

# SCO HB Revisions

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VETERANS BENEFITS  
ADMINISTRATION

NAVPA Conference  
October 2015



U.S. Department  
of Veterans Affairs

# Talking Points

2

- Reporting Fees to Institutions
- 85/15 Rule
- Entitlement Charge for National Test
- Monthly Housing Allowance Section 403(b)(6) of title 37
- Special Restorative Training
- Entitlement Charges after Tuition and Fees are Reported
- Repeating Courses
- Rounding Out
- Prior Credit
- Chapter 30 and “Top-up” Payment Eligibility and Prohibitions
- Distance Learning Field (Dist) for All Benefits
- Yellow Ribbon Accounting
- Remote Survey
- Executive Order 13607, Principles of Excellence, CareerScope®,
- Feedback System, GI Bill® Comparison Tool and GI Bill® Trademark Terms

## NOTE:

- Appendix B: Statement of Assurance on 85/15 Ratio
- Appendix C: References
- Delete VRAP Program Various
- Inserted Trademark symbol GI Bill® Various

## Reporting Fees to Institutions

3

At the beginning of each calendar year, a listing of students who were receiving assistance during the previous calendar year is printed by VA for each institution. Schools are provided a reporting fee based on the number of students who were certified to VA at least once during the year and received VA educational benefits. SCOs should compare the student list and report any students not included to the ELR of jurisdiction. In the event of errors, you should provide a list of students and the enrollment dates to the ELR. Yearly rates may fluctuate based on legislation. Please contact your ELR for exact rates per year. 38 U.S.C. 3684(c) mandates that reporting fees must be used for the purpose of certifications or otherwise supporting programs for Veterans. This money is to help schools cover the cost of administering their VA programs, including, but not limited to attendance at VA-sponsored training conferences. Proper use of the reporting fees will be verified during compliance surveys.

## 85/15 Rule

4

The Code of Federal Regulations (38 CFR 21.4201) states VA shall not approve the enrollment of any VA-eligible person, not already enrolled, in any course for any period during which more than 85 percent of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by an Educational Institution or VA. VA asks that you provide this information within 30 days of our request. See Appendix B - Statement of Assurance of Compliance with 85/15 Enrollment Ratios.

## Entitlement Charge for National Test

5

Under the Post-9/11 GI Bill, individuals is charged one month of entitlement for each \$1759.08 reimbursed (for Academic Year 2015-2016) rounded to the nearest non-zero whole month. This amount is subject to an annual cost of living allowance. Example: A Chapter 33 Veteran who receives reimbursement for a certification test (taken in Academic Year 2015-2016) in the amount of \$1500 will be charged 1 month of entitlement.

Under the other benefit programs, entitlement is charged by dividing the amount paid by the full- time monthly institutional rate payable during the fiscal year in which the test was taken. The amount charged is not rounded to the nearest month.

Example: A Chapter 30 Veteran who receives reimbursement for a certification test in the amount of \$1500 will be charged 0 months and 26 days of entitlement in FY 2015, formula is  $\$1,500 \div \$1717 = .87$  monthly

# Monthly Housing Allowance - Include Section 403(b) (6) of title 37

6

- Effective August 1, 2009. A monthly housing allowance is paid directly to the student at the beginning of each month for the previous month. The housing allowance is prorated by the student's length of service percentage. The monthly housing allowance paid is based on the Department of Defense's Basic Allowance for Housing (BAH) for an "E-5 with dependents" and the zip code of the school. More information on monthly housing allowance benefits can be found on the GI Bill® website at [http://www.benefits.va.gov/GIBILL/resources/benefits\\_resources/rates/ch33/ch33rate\\_s080115.asp#MHA](http://www.benefits.va.gov/GIBILL/resources/benefits_resources/rates/ch33/ch33rate_s080115.asp#MHA).
- Active duty personnel (including those on terminal leave) and their spouses utilizing transferred entitlement are not eligible for the housing allowance. Once separated from active duty, students (and their spouses) will become eligible to receive the monthly housing allowance on the first day of the month following separation.
- Section 403(b)(6) of title 37 requires the Department of Defense (DoD) to "grandfather" the basic allowance for housing (BAH) for members who retain uninterrupted eligibility for the BAH (even if the housing rates decrease). Similar to DoD's grandfathering rule, VA will grandfather the MHA for individuals who are continuously enrolled. If housing rates decrease, a student will be paid the same monthly housing allowance rate for as long as he or she remains continuously enrolled at the same school (same facility code). Continuously enrolled means no more than a 6-month break in training in enrollment.

## Special Restorative Training -DEPENDENTS' EDUCATIONAL ASSISTANCE (DEA)

7

A child, spouse, or surviving spouse may be eligible for special restorative training where needed to overcome or lessen the effects of a physical or mental disability for the purpose of enabling an eligible person to pursue a special vocational program or other appropriate goal. More information on Dependents' Educational Assistance can be found @

[http://www.benefits.va.gov/gibill/survivor\\_dependent\\_assistance.asp](http://www.benefits.va.gov/gibill/survivor_dependent_assistance.asp).

# Modified Entitlement Charges after Tuition and Fees are Reported

8

If the enrollment change occurs prior to the first day of the term, an adjustment should be submitted with the new hours and the associated tuition and fees. If the enrollment change occurs on or after the first day of the term;

- An amendment should be submitted to report the tuition and fees for the original number of hours the student began the enrollment period with on the first day of the term
- The next day, an adjustment should be submitted with the new hours and the tuition and fees associated with the new hours

# Clarification on Repeating Courses

Classes that are successfully completed may not be certified for again for VA purposes if they are repeated. However, if a student fails a class, or if a program requires a higher grade than the one achieved in a particular class for successful completion, that course class may be repeated and certified to VA again.

Example 1: if a Nursing program requires a “B” or better in Biology, then that class may be repeated if a “B” or better was not earned. That requirement must be in the school catalog.

Example 2: If a course is required for graduation, a student may repeat the course and be certified for it until it is successfully completed. No further information needs to be provided to VA regarding those courses.

Example 3: If a student chooses to repeat a course that was successfully completed, just to improve their GPA, that course cannot be certified to VA.

# Rounding Out to Include Example

10

A VA student can round out a schedule with non-required courses to bring his/her course load up to a full-time schedule in his/her last term only. This allows students to continue to receive benefits at the full-time rate in their last term of enrollment, even though fewer credits are required to complete the program.

This procedure can be done only once per program.

In rounding out a full-time schedule, VA students may use any credit hour unit subject, including a subject that has previously been successfully completed (received a passing grade).

Example: A claimant needs to complete 60 credit hours to obtain a B. A. degree. After passing 57 credit hours, the claimant enrolls in four 3-credit-hour courses. VA may pay the Veteran educational assistance for full-time training during this last term.

# Prior Credit

One of the criteria for approval of any school for Veterans' training is that it review prior credit and grant credit as appropriate to a VA student's current program. This is found in Title 38, Code of Federal Regulations, Sections 21.4253(d)(3) and 21.4254(C)(4). In essence, this requires every approved school to have and enforce a policy with regard to transfer courses, credits, and previous experience.

Schools no longer have to report prior credit to VA. Schools must evaluate prior credit, grant credit as appropriate, notify the student of the evaluation, and shorten the program certified accordingly. Whenever a student initially enrolls in your school or changes programs at your school a credit evaluation must be completed. VA will review credit

# Chapter 30 and “Top-up” Payment Eligibility and Prohibitions

Individuals on active duty who are eligible for Chapters 30 and approved for TA are eligible for Top-up. What is Top-up? Top-up allows VA to pay the difference between what TA pays and the cost of the course. The law prohibits active duty students from receiving regular Chapter 30 benefits and TA for the same course; however, VA students, to include National Guard and Reserve Service members who earned Chapter 30 benefits while on Active duty, in receipt of TA may receive the Chapter 30 Top-up benefit. Detailed information about Tuition Assistance Top-up and about applying for Top-up is available on the GI Bill® website [http://www.benefits.va.gov/gibill/tuition\\_assistance.asp](http://www.benefits.va.gov/gibill/tuition_assistance.asp).

NOTE: Normal certification procedures should be followed for courses for which a National Guard or Reserve Service member will receive TA under Chapter 30 if they are in M-Day status and not AGR status. Top-up only applies to individuals on active duty.

# VA-ONCE Distance Learning Field (Dist) for All Benefits

Independent study (Distance Learning) consists of interaction between the student and the instructor (who is physically separated from the student) through the use of communications technology instead of regularly scheduled, conventional classroom or laboratory sessions. Communications technology includes mail, telephone, audio or videoconferencing, computer technology (on-line internet courses or e-mail), or other electronic means such as one-way and two-way transmissions through open broadcast, cable, microwave, broadband lines, fiber optics, satellite, or wireless communications devices.

Any courses that consist of some interaction using communications technology and some weeks of standard class sessions, but that do not meet the requirements to be classified as in-residence training, are considered distance learning.

# An Example of Yellow Ribbon Accounting

Example: A VA Form 22-1999 enrollment certification was submitted for a term that begins August 25, 2014, through December 10, 2014, for a total of 12 credits. Tuition/fees are in the amount of \$21,000 with a Yellow Ribbon payment of \$1,530 to cover the unmet charges. The VA would pay \$20,235.02 for tuition/fees and another \$382.49 for Yellow Ribbon (split between the VA and the school).

A reduction is then sent into VA of 6 credits beginning October 1, 2014. The 6-credit hour exclusion has been applied and the tuition/fees have been reduced to \$15,000 with \$0 for Yellow Ribbon. A student debt for tuition/fees has been created for \$1499.17 and Yellow Ribbon for \$382.49. Because of this reduction, tuition/fees have been cleared in LTS with a debt created on the student's account.

LTS recognizes that the educational institution has been paid the maximum cap of \$20,235.02 and will not release another tuition/fees payment for the academic year. Instead, if a new enrollment is received, the payment will go to offset the debt created on the student's account. No debt has been created on the school's account and the school may keep the \$20,235.02 and Yellow Ribbon amount of \$382.49 sent by VA.

# An Example of Yellow Ribbon Accounting Continued

An enrollment certification for the spring 2015 is received for the term January 10, 2015, to April 9, 2015 for 12 credits. Tuition/fees are reported as \$18,000 with a \$10,000 Yellow Ribbon contribution. In turn, a payment of \$1,499.17 is released to the student to clear the debt for tuition/fees. A Yellow Ribbon payment is made in the amount of \$8,250.42.

The accounting is broken down the following way:

- Academic Year Maximum: \$20,235.02
- Educational Institution was paid: \$20,235.02

Student's debt for tuition/fees: \$1,499.17 (freeing up tuition/fees by this same amount)

The amount of Yellow Ribbon reported by the educational institution is reported as \$10,000 and tuition/fees as \$18,000. LTS recognizes the facility was paid the maximum (\$20,235.02) but because of a reduction a student debt was created in the amount of \$1,499.17 (creating tuition/fees cap space). LTS will clear the student debt of \$1,499.17 on the next enrollment before creating new payments for Yellow Ribbon. In turn, this reduces the amount LTS uses to calculate half of the unmet charges or  $\$18,000 - 1,499.17 = \$16,500.83$ . When the remaining amount is divided to meet half the unmet charges, the Yellow Ribbon payment will equal \$8,250.42.

# Remote Survey Option

16

The law requires that periodic surveys be conducted at educational institutions. The two main purposes of these surveys are to (1) ensure that VA payments going to the school and students enrolled at the school are based upon proper and correct enrollment information as furnished by the school to VA; and (2) assist school and training officials and students in understanding the requirements of the law in order to prevent deficiencies or violations which could develop because of misunderstandings or misinterpretations of the law.

Compliance surveys are usually conducted on-site however, under certain conditions; a remote survey review option could be used. The remote survey option is intended to make more efficient use of time and funds expended for travel while conducting compliance survey reviews. Remote reviews are intended to supplement, rather than replace, personal contact.

# Executive Order 13607, Principles of Excellence

17

- Executive Order 13607, Principles of Excellence
- CareerScope®
- Feedback System
- GI Bill®
- Comparison Tool and GI Bill® Trademark Terms of Use

# Executive Order 13607, Principles of Excellence

18

Executive Order 13607 was signed by the President Barack Obama on April 27, 2012, to ensure Educational Institutions serving service members, Veterans, spouses, and other family members are provided with the information, support and protections they deserve while using Veterans educational benefits programs. <https://www.whitehouse.gov/the-pressoffice/2012/04/27/executive-order-establishing-principles-excellence-educational-instituti>.

Principles of Excellence are established for Educational Institutions serving Service members, Veterans, Spouses and other Family Members. Schools may sign up for POE at: [principles.excellence@va.gov](mailto:principles.excellence@va.gov). Schools should adhere to the “Principles of Excellence” to provide high-quality student support and service, and compliance with the principles is assessed during compliance surveys at participating schools.

The GI Bill® website houses numerous resources to assist Veterans and beneficiaries in making informed decisions when choosing a school to use their GI Bill benefits, these are:

# CareerScope®

19

An assessment of interest and aptitude at no cost to all eligible benefit recipients.  
<http://www.benefits.va.gov/gibill/careerscope.asp>.

The Comparison Tool Streamlines information into an easy-to-use online tool combines resources from more than 17 different web pages and three Federal Agencies, provides information to calculate benefits and research approved programs, compares multiple schools, displays school-level complaint data from the Feedback System and displays Section 702 school approval information;  
<http://department-of-Veterans-affairs.github.io/gi-billcomparison-tool/>.

VBA welcomes feedback on the Comparison Tool and encourages all visitors to submit feedback by clicking on the 'Feedback' link located at the bottom of the tool's page. VA Education Service will respond to reports of technical issues and any feedback to improve the GI Bill® Comparison Tool. [\*\*223D.vbaco@va.gov\*\*](mailto:223D.vbaco@va.gov).

# Feedback System®

20

A centralized online reporting system designed for Veterans, Service members, and eligible dependents to report negative experiences with educational institutions receiving funding from Federal military and Veterans educational benefits programs. The complaints are being reviewed to determine if they are consistent with the Principles of Excellence (POE) program; for those that are, the complaints are worked toward resolution with the schools.

<http://www.benefits.va.gov/GIBILL/Feedback.asp>.

POE-related complaints are reviewed and sent to schools. The institution should provide a response to the complainant and to VA as soon as possible, but no later than 30 days from the date that the complaint is sent to the school.

- Respond to the complainant
- Use school letterhead
- Respond with a proposed resolution
- Reference the complaint case number
- Forward the response to VA at [process.vbavaco@va.gov](mailto:process.vbavaco@va.gov)

For complaints associated with GI Bill® benefits and other non-POE issues, individuals are directed to submit their concerns via the “Ask a Question” section of the GI Bill® Web site or call the GI Bill® hotline at 1-888-GIBILL-1.

# Trademark Terms of Use – Authorized Use The term “GI Bill®”

21

GI BILL is a federally registered trademark owned by VA. Authorized third-parties users of the trademark are

- Educational institutions approved for GI Bill® benefits
- State Approving Agencies
- Recognized Veterans Service Organizations

Authorized users may use the registered trademark “GI Bill” in print, electronic, radio, digital, or other media as established by the terms of use. The trademark symbol “®” should be placed at the upper right corner of the trademarked phrase in the most prominent place at first usage; such as the title of a brochure, form, or the very top of a Web page and the following trademark attribution notice must be prominently visible: “GI Bill® is a registered trademark of the U.S. Department of Veterans Affairs (VA). More information about education benefits offered by VA is available at the official U.S. government Web site at:

[http://www.benefits.va.gov/GIBILL/Trademark\\_Terms\\_of\\_Use.asp](http://www.benefits.va.gov/GIBILL/Trademark_Terms_of_Use.asp).

# NOTE

22

- Appendix B: Statement of Assurance on 85/15 Ratio 131-132
- Appendix C: References 133
- Delete VRAP Program Various
- Inserted Trademark symbol GI Bill<sup>®</sup> Various

# Questions?

GI Bill<sup>®</sup> is a registered trademark of the United States Department of Veterans Affairs (VA). The absence of the registration symbol<sup>®</sup> does not constitute a waiver of VA's trademark rights in that phrase.