide the total HRI tuition of their educational program by \$1506.

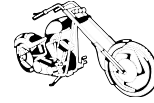
Using the Hot Rod Diploma Program (5 class) from above as an example...

\$32,500	= Total Tuition for the HRI HRDP (5 Class)
$\div \$1506$	= VA Calculated Month of Benefits
21.6	= Months of Benefits to be used
15	= Actual Months Spent in the HRI Educational Program



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HRI Requirements

If you haven't already you will need to contact the VA in order to receive your Certificate of Eligibility (COE). The COE will officially inform you which benefits you are approved for, at what percentage and your months of remaining benefits. HRI will need a copy of this document to keep in your file and to be able to certify you as an HRI Student in the VA Once System. After we receive your enrollment agreement, application fee, and COE, we will be able to finalize your enrollment and fully reserve your seat in your preferred HRI Class Start Date; as well as certify you as a student in the VA ONCE for your first HRI class.

HRI students are certified in the VA ONCE system Every Quarter for a couple of reasons. Firstly, to inform the VA when to disburse funds (quarter start date to quarter end date). Starting with the 2011-2012 VA Academic year, the VA no longer allows Interval Pay, or any housing allowance paid while class is not in sessions (for example HRI's "Down" Weeks). Lastly, students are certified every quarter to aid in the changing of student schedules or cancelling of enrollment if needed.

If you have any other questions regarding the VA Benefits or any other aspect of HRI Educational Programs please contact Justin Snoke, HRI Director of Admissions and Education,

Justin Snoke
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