

Executive Summary:

The Value of Education for Veterans at Public, Private and For-Profit Colleges and Universities

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In 2011-12, the federal government awarded \$12.2 billion in grant aid through educational assistance programs for veterans. About three quarters of the total funding (\$9.4 billion) was awarded under the Post-9/11 GI Bill. In 2011-12, veterans' benefits accounted for 25% of all federal grant aid to postsecondary students and 11% of the grant aid students received from all sources.

Eligible veterans attending a public college or university have all of their in-state tuition and fee payments covered under the Post-9/11 GI Bill. Generally, students attending a private or foreign school are covered for up to \$18,077.50 in tuition and fees in 2012-13. In addition to tuition and fee coverage, eligible veterans receive a monthly housing allowance and an annual books and supplies stipend. As a result of these benefits, student debt levels are not likely to cause the same problems for veterans as for students who are not eligible for these subsidies.

Veterans are different from other students in a variety of ways. Most are older than traditional-age college students and like other adult students, many are juggling family and work responsibilities while they are in school. In 2009-10, 36% of the funding from the Post-9/11 GI Bill went to students enrolled in for-profit institutions. Overall, about 12% of postsecondary enrollments were in this sector.

It is difficult to predict outcomes for the veterans now benefitting from the relatively new federal benefits. Many of these students attend for-profit institutions. Because they are typically adults with family and work responsibilities, they tend to seek shorter-term programs with flexible schedules and specific occupational direction. The for-profit sector offers many shorter-term certificate programs and has relatively high completion rates for these programs.

Among students who started at a four-year institution in fall 2006 at the age of 24 or younger and enrolled exclusively full-time, more than 80% of those in the public and private nonprofit sectors had completed a degree or certificate six years later. Of those who started at a for-profit four-year institution, 54% had completed a degree or certificate. For older students who enrolled exclusively full-time, about 70% of those who started in the public and private nonprofit four-year sectors had completed a degree or certificate within six years. Sixty-three percent of those who started in the for-profit four-year sector had completed a degree or certificate within six years.

The Post-9/11 GI Bill should allow many veterans to continue their education without extensive borrowing. However, like other aspiring college students, veterans are faced with a wide array of institutional options and available credential programs and would benefit from clearer information about the relative performance of institutions with respect to completion and better, personalized advice about postsecondary choices.