Potential Debts with Military Education Benefits

Tuition and Fees:

As a reminder to all of our students utilizing military education benefits, changes in your enrollment with the school, especially those changes occurring after the school’s schedule adjustment period, may cause an overpayment requiring the student to repay the U.S. Department of Veterans Affairs (VA) or the U. S. Department of Defense some or all of the benefits paid.

Veterans Affairs:
If the student decreases his/her training time (i.e. drop classes, leave school, etc.) and the VA has already processed a payment for tuition and fees, an overpayment will occur. When the School Certifying Official (SCO) notifies the VA of a change, a debt is created against the student’s account. The school will issue any refunds in accordance with its internal policy, which may not fully cover the debt with the VA. If the amount refunded by the school does not satisfy the debt, the student is responsible for the remainder.

• If the school refunds money directly to the VA, the VA will credit the student’s account any amount the school refunds.

• If the school refunds money directly to the student, s/he must clear the debt with the VA.

A decrease in credit hours by the student could also result in changes to his/her housing allowance and books & supplies stipend. If the VA has already issued the student a payment for the term, a debt may be created on his/her account.

The student is responsible for keeping track of his/her tuition and fee account balance and payments. The student should visit the school’s financial office regularly to review his/her account, ensure the charges are correct and that payments and refunds are processed correctly. The student should contact the school’s SCO to ensure the certification information s/he sends to the VA matches the student’s schedule.

Department of Defense:
For students utilizing active-duty tuition assistance (TA), generally soldiers who do not successfully complete a class will be required to repay the TA, for example. For the purpose of reimbursement, a successful course completion is defined as a grade of “C” or higher for undergraduate courses, a “B” or higher for graduate courses and a “Pass” for “Pass/Fail” grades. Reimbursement will also be required from the service member if he or she fails to make up a grade of “I” for incomplete within the time limits stipulated by the educational institution or 6 months after the completion of the class, whichever comes first. The Secretary of the Military Department will establish recoupment processes for unsuccessful completion of courses.

Students using TA must maintain a cumulative grade point average (GPA) of 2.0 or higher after
completing 15 semester hours, or equivalent, in undergraduate studies, or a GPA of 3.0 or higher after completing 6 semester hours, or equivalent, in graduate studies, on a 4.0 grading scale. If the GPA for TA funded courses falls below these minimum GPA limits, TA will not be authorized and Service members will use alternative funding (such as financial aid or personal funds) to enroll in courses to raise the cumulative GPA to 2.0 for undergraduate studies or 3.0 for graduate studies.

While TA amounts or rules vary by branch and are administered by the Department of Defense, in general these agencies will not honor tuition assistance if the course(s) are not first approved by the agency prior to the start of the term. Program requirements by branch may be found on the DoD’s website, http://www.dodmou.com/.

VA Remedial Coursework:

The total number of actual credits that a student is attempting at the school in a particular term will be reported by the school to the VA; the actual number of credits that is reflected on a student’s schedule will be certified by the school to the VA. Reported credits must be certified separately by the school into residence, distance, and remedial/deficiency courses, if applicable. Online remedial courses cannot be certified for payment; only residence, or on-ground, remedial courses can be certified for payment with the VA.

VA Housing Allowance:

Per the new GI Bill®1, effective August 1, 2011, the amount payable for the Monthly Housing Allowance (MHA) is:

- U.S. In-Residence: The applicable BAH rate will be multiplied by the rate of pursuit rounded to the nearest multiple of 10.
  
  Example: An individual at a rate of pursuit of .54 will receive 50% of the applicable BAH rate while an individual at a rate of pursuit of .85 will receive 90%

- Basic eligibility requirements for MHA benefits (e.g. veterans with a rate of pursuit >.50) remain unchanged.

- The amount payable for the MHA for any academic year (beginning on August 1) will be based upon the BAH rates effective on January 1 of that year.

- The MHA is based on the BAH for an E-5 with dependents at the location of the school.

If qualified, veteran student housing benefits are only available to students when they are actively

---

1 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 www.benefits.va.gov/gibill.
attending school and the student has been deemed to be eligible for it by the VA. Housing benefits are not paid for breaks or periods when not attending a course. Housing benefits may be prorated, or eliminated, based on enrollment status and periods of non-attendance.

VA students attending on-ground courses must meet the VA requirements to be eligible for the full housing allowance. The VA determines if you are eligible, not the school. In order for the student to be eligible to receive the maximum housing allowance, you must be actively pursuing each course, attend at least one on-ground course at the school, or alternate institution as a guest student, for the entire length of the term and be enrolled at least full time for the entire length of the term; the monthly housing allowance is not payable to individuals on active duty, their spouses, or those attending or enrolled at half time or less. The housing stipend is subject to prorating based on the number of credits being taken and the number of months served on active duty.

Students enrolled at more than half-time but less than full-time will have their housing allowance prorated based on the number of classes they are taking (also called rate of pursuit). This amount will be rounded to the nearest tenth. For example, a student enrolled with a rate of pursuit of 75% would receive 80% of the Basic Allowance for Housing (BAH) rate.

Students participating in only distance learning (online) education with no classroom instruction are eligible for a maximum MHA payment equal to 50% of the national average BAH for an E-5 with dependents.

Source is [www.gibill.va.gov](http://www.gibill.va.gov).

**VA Housing Allowance for Self-Paced, Mastery-Based Programs:**

Self-paced, mastery-based programs allow students to work at their own pace to complete the course. This model allows students to finish the material as soon as they are able, including finishing prior to the end of the term.

For students with VA benefits, it may not be in the student’s best financial interest to finish a course early as the last day of attendance in a course is reported to the VA. Since the MHA is paid based on the reported beginning and end dates of a class, this may lead to reduced MHA benefits or no benefits depending on the student’s rate of pursuit for the reporting period. Students receiving VA benefits should remain focused on their learning and pace themselves to complete the coursework at the end of the term so as not to experience this potential financial impact.

**Other Reminders:**

Students are responsible for monitoring their VA military educational benefit eligibility as well as assuring their completion of an on-time graduation. There are a fixed number of months that the student may receive these benefits. Not taking a sufficient number of courses (which may mean you must take more than a minimum full-time load) or withdrawing from courses or failing a course due to
ceasing attending the course may negatively impact the student’s financial and academic situation. If ceasing attendance from a course or courses will take the student down to half-time status, the student will have to pay back some of the monthly housing allowance received, either back to the day the student stopped attending the course(s), or all the way back to the beginning of the term, depending on the student’s circumstances. If the student will still be a full-time student after withdrawal of the course(s), the withdrawal of course(s) may not affect the student’s MHA but may impact Satisfactory Academic Progress.

Students should contact their school’s School Certifying Official (SCO) to ensure the information the school is providing to the VA matches with their schedule.