August 22, 2000

VBA Letter 22-00-13

Director (00/21/22/24/27/28)
All VA Regional Offices

Subject: Direct Deposit for Chapter 1606 Benefits

EFT (Electronic Funds Transfer) processing, also known as "Direct Deposit," will be available to recipients of the Montgomery GI Bill - Selected Reserve (Chapter 1606) education benefit beginning Wednesday, August 30.

How Does it Work?

Chapter 1606 EFT processing has been developed to mirror the chapter 30 system. All stations can process chapter 1606 EFT requests using the CADD (Change of Address) command. In addition, the RPOs (Regional Processing Offices) can enter the EFT information as part of award processing. The instructions for chapter 30 in M22-4, part I, chapter 10, also apply to chapter 1606.

How Will Beneficiaries Know?

Hines will issue the attached "EFT Notification" letter to all active chapter 1606 beneficiaries on Tuesday, August 29. This letter will advise them to enroll by contacting the Muskogee RPO. All chapter 1606 award letters issued as of August 30 will direct recipients to the 1-888-GI BILL-1 phone number to enroll or to change their EFT information.

What Else Is Changing?

Recipients of chapter 1606 EFT will find the description "VA MGIBSR" on their bank statements. The legend on checks will also change from "CH106/CH30" to "VA MGIBSR."

Unlike Chapter 30, the Chapter 1606 Schedule of Operations will show only one "Anticipated date of payment" for both EFT and Check payments. However, that date will be one business day after Hines transmits the payfile and voucher to Treasury.

Reminder to Finance Activity: When stations receive non-receipt claims for EFT payments, use the TINQ command to verify where the payment was sent. The financial institution should then be contacted via telephone in cases where the funds have been sent to the wrong location.
2. Director (00/21/22/24/27/28)

Questions?

If you have any questions on chapter 1606 EFT, you may contact Leana Mings, Finance Systems, at 202-273-5920.

/s/
Celia P. Dollarhide
Director, Education Service

Attachment
We invite you to “sign up” for Direct Deposit (also known as Electronic Funds Transfer) of your VA education benefit payments. If you sign up for Direct Deposit, we’ll send your education benefit payments directly to your account. Direct Deposit is the safest and fastest way to receive your VA education payments. You no longer have to worry about your check being delayed by the mail or being lost or stolen.

How Do You Sign Up for Direct Deposit?

You can sign up for Direct Deposit by phone or by mail. To sign up by phone, call 1-877-838-2778. This is a toll-free call. To sign up by mail, sign this letter and mail it to: Department of Veterans Affairs
Regional Office
125 S. Main St. Suite B
Muskogee, OK 74401-7004

Whether you sign up by phone or by mail, you’ll need to give us some information about the account where you want your payments to go.

What Information Should You Give Us?

You should give us the following information about the account you want your benefits to go to.

* Your bank or financial institution's nine digit routing number: _______________
  * For checking accounts, the routing number is the first nine digits on the bottom of the check
  * For savings accounts, you’ll probably need to ask your financial institution for their routing number
* The account number: _______________
* The type of account: checking account or savings account

If using your checking account, all of this information is on your checks. So, the easiest thing for you to do is send us a “void” check when you sign up. You can void a check by writing “VOID” across the front of a blank check.

__________________________ ( ) ________________________ ( ) _____________
Your Signature Home Phone Work Phone

Thank You.
DEPARTMENT OF VETERANS AFFAIRS