

# 2015 NASFAA National Conference

National Association of Student  
Financial Aid Administrators

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Financial Aid Administrators

## Title IV, Veterans and Military Benefits Administration at a Crossroads

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## What We Will Cover Today

- Veterans and Military Benefits 101
- Attendance
- Refunds
- Satisfactory Academic Progress (SAP)
- Grades and Credits
- Compliance Surveys vs. Program Reviews
- The Principles of Excellence (POE)
- 85/15 Rule vs 90/10 Rule

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## Veterans' and Military Benefits 101

- Veterans' Benefits (VA)
  - Post-9/11 GI Bill; Montgomery GI Bill; Chapter 31
  - Veterans and their eligible dependents
  - Up to \$21,084 annually (academic year 2015-16) (Chapter 33)
  - Monthly Housing Allowance
  - Programs approved by a State Approving Agency (SAA)
  - Yellow Ribbon Program
- Tuition Assistance – Department of Defense (DOD)
  - Active Duty
  - Memorandum of Understanding (MOU)

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## Attendance and Payment

- | Title IV  | VA   | DOD   |
|---|--|---|
| <ul style="list-style-type: none"> <li>• Week - a consecutive seven-day period</li> <li>• Start Date- the first date of the term</li> <li>• End Date of the term</li> <li>• Payment based on number of clock or credit hours</li> </ul> | <ul style="list-style-type: none"> <li>• Week-Sunday through Saturday</li> <li>• Start Date - if class after first calendar week, the actual class start date</li> <li>• End Date of the course or term</li> <li>• Payment based on rate of pursuit on a day-to-day basis</li> </ul> | <ul style="list-style-type: none"> <li>• Week - same as Title IV</li> <li>• Start Date- same as Title IV</li> <li>• End Date- same as Title IV</li> <li>• Payment – same as Title IV</li> </ul> |

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## Attendance – Determination of Withdrawal

- | Title IV  | VA  | DOD   |
|---|---|---|
| <ul style="list-style-type: none"> <li>• Institutions are not required to take daily attendance.</li> <li>• If attendance is not taken, institution may use midpoint or last academic activity as LDA.</li> </ul> | <ul style="list-style-type: none"> <li>• Institutions are not required to take daily attendance but must be able to verify student is pursuing their program.</li> <li>• Institution must review attendance records, grading reports, and instructor records to determine LDA.</li> </ul> | <ul style="list-style-type: none"> <li>• Institutions are not required to take attendance.</li> <li>• Institution must follow the Title IV policy.</li> </ul> |

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## Return to Title IV (R2T4) and Refunds

- | Title IV  | VA  | DOD   |
|---|---|---|
| <ul style="list-style-type: none"> <li>• Institution must use the R2T4 pro-rata formula to calculate amount of return.</li> <li>• 100% of awards cannot be earned until after the 60% point of the payment period.</li> </ul> | <ul style="list-style-type: none"> <li>• No requirement unless institution agreed to the POE.</li> <li>• If agreed to the POE, VA will expect a refund policy that is "aligned" with R2T4 (no clear guidance).</li> </ul> | <ul style="list-style-type: none"> <li>• Institution must use a proportional refund policy that is "aligned" with R2T4.</li> <li>• 100% of funds cannot be earned until the 60% point of the term.</li> </ul> |

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## Student Refunds and Liability

- | Title IV  | VA  | DOD  |
|---|---|--|
| <ul style="list-style-type: none"> <li>• Percentage earned equal percentage of payment period completed (until the 60% point).</li> <li>• 100% of awards cannot be earned until after the 60% point of the payment period.</li> </ul> | <ul style="list-style-type: none"> <li>• Benefits reduced effective first day of term if student drops, terminate after add/drop and receives non-punitive grade, unless there are mitigating circumstances.</li> </ul> | <ul style="list-style-type: none"> <li>• Percentage earned per proportional refund policy that is "aligned" with R2T4.</li> <li>• 100% of payment cannot be earned until the 60% point of the term.</li> </ul> |

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## Satisfactory Academic Progress (SAP)

### Title IV

- Institution has flexibility; policy must be at least as strict as non-Title IV policy.
- Must be evaluated at the end of every payment period for programs one academic year or less and either at end of payment period or annually for longer programs.
- Policy must include certain elements, such as qualitative and quantitative measure, and maximum timeframe for completion of program

### VA

- Institution must have a SAP policy acceptable to the SAA in its discretion.
- Variable, but some states requiring evaluation more frequently than Title IV.
- Policy must restrict certification due to lack of progression.

### DOD

- Student must maintain a CGPA of at least 2.0 after 15 semester hours or equivalent in undergraduate studies or a CGPA of 3.0 after 6 semester hours or equivalent in graduate studies for TA-funded courses.
- Student is liable for funds for any grade lower than a "C" in an undergraduate course or a "B" in a graduate-level course, failed pass/fail courses, or fail to make up a grade of "I", unless extenuating circumstances.

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## Grades and Credits

### Title IV

- Must determine when an "F" is unearned.
- No limits on repeat of failed courses, limit to one payment of a passed repetition.
- Flexibility on review of prior credits.

### VA

- Must determine when an "F" is unearned.
- Limits on repeating failed courses.
- Generous review of prior credits.

### DOD

- All grades must be reported to DOD, including "F" grades.
- Payment for a repetition which DOD have been reimbursed.
- Flexibility on review of prior credits.
- Maximum eligibility 130 semester hours or baccalaureate degree, or 39 semester hours or master's degree.

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## Compliance Surveys vs. Program Reviews

### Title IV

- Program reviews conducted on a systematic based and on high risk factors.
- Conducted by ED Case Team.
- Clear appeal rights.
- Most debts are liabilities to the institution.

### VA

- Site Visits occur annually; full Compliance Surveys every three years.
- Usually conducted by SAA.
- Minimal appeal rights.
- Presumption is that debt is to student.

### DOD

- May conduct audits, but no formal schedule or process.

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## The Principles of Excellence (POE)

### Title IV

- Not incorporated into the regulations.
- Potential voluntary agreement to comply.
- No current enforcement mechanism.

### VA

- Not incorporated into the regulations.
- Voluntary agreement to comply.
- Will assess compliance of institutions that agree to comply.

### DOD

- Incorporated in the MOU institutions must sign.
- Mandatory and enforceable.

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## 85/15 Rule vs 90/10 Rule

- |  |  |  |
|--|--|--|
| <p><b>Title IV (90/10)</b></p> <ul style="list-style-type: none"> <li>• Applies to proprietary institutions and measured at institutional level.</li> <li>• Dollar weighted.</li> <li>• Institution loses eligibility if it fails to derive <math>\geq 10\%</math> of revenue from sources other than Title IV for two consecutive years.</li> </ul> | <p><b>VA (85/15)</b></p> <ul style="list-style-type: none"> <li>• Applies to all schools and measured at the "course of study" level.</li> <li>• Not dollar weighted.</li> <li>• Program must cease veteran enrollments to avoid exceeding the threshold.</li> </ul> | <p><b>DOD</b></p> <ul style="list-style-type: none"> <li>• No comparable requirement.</li> </ul> |
|--|--|--|

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## Resources

- **DOD:**  
Department of Defense (DOD) 1322.25 Voluntary Education Program MOU  
<http://www.dodmou.com/Home/Faq>
- **Principles of Excellence:**  
<http://www.gpo.gov/fdsys/pkg/FR-2012-05-02/pdf/2012-10715.pdf>
- **VA:**  
-School Certifying Official Handbook  
[http://www.benefits.va.gov/GIBILL/docs/job\\_aids/SCO\\_Handbook.pdf](http://www.benefits.va.gov/GIBILL/docs/job_aids/SCO_Handbook.pdf)  
-Title 38 Chapter 1 – Part 21 Subpart D Administration of Educational Assistance programs  
-Title 38 Chapter 1 – Part 21 Subpart P Post9/11 GI Bill  
-U.S Department of Veterans Affairs <http://va.gov/>
- **ED:**  
-Dear College Letter GEN 12-10 Implementation of Executive Order 13607  
<http://ifap.ed.gov/dpletters/GEN1210.html>  
-Federal Student Aid Handbook 2015-2016  
<http://ifap.ed.gov/ifap/byAwardYear.jsp?type=fsahandbook&awardyear=2015-2016>  
-34 CFR §668.22 Treatment of Title IV funds when a Student Withdraws  
-34 CFR §668.34 Satisfactory Academic Progress  
-Section 498A of the HEA, 20 U.S.C. §1099c Program Reviews  
-34 CFR §668.28 Non-Title IV revenue (90/10)

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## Questions?

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