



Department of Defense **INSTRUCTION**

NUMBER 1322.17
January 15, 2015

USD(P&R)

SUBJECT: Montgomery GI Bill-Selected Reserve (MGIB-SR)

References: See Enclosure 1

1. **PURPOSE.** In accordance with the authority in DoD Directive (DoDD) 5124.02 (Reference (a)), this instruction:

a. Reissues DoD Instruction (DoDI) 1322.17 (Reference (b)) to update established policy, assigned responsibilities, and prescribed procedures for the management of educational assistance in accordance with chapter 1606 of Title 10, United States Code (U.S.C.) (Reference (c)).

b. Establishes policy and prescribes procedures for authorizing the transfer of education benefits (TEB) in accordance with section 16132a of Reference (c).

c. Assigns responsibility to the DoD Office of the Actuary to perform determinations in support of DoD funding responsibilities for the MGIB-SR and in accordance with sections 183 and 2006 of Reference (c).

2. **APPLICABILITY.** This instruction applies to OSD, the Military Departments (including the Coast Guard at all times, including when it is a Service in the Department of Homeland Security by agreement with that Department), the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the DoD.

3. **POLICY.** It is DoD policy, in accordance with chapter 1606 of Reference (c), that MGIB-SR educational assistance will be used to encourage and sustain membership in the Selected Reserve of the Ready Reserve of the Military Services.

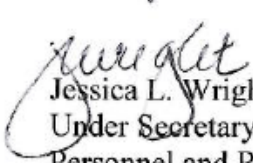
4. **RESPONSIBILITIES.** See Enclosure 2.

5. PROCEDURES. See Enclosure 3.

6. INFORMATION COLLECTION REQUIREMENTS. The personnel information for MGIB-SR educational assistance, referred to in paragraphs 2d and 6e of Enclosure 2, is assigned report control symbol DD-RA(M)1147, which is prescribed in Volume 1 of DoD Manual 7730.54 (Reference (d)).

7. RELEASABILITY. **Cleared for public release**. This instruction is available on the Internet from the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.

8. EFFECTIVE DATE. This instruction is effective on January 15, 2015.


Jessica L. Wright
Under Secretary of Defense for
Personnel and Readiness

Enclosures

1. References
2. Responsibilities
3. Procedures

Glossary

TABLE OF CONTENTS

ENCLOSURE 1: REFERENCES.....5

ENCLOSURE 2: RESPONSIBILITIES.....6

 UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND
 READINESS (USD(P&R))6

 ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER AND RESERVE AFFAIRS
 (ASD(M&RA)).....6

 DIRECTOR, DEPARTMENT OF DEFENSE HUMAN RESOURCES ACTIVITY
 (DoDHRA).....6

 UNDER SECRETARY OF DEFENSE (COMPTROLLER)/CHIEF FINANCIAL
 OFFICER, DEPARTMENT OF DEFENSE (USD(C)/CFO).....7

 DIRECTOR, DFAS8

 SECRETARIES OF THE MILITARY DEPARTMENTS AND THE COMMANDANT
 OF THE USCG.....8

 COMMANDANT OF THE USCG9

ENCLOSURE 3: PROCEDURES.....10

 BASIC ENTITLEMENT10

 MGIB-SR KICKER10

 Eligibility10

 MGIB-SR Kicker Agreement11

 MGIB-SR Kicker Education Incentive.....11

 BAR TO DUPLICATION OF EDUCATIONAL ASSISTANCE11

 PERIOD OF ENTITLEMENT12

 Entitlement Period12

 Expiration or Termination of Entitlement.....12

 Suspension and Restoration of Entitlement13

 Continuation of Entitlement.....13

 FAILURE TO PARTICIPATE SATISFACTORILY IN REQUIRED TRAINING15

 TRANSFER OF UNUSED EDUCATION BENEFITS.....16

 Eligible Service Members.....16

 Eligible Family Members16

 Months of Transfer17

 Designation of Transferee.....17

 Time for Transfer, Revocation, and Modification17

 Commencement of Use.....18

 Overpayment.....18

 Family Member Transferred Entitlement19

 Administrative Matters19

 TRUST FUND AND INTERAGENCY AGREEMENTS.....20

GLOSSARY21

 PART I: ABBREVIATIONS AND ACRONYMS21

 PART II: DEFINITIONS.....22

ENCLOSURE 1

REFERENCES

- (a) DoD Directive 5124.02, "Under Secretary of Defense for Personnel and Readiness (USD(P&R))," June 23, 2008
- (b) DoD Instruction 1322.17, "Montgomery GI Bill-Selected Reserve (MGIB-SR)," November 29, 1999 (hereby cancelled)
- (c) Title 10, United States Code
- (d) DoD Manual 7730.54, Volume 1, "Reserve Components Common Personnel Data System (RCCPDS): Reporting Procedures," May 25, 2011, as amended
- (e) DoD Instruction 1336.08, "Military Human Resource Records Life Cycle Management," November 13, 2009
- (f) Title 38, United States Code
- (g) DoD Directive 1322.16, "Montgomery GI Bill (MGIB) Program," June 18, 2002
- (h) DoD Instruction 1341.13 "Post 9/11 GI Bill," May 31, 2013
- (i) DoD Instruction 1215.06, "Uniform Reserve, Training and Retirement Categories for the Reserve Components" March 11, 2014
- (j) DoD Instruction 1215.13, "Reserve Component (RC) Member Participation Policy," May 11, 2009
- (k) DoD 7000.14-R, "Department of Defense Financial Management Regulations (FMRs)," current edition
- (l) DoD Instruction 1341.2, "Defense Enrollment Eligibility Reporting System (DEERS) Procedures," March 19, 1999
- (m) Joint Publication 1-02, "Department of Defense Dictionary of Military and Associated Terms," current edition

ENCLOSURE 2

RESPONSIBILITIES

1. UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS (USD(P&R)). The USD(P&R) establishes DoD policy, procedures, and guidance to implement MGIB-SR educational assistance in accordance with chapter 1606 of Reference (c).

2. ASSISTANT SECRETARY OF DEFENSE FOR MANPOWER AND RESERVE AFFAIRS (ASD(M&RA)). Under the authority, direction, and control of the USD(P&R), the ASD(M&RA):

a. Provides guidance, develops procedures, and conducts oversight for the administration of MGIB-SR educational assistance in accordance with chapter 1606 of Reference (c).

b. Coordinates administrative procedures for MGIB-SR educational assistance with the Department of Veterans Affairs (VA) as applicable.

c. Develops and maintains procedures and coordinates requirements with the Secretaries of the Military Departments, Commandant of the U.S. Coast Guard (USCG), and the Secretary of the VA, for recoupment of MGIB-SR education entitlements paid to current and former Selected Reserve Service members who have failed to participate satisfactorily in required training. This applies to any member of the Selected Reserve during a term of enlistment or other period of obligated service that created entitlement of the member to educational assistance pursuant to section 16135 of Reference (c).

d. Establishes and maintains reporting requirements needed for administration of MGIB-SR educational assistance in accordance with Reference (d).

3. DIRECTOR, DEPARTMENT OF DEFENSE HUMAN RESOURCES ACTIVITY (DoDHRA). Under the authority, direction, and control of the USD(P&R), the Director, DoDHRA oversees:

a. The Director, Defense Manpower Data Center (DMDC) who:

(1) Operates and maintains a composite MGIB-SR database containing:

(a) Records of current and former members of the Selected Reserve and whether they are entitled or not entitled to MGIB-SR education entitlements, coded in accordance with Reference (d).

(b) The date of the Service member's original 6-year enlistment contract. If a 6-year contract is dated before October 1, 1990, and a subsequent 6-year contract, dated October 1,

1990, or later, has also been entered in accordance with Reference (d), both dates must be maintained in the MGIB-SR database.

(c) The date of a 6-year contract to establish entitlement for MGIB-SR educational assistance.

(2) Replicates personnel information for MGIB-SR educational assistance using the Veterans Affairs and DoD Identity Repository with the VA as needed and specified.

(a) Maintains personnel information needed by the VA to determine entitlement to educational assistance.

(b) Maintains VA payment and usage data for the MGIB-SR.

(3) Provides record level data, reports, and statistical data to the ASD(RA) as needed or required.

(4) Provides to the Secretary of the Military Department concerned and Commandant of the USCG copies of reports and information to assist in certifying proper entitlement for MGIB-SR educational assistance. At a minimum, these copies must:

(a) Provide each Reserve Component (RC) the capability to view records of Service members who have failed to participate satisfactorily in the Selected Reserve of one RC while being shown as eligible in another RC.

(b) Provide the MGIB-SR educational assistance entitlement information of Service members from prior affiliations in the Selected Reserve.

(5) Provides to the Director, Defense Finance and Accounting Service (DFAS), the data certified by the Secretary of the Military Department concerned and Commandant of the USCG necessary to accomplish recoupment of all unearned MGIB-SR education entitlements from Service members who fail to participate satisfactorily in required training in the Selected Reserve.

(6) Accounts, records, and coordinates with the Secretary of the Military Department concerned, Commandant of the USCG, and the Secretary of the VA the Service member designation for the transfer of unused MGIB-SR education entitlements using the TEB Website at <https://www.dmdc.osd.mil/milconnect/>.

b. The Chief Actuary, Office of the Actuary, who performs determinations in support of DoD funding responsibilities for the MGIB-SR and in accordance with sections 183 and 2006 of Reference (c).

4. UNDER SECRETARY OF DEFENSE (COMPTROLLER)/CHIEF FINANCIAL OFFICER, DEPARTMENT OF DEFENSE (USD(C)/CFO). The USD(C)/CFO:

a. Provides guidance on budgeting, accounting, and funding for MGIB-SR educational assistance in support of plans established in sections 1, 2, and 6 of Enclosure 3 of this instruction and for investing the available DoD Education Benefits Fund (EBF) balance.

b. In coordination with the ASD(RA), reviews and approves the budget estimates of the Secretaries concerned for supplemental assistance payments in accordance with the provisions of sections 16131 and 16132(a) of Reference (c).

5. DIRECTOR, DFAS. Under the authority, direction, and control of the USD(C)/CFO, the Director, DFAS, will seek recoupment of unearned MGIB-SR education entitlement from current and former members of the Selected Reserve, identified by the Secretaries of the Military Departments and the Commandant of the USCG, who have failed to participate satisfactorily in required training. This applies if they were a member of the Selected Reserve during a term of enlistment or other period of obligated service that created entitlement for the member to educational assistance pursuant to section 16135 of Reference (c).

6. SECRETARIES OF THE MILITARY DEPARTMENTS AND THE COMMANDANT OF THE USCG. The Secretaries of the Military Departments and the Commandant of the USCG:

a. Publish regulations and guidance governing the administration of the MGIB-SR educational assistance consistent with this instruction.

b. Monitor the use of Department of Defense (DD) Form 2384-1, "Notice of Basic Eligibility (NOBE)," and DD Form 2384-2, "MGIB-SR Kicker Obligation Agreement," and review each form at least semiannually to ensure that neither is vulnerable to fraudulent use.

c. Determine and authorize the need for an MGIB-SR Educational Assistance Allowance Increase for Critical Skills (referred to in this instruction as the MGIB-SR Kicker) to overcome personnel shortages in critical specialties, skills, or units.

d. Budget for and transfer funds to support MGIB-SR educational assistance, in accordance with Enclosure 3 of this instruction and guidance issued by the USD(C)/CFO.

e. Maintain and report MGIB-SR personnel information for members of the Ready Reserve of the Military Services in accordance with Reference (d).

f. Coordinate with other RCs to resolve and report the correct entitlement status of Service members who have failed to participate satisfactorily in one RC and are reported as entitled to educational assistance by another RC.

g. Certify the entitlement status of Service members identified for recoupment of unearned MGIB-SR education entitlements to the Director, DMDC.

h. Notify the ASD(RA), Director, DoDHRA, and USD(C)/CFO of the intent to offer TEB for MGIB-SR educational assistance 2 years before the fiscal year in which implementation is planned.

i. Publish regulations for approval for TEB and guidance on the disposition of the military service obligation agreed to in accordance with paragraph 6g(4) of Enclosure 3 of this instruction if the Service member revokes all transfers and no MGIB-SR education entitlements have been used.

j. Develop and implement a communication plan that will ensure wide dissemination of information about entitlement for MGIB-SR educational assistance, TEB, and recoupment of unearned MGIB-SR education entitlements to Service members of each RC.

7. COMMANDANT OF THE USCG. In addition to the responsibilities in section 6 of this enclosure, the Commandant of the USCG will seek recoupment of unearned MGIB-SR education entitlements from current and former members of the Selected Reserve who have failed to participate satisfactorily in required training. This applies if they were a member of the Selected Reserve during a term of enlistment or other period of obligated service that created entitlement for the member to educational assistance pursuant to section 16135 of Reference (c).

ENCLOSURE 3

PROCEDURES

1. BASIC ENTITLEMENT

a. A Service member of the Selected Reserve is entitled to MGIB-SR basic educational assistance in accordance with section 16132 of Reference (c) if he or she:

(1) Enlists, reenlists, or extends an enlistment in an RC for service in the Selected Reserve on or after July 1, 1985, for a period of not less than 6 years or, in the case of an officer, agrees to serve in the Selected Reserve for 6 years besides any other period of obligated service in the Selected Reserve to which the officer may be subject.

(2) Completes the initial active duty (AD) training (IADT) requirements of the Military Service in which they are serving. Individuals must complete the IADT requirements for mobilization prescribed by the Secretary of the Military Department concerned and Commandant of the USCG to become eligible for educational assistance.

(3) Completes the requirements for the award of a high school diploma or equivalency certificate before applying for the MGIB-SR education entitlements.

b. The Service member must complete a DD Form 2384-1 as the official document to record entitlement to MGIB-SR and may only enter into one 6-year obligation for basic entitlement for MGIB-SR educational assistance. The DD Form 2384-1 will be maintained in the individual Service member's standard military human resource record as required in DoDI 1336.08 (Reference (e)).

2. MGIB-SR KICKER. To promote retention of the Selected Reserve, the Secretaries of the Military Departments and the Commandant of the USCG may authorize a supplement to educational assistance to members of the Selected Reserve in critically manned specialties, skills, or units designated by the Secretary concerned or the Commandant of the USCG.

a. Eligibility. A Service member of the Selected Reserve is eligible for the MGIB-SR Kicker if he or she:

(1) Enlists, reenlists, or extends a current enlistment to serve a period of not less than 6 years in the Selected Reserve, and in the case of an officer, agrees to serve in the Selected Reserve for 6 years, in an RC currently offering the MGIB-SR Kicker.

(2) Qualifies for and is assigned to a Service-designated critical specialty, skill, or unit in the Selected Reserve.

(3) Is currently in receipt of educational benefits from either MGIB-SR basic entitlement or from sections 3011 or 3316 of Title 38, U.S.C. (Reference (f)).

b. MGIB-SR Kicker Agreement. Service members must sign a fully completed DD Form 2384-2 or sign a similar document or form to verify a start of the 6-year obligation period for the Service member who is granted eligibility to a MGIB-SR Kicker. The DD Form 2384-2 or signed document or form will be maintained in the individual Service member's standard military human resource record in accordance with Reference (e).

c. MGIB-SR Kicker Education Incentive

(1) The Secretaries of the Military Departments and the Commandant of the USCG may offer the MGIB-SR Kicker to an eligible Service member at the monthly rates of 100, 200, or 350 dollars. MGIB-SR supplemental payments will not exceed 350 dollars each month.

(2) The MGIB-SR Kicker is paid for a maximum of 36 months based on full-time pursuit of a program of education. Monthly payments for less than full-time pursuit of a program of education will be adjusted like the MGIB-SR education entitlements benefit, as determined by the Secretary of VA.

(3) The Service member may transfer to another specialty, skill, or unit after completing the 6-year obligation in the Selected Reserve for the MGIB-SR Kicker and retain eligibility for the MGIB-SR Kicker education incentive. The Service member must be entitled to educational assistance from either the MGIB-SR or sections 3011 or 3316 of Reference (f) and will not have exhausted the full-time equivalent of 36 months of MGIB-SR Kicker education incentives.

3. BAR TO DUPLICATION OF EDUCATIONAL ASSISTANCE

a. A Service member cannot receive a duplication of education benefits from:

- (1) The MGIB-SR basic education benefit; or
- (2) The MGIB-SR Kicker education incentive; and

(3) Any other federal source for education benefits at the same time, in whole or in part, in accordance with section 3681 of Reference (f).

b. Receipt of tuition assistance in accordance with section 2007 of Reference (c) and MGIB-SR education benefits does not constitute duplication when a Service member is enrolled in a half-time or greater program of education.

c. A Service member cannot use the same period of service to establish entitlement for MGIB-SR educational assistance and either the Montgomery GI Bill (MGIB) Program in accordance with DoDD 1322.16 (Reference (g)) or the Post 9/11 GI Bill Program in accordance with DoDI 1341.13 (Reference (h)). Because of separate periods of service, the Service member

may satisfy the entitlement criteria for MGIB-SR educational assistance and either the MGIB Program or Post-9/11 GI Bill.

d. MGIB-SR education entitlements are paid for a maximum of 36 months based upon full-time pursuit of a program of education. MGIB-SR education benefits are also paid for three-quarter time, half-time, or at an applicably reduced rate, as determined by the Secretary of VA, for each month of less than half-time pursuit of a program of education. No payment may be made to a Service member for less than half-time pursuit of a program of education if tuition assistance is otherwise available from the Secretaries of the Military Departments and the Commandant of the USCG.

e. The maximum aggregate period for VA-administered educational benefits in accordance with two or more provisions of law is 48 months (or its part-time equivalent). In those cases, the Service member may exhaust his or her entitlement in accordance with one provision and then continue receiving education benefits in accordance with another provision until the aggregate 48 months of entitlement is used.

4. PERIOD OF ENTITLEMENT

a. Entitlement Period. The period of entitlement for MGIB-SR educational assistance begins on the date the Service member satisfies the criteria in paragraph 1a of this enclosure and completes the DD Form 2384-1. Except for the suspension and restoration conditions in paragraph 4c and the continuation of entitlement conditions in paragraph 4d of this enclosure, the period of entitlement for MGIB-SR will end:

(1) Upon completion of the 10-year period that began on the date that MGIB-SR basic entitlement was established from July 1, 1985, to September 30, 1992, or separation from the Selected Reserve during the 10-year period, whichever came first;

(2) Upon completion of the 14-year period that began on the date that MGIB-SR basic entitlement was established from October 1, 1992 to June 29, 2008, or separation from the Selected Reserve during the 14-year period, whichever is earliest; or

(3) On the date the Service member separates from the Selected Reserve, beginning on the date of MGIB-SR basic entitlement is established if after June 29, 2008.

b. Expiration or Termination of Entitlement. Once entitlement to educational assistance for the MGIB-SR expires or is terminated, any future MGIB-SR entitlement is also forfeited. Entitlement to MGIB-SR educational assistance will expire when:

(1) A final determination is made of the Service member's failure to participate satisfactorily in required training for the Selected Reserve, in accordance with section 5 of this enclosure; or

(2) The Service member receives financial assistance in the form of a Senior Reserve Officers Training Corps Scholarship in accordance with section 2107 of Reference (c).

c. Suspension and Restoration of Entitlement. Suspension and restoration of entitlement for MGIB-SR educational assistance applies to all MGIB-SR education benefits and MGIB-SR Kicker education incentives. The period of entitlement to educational assistance may be suspended and restored when:

(1) The Service member is granted one authorized period of absence and may either transfer within his or her Military Service to the Individual Ready Reserve, the Inactive National Guard, or the Standby Reserve, or may transfer to the Selected Reserve of another RC, except as cited in paragraph 4d of this enclosure. Entitlement will be restored when the Service member reaffiliates in the Selected Reserve, before the end of a 3-year period for a religious missionary obligation or a 1-year period for all other circumstances. The required period of service will be adjusted by the amount of satisfactory service previously completed to total 6 years.

(2) The Service member with a date of MGIB-SR basic entitlement after November 28, 1989, and before June 30, 2008, enters either AD or full-time National Guard duty (FTNGD) as an Active Guard and Reserve (AGR) member in accordance with DoDI 1215.06 (Reference (i)). Entitlement will be restored provided the Service member commits within 1 year of release from the AD or FTNGD as an AGR to serve in the Selected Reserve for a period that, with time already served for entitlement of the Service member to MGIB-SR education entitlements benefits in accordance with this instruction, must be equal to or greater than 6 years.

(3) Entitlement is suspended on the date the Service member is identified as pending a final determination of failing to participate satisfactorily in accordance with section 5 of this enclosure. Entitlement will be restored when the Service member is determined to have participated satisfactorily in required training in the Selected Reserve.

(4) The Service member voluntarily departs the position or unit for which he or she received MGIB-SR Kicker eligibility. Eligibility will be restored for a Service member who returns to the same RC in a critical specialty, skill, or critical unit for which the MGIB-SR Kicker was granted or to a different designated critical specialty, skill, or units in the RC that granted the MGIB-SR Kicker. After completion of the 6-year obligation period, suspensions of the MGIB-SR Kicker will be for periods of authorized absence granted in connection with the MGIB-SR entitlement.

d. Continuation of Entitlement. Entitlement to MGIB-SR educational assistance and eligibility for MGIB-SR Kicker education incentives may continue or be extended when:

(1) A Service member is separated from the Selected Reserve because of a disability that was not the result of individual gross negligence or misconduct, and was incurred on or after the date that he or she became entitled to educational assistance in accordance with this instruction.

(a) The Service member will retain entitlement through the end of the period of entitlement described in paragraph 4a of this enclosure for a date of MGIB-SR basic entitlement established before June 30, 2008.

(b) For a Service member separated from the Selected Reserve with a date of MGIB-SR basic entitlement on or after June 30, 2008, the remaining period of entitlement will be 14 years after separation from the Selected Reserve.

(2) A Service member is separated from the Selected Reserve between October 1, 1991, and December 31, 2001, or between October 1, 2007, and September 30, 2014, because of the inactivation of the unit of assignment or because of a reduction in authorized strength, as determined by the Secretary of the Military Department concerned and Commandant of the USCG.

(a) The Service member will retain entitlement for the MGIB-SR through the original entitlement period described in paragraph 4a of this enclosure for a date of MGIB-SR basic entitlement established before June 30, 2008.

(b) For a Service member separated from the Selected Reserve with a date of MGIB-SR basic entitlement on or after June 30, 2008, the period of entitlement must be 14 years after separation from the Selected Reserve.

(3) The Service member is enrolled in an educational institution and the period of entitlement for MGIB-SR will expire before his or her completion of the enrolled course.

(a) If the MGIB-SR will expire in accordance with paragraph 4b of this enclosure, the period of entitlement will be extended to the end of the institution's quarter or semester.

(b) If the Service member is enrolled in an institution not operated regularly on a quarter or semester basis and the period of entitlement expires after a major portion of the course is completed, the period of entitlement will be extended to the end of the course, or for 12 weeks, whichever is the lesser period of extension.

(4) A Service member is ordered to AD in accordance with sections 12301(a), 12301(d), 12301(g), 12302, or 12304 of Reference (c) with a date of MGIB-SR basic entitlement before June 30, 2008. The Service member will have the period of entitlement for MGIB-SR extended for the period of AD, plus 4 months. If the VA finds the order to AD caused a Service member to discontinue a course in the pursuit of a program of education, and the Service member fails to receive credit or training time toward completion of the approved educational course objective, the education benefits paid for such a course will not be counted toward the authorized months of entitlement of the Service member.

(5) An enlisted Service member is separated from the Selected Reserve and immediately receives an appointment as an officer in the Selected Reserve of the same RC for the period that, with time already served for entitlement for MGIB-SR educational assistance in accordance with this instruction, must be equal to or greater than 6 years.

(6) A Service member is precluded from filling the position for which he or she received MGIB-SR Kicker eligibility in accordance with paragraphs 4d(1) and 4d(2) of this enclosure, or is otherwise precluded from fulfilling his or her commitment due to involuntary removal. Involuntary removal includes reclassification of a position to non-critical, transfers to another position at the convenience of the government, and promotions in the specialty or skill career progression path that provided MGIB-SR Kicker eligibility. The Secretary of the Military Department concerned and Commandant of the USCG must adjudicate questions of voluntary versus involuntary removal.

5. FAILURE TO PARTICIPATE SATISFACTORILY IN REQUIRED TRAINING

a. Entitlement to MGIB-SR education assistance will be suspended on the date a Service member fails to participate satisfactorily, as determined by the Secretary of the Military Department concerned or Commandant of the USCG, in accordance with DoDI 1215.13 (Reference (j)). The Service member will be notified by the RC of the reason for loss of entitlement and given an opportunity to respond before the Secretary of the Military Department concerned or the Commandant of the USCG makes a final determination and processes a termination of MGIB-SR entitlement. If a Service member is found to have failed to participate satisfactorily, termination of entitlement will be effective on the date of the suspension of entitlement.

b. A Service member who failed to participate satisfactorily before completion of the 6-year obligation or failed to reaffiliate after an authorized period of absence, and who received MGIB-SR educational entitlements will, at the discretion of the Secretary of the Military Department concerned or the Commandant of the USCG:

(1) Be ordered to AD involuntarily for up to 2 years or for the period of obligated service incurred in accordance with this instruction and remaining at the time of failure to participate satisfactorily, whichever is less;

(2) Repay used MGIB-SR and MGIB-SR Kicker education incentives. The amount of the refund to the United States will:

(a) Equal the number of months of Selected Reserve service the Service member has remaining for the MGIB-SR obligation divided by the original number of obligated months required for MGIB-SR entitlement and multiplied by the total amount of educational assistance provided to the Service member in accordance with chapter 1606 of Reference (c); and

(b) Bear interest at the rate equal to the highest rate being paid by the United States on the day on which the refund is determined to be due for securities having maturities of 90 days or less and will accrue from the day on which the Service member is first notified of the amount due to the United States as a refund in accordance with this instruction. Any such refund will not affect the Selected Reserve period of obligation of the Service member; or

(3) Be granted a waiver of the requirement to serve on AD, a waiver of the total refund, or a waiver of a portion of the total refund once the amount due the government is determined.

(a) Waiver authority for the Secretary of the Military Department concerned for repayment of all MGIB-SR education entitlements are pursuant to Volume 7A, chapter 2 of DoD 7000.14-R (Reference (k)).

(b) Waiver authority to serve on AD may be delegated no lower than the head of the RC concerned and will be based on a determination that failure to participate satisfactorily in required training was due to reasons beyond the control of the Service member.

c. Paragraph 5b of this enclosure also applies to recipients of MGIB-SR Kicker incentive payments who have failed to participate satisfactorily before completing the Service obligation required for MGIB-SR Kicker eligibility.

(1) MGIB-SR Kicker incentive payments are subject to recoupment whether received as a supplement to education benefits received in accordance with the MGIB Program as described in Reference (g) or as part of MGIB-SR education entitlement.

(2) If the MGIB-SR basic entitlement and MGIB-SR Kicker eligibility 6-year obligation start dates are different, the recoupment formula is applied separately to the MGIB-SR education entitlement and to the MGIB-SR Kicker payment to determine the total amount of refund. Delinquent repayment is subject to interest charges, as described in paragraph 5b(2)(b) of this enclosure.

6. TRANSFER OF UNUSED EDUCATION BENEFITS. Subject to the provisions of this section, the Secretaries of the Military Departments and the Commandant of the USCG, in order to promote recruitment and retention of the Selected Reserve may permit a Service member to transfer to one or more eligible family members all or a portion of his or her unused MGIB-SR educational entitlements to include Kicker incentives as identified in sections 1 and 2 of this enclosure.

a. Eligible Service Members. A Service member of the Selected Reserve who is entitled to MGIB-SR educational assistance, at the time of the approval of his or her request to transfer that entitlement, may transfer that entitlement to eligible family members beginning on or after October 1, 2016. The Service member must have completed at least 6 years of service in the Selected Reserve on the date of approval and enter into an agreement to serve 4 continuous years from the date of election as a member of the Selected Reserve.

b. Eligible Family Members

(1) A Service member who is approved to transfer an entitlement of MGIB-SR educational assistance may transfer entitlement to:

(a) A spouse;

(b) One or more children; or

(c) A combination of paragraph 6b(1)(a) and 6b(1)(b) of this enclosure.

(2) The Defense Eligibility Enrollment Reporting System of DoDI 1341.2 (Reference (1)) will confirm the Service member's spouse and children.

(3) Once a Service member has designated a child as a transferee, a child's subsequent marriage will not affect his or her entitlement to receive education benefits. However, the Service member retains the right to revoke or modify the transfer of unused benefits at any time.

(4) Once a Service member has designated a spouse as a transferee, subsequent divorce will not affect the transferee's entitlement to receive education benefits. However, the Service member retains the right to revoke or modify the transfer at any time.

c. Months of Transfer. Months transferred must be whole months. The number of months of education benefits transferred by a Service member may not exceed the lesser of:

(1) The months of MGIB-SR unused education benefit available; or

(2) Thirty-six months.

d. Designation of Transferee. A Service member transferring an entitlement to MGIB-SR educational assistance to his or her family members, through notification to the Secretary of the Military Department concerned or the Commandant of the USCG, as specified in paragraph 6i of this enclosure, must:

(1) Designate the family member(s) to whom such entitlement is being transferred.

(2) Designate the number of months of such entitlement to be transferred to each family member.

(3) Specify the period for which the transfer will be effective for each family member.

e. Time for Transfer, Revocation, and Modification

(1) Time to Transfer. A Service member, while in a period of entitlement for MGIB-SR educational assistance, approved to transfer an entitlement to MGIB-SR educational assistance may transfer such entitlement to the Service member's family members at any time after approval to transfer such entitlement while serving in the Selected Reserve.

(2) Modification or Revocation

(a) While participating in the Selected Reserve a Service member may modify or revoke at any time the transfer of any unused portion of the entitlement so transferred and modify the number of months of the transferred entitlement for family members.

(b) The modification or revocation of the transfer of entitlement will be made by submitting notice of the action to the Secretaries of the Military Departments and the Commandant of the USCG and the Secretary of VA. Additions, modifications, or revocations made while in the Service member's period of entitlement for MGIB-SR will be made through the TEB Website as described in paragraph 6i of this enclosure.

f. Commencement of Use

(1) Spouse. A spouse may use transferred education benefits once the Service member completes 6 years in the Selected Reserve and enters into an agreement to serve at least 4 more years in the Selected Reserve.

(2) Child. A child may use transferred education benefits once the Service member completes 10 years in the Selected Reserve. The child must have completed the requirements of a secondary school diploma or equivalency certificate or is at least 18 years of age.

(3) Suspension and Restoration. Use of transferred entitlement to the family member is suspended when the Service member's period of entitlement suspends and may be restored as specified in paragraph 4c of this enclosure.

(4) Termination. Use of transferred entitlement to the family member ends when the Service member's period of entitlement ends, except for the conditions cited in paragraph 6h of this enclosure. The following conditions apply to family member use of transferred education benefits:

(a) Entitlement for transferred MGIB-SR educational assistance for the child will cease when the child is 26 years old.

(b) Entitlement for transferred MGIB-SR educational assistance for the spouse will have a 10-year limitation for using transferred education benefits due to the Service member's separation from the Selected Reserve under any of the conditions in paragraph 6h of this enclosure.

g. Overpayment

(1) Liability. Overpayment of transferred entitlement to educational assistance to the family members in paragraph 6f of this enclosure will make the Service member and family member liable to the United States for the amount of overpayment in accordance with section 3685 of Reference (f).

(2) Failure to Complete Service Agreement. When a Service member fails to complete his or her agreed-upon service in paragraph 6a of this enclosure, the amount of any transferred entitlement that is used, as of the date of such failure will be identified as an overpayment. This will not apply to a Service member who fails to complete a service agreement due to:

(a) His or her death.

(b) Separation from the Selected Reserve because of a disability which was not the result of the individual's own willful misconduct incurred on or after the date on which such person became entitled to educational assistance under chapter 1606 of Reference (c).

(c) Ceasing to be a member of the Selected Reserve during the period beginning on October 1, 1991, and ending on December 31, 2001, or the period beginning on October 1, 2007, and ending on September 30, 2014, because the person's unit of assignment was inactivated or ceased to be designated a Selected Reserve unit pursuant to section 10143(a) of Reference (c).

(3) Service Obligations. The Secretary of the Military Department concerned and Commandant of the USCG may issue guidance on the disposition of the military service obligation agreed to in accordance with paragraph 6a of this enclosure if the Service member revokes all transfers and no education benefits have been used.

h. Family Member Transferred Entitlement. The use of transferred MGIB-SR entitlement to educational assistance to a family member to whom entitlement is so transferred will not be affected by:

(1) Terminating the period of entitlement of the Service member due to retirement from the Selected Reserve for a provision of law due to age or years of service;

(2) Death of the Service member;

(3) Military Service policies mandating separation or retirement from the Selected Reserved based solely on age or years of service for the prescribed grade of an enlisted Service member; or

(4) Paragraphs 6g(2) and 6g(3) of this enclosure.

i. Administrative Matters

(1) Use of TEB Website. All requests and transactions for Service members who remain in the Selected Reserve will be completed through the TEB Website application at <https://www.dmdc.osd.mil/milconnect/>. The TEB User's Manual, maintained on that website, provides instruction for enrollment, verification, additions, changes, and revocations.

(2) Regulations. The Secretaries of the Military Departments and the Commandant of the USCG will issue guidance to administer the transfer of unused education entitlements to family members in accordance with this instruction. Such guidance will specify:

(a) The manner of verifying and documenting the additional service commitment, if any, in accordance with paragraph 6a of this enclosure, to authorize the TEB.

(b) The manner of determining entitlement to authorize the TEB as allowed in paragraph 6a of this enclosure.

7. TRUST FUND AND INTERAGENCY AGREEMENTS

a. Information and guidance on funding policies and procedures for the MGIB-SR educational assistance is located in Volume 12, Chapter 15 of Reference (k).

b. The amounts of payments for educational assistance for the MGIB-SR will be derived from the DoD EBF in accordance with section 2006 of Reference (c).

c. Educational assistance for the MGIB-SR will be provided through the VA in accordance with agreements to be entered into by the Secretaries of Defense, Homeland Security, and VA.

(1) A Service member who meets the criteria in paragraph 1a of this enclosure and enrolls in a VA approved course of study is eligible for educational assistance in accordance with chapter 1606 of Reference (c).

(2) Educational assistance may be provided for the pursuit of any program of education that is an approved program of education in accordance with section 3452(b) of Reference (f).

(3) Educational assistance is authorized for VA approved programs of education such as institutions of higher learning, both graduate (subject to availability of funds) and undergraduate programs, on-the-job training, apprenticeships, correspondence courses, independent study, tutorial assistance, cooperative programs, vocational training, licensing and certification tests, and flight training.

GLOSSARY

PART I. ABBREVIATIONS AND ACRONYMS

AD	active duty
AGR	active Guard and Reserve
ASD(RA)	Assistant Secretary of Defense for Reserve Affairs
DFAS	Defense Finance and Accounting Service
DMDC	Defense Manpower Data Center
DoDD	DoD directive
DoDHRA	DoD Human Resources Activity
DoDI	DoD instruction
EBF	Education Benefits Fund
FTNGD	full-time National Guard duty
GED	General Educational Development [®]
IADT	initial active duty training
MGIB	Montgomery GI Bill
MGIB-SR	Montgomery GI Bill–Selected Reserve
NOBE	notice of basic eligibility
RC	Reserve Component
TEB	transfer of education benefits
U.S.C.	United States Code
USD(C)/CFO	Under Secretary of Defense (Comptroller)/Chief Financial Officer, Department of Defense
USD(P&R)	Under Secretary of Defense for Personnel and Readiness

VA Department of Veterans Affairs

PART II. DEFINITIONS

Unless otherwise noted, these terms and their definitions are for the purpose of this instruction.

AD. Defined in Joint Publication 1-02 (Reference (m)).

AGR. Defined in Reference (i).

child. As defined in section 1072 of Reference (c), except for the purposes of this instruction the definition of child does not include a ward of the state or a foster child.

EBF. A fund administered by the Secretary of the Treasury used to finance DoD education liabilities. The Secretary of the Treasury transfers from the fund to the Secretary of VA the amounts necessary to enable VA to pay for education benefits in accordance with section 510(e) and chapters 1606 and 1607 of Reference (c) and chapter 30 of Reference (f).

equivalency certificate. A credential awarded based on successful completion of any of the following: high school equivalency credential through the General Educational Development (GED) test; high school diploma based on GED; correspondence school; California High School Proficiency Examination; high school attendance certificate; high school completion certificate; adult education certificate or diploma, or competency-based diploma.

unsatisfactory participation. Failing to fulfill the contractual obligation or military service agreement. Participation is unsatisfactory when:

Members of SELRES acquire more than nine unexcused absences from scheduled inactive duty training periods within a 12 month-period, or fail to perform prescribed active duty training, or fail to perform duty to prescribed standards, or engage in misconduct for military offenses.

Members of the Ready Reserve (IRR and ING) fail to meet the standards prescribed by the Secretaries concerned for annual screening, or fail to perform prescribed active duty training, or fail to perform duty to prescribed standards, or engage in misconduct for military offenses.

family members. Spouse and child as defined in section 1072 of Reference (c). For the purposes of this instruction, this definition of child does not include a ward of the state or a foster child.

high school diploma. A certificate granted to a person who successfully completes a secondary school program.

high school equivalency. Certification that an individual has fulfilled the requirement of high school graduation as determined by a State board of education, or the successful completion of 12 semester or 22 quarter hours of college credit.

IADT. Defined in Reference (i).

MGIB-SR Kicker. A supplemental educational incentive of up to 350 dollars for each month that the Military Services or the USCG may offer to encourage MGIB-SR entitled Service members to fill critical specialties, skills, or units. Eligible Service members elect to receive the MGIB-SR Kicker payment as a supplement to either MGIB-SR education entitlements received in accordance with chapter 1606 of Reference (c) or, if entitled, to MGIB-SR entitlements received in accordance with Reference (f).

Ready Reserve. Defined in Reference (i).

reaffiliation. The return of a former Selected Reserve Service member to the Selected Reserve after an authorized period of non-availability.

recoupment. The process of obtaining a refund of unearned education benefits paid to a Service member who has failed to participate satisfactorily before completing the 6 year Selected Reserve service obligation required to gain entitlement to educational assistance in accordance with chapter 1606 of Reference (c) and before completing the 6 year Selected Reserve obligation required to be granted eligibility for the MGIB-SR Kicker.

refund. A portion of the education benefits received by a Service member owed to the U.S. Government for failure to satisfactorily complete a Selected Reserve service obligation for receipt of education benefits in accordance with chapter 1606 of Reference (c).

Selected Reserve. Defined in Reference (i).

spouse. Defined in section 1072 of Reference (c).

suspension. A period of time when MGIB-SR educational assistance temporarily ceases pending a final determination of failing to participate satisfactorily, reaffiliation with the Selected Reserve or, for the MGIB-SR Kicker, return to a critical skill or unit for which the MGIB-SR Kicker was granted.

Veterans Affairs and DoD Identity Repository. A bi-directional data-sharing initiative to consolidate data transfers between DoD and VA.