

VA



U.S. Department
of Veterans Affairs

VA Debt Management Center (DMC)

School Certifying Official Training

VAAMS September 2024



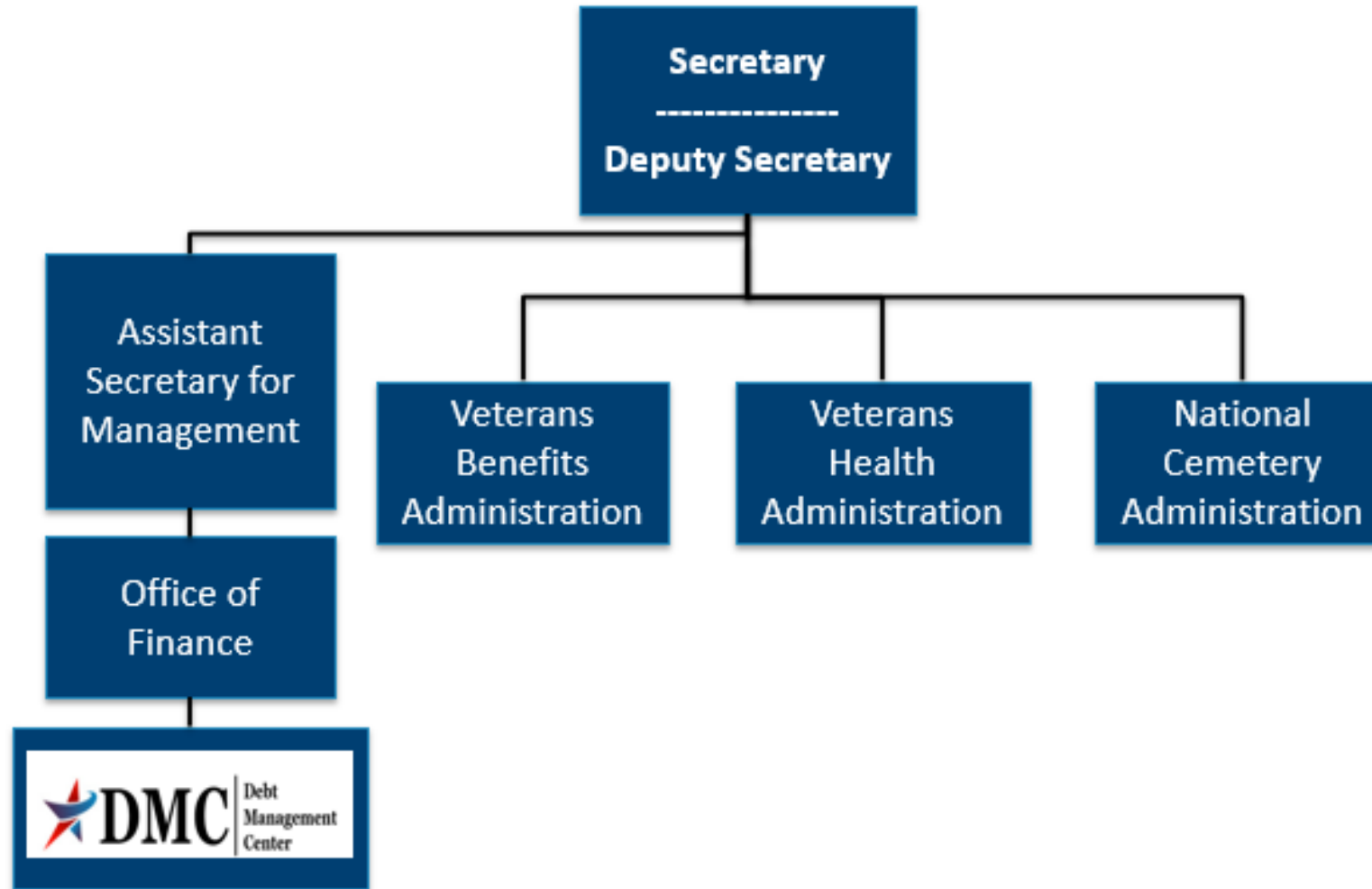


Agenda

- **DMC overview**
- **DGIB Transition Updates**
- **Debt establishment**
- **Understand collection processes**
- **Debt resolution options**
- **Risks of non-payment**
- **Questions**



Organization Chart





DMC Mission

Provide distinctive, high quality accounts receivable services through a compassionate and value-added approach, empowering our stakeholders to focus on core missions.





DGIB Updates: DMC Processes

Prior to Upgrade

- one 75 debt balance per student per facility in VA system
- Pay online is always 75B deduction code, payee number can vary

After Modernization Upgrade

- Separate debt balances for each term per facility per student in VA system
- Effective July 8th, 2024, DMC uses additional deduction codes other than 75
 - Primary impact will be to pay.va.gov payments



DGIB Updates: DMC Processes Cont.

Payment Processing: Congruent Payment Recoupment

Effective July 8, 2024, **certain tuition and fees and Yellow Ribbon debts will be recouped from subsequent, congruent (there is at least one day of overlap) payments for the same student.** There will be no formal notification (such as a letter or email) that the funds were recouped.



DGIB Updates: DMC Processes Cont.

Congruent Payment Recoupment Example

- SCO certifies term 09/01/2024 – 12/15/2024, 12 in-residence credits, T&F \$10,000.00
- VA pays \$10,000.00 for the 09/01/2024 – 12/15/2024 term
- Student drops prior to the start of the term creating debt of \$10,000.00
- **Same student** is certified for the mini-term of 10/01/2024 – 11/15/2024 for 6 in-residence credits with a tuition and fees of \$5,000.00.
- VA will not release any T&F payment and will reduce the outstanding T&F debt by \$5,000.00
- If facility has already submitted a repayment of \$10,000.00 to the Debt Management Center (DMC), VA will send \$5,000.00 to the facility



Debt Establishment

SCO Certifies Student

- Communicates with student about certification process

RPO Processes Certifications

- Evaluates entitlement
- Issues payments and establishes debts
- Sends a letter when payments are issued or debt created

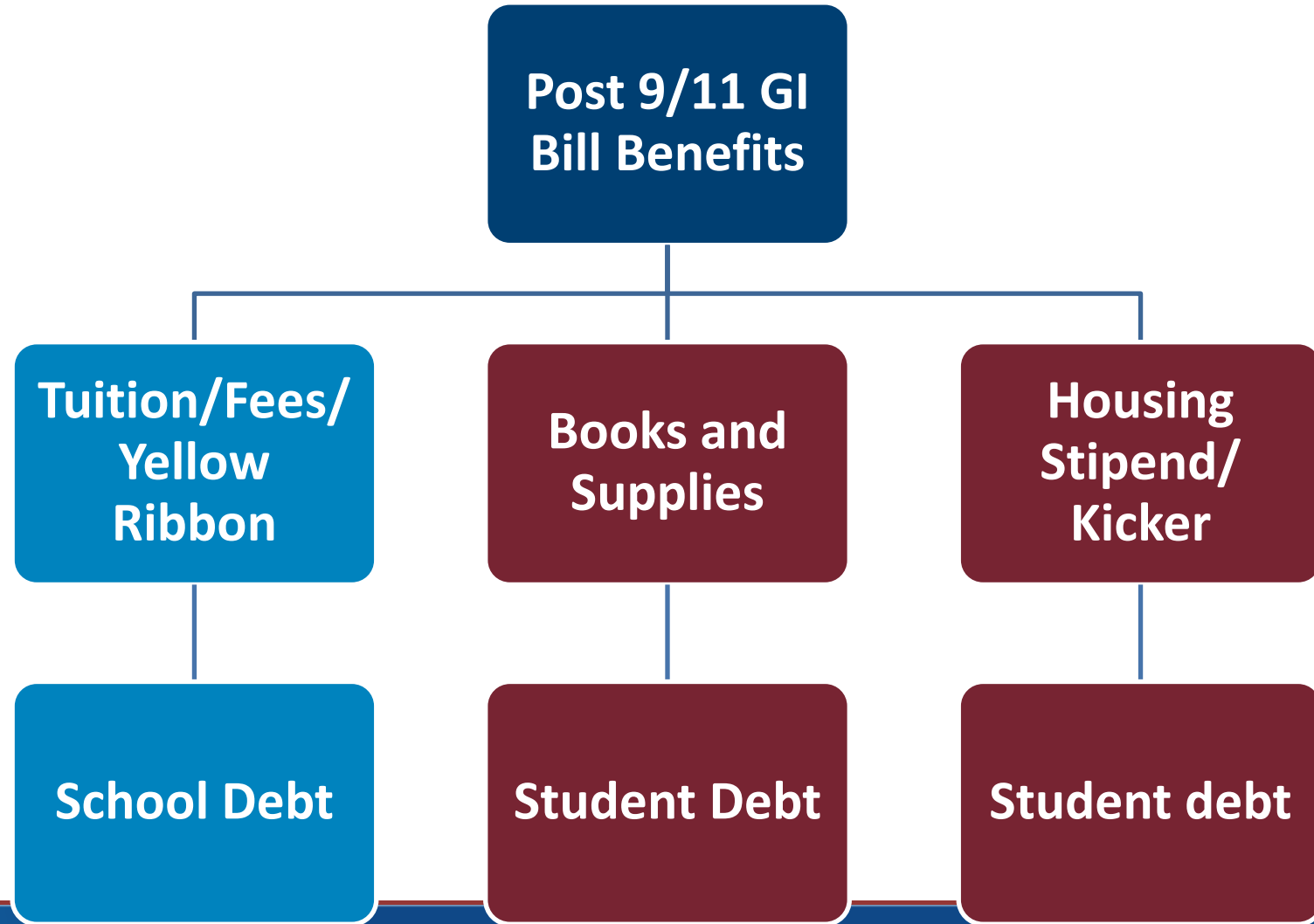
DMC Collects Debts

- Sends collection letters for debts
- Processes collection actions





Debt Establishment





Debt Establishment: Compliance Survey

Debt	Collection	Source	Dispute
School Debt	DMC collects	Tuition/Fees/Yellow Ribbon	Dispute with DMC
Student Debt	DMC collects	Books/Supplies Housing/Kicker	Dispute with DMC
Potential School Liability	RPO collects (no DMC involvement)	School may have to repay Books/Supplies/ Housing/Kicker on behalf of students	Special process (no DMC involvement)





Debt Establishment Reasons

Student never attended any classes (All T/F/YR)

Reporting reduced T/F/YR amount, no change to training (Amount of \$ change)

Payment for wrong student or duplicate payment (Erroneous amount)

Payment above certified amount due to VA data entry error (Erroneous amount)

Student completely withdrew on or before first day of term (All T/F/YR)

Student dropped/added a course, no net change in training time (Amount of \$ change)



Debt Establishment Reasons

**Student withdrew after
first day of term**

**Student reduced hours
before or during term**

**School reported reduction in
T/F/YR due to student
reducing or terminating
training**



Debt Establishment Reasons

Action	Condition	Will Be Effective
Reduction	During Drop Period	End of month the reduction occurred
Termination	During Drop Period	Actual date of withdrawal
Reduction	Punitive Grade assigned	End of month the reduction occurred
Termination	Punitive Grade assigned	Actual date of withdrawal
Reduction or Termination	Non- Punitive grade assigned	First day of the Term
Reduction	Non- Punitive grade AND Mitigating Circumstances (MITCs)	End of month the reduction occurred
Termination	Non- Punitive grade AND Mitigating Circumstances (MITCs)	Actual date of withdrawal





Preventing School Debts

Educate students about impact of:

Reducing Training

Non-punitive grades

Changing class schedule

When non-punitive grades occur

School can include mitigating circumstances on certification

Student can submit mitigating circumstances to RPO

Certify \$0 tuition/fees before term begins

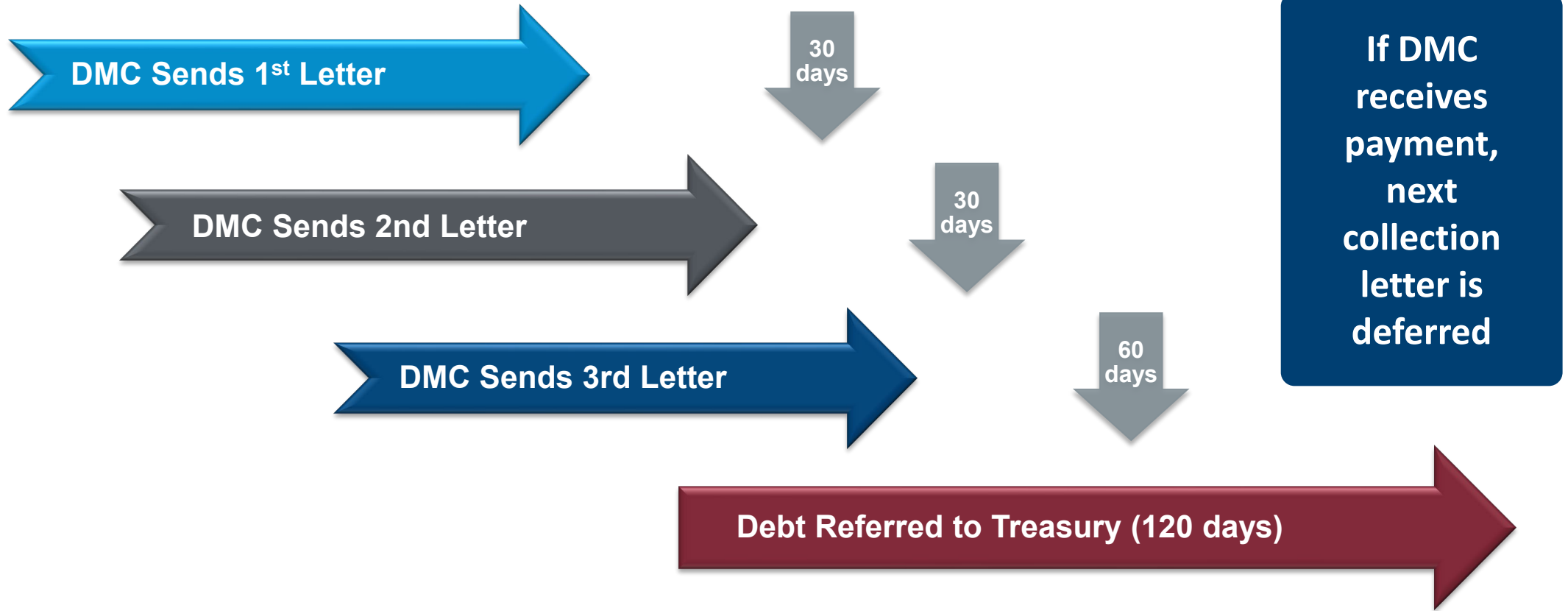
Certify T/F/YR amount at a later date

Allows student to receive books and housing on time



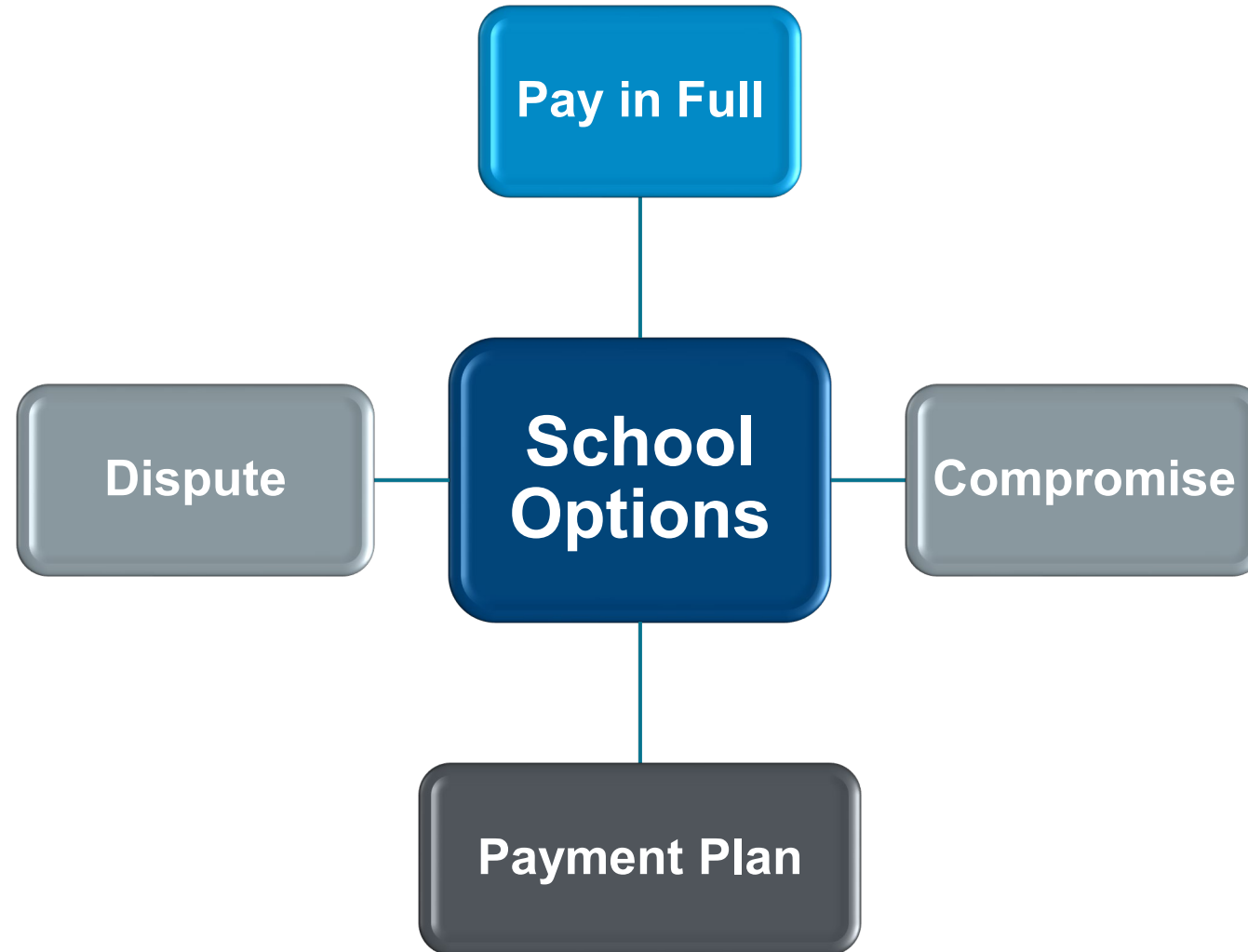
School Debt Collection Process

DMC sends Notice of Indebtedness letters, monitors accounts, and advises debtor of any delinquency, including the requirement to refer their account to Treasury





School Options





Ask VA (AVA) for School Inquiries

- All school inquiries and disputes should be submitted using AVA (<https://ask.va.gov/>)
- Select “Veterans Affairs- Debt” as the category and “A School Official” as the topic
- Under “My inquiry is” select “On behalf of a Veteran”- this enables you to select School Certifying Official or Other (Business) under relationship to Veteran
- You must sign in to select the category “Veterans Affairs-Debt”

Create Account/Sign in to start your message



AVA for School Inquiries

Tell us about your question

Which category best describes your question? *

(*Required)

Veteran Affairs - Debt

Veterans Affairs- Debt

Which topic best describes your question? * (*Required)

A School Official

A School Official

Tell us the reason you're contacting us? (*Required)

Question

Question

My inquiry is: (*Required)

On behalf of a Veteran

On behalf of a Veteran

Are you currently an employee of the VA? *

No Yes

Your relationship to the Veteran (*Required)

School Certifying Official

School Certifying Official



Requesting a debt list in AVA

- DMC can provide debt lists by facility code upon request
- Since the debt list is not associated with one specific Veteran, you can choose **general question** to submit your debt list by facility code request (you must still be signed in to AVA)

My inquiry is: (*Required)

A general question



Tips for School Inquiries

When submitting disputes and inquiries via AVA, please include:

- One inquiry per student
- Identifying information for the student
- School name and **facility code**
- Debt amount
- Supporting details (front and back of cashed check, when was updated certification sent, etc.)



How to Pay a Debt

- **Pay by check: mail the check, payment coupon(s) and/or letter to:**
VA Debt Management Center
Bishop Henry Whipple Federal Building
P.O. Box 11930
St. Paul, MN 55111-0930
- **Recommend no more than 25 students per check**
- **Pay online: www.pay.va.gov**
- **Check SCO handbook for other options**





How to Pay a Debt on www.pay.va.gov

Payee and Person entitled name format are on DMC school debt letters

Veteran Information

Please have a copy of the Veteran Debt Letter sent from Debt Management Center in front of you to enter the correct information.

*File Number:

*Payee Number:

★*Person Entitled:

*Deduction Code:

Payee is not always 00,
please verify payee on
DMC letter

Deduction Code is not
always 75, please verify
on DMC letter

★ Person Entitled

'Person Entitled' is the first initial, middle initial (if there is one) and first four letters of the debtor's last name. If the entry on the collection letter after 'Person Entitled' does not have a middle initial, a blank will appear where the middle initial would be. Please leave the same space blank on this form.



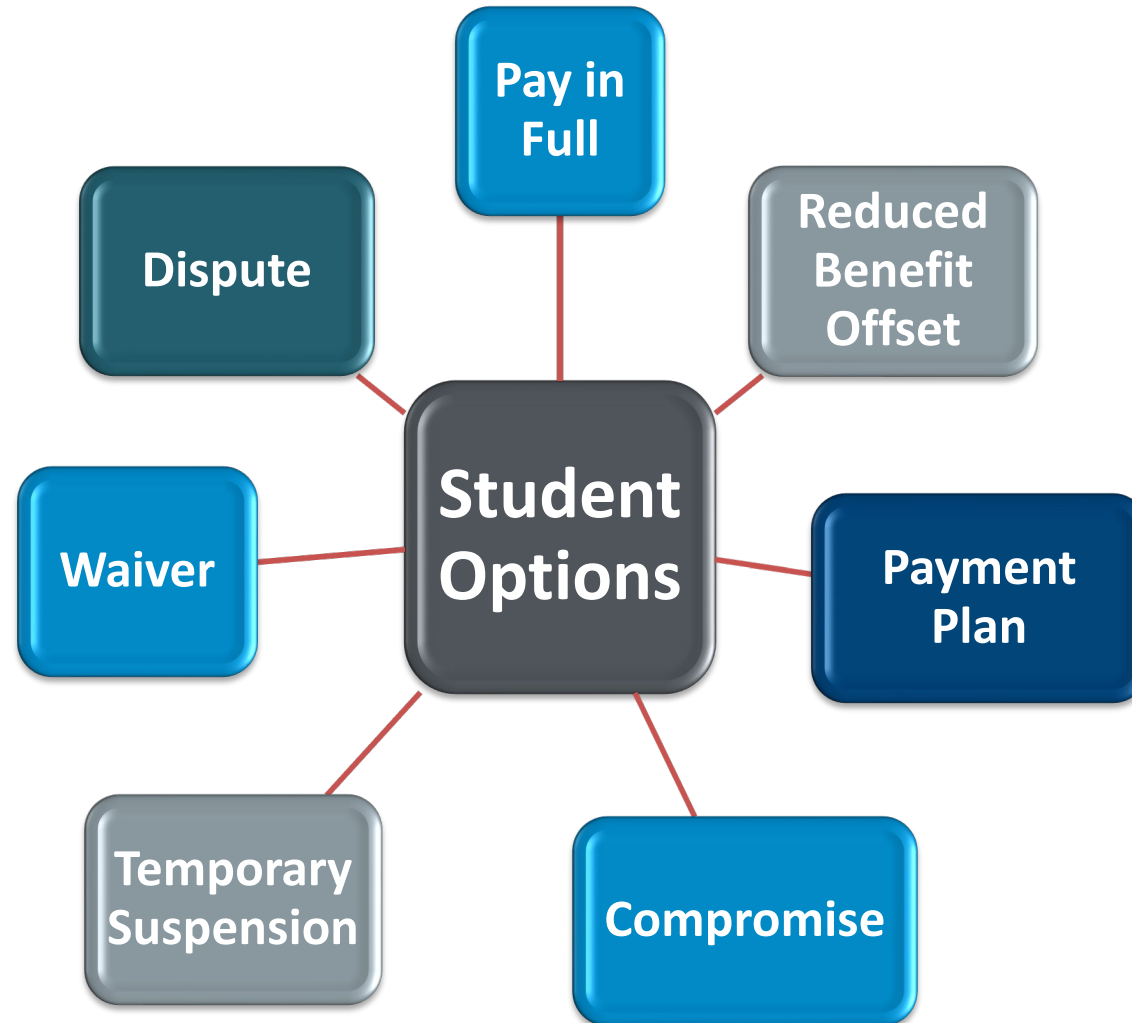
DMC School Official Debt Line

- **833-720-2574 (international 612-843-6508)**
- **Use for questions on Post 9/11 GI Bill Tuition and Fees debts such as:**
 - Term dates for a debt
 - Confirm a payment was received
 - Confirm an outstanding balance
 - Assistance with an online payment

Disputes must be in writing. Submit via <https://ask.va.gov/> (Select category: “Veterans Affairs-Debt” and topic: “A School Official”)



Student Options





VA Debt Portal for Veterans

- **Debt Portal: <https://www.va.gov/manage-va-debt/>**
 - **Veterans can log in to view balances**
 - **FAQ's**
 - **Email notifications to Veterans**
 - **Online VA Form 5655 Financial Status Report (FSR)**
 - **More enhancements to come**



Federal Debt Collection Laws

- **The Debt Collection Act of 1982**
 - Authority for collection by administrative offset
- **The Debt Collection Improvement Act (DCIA) of 1996**
 - Agencies required to refer delinquent non-tax debts to the Department of Treasury at 180 days
- **Digital Accountability and Transparency Act (DATA) of 2014**
 - Changed referral requirement for delinquent non-tax debts from 180 days to 120 days



Treasury Overview Debt Collection Tools

Treasury has two main programs for student and school debt collection

Treasury Offset Program (TOP)

- Federal grants
- Social Security
- Civilian pay
- Military retirement

Cross-Servicing (CS)

- Private Collections Agencies (PCA)
- Telephone collections
- Administrative Wage Garnishment (AWG)



When to Contact TOP vs. DMC

Information Treasury Has

- Debt Account ID number for a given offset (can look up debt account ID with offset info)
- Entity that referred a debt that was offset
- Information about payment that was offset

Information DMC Has

- Details about debt we referred (need Debt account ID to identify)
 - Student associated with referred debt
 - Term dates for referred debt



TOP Letter Example

What Happened to My Payment?

The U.S. Department of the Treasury, Bureau of the Fiscal Service (Fiscal Service), applied all or part of your payment to delinquent debt that you owe. This action is authorized by federal law. Below is your payment information:

Payment From: Defense Finance and Accounting Svc.
Payee Name:

Payment Date: 01/31/24
PaymentType: EFT

Who Do I Owe?

We applied your payment to debt that you owe to the following agency:

Department of Veterans Affairs
DEBT MANAGEMENT CENTER
BISHOP HENRY WHIPPLE FEDERAL BLDG
1 FEDERAL DRIVE, SUITE 4500
ST. PAUL MN 55111
800-827-0648

TOP Trace Number: XXXXXXXXXX

Account #: XXXXXXXXXXXXXXXX

Applied To This Debt: \$590.68

Type of Debt: Non-Tax Federal Debt



Please see additional pages for other debts, if any.



How to Contact TOP

**Schools may contact TOP by calling the TOP Call Center:
1-800-304-3107**

To provide you with information about an offset, Treasury will need to know:

- The caller's name, department and job title. The job title will need to indicate a need-to-know position
- At least one of the following:
 - date of the payment
 - amount of the original payment
 - amount of the offset
- Make sure to obtain the Debt Account ID related to the offset from Treasury (typically ends in 0075 for school tuition) **before** contacting DMC about an offset



Become a Debt Superstar (Contact DMC)

<https://ask.va.gov>

Online inquiry system
(subject: Veterans Affairs- Debt,
topic: A School Official)

<https://www.va.gov/manage-va-debt/>

Veteran Debt Portal

800-827-0648

DMC Toll Free Line - Students





Issue Not Getting Resolved

- **Julie Lawrence – Chief Education and External Relations**
Julie.Lawrence@va.gov
- **Nicole Haselberger – Assistant Chief Education and External Relations**
Nicole.Haselberger@va.gov
- **Tami Dorle – Supervisory Financial Administrative Specialist**
Tamara.Dorle@va.gov
- **Gary Greenwood – Management Analyst**
Gary.Greenwood2@va.gov





DMC Presentation Survey

DMC values your time and feedback on our presentation. We would appreciate it if you're able to complete the survey below.

<https://www.surveymonkey.com/r/DMCSCO>



VA



U.S. Department
of Veterans Affairs

Backup



How to Self-Certify

1. Click on the URL or copy and paste it in your web browser.
<https://vba-tpss.vbatraining.org/assess/trkSignIn?refid=XSCO>
2. Enter your email address and eight (8) digit facility code and click Next
(If you do not have a user profile, click New User Account and follow the steps to set up your profile.)
3. Scroll down and click the Conference/Workshop/Virtual Training tab
4. Select the applicable training session from the list of topics that appears on the right side of the screen by clicking Begin
5. To enter Conference/Workshop/Virtual Training Title: Click the dropdown arrow and select SCO Virtual Training Session and click Submit
6. Enter the start date and the end date
7. Enter your Facility Name, City and State (Main Campus) and click Submit
8. Certify your attendance by clicking Agree and then submit.
9. Print your training certificate and keep for your records