

**M22-4 Part 10**  
**Compliance Surveys**  
**06/01/2019**

Extracted from VA  
Knowledge Management Portal (KMP) website

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## Part 10: Chapter 1 - Introduction

Last updated: January 27, 2017

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## **SUBCHAPTER I. PURPOSE AND AUTHORITY**

## 1.01 GENERAL

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**a.** Compliance surveys are conducted in order to ensure that that schools and training establishments, and their approved courses, are in compliance with all applicable provisions of the laws administered by the Veterans Administration (VA). Compliance surveys are, however, not the only means to this end. They should be regarded as part of a spectrum of VA activities which includes review of approval information and liaison with schools, training establishments, and State Approving Agencies (SAA). The purpose of all these activities is to prevent deficiencies and violations, as well as to identify and correct them when they are found (also see Part IX of this manual).

**b.** Compliance surveys have five principal objectives:

(1) To verify the propriety of payments of educational benefits to eligible individuals under the provisions of the laws administered by VA.

(2) To confirm continued compliance with all approval criteria.

(3) To assist school or training officials and eligible individuals in better understanding their responsibilities and the procedural requirements of VA.

(4) To determine, on the basis of facts disclosed from document reviews and personal visits, whether there are deviations from the responsibilities and requirements by eligible individuals, schools, or training establishments; and

(5) To assure that proper action is promptly taken through appropriate channels for the correction of existing discrepancies, or for the discontinuance of benefits in the event correction is not accomplished.

**c.** The compliance survey program does not duplicate the function of the SAA, whose responsibilities are:

(1) To determine whether a school or training establishment is qualified and equipped to furnish a course of education or training under the criteria established in the law and by the SAA; and

(2) To remove the course from the approved list if it no longer meets the conditions upon which the approval was granted.

**d.** Compliance surveys shall be conducted at schools and training establishments in which eligible individuals are enrolled under Chapters 30, 32, 33, and 35, Title

38, United States Code (USC), and Chapters 1606 and 1607, Title 10, United States Code.

(1) Schools and training establishments must make records of progress and training, tuition and charges, and other records available upon request by a duly authorized representative of the Government [38 USC 3690c](#).

**NOTE:** The records of both VA beneficiaries and non-VA students must be reviewed when comparing tuition charges, determining the 85-15 percent ratio, etc. The Buckley amendment ([Public Law 93-380](#)) requires that institutions receiving Federal funds administered by the Department of Education must obtain the student's consent to release information from school records. One exception to the law, however, is that information sought in connection with a student's application for receipt of financial aid is exempt. It has been determined that school records relating to VA benefits fall into the "financial aid" category and are therefore exempt from the provisions of the Buckley amendment. Therefore, the VA (and SAA) shall have access to the records of VA beneficiaries as well as non-VA students without the written consent of the student in order to monitor the school's compliance with the law.

(2) Schools and training establishments must retain records for a minimum of 3 years after termination of each period during which a VA beneficiary was enrolled. When a beneficiary's program of education or training consists of several separate terms or unit courses, the time limit will be applied separately to each such term or course [38 CFR 21.4200\(p\)\(2\)](#) and [38 CFR 21.4209\(f\)](#).

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## SUBCHAPTER II. JURISDICTION

### 1.02 AREA OF RESPONSIBILITY

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a. The Compliance and Liaison Division (C&L) is responsible for monitoring compliance of schools and training establishments in which beneficiaries are enrolled under Chapters 30, 32, 33, 35, 1606, and 1607. Generally, the C&L having jurisdiction over the area in which a school or training establishment is located is responsible for conducting compliance surveys. This jurisdiction is the same as for approval and liaison activity (see Part IX, Chapter 1).

The table and map below designate the jurisdictions for the Compliance and Liaison Division:

Regional Office (RO) of Jurisdiction (Chief Education Liaison Officer CELO)	C&L Jurisdiction	Regional Processing Office (RPO) for Claims Processing
Atlanta	Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, Puerto Rico, and US Virgin Islands	
Buffalo	Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, West Virginia, and Foreign Schools	Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, Vermont, Virginia, US Virgin Islands, and Foreign Schools
Muskogee	Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oklahoma, Oregon, Texas, Utah, Washington, Wyoming, Philippines, Guam, Micronesia, and America Samoa	Alaska, Alabama, Arizona, Arkansas, California, Florida, Georgia, Hawaii, Idaho, Louisiana, Mississippi, Nevada, New Mexico, Oklahoma, Oregon, South Carolina, Texas, Utah, Washington, Philippines, Guam, Micronesia, America Samoa, and Puerto Rico
St. Louis	Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin	Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, Nebraska, North Dakota, Ohio, South Dakota, Tennessee, West Virginia, Wisconsin, and Wyoming

**b.** When records necessary for completion of a compliance survey at a school or training establishment are maintained in more than one C&L jurisdiction, the surveyor is responsible for obtaining the necessary records from The Image Management System (TIMS) of the Regional Processing Office (RPO) of jurisdiction. The surveyor should contact his/her Chief Education Liaison Officers (CELO) if TIMS access is needed.

**c.** Decisions concerning referral to the Committee on Educational Allowances are the responsibility of the Director, Education Service, or designee.

**Figure 1.01. CELO Jurisdiction Map**

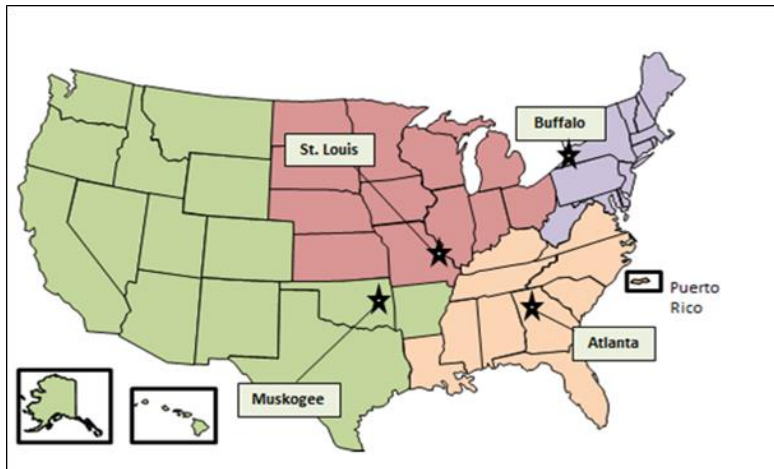
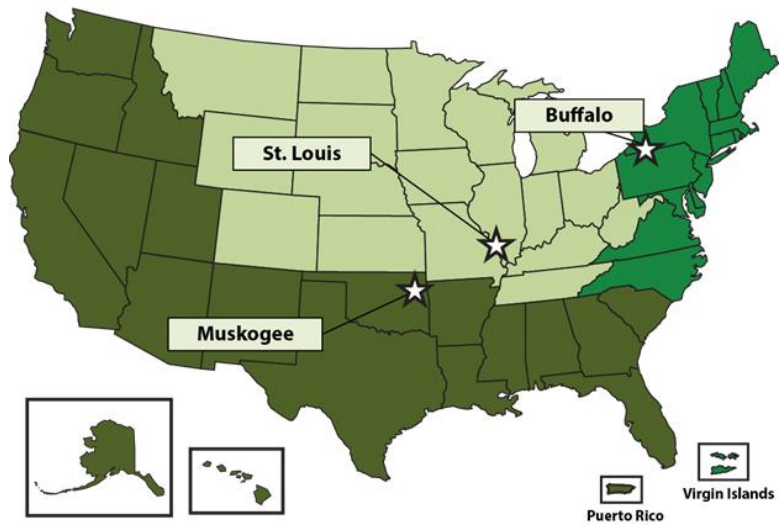


Figure 1.02. RPO Jurisdiction Map



## Part 10: Chapter 2 - Preliminary Procedures

**Last Updated:** July 27, 2017

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### 2.01 OVERVIEW

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Performance of compliance surveys involves:

- a. Selection of schools and training establishments to be surveyed and individual beneficiaries to be reviewed.
- b. Review of records maintained by VA, schools, and training establishments.
- c. Personal visits to schools and training establishments.
- d. Reports and correspondence with school and training establishment officials, the appropriate SAA, and other VA elements.

For the purposes of this chapter, the term Education Compliance Survey Specialist (ECSS) includes any position performing the duties of that position. This includes, but is not limited to, Education Liaison Representatives (ELR) and State Approving Agencies (SAA).

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### 2.02 SCHEDULE OF COMPLIANCE SURVEYS ([38 U.S.C. 3693](#))

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- a. **General.** Each Compliance and Liaison (C&L) Division will establish and maintain a schedule of compliance surveys to ensure that surveys are made at the



times required, as well as whenever the Director of Education Service determines a survey is necessary.

A schedule for each Fiscal Year (FY) will be projected and prepared before the start of the FY. This forecast schedule must meet the minimum requirements established by VA. It will be based on the number of schools and training establishments utilizing the following:

- Active Facilities Report
- Flight, On-the-Job Training, Correspondence, Apprenticeship System (FOCAS) Report
- Long Term Solution (LTS) Report
- Other resources identified by VA Central Office (VACO)

**b. Scheduling Requirements.** [38 U.S.C., Section 3693 \(a\)](#) requires conducting an annual compliance survey of educational facilities and training establishments offering one or more courses approved for the enrollment of eligible Veterans or persons if at least 20 such Veterans or persons are enrolled.

The following will be taken into consideration when the schedule is developed:

**1. Goals, strategies and priorities for the Fiscal Year** are set by Education Service and communicated to the C&L Divisions at the beginning of each fiscal year in the form of a Procedural Advisory. This advisory is written in accordance with VA statute and outlines priority compliance surveys for that fiscal year. It will include (but is not limited to) the goals for the fiscal year, strategies, compliance survey requirements, remote compliance surveys, centralized surveys, schedule of compliance surveys, sample size, equal opportunity reviews, SAA compliance survey assistance, and reporting requirements.

**2. Identification of Active Facilities.** Each Fiscal Year the compliance survey schedule will be developed based on the Active Facilities Report (Record Control Schedule (RCS) 20-0260)). Active facilities are defined as any facility that had a beneficiary entitled to receive payment at any point during the designated year.

**3. Waiver Requirements.** Compliance visits will be waived in the following facilities due to the long standing demonstrated record of compliance and monitoring by other agencies:

- High Schools
- Department of Labor (DOL) Registered Apprenticeships
- Other facilities determined by VACO

All other educational facilities and training establishments will be considered for a waiver of compliance per [38 U.S.C. 3693\(b\)](#) based on their record of compliance. A record of compliance warrants a waiver if-

- i. A compliance survey was conducted at the facility during the previous three Fiscal Years;
- ii. There have been no new VA students enrolled since the last survey;
- iii. The number of errors found on the compliance surveys reviewed does not exceed those listed below;

Records Reviewed	Allowable Errors
1-5	1
6-14	2
15-24	3
25-39	4
40-50	5

iv. Item 26 and 27 on the VA Form 22-1934 that supports the waiver consideration must indicate “yes or N/A.”; or

v. The facility did not receive a waiver for the previous Fiscal Year. No facility will be considered for a waiver for more than one year, other than high schools and DOL Registered Apprenticeships.

**NOTE 1:** For the purpose of a waiver assessment, an “error” is defined as a reporting situation that results in an under or over-payment.

**NOTE 2:** In the event that a facility was not surveyed **each** of the first three Fiscal Years, a “record of compliance” can be determined if records reviewed included any three previous years of training.

**4. Requesting the Waiver.** Compliance Survey Waiver Listing and the VA Form 22-1934 will be provided to the Chief, Education Liaison Officer (CELO) if a facility was determined to have demonstrated a history of compliance based on the factors above. The CELO will forward the tentative waiver listing for their respective jurisdiction to the Chief, Compliance and Liaison by August 1 of each year. ELRs will collaborate with their SAA to provide the SAA a schedule for compliance surveys by September 1 for each year. CELOs will forward any additional facilities that can be waived to the Chief, C&L by October 30 each year. VACO will notify the CELO regarding acceptance of the waiver schools and the C&L staff will finalize the Fiscal Year compliance survey listing. This list will exclude the approved

waived facilities and include the following **criteria** for the schedule development:

- An appropriate sample of Foreign Facilities as determined by the Assistant Director for Oversight and Outreach or designate (Remote surveys will be completed)
- Additional surveys as identified by CELOs or as directed by VACO

Facilities will be surveyed based on the schedule that was developed per waiver acceptance and the active facilities based on the AFR, even if there are no active students at the time of the visit. If there has been no activity since the last compliance survey, a compliance survey will not be conducted. If a non-mandatory facility was scheduled to be surveyed in the previous year and the survey was not completed, that facility will not be surveyed in the current year unless it meets the above guidance.

Mandatory surveys that are not able to be scheduled will be provided to VACO for awareness and authorization. Any mandatory survey that is not able to be scheduled or is not completed during the Fiscal Year will be given priority in the new Fiscal Year.

**5. SAA Compliance Survey Assistance.** As authorized by U.S.C. 3673(d), the SAAs will also schedule and conduct compliance surveys. VA and SAA personnel will work in partnership to plan and coordinate the SAA compliance visit schedule and compliance activity consistent with applicable statute, regulations, manuals and procedures each Fiscal Year.

**6. Sample Size.** The initial sample size will be developed in accordance with the following table:

<b>VA Student Population</b>	<b>Records to Review</b>
0 to 99	10
100 to 199	15
200 to 299	20
300 to 399	25
400 to 499	30
500 to 599	35
600 to 699	40
700 or more	45

## **7. Expansion of Surveys**

If discrepancies are found in a significant proportion of the cases, the initial sample of cases will be expanded. Generally, a high discrepancy rate will lead to systematic expansion of the sample until a preliminary determination can be made as to whether a substantial pattern of errors exists. (For more information, refer to Part X, Chapter 5)

## **8. Remote Surveys**

On-site compliance surveys are preferred. Remote surveys cannot be conducted on facilities where Flight or Correspondence programs are reviewed. In all cases, the remote survey must be approved by the CELO of jurisdiction. (For more information, see section 2.05).

## **9. Centralized Compliance Surveys**

VACO may direct that centralized surveys be conducted at some corporate schools with locations in multiple states.

## **10. Targeted Risk Based Reviews**

A targeted risk-based program review is a short, often no notice, compliance survey conducted at a school that has received a serious complaint. This review focuses on the complainant's reported issue, but can be expanded to a full standard compliance survey.

A targeted risk-based program review can result from a number of sources to include complaints, facility self-reported violations, previous compliance survey data, VA management mandates, information received from other government agencies, enforcement actions mandated by law, or lawsuits against a facility. (link to POE chapter once written)

## **11. Reporting Requirements**

ECSSs will report in accordance with established procedures by the Director of Education Service.

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## **2.03 SELECTION OF CASES**

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**a. Resources.** The following resources will be utilized to select cases for review:

- COIN EDU 289
- Annual Reporting Fees (ARF) listing
- VA Computer Applications
  - FOCAS (Flight, On-the-Job, Correspondence, Apprenticeship System)

- The Image Management System (TIMS)
- LTS (The Long Term Solution)
- VA-ONCE (VA Online Certification of Enrollment) reports
- Other Applicable Applications

**1. Compliance Survey Listing, COIN EDU 289.** The Compliance Survey Listing, Computer Output Identification Number (COIN) Report 289 is generated by Hines Data Processing Center (DPC) during end-of-month processing in October, December, and March of each year and mailed directly to Regional Offices (ROs). The listing includes selected master record information for all cases which were paid during the month with the exception of those under the programs listed below. See Part 9, Chapter 8 for additional information. For instructions on obtaining records not included in the listing, see VA Applications below.

- Chapter 30 correspondence and on-the-job(OJT)/apprenticeship (APP)
- Chapter 33 correspondence and OJT/APP
- Chapter 1606/1607 correspondence, OJT/APP, and Coast Guard

**2. Annual Reporting Fee (ARF) Listing.** The ARF Listing is generated during the second quarter of the fiscal year and reflects all students who were in receipt of benefits the previous calendar year, January through December. The pay list is arranged alphabetically by student name and shows the file number and the amount of payment made for each VA student counted in the reporting fee computation.

**3. VA Applications.** There are several applications used in Education award processing that will be used in preparing for compliance survey schedules.

i. FOCAS. This is a non-Chapter 33 payment system for Flight, OJT, Correspondence, and APP awards

**NOTE:** The Education Service OJT Flight and Correspondence Report is generated quarterly by the Performance Analysis & Integrity (PA&I) Team. This report contains a list of beneficiaries in receipt of benefits for Flight, OJT, Correspondence, and APP training during the quarter and is disseminated to the CELOs to assist with compliance survey scheduling within their individual regions.

ii. TIMS. This is an imaging and workflow processing application used by the Regional Processing Offices (RPOs) and Education Service to establish and maintain electronic folders for recipients of educational benefits.

iii. LTS. This is the Chapter 33 Post-9/11 GI Bill payment system.

iv. VA-ONCE. This is the online certification program for VA. **NOTE:** Not every facility will utilize this application to certify their students.

**b. Initial Selection of Cases.** The ECSS will select the sample for review during the compliance survey in a way which does not prejudice the randomness of the sample. To accomplish this, simply select cases using a set pattern (e.g., every case, or every other case, or every third case) until the desired number of cases has been selected. A similar pattern must be used to select cases from all sources.

**c. Selection of Cases for Expanded Surveys and 100 Percent Audits.** If additional cases are needed to expand the compliance survey, continue using the procedures outlined in this chapter to select the cases, except these cases need not be random. Cases will be selected from no more than two previous lists. Lists would include ARF, Education Service OJT Flight and Correspondence Report, and COIN 289.

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## 2.04 REMOTE REVIEW OPTION.

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On-site compliance surveys are preferred. However the remote review option, in some instances, will allow for a more efficient use of time and travel funds. The remote review is based on documents submitted on VA records/beneficiaries by the school. The remote review can be used to shorten time on site, even when the survey site visit is done as usual. Remote surveys cannot be conducted on facilities where Flight or Correspondence programs are reviewed. In all cases, the remote review option must be approved by the CELO of jurisdiction.

**a. Soliciting Participants.** To be considered for remote review, schools and training facilities must have been surveyed at least once on site. If a school, or training facility, is newly approved and has never been surveyed, ECSS's cannot solicit that school's participation for a remote review. VA has developed a sample *Remote Review Solicitation Letter* (Figure 2.01) and a sample *Attachment to Remote Review Solicitation Letter* (Figure 2.02) to use when soliciting schools to participate. These are only sample letters and may be modified to suit local needs.

**NOTE:** All VA employees who solicit participation for Remote Reviews should report the time spent in the Workload Management Distribution of Operational Resource (DOOR) report as "Other Measured Hours."

**b. When to Conduct Remote Reviews and On-site Compliance Surveys.** Remote Surveys cannot be used when the individual conducting the survey believes that there is potential to find significant negative findings. When a site

visit is not necessary to complete the survey but is requested by the school, it will be treated as a liaison visit. (See Part 9, Chapter 1 regarding Education Liaison visits).

Whether a preliminary remote review is done or not, an on-site survey is necessary under any of the following conditions:

- The school is newly approved and has become active for the first time
- The last compliance survey site visit took place more than 5 years ago
- The previous compliance survey disclosed serious discrepancies in an area involving non-beneficiary records, or other records difficult to check remotely

Examples of discrepancies involving non-beneficiary records:

- Differing tuition charges or refund policies for VA and non-VA students
- Violation of 85 percent beneficiary enrollment restriction
- Misleading advertising
  
- The remote review discloses possible discrepancies that cannot be resolved to the ECSS's satisfaction by telephone contact or by submission of additional documents
- An allegation of possible fraud has been received;
- The ECSS has decided that an on-site survey is necessary to complete the review. The school's compliance history, the School Certifying Official's (SCO) training and experience and the results of liaison visits or SAA supervisory visits must be taken into account in making this decision

**NOTE:** These are only examples, and will be altered to suit local circumstances. Depending on local circumstances, the ECSS will solicit all or only some of these schools. However, the widest participation is desired. It is important to assure schools that remote reviews are optional, and are intended to supplement, rather than replace, personal contact.

Instructions for conducting remote reviews are incorporated in Part X, Chapters 3 and 4.

Dear (Name of School Certifying Official):

The Department of Veterans Affairs (VA) is modernizing the performance of compliance surveys. The most significant change is to offer the option of remote compliance reviews. Your participation is requested, but it is not mandatory.

To conduct a remote review, we would request that you submit to this office, copies of specified documents regarding each student to be surveyed. At a minimum, these would include a copy of the transcript and the program plan

(also referred to as curriculum check sheet, degree audit checklist, degree plan, etc.). You have the option to submit them by mail, email, or by fax. Be mindful of securing Veteran's personal information if sending via email.

In many cases, the remote review will be used as a preliminary review of documents before the regular on-site visit. It will, however, be completed without a visit to your school being considered necessary. In the latter case, you may request a visit to discuss the results.

It is anticipated that during the review of documents conducted in this office, questions may arise concerning a student's enrollment. We believe that these issues probably can be resolved with a phone call to you for clarification and/or explanation of a particular issue. In some cases, we will request that you submit copies of additional documents.

Although Public Law 93-380 (Buckley Amendment) restricts access to student records, Title 38, U.S.C. Section 3690(c) provides that records and accounts of VA beneficiary students must be made available for review "notwithstanding any other provision of law." The effect is to allow VA to examine necessary records which may be otherwise restricted under PL 93-380. The privacy of items submitted will be maintained, and appropriate disposal will be made of those not retained for record purposes.

We would appreciate it if you would advise us of your facilities' willingness to participate in this process. You should use the suggested format shown in the enclosure. Our office will determine whether a regular survey or remote review will be conducted in a particular case. Any concerns or questions you have are welcome. A reply envelope is enclosed for your convenience. You may also contact me at (telephone number).

Sincerely yours,

[NAME]

Education Liaison Representative  
Enclosures

## **FIGURE 2.01. SAMPLE REMOTE REVIEW SOLICITATION LETTER**

TO: Compliance & Liaison, (ELR Name) and (ELR email), (Mail routing symbol)

FROM: NAME AND ADDRESS OF SCHOOL:



\_\_\_\_\_ Yes, I would like to be considered for the remote survey option. I understand that I may have to mail, email, or fax copies of transcripts, progress records, attendance records (non-degree programs only), degree plans, drop/add forms, and other documents. I also understand that even if my school is selected for this option, a visit by a VA, or SAA representative could be necessary

\_\_\_\_\_ No, I would not like to be considered for the remote survey option.

SIGNATURE:

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PRINTED NAME:

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TITLE:

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## FIGURE 2.02. SAMPLE ATTACHMENT TO REMOTE REVIEW SOLICITATION LETTER

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### 2.05 CONTROLS FOR COMPLIANCE SURVEYS IN PROGRESS

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ECSSs must use controls to track the completion of compliance surveys. There are 3 major types of controls to use.

- Local Controls
- Work-In-Progress (WIPP) Controls
- Web Enabled Approval Management Systems (WEAMS) Controls

**a. Local Controls.** ECSSs are expected to develop procedures locally to keep track of ongoing reviews specific to each site where surveys are being conducted. This is known as local controls. ECSSs should use these locally-devised procedures to keep track of those earlier phases of the compliance survey process not under formal end product control. Automated systems are preferred, but paper-based systems may be used at the discretion of the CELO. These

control procedures must include frequent period review and follow-up actions to ensure timeliness.

If the remote review option has been chosen, controls must be established to reply to the request for the following:

- Remote review documents
- Replies to requests for additional information
- Completion of the remote review itself

**b. WIPP Controls.** When the on-site or remote survey is completed, pending issues established in the WIPP Subsystem will be used to control for response to referrals and for completion of the survey report

End Product Codes (EPCs) need to be used for education compliance surveys. The following EPCs will be used for education compliance surveys:

- For facilities other than flight schools, use EPC 800 series (805 reserved for SAA);
- For flight schools, use EPC 810 (815 reserved for SAA)

Instructions on the use of WIPP EPC controls in Part 10, Chapter 9 apply to their use for compliance surveys as well. Additional instructions are found in M22-3, Revised, Chapter 6.

**(1) Date of Claim.** The date of claim for a compliance survey is the date the on-site survey was completed, or the date the remote survey is completed.

**(2) Delay Time.** Controls must be established without undue delay. Develop or clear the pending issue control within 7 calendar days of the date of claim. If all issues are resolved (e.g., if no referrals for action are necessary) and the report is completed within 7 calendar days from the date of claim, end product credit will be taken by a one-time action using the Work Cleared (WCLR) command. Otherwise, establish a pending issue under the appropriate end product code, using the Work Establishment (WEST) command.

**(3) Timeliness.** Generally, the survey report will be completed within 30 days from the receipt of all responses to referrals. For timeliness of response to referrals, please see Part 10, Chapter 6.

**c. WEAMS.** The ECSS must update the Compliance Survey Record in WEAMS. This report contains compliance survey history of the facility. Instructions for the use of these screens are found in the WEAMS help menu.

ORGANIZATION NAME: DIVE OAHU INC - 25114064													
Organization Profile	<b>COMPLIANCE SURVEY</b>												
Program Specific Org Info													
Certifying Official / POC													
Programs	Program Type: <input type="checkbox"/> IHL <input type="checkbox"/> NCD <input type="checkbox"/> OJT <input type="checkbox"/> FLT <input type="checkbox"/> CORR												
Terms	*Survey Date: <input type="text"/>												
VCE Program View	Report Date: <input type="text"/>												
L&C Specific Org Info	Closed Date: <input type="text"/>												
L&C POC	Next Survey Date: <input type="text"/>												
License and Certification	*Reason: <input type="text" value="Compliance"/> <input type="button" value="v"/> Next Reason: <input type="text"/> <input type="button" value="v"/>												
National Exam	Surveyor Name: <input type="text"/>												
National Exam Coordinator	Reviewer Name: <input type="text"/>												
Compliance Survey	Case Notes:												
SAA Site Visit	Cases Reviewed: <input type="text"/> Discrepancies: <input type="text"/>												
Facility Code	Case Notes: <div style="border: 1px solid gray; height: 40px; width: 100%;"></div>												
IPEDS-OPE													
Link Main Campus													
View Transaction History	Ref/Rep Dates:												
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**FIGURE 2.02. SAMPLE ATTACHMENT TO REMOTE REVIEW SOLICITATION LETTER**

## Part 10: Chapter 3 – Compliance Survey Procedures

*Last Updated: April 5, 2019*

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[3.05 Sample Violation Notification Letter](#)

For the purposes of this chapter, the term Education Compliance Survey Specialist (ECSS) includes any position performing the duties of that position. This includes, but is not limited to, Education Liaison Representatives (ELR) and State Approving Agencies (SAA).

### **3.01 PREPARATION FOR SURVEY**

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The quality of compliance surveys depends on the adequacy of preparation. This section will detail exactly what type of information should be reviewed during the preparation phase for conducting a compliance review. As part of the preparation for the survey, the following should be reviewed, as appropriate:

- School or Training Establishment's Approval file
- School or Training Establishment's Compliance survey file (if a survey has been

previously conducted)

- School's Current Catalog/handbook (if the school is an Institute of Higher Learning (IHL) or Non-College Degree (NCD) facility)
- Benefits Delivery Network (BDN) records for those students in the sample review
- The Image Management System (TIMS) folders for those students in the sample review
- The VA Online Certification Enrollment (VA-ONCE) system
- Long Term Solution (LTS)
- The Flight, On-the-Job Training (OJT), Correspondence, and Apprenticeship (APP) System (FOCAS) and
- The Postsecondary Education Complaint System (PECS)

The ECSS should make notes about beneficiary information (e.g., prior education, attendance at branch location, verification of award data) on the individual worksheets.

The ECSS should note overarching items for each general area of review affecting all cases (e.g., progress standards in effect during the review period, approved tuition and fees, 85 percent enrollment restriction certifications, etc.).

**a. Time Period of Review.** Student records from the three prior academic years will be included if the facility had a student attending in that school year or the date of the last survey, if that record was included in the sample. Records should be kept for a minimum of three years after the claimant's enrollment has ended. When a claimant's program of education or training consists of several separate terms or unit courses, the time limit will be applied separately to each such term or course. (See M22-4, Part 10, Compliance Survey. Chapter 01, Introduction).

1. Apply the review criteria (i.e., applicable laws and regulations) in accordance with the proper effective dates during the period of review. The provisions of laws and regulations cannot be applied for any period before their effective date

EXAMPLE: A student is taking 9 credits for two 3 credit classes (held Tuesday and Thursday) and one 3 credit class (held Friday) during a standard term. The term began on a Friday. The school would submit one enrollment certification for this term for all 9 credits with a begin date of the first day of term and the normal term end date. Prior to April 25, 2016, the school would have been required to report individual start dates for each class.

2. The compliance survey review period will begin effective the ending

period of the prior survey review period and end effective the last period which has been certified by the school or training establishment and completed by the students in the review sample (e.g., last term completed, last month of training certified, etc.) It may be necessary to review previous enrollment periods (if records are available) in order to determine if school regulations regarding unsatisfactory progress were enforced, if courses have been repeated or if other discrepancies are suspected in a specific case.

3. The time period covered by a compliance survey will vary depending on the type of facility and the date of the last compliance survey.

- For IHL and NCD schools operating on a term basis, the period covered will normally start from the beginning of a term through the end of the last completed term.
- For NCD schools not operating on a term basis, flight schools, and OJT establishments, the period will normally be from the end of the last survey through the end of the last period certified by the school.

These dates should be shown on VA Form 22-1934, Compliance Survey Report. <https://vbaw.vba.va.gov/bl/20/cio/20s5/forms/VBA-22-1934-ARE.PDF>

4. The dates on individual case worksheets do not have to agree with those on the covering VA Form 22-1934 and may be different for each case in the sample. The beginning date will be the first day the student entered the facility, provided that the record was not reviewed on a prior survey. If the record was reviewed on a prior survey, the beginning date would be at least one day after the ending date on the prior worksheet.

The ending date on the worksheet may be before or after the ending date on VA Form 22-1934. If the student terminated before the ending date on VA Form 22-1934, the ending date on the worksheet will be the student's last date of attendance. If the student is enrolled during the survey, the ending date on the individual case worksheet will be the last day that the records were actually posted and reviewed.

**EXAMPLE 1:** An IHL survey is conducted on November 17, 2015. The prior survey was conducted on April 13, 2012, with an ending date on the VA Form 22-1934 of December 31, 2011. The Period Covered by Survey block on the VA Form 22-1934 will show January 15, 2012 (beginning date of spring term), through August 5, 2015 (last day of summer session).

- For a student whose record was reviewed on the prior survey, the beginning date on the individual worksheet will be January 15, 2012.
- For a student who initially enrolled on September 5, 2014, and whose record was not reviewed on the prior survey, the beginning date will be September 5, 2014.

EXAMPLE 2: An NCD survey is conducted on November 20, 2014. The prior survey was on October 5, 2011, with an ending date of September 30, 2011.

- The Period Covered by Survey Block on the VA Form 22-1934 will show October 1, 2011 through October 31, 2014.
- The dates on the worksheet for a student enrolled from November 12, 2011 through March 31, 2014 will be those exact dates.

**b. Approval File.** When reviewing the approval file as part of the prep work, obtain the following information from material in the file:

1. The names and titles of school officials including certifying officials, officers or other administrative staff who may be interviewed during the site visit.
2. The dates of school registration, vacation periods and the hours of office operation. When possible, compliance surveys should not be conducted during peak enrollment periods such as registration or during vacation periods if class checks and student interviews are planned;
3. A list of approved programs and courses, or “WEAMS 1998 Report”.
4. The school policy as published in the catalog or other official publication for determining unsatisfactory progress based upon grades, grade point average (GPA), attendance or other criteria as approved by the SAA;
5. The procedure in effect for determining and reporting unsatisfactory progress (typically found in the school catalog which is part of the approval file);
6. The approved charges for tuition, fees, books, and supplies (does not apply to OJT/APP programs);
7. For resident courses not leading to a standard college degree, the beginning and ending times of classes and break periods (typically found in the school catalog which is part of the approval file);

8. Any enrollment limitations established by the SAA or required for non-accredited courses ([38 United States Code \(USC\) 3676\(c\)\(11\)](#); [38 Code of Federal Regulations \(CFR\) 21.4254\(c\)\(11\)](#));

9. Certifications and waivers relating to the 85 percent enrollment restriction, power of attorney, normal completion time for correspondence courses, etc.;

10. The problem areas, if any, as noted in SAA supervisory visit reports received after the previous survey, if available;

11. Any correspondence or other communication of record which may have a bearing on the survey such as complaint letters, reports of contact between the facility and VA. The ECSS should also include other sources, such as the Postsecondary Education Complaint System (PECS).

**c. Compliance Survey File.** When reviewing the compliance survey file, obtain the following information from material in the file:

1. The nature and extent of the discrepancies, if any, found during prior compliance surveys;

2. The system used by the school for keeping records and the location of school records;

3. The types of forms the school utilizes (i.e. applications, enrollment agreement, etc.).

**d. Individual Case Information.** If the remote survey option has been chosen, preliminary review of individual case information is combined with the actual comparison of VA and school records. See the below paragraph and M22-4, Part 10, Compliance Survey. Chapter 04, Procedures Applicable to Facilities Offering Specific Types of Training. Do not routinely request copies of documents from schools that have been submitted to VA (e.g., VA Form 22-1999). When such documents are needed, they should be obtained from TIMS or VA-ONCE. The following information should be obtained from material in the TIMS folders, BDN and LTS records for all cases in the initial sample:

1. Prior education and training as shown on the claimant's application, on the Veteran's discharge certificate, and previous enrollment certifications;

2. Recent award changes which may not be reflected on the compliance survey worksheet;



3. Students who are recipients of tutorial assistance;
4. Students who are enrolled in practical training or cooperative programs;
5. Students whose residence address is outside the normal commuting distance of the campus;
6. Any other information of record which may be useful during student interviews

**e. Worksheet Preparation.** A worksheet is needed for each case in the sample. The ECSS can use whichever form is appropriate. Generally one is used for non-Chapter 33 cases and the other for Chapter 33 claims. One must be used in all surveys.

- VA Forms 22-1936a is used for non-Chapter 33 cases.
- The Chapter 33 Compliance Worksheet is used for Chapter 33 cases.
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[http://vaww.infoshare.va.gov/sites/educationservice/Operations%20\(222\)/Quality\\_Assurance/Projects/Forms/AllItems.aspx?RootFolder=%2Fsites%2Feducationservice%2FOperations%20%28222%29%2FQuality%2FAssurance%2FProjects%2FM22%2D4%20Rewrite%2FPart%20X&InitialTabId=Ribbon%2EDocument&VisibilityContext=WSSTabPersistence](http://vaww.infoshare.va.gov/sites/educationservice/Operations%20(222)/Quality_Assurance/Projects/Forms/AllItems.aspx?RootFolder=%2Fsites%2Feducationservice%2FOperations%20%28222%29%2FQuality%2FAssurance%2FProjects%2FM22%2D4%20Rewrite%2FPart%20X&InitialTabId=Ribbon%2EDocument&VisibilityContext=WSSTabPersistence)

For each case selected, the information needed to complete the applicable portions of this form can be obtained from any of the following sources:

- BDN master record
- FOCAS tear sheet
- LTS
- SHARE
- The TIMS folder

Required information can be copied onto the form, or printouts of the appropriate BDN master record can be attached to the form. If printouts are attached, they must be redacted.

Modifications of these worksheets, to include overprints or alternate local forms, may be used with the approval of the Chief, Education Liaison Officer (CELO). To ensure relatively current information is used, worksheets should be prepared as close to the date of the survey as possible. VA Forms 22-1936a or other worksheets prepared for cases not initially selected for

review should be retained until completion of the survey, in case the survey sample must be expanded.

**f. Institution Notification of Survey.** Schools should be notified in advance of an anticipated compliance survey, unless circumstances dictate otherwise (e.g., allegations of fraud). Advance notice is generally defined as a minimum of 30 days. Exceptions prevail. Contact the CELO of the school's jurisdiction for clarification when necessary.

- For a survey conducted entirely on-site, sufficient notification must be provided.
- For a remote review, give advance notice immediately before the written request for submission of documents.
- Schools should be allowed adequate time to prepare for the visit. ECSS's should use their best judgment and the specific circumstances of the survey to decide the length of time needed for preparation.

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### 3.02 CLASS CHECKS AND STUDENT INTERVIEWS

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This section will help determine if class checks are necessary to complete a compliance survey at a given school, as well as information on face-to-face student interviews. Tools to assist in performing class checks and face-to-face student interviews, including checklists, sample letters, and interview questions also are available.

**a. Class Checks.** The ECSS will determine whether class checks should be conducted. The ECSS should base the decision on indications of possible problems, e.g., that should be conducted based on signs of possible problems.

EXAMPLE: If classes are not actually held as scheduled, or if the school's attendance policy is not being enforced, class checks should be done. The decision to conduct a class check should be documented in the survey narrative.

Depending on the reason for conducting the class checks, selection of classes may be made before or during the on-site survey. The results of the class check will also be included in the narrative portion of the survey report.

The checklist in Figure 3.01 should be used as a guide to conducting class checks. It is not necessary to follow the checklist exactly. Questions may be added or deleted to suit individual circumstances.

**Figure 3.01. Checklist for Class Checks**

<b>CHECKLIST FOR OPTIONAL CLASS CHECKS</b>
Identify the class by course name, instructor's name, date and time.
Did the class start and end at the scheduled times?
Were hours of instruction and class breaks in accord with approval requirements?
Was attendance properly and accurately recorded?
If there was an enrollment limitation, was it exceeded?
Is there a high absentee rate?
What types of attendance records are used?
Are attendance records adequate for reporting under the school's approved attendance policy?
How is the school's attendance policy enforced?
Do records for prior dates show similar attendance patterns?
Are the space and equipment adequate for the number of students assigned?
Were any other problems encountered?

**b. Student Interviews.** Face-to-face interviews with students in receipt of VA benefits are a useful tool as part of a compliance survey. Interviews are conducted to gather information from students about their experience at school.

1. Student Notification. ECSSs should send a request to the SCO to inform students who are receiving VA benefits about the pending visit and interviews. ECSSs should use Figure 3.02 (Sample Letter to SCOs Regarding Face-to-Face Student Interviews) for content that can be used in an e-mail or letter. The letter should clearly identify a date and time for the interviews and outline the intent. A courtesy copy of the invite should be provided to the ECSS.

2. Interview Questions. Participation by any student must be voluntary. Selection of students for interviews should generally be made on site. ECSSs should document student interviews on VA Form 119, Report of Contact. Before an interview, be sure to inform the student of the following:

- Purpose of the interview
- Uses of the requested information
- His or her protection under the Privacy Act of 1974

3. Questions for Face-to-Face Interviews. It is highly encouraged to use the script and questions on Figure 3.03 (Sample Questions for Face-to-Face Interviews).

4. Reporting Requirements. ECSSs must submit a monthly report regarding face-to-face meetings to their CELO. This report should include the following:

- Name of the school visited;
- Number of students interviewed at each school;
- Information pertaining to erroneous, deceptive, or misleading practices.

Dear School Certifying Official,

VA will be conducting face-to-face interviews with students who are receiving VA benefits as part of our compliance visit protocol. Please provide a private office to use for these meetings. To ensure an opportunity for all students receiving VA benefits to meet with a VA representative, I am asking that you send the following e-mail to all active students in receipt of VA benefits in advance of my visit.

***The representative from the Department of Veteran Affairs will be available on (date) at (time at least 2 hours) to conduct individual interviews. These interviews will focus on your experience at our school, not on individual benefit issues. I encourage you to participate. Please remember that if you have benefit issues, call 1-888-GIBILL-1. Participation is strictly voluntary.***

We appreciate your cooperation in this matter.

[Name of Survey Specialist]

Position Title

VA Office to include contact information

**Figure 3.02 Sample Letter to SCOs Regarding Face-to-Face Student Interviews**

**RECOMMENDED SCRIPT:**

*The information requested in this interview in connection with your training is requested under authority of Title 38 USC, Section 527. While you are not required to respond, your cooperation is needed to determine that payments made by VA to eligible students are in keeping with the law, to ensure that the programs eligible students are pursuing meet the requirements of the law and regulations, and to assist school officials in the preparation of required certifications by the school. The information you provide may be disclosed outside VA only if the disclosure is authorized under the Privacy Act, including the routine uses identified in VA system of records 58VA21/22, Compensation, Pension, Education and Rehabilitation Records—VA, published in the Federal Register. Your disclosure of the information is voluntary. Failure to furnish this information will have no adverse effects on your participation in the course or receipt of VA benefits to which eligible students may be entitled.*

Questions for All Facilities

1. What program/courses are you taking?
2. Did your school evaluate previous education and training? If so, what was the outcome?
3. What tuition and fees were you charged?
4. Were you offered any discounts? If so, please explain.
5. Were all fees and charges explained to you during your interview?
6. Are you receiving any other Federal financial assistance for education? If so, what type (Pell grant, loans, etc.)?
7. Is your payment being sent to the correct location?

If mailed to the school, is it delivered to you unopened? \_\_Yes \_\_No

Do you endorse it yourself? \_\_Yes \_\_No

8. Are you having any trouble with VA education benefits? If so, please explain.

9. Have you had any extended period of absence or had a vacation since enrollment? If so, please explain.
10. What is your schedule of attendance/training? (days per week, hours per day)
11. Are you taking any courses online?
12. Are you currently in a full-time active duty status?
13. How would you rate the quality of your instruction (on a scale of 1 to 5, with 1 being the lowest to 5 being the highest)?
- Was your experience with the program you enrolled in:
- More difficult than you expected
  - What you expected
  - Easier than you expected
14. How and why did you select this school? Examples: Internet, local newspaper, telephone call, recruitment.
15. Were you offered any incentives for enrolling?
16. Did your counselor attempt to direct you into programs that you did not want to pursue?
17. Do you have any questions/concerns about the school/training establishment? If so, explain.
18. Please rate how the marketing materials or recruiter at the school/university you are enrolled at influenced your decision to enroll in that program.
- Definitely did not influence my decision
  - Somewhat influenced my decision
  - Absolutely influenced my decision
- Those that answered "Somewhat" or "Absolutely" in question 18:
19. To what degree was your experience consistent with what was presented to you in any marketing materials or by a recruiter?
- Not at all consistent
  - Somewhat consistent
  - Very consistent

**Figure 3.03 Sample Questions for Face-to-Face Interviews**

### 3.03 BRIEFING SCHOOL OFFICIALS

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When conducting a compliance survey at a school or training establishment, the ECSS should be prepared to provide an entrance briefing before conducting the survey, and an exit briefing to the school officials upon completion of the survey. This section will provide details about what information should be included in these briefings.

#### a. Entrance Briefing

1. Upon arrival at the school or training establishment, the ECSS should contact the appropriate official and advise him or her of the purpose of the visit. There are two main purposes of compliance surveys:

- To assist school or training establishment officials and eligible claimants in understanding the provisions and requirement of the law, and
- To verify and ensure the correctness of VA educational benefit payments to eligible claimants.

If the facility administrative official contacted by the ECSS is someone other than the president, owner, or other principal facility official, the ECSS should request that the principal official be informed of the compliance survey. It is preferable to meet briefly with the principal official to inform him or her of the survey. If a personal meeting is not possible, the ECSS should request that the principal official be informed of the survey and of the reviewer's availability to meet with him or her at any time during the on-site survey. In any event, the ECSS should ensure that the principal official is informed of the survey during or as soon as possible after the entrance briefing.

The entrance briefing should accomplish the following:

- Make arrangements for a workspace;
- Explain the need to interview students and visit classes and make arrangements for these activities;
- Explain the need for an exit briefing at the end of the survey.

2. Refusal to participate in Compliance Survey. In the event that the school or training establishment officials object to the review of school records, the ECSS should remind them that, notwithstanding any other provision of law,

student records must be made available for review ([38 USC 3690\(c\)](#)). Refusal to make records available for review could lead to withdrawal of approval ([38 CFR 21.4209](#)). If the school officials still refuse to make records available, the ECSS should end the compliance survey and refer to the CELO of jurisdiction immediately.

3. Setting up Workspace. During the entrance briefing, the ECSS should make arrangements with the facility to set up a work space. This space should be in a place where interruption of activities of the school or training establishment is limited as much as possible during review of school records.

If necessary, the ECSS should request a private room where students can be interviewed.

4. Remote Review. If the remote review option is exercised, the entrance briefing is conducted by telephone before sending the request for documents. The same general information must be conveyed to school officials as in the entrance briefing for an on-site survey.

**b. Exit Briefing.** Upon completion of the on-site survey, the ECSS should conduct an exit briefing with facility officials at the same level at which the entrance briefing was conducted. The purpose of the exit briefing is to inform the appropriate school official of the survey findings, except those which may involve fraud.

1. Discuss Discrepancies. During the exit briefing, discuss and try to reach agreements on the appropriate corrective action by the facility for discrepancies not involving approval criteria. Advise facility officials that the discrepancies found not involving approval criteria will be confirmed in writing. In addition, if additional corrective action needs to be taken by the facility, the written confirmation will request the facility to furnish a report of the corrective action taken within 60 days. (See *Discrepancy Referrals* (M22-4, Part 10, Compliance Survey, Chapter 06, Referrals)).

i. **Discrepancies that Restrict Enrollment.** If discrepancies are found which require restrictions on further Veteran enrollments such as violation of the 85 percent limitation, advise facility officials VA may not approve the enrollment of any Veterans who may enroll in the course in the future until the requirements are again met. Suspension must be confirmed in writing. (See *Reports and Correspondence: Correspondence to School or Training Establishment*, M22-4, Part 10, Compliance Survey, Chapter 07, Reports and Correspondence, for more information).

ii. **Approval Criteria Discrepancies.** If discrepancies are found which involve approval criteria, the ECSS will refer any approval



discrepancies to the appropriate ELR for submission to the SAA. A copy should be sent to the Supervisory ELR (SELR)/CELO as well. Refer to M22-4, Part 10, Compliance Survey, Chapter 07, Reports and Correspondence, for template of referral document.

The report to the SAA should include a detailed and descriptive narrative. The ECSS should be careful to not make recommendations for the elimination or correction of approval criteria discrepancies, except in those instances where VA is acting as the SAA. The ECSS should inform the SCO that the discrepancies found will be confirmed in writing and referred to the SAA for corrective action. The ECSS should also advise the SCO if educational assistance payments may be affected pending correction of an approval criteria violation by the SAA.

2. School Rebuttal. School officials may not agree with the findings of the survey and may offer rebuttal. Make the rebuttal a part of the record, but request appropriate corrective action (including suspension of further payments of benefits to individuals where indicated) based on the facts found. If additional records exist which were not available during the remote review or on-site survey, allow a reasonable period of time (not to exceed 30 days) for school officials to locate records which would support the data certified. If additional records exist, either the school must submit photocopies or the survey specialist must make a follow-up visit in order to complete the survey.

3. Remote Review Exit Briefing. If the remote review option is exercised and an on-site survey is not necessary, the exit briefing is conducted by telephone at the completion of the review. The same general information must be conveyed to school officials as in the exit briefing for an on-site survey.

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### 3.04 VERIFICATION OF ENROLLMENT DATA

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This section features information about the requirements and review procedures for verifying student enrollment.

**a. Requirements.** The student must have been enrolled on the date the school has certified/reported. He or she must be pursuing the same program that is certified by the school on VA Form 22-1999, Enrollment Certification or VA Form

22-1999-1 (VA- ONCE). ([38 CFR 21.4131\(b\)](#), [21.4203\(b\)](#), [21.5810\(b\)](#), [21.5831](#), [21.7131](#), [21.7152](#), [21.7631](#), and [21.7652\(a\)](#))

**b. Review Procedures.** During preparation for the survey, compare the beginning date as certified by the school with the effective date of the award as shown on the survey worksheet. Review the school's records to determine if that actually was the date that enrollment began. For specific types of training, see Chapter 04 (*Facilities Offering Specific Types of Training*).

During the survey preparation, note the student's program as certified by the school. Determine through review of basic school enrollment records if this is the same program in which the student is actually enrolled. If necessary, correct the course code shown on the compliance survey worksheet.

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### 3.05 PURSUIT OF APPROVED PROGRAM OR COURSE ([38 USC 3470](#), [3491](#), [3521](#), [3675](#), and [3676](#))

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**a. Requirements.** Claimants must pursue an approved program leading to an educational, vocational or professional goal. ([38 CFR 21.3130\(b\)](#), [21.5131](#), [21.7130](#), and [21.7630](#)) Deviations from the approved program are generally not permitted in areas such as the following:

- Variations from the schedule of courses required for a specific degree;
- Excessive electives;
- Pursuit of courses outside of the degree plan.

Exceptions may be permitted when school officials allow individuals to substitute a course. If all or part of the program is being furnished by another school under contract, that school must have obtained approval from the SAA having jurisdiction over its location. (38 CFR 21.4233 (c) and 21.4252(m))

**b. Review Procedures.** The ECSS must review the following:

- Transcripts
- Grade reports
- Degree audit check list
- Catalog

Determine if students have taken courses or subjects appropriate for their program. Compare the courses completed with the recommended curriculum as listed in the catalog or other training plan or provided to the student from other sources, such as academic counselor or head of department.

**c. Compliance Survey Individual Case Review Checklist.** The Compliance Survey Individual Case Review Checklist ([Figure 3.04](#)) may be used as a guide by the ECSS during individual case reviews. The order of items on this checklist generally follows the arrangement of areas of review in Chapter 3 and Chapter 4, and indicates the corresponding line number on VA Form 22-1934.

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### **3.06 CREDIT FOR PREVIOUS EDUCATION AND TRAINING ([38 USC. 3675\(b\)](#) and [3676\(c\)\(4\)](#))**

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**a. Requirements.** Schools and training establishments are required to maintain a record of previous education and training of all eligible claimants. When a student has previous education or training, schools must do the following:

- Evaluate the training
- Grant Appropriate credit
- Shorten the course proportionally
- Notify the student,

This requirement is necessary because benefits may not be paid for pursuit of an objective for which an eligible claimant is already qualified. ([10 USC 16136\(b\)](#); [38 USC 3471](#)) However, benefits may be paid for the pursuit of refresher training. ([10 USC 16131\(b\) and \(c\)](#); [38 USC 3034\(a\)](#), [3241\(a\)](#), and [3482\(d\)\(1\)](#)) For additional information about refresher training and about when a claimant is considered already qualified, see M22-4, Part 03, Claims Processing, Chapter 07, Restrictions on Training. For specific types of training, see Chapter 04 (*Facilities Offering Specific Types of Training*).

**b. Review Procedures.** ECSSs will need to verify the institution is properly adhering to their policy by granting credit for previous training by reviewing one or more of the following: *NOTE: The list is not all inclusive*

- Facilities' prior credit policy
- Transcripts

- Degree audit checklist
- Transfer credit evaluation

**COMPLIANCE SURVEY INDIVIDUAL CASE REVIEW CHECKLIST  
AREAS OF REVIEW 22-1934**

<b>GENERAL</b>	<b>LINE NO.</b>
Did Beneficiary Commence on Date Certified	2
Is Beneficiary Enrolled in and Pursuing the Approved Program?	3
Is a Record of Previous Education and Training Maintained and was Beneficiary Granted Appropriate Credit?	4
Are Accurate, Current and Complete Records of Enrollment, Correspondence Lessons Serviced, Flight Training Hours or APP/OJT Hours Maintained for Beneficiary?	5
Were Enrollment Changes, Lessons Serviced, Flight Training Hours or APP/OJT Hours Accurately and Promptly Reported?	6
Was VA Promptly Notified when Beneficiary Terminated or Interrupted Training?	7
Are Accurate, Current and Complete Records of Progress or Grades (and Attendance, if required) Maintained for Beneficiary?	8
Was VA Promptly Notified when Beneficiary did not Progress Satisfactorily According to the Standards and Practices of the School or Training Establishment?	9
<b>ALL SCHOOLS EXCEPT TRAINING ESTABLISHMENTS</b>	
Were Charges to Beneficiary for Tuition and Fees the Same as Charges to Other Students Similarly Circumstanced?	10
Was the 85 Percent Enrollment Limitation met at the time of Beneficiary's Enrollment?	11
<b>ALL SCHOOLS EXCEPT FLIGHT SCHOOLS AND TRAINING ESTABLISHMENTS</b>	
Was VA Promptly Notified of any Changes in Credit or Clock Hours that would Affect the Amount of Payment to the Beneficiary?	12
<b>NONACCREDITED COURSES ONLY (UNLESS PART OF THE APPROVAL CRITERIA FOR AN ACCREDITED COURSE)</b>	
Was the Beneficiary furnished a Copy of the Course Outline, Schedule of Tuition, Fees and Other Charges, and Regulations	13

pertaining to Attendance, Grading Policy, Conduct and Rules of Operation?	
Was the Beneficiary's Enrollment within the Limitation established by the State Approving Agency?	14
If Interrupted, did the Beneficiary receive a Refund that meets the Requirements of VA Regulations?	15
<b>CORRESPONDENCE SCHOOLS ONLY</b>	
Did the Beneficiary Affirm the Enrollment Agreement after the Expiration of 10 full days after the day on which the Agreement was signed?	16
Were Supplies, if part of Approved Course, Furnished to Beneficiary?	17
Did Beneficiary Pay 100 Percent of the Established Charges?	18
Is the Normal Completion Time for the Approved Courses at least Six Months?	19
<b>FLIGHT SCHOOLS ONLY</b>	
Did Beneficiary Hold a Private Pilot's License or Higher Rating before Enrollment?	20
Did Beneficiary Hold a Current Medical Certificate of the Appropriate Class before and during Enrollment?	21
Did Beneficiary Pay 100 Percent of the Established Charges?	22
<b>TRAINING ESTABLISHMENTS ONLY</b>	
Was Beneficiary Furnished a Copy of the Training Agreement?	23
Is Beneficiary Receiving Training in Accordance with the Approved Training Program?	24
Is Beneficiary Receiving Wages at the Appropriate Rate as shown in the Approved Training Program?	25
<b>ALL OTHER</b>	
In Beneficiary's Case, have Requirements of VA Regulations been met Concerning: <ul style="list-style-type: none"> <li>• Advertising and Sales Practices</li> <li>• Power of Attorney</li> <li>• Independent Study</li> <li>• Practical Training</li> <li>• Cooperative and Farm Cooperative Courses</li> <li>• Branches</li> <li>• Tutorial Assistance</li> <li>• Owner/Officer Restriction</li> <li>• Contractual Arrangements</li> <li>• Advance Pay</li> </ul>	27 A-L

<ul style="list-style-type: none"> <li>• Non-duplication</li> <li>• Any Other Areas</li> </ul>	
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**Figure 3.04 Checklist for Individual Case Reviews**

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**3.07 RECORDS AND REPORTS OF ENROLLMENT, CHANGES IN ENROLLMENT, AND TERMINATION OR INTERRUPTION. (38 USC 3680 and 3684(a))**

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For additional information, please refer to M22-4, Part 01, General. Chapter 07, School Liability.

**a. Requirements.** Schools and training establishments must keep accurate, current and complete records of clock or credit hours of classes, correspondence lessons serviced, flight training hours completed, and apprenticeship/on-the-job hours worked. Periodic verification of the student's pursuit of the course may be required in some cases. In all cases, schools and training establishments must report accurately and promptly any enrollment or reenrollment, any increase or decreases in the rate of pursuit, and any termination or interruption. In most situations, a report must be made within 30 days of the date of any change, termination, or interruption in order to be considered prompt. ([38 CFR 21.4203](#)) Schools and training establishments may delay in reporting this information until the end of the term, quarter, or semester when either

- The claimant is enrolled in a program of independent study;
- The claimant is pursuing the program on a less than half-time basis;
- The educational institution has asked the Director of the RPO of jurisdiction in writing for permission to delay in making the report; and
- The Director of the RPO of jurisdiction has determined that it is not feasible for the educational institution to monitor interruption or termination of the claimant's pursuit of the program.

*NOTE: This is based on when the claimant MADE the change, not when the SCO discovered or was informed of the change.*

**b. Review Procedures.** Review school or training establishment records to determine if they are adequate to identify enrollment, rate of pursuit, and termination or interruption. Determine if reports were made accurately and

promptly. For specific types of training, see M22-4, Part 10, Compliance Survey, Chapter 04, Procedures Applicable to Facilities Offering Specific Types of Training.

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### **3.08 RECORDS AND REPORTS OF PROGRESS, CONDUCT, OR ATTENDANCE (38 USC 3674, 3675(b) and 3676(c))**

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**a. Requirements.** Schools and training establishments must keep accurate, current and complete records to show progress toward the student's objective, and must establish and enforce standards related to progress, conduct, and in certain cases, attendance. Schools and training establishments must report accurately and promptly when, in accordance with the school's official standards, a student fails to maintain satisfactory progress, conduct, or attendance. Generally, a report must be made within 30 days of the date progress, conduct or attendance became unsatisfactory in order to be considered prompt. ([38 CFR 21.4203\(h\)](#)). Exceptions to this are rare. ECSSs should discuss with the CELO for clarifications. For specific types of training, see M22-4, Part 10, Compliance Survey, Chapter 04, Procedures Applicable to Facilities Offering Specific Types of Training.

**b. Review Procedures.** Review school and training establishment records to determine whether they are adequate to identify when progress, conduct or attendance are satisfactory. If an individual student's progress, conduct or attendance has been unsatisfactory, determine the date the school's standard was not met. Determine if reports were made accurately and promptly. For specific types of training, see M22-4, Part 10, Compliance Survey, Chapter 04, Procedures Applicable to Facilities Offering Specific Types of Training.

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### **3.09 QUESTIONABLE ADVERTISING, SALES, OR ENROLLMENT PRACTICES**

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This section provides information about advertising practices that may occur at schools and training establishments that are not permissible at approved schools. ECSSs are required to look for evidence of such practices during compliance reviews.

**a. Advertising Containing Avocational or Recreational Themes.** Approval of courses which are avocational or recreational in character is not allowed. ([38 USC 3473\(a\)\(3\)](#) and [38 USC 3523\(a\)\(3\)](#)) However, even though a course or its advertising may contain significant avocational or recreational themes, the course may remain approved if each claimant enrolled submits justification showing that the course will be of bona fide use in the pursuit of his or her contemplated business or occupation. ([38 CFR 21.4252\(b\)\(4\)](#)).

ECSSs should look for signs of advertising that contains significant avocational or recreational themes. The intent is to monitor those courses that, though leading to a predetermined and identified educational, vocational, or professional goal, are advertised as though their purpose is recreational or avocational. Avocational or recreational advertising examples may include the following:

- Advertising for a course leading to the vocation of computer repair also suggests that enrollment will enable the student to obtain a personal computer, principally paid for by VA benefits, to assemble in his or her leisure time
- Advertising notes that the student can acquire skills with which to repair his or her personal appliances or stereo sound system, or which will present an opportunity for part-time (i.e., avocational) income
- Advertising emphasizes the monetary benefits to be directly gained from receiving VA benefits over the cost of the course, rather than the declared goal of the course (i.e., the educational, professional, or vocational objective)

**b. Review of Advertising on School Premises.** ECSSs should review advertising used on school premises as well as in local and national media for such themes. The school may use the following forms of advertising:

- Radio or TV announcement
- Advertisements in newspapers
- Weekly or monthly periodicals
- Yellow Pages telephone listings
- Institution's website

If such themes are found, review student records for justification showing that the course will be of genuine use in the pursuit of the intended business or occupation.

**c. Erroneous, Deceptive or Misleading Advertising, Sales or Enrollment Practices.** ([38 CFR 21.4252\(h\)](#)) The prohibition of deceptive advertising is part of the approval criteria for nonaccredited courses ([38 USC 3676\(c\)\(10\)](#)). In addition, [38 USC 3696](#) provides that no enrollment will be approved at schools or training establishments utilizing advertising, sales or enrollment practices of any type that



are false, deceptive or misleading either by actual statement, omission or intimation.

All approved schools and training establishments must maintain complete records and copies of all advertising, sales and enrollment materials used by them or on their behalf for a period of 12 months. These materials must be available for inspection by the SAA and by VA. These materials include, but are not limited to the following:

- Any direct mail pieces
- Brochures
- Printed literature used by sales people
- Any form of electronic media
- Material disseminated through print media
- Tear sheets of print advertisements
- Leaflets
- Handbills
- Fliers
- Any sales or recruitment manuals used to instruct sales personnel, agents, or representatives of the school or training establishment

Any school or training establishment which uses advertising, sales or enrollment practices of any type that are false, deceptive or misleading will be barred from further enrollments and no certificates of eligibility will be issued for any courses at the school or training establishment.

The phrase "advertising, sales, or enrollment practices" encompasses any method used or action taken by a school or training establishment, its personnel, agents, or representatives to solicit or encourage enrollment in its course(s) of study, whether or not enrollment actually occurs as a result of those practices. It is not possible to catalog all violations that could occur under [38 CFR 21.4252\(h\)](#), or even all the deceptive practices that have occurred in the past.

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### **3.10 GUIDELINES FOR REVIEWING ADVERTISEMENT PRACTICES**

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The guidelines below are offered as points of emphasis in reviewing school and training establishment practices, and should by no means be considered all-inclusive.

**a. Advertising.** Advertising must not leave a false, misleading, or exaggerated impression concerning any of the following:

- the school or training establishment
- School personnel
- Course(s) and services
- Occupational opportunities for its graduates

Advertising claims that might be construed as literally true must be literally true. Words that might mislead, confuse, be subject to easy misunderstanding, or have a double meaning should not be used. Advertising should be written to its anticipated readership; people who are unsophisticated about the traditional language used in education.

EXAMPLE 1: The school guarantees employment placement service after graduation, but in reality, simply provides the student with a list of employers to contact.

EXAMPLE 2: Advertising implies extensive employment connections with nationwide firms when such connections do not exist.

EXAMPLE 3: Testimonials from graduates convey the impression that typical students obtain jobs or high earnings, but the testimonials are fictitious or represent only a small percentage of students.

**b. Sales or Enrollment.** Sales or enrollment practices can be more subtly deceptive or misleading, mainly because statements may not be documented, and cannot be as easily reviewed as advertisements. Problems may involve the following:

- Misrepresentation of the size or experience of the school
- School affiliation with well-known companies or training programs
- Quality of the training or instructional materials
- Qualifications of instructors, or of the availability of expert instructors

**EXAMPLE 1:** Advertising indicates that VA has approved the training/facility.

**EXAMPLE 2:** The salesperson misrepresents himself or herself as a VA employee or a VA educational consultant.

**EXAMPLE 3:** The enrollment agreement or contract was not fully explained to the student before he or she signed it.

**c. Advertising, Sales, or Enrollment by Omission.** Advertisements, sales or enrollment practices can be erroneous, deceptive or misleading by omission as well as by actual statement or intimation. Such omissions include the failure to disclose any material fact concerning the school or its instruction which may reasonably affect the student's decision to enroll. Catalogs and other materials published by the school should clearly disclose, in advance of enrollment, any ordinary limitations and restrictions on admissions and employment, such as the following:

- Medical
- Age
- Education and experience requirements
- Need for examinations, licensing, internship, apprenticeship, or union membership.

**EXAMPLE 1:** The school indicates that its courses are creditable toward a degree, when, in fact, the transfer of credit is severely limited.

**EXAMPLE 2:** A salesperson states that there are "thousands of jobs open" in a particular field, without mentioning that the jobs require relocation to an isolated part of the country, or that the school's graduates do not qualify for such jobs.

The following sales and enrollment practices are hereby held to be deceptive and misleading in all cases:

- Obtaining any form or document signed in blank by the student.
- Any statement or action which tends to defeat the purpose of the affirmation period for correspondence courses.

Many other advertising, sales or enrollment practices are questionable. As part of the compliance survey, the ECSS should do the following:

- Review the school's advertising in local and national media
- During student interviews, ask students about the school's enrollment practices and sales techniques

If a school's advertising, sales, or enrollment practices appear to be in violation of the provisions of the law, fully document the facts to the extent practicable during the survey, refer with full details to the SAA (Refer to M22-4, Part 10, Compliance Survey, Chapter 06, Referrals, Section 6.01) and include the findings in the compliance survey report.

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### 3.11 RECRUITING PRACTICES

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The Secretary shall not approve any course offered by an educational institution if the educational institution provides any commission, bonus, or other incentive payment based directly or indirectly on success in securing enrollments or financial aid to any persons or entities engaged in any student recruiting or admission activities or in making decisions regarding the award of student financial assistance ([38 USC 3696\(d\)\(1\)](#)).

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### 3.12 GI BILL ® TRADEMARK

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The GI Bill Trademark is owned by VA and registered with the US Patent and Trademark Office as of October 16, 2012 (VBA Letter 20-14-04). VA trademarked the term to stop deceptive and misleading promotional efforts targeting GI Bill educational benefits under direction from Executive Order 13607.

The GI Bill trademark covers “education benefits, namely, financial assistance such as accelerated payment and tuition assistance for institutions of higher learning, non-college degree programs, on-the-job training and apprenticeship training, flight training, independent training, distance learning and internet training, correspondence training, national testing programs, licensing and certification; entrepreneurship training, work-study programs, and co-op training to Veterans, Service members, National Guard members, Selected Reserve members, and eligible dependents.”

**a. Authorized Third Parties.** Third-party use of the trademark is restricted to education and training institutions eligible to receive VA education benefits, SAAs, and recognized Veterans service organizations. Third parties not identified are prohibited from using GI Bill in any manner that directly or indirectly implies a relationship, affiliation, or endorsement with the U.S. Department of Veterans Affairs.

Authorized third parties are subject to the following terms of use:

1. When using “GI Bill,” the registered trademark symbol (®) must be included at the upper right corner of the trademark 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).

2. The GI Bill trademark is not to be incorporated or included in company or product names, trademarks, logos or internet domain names.
3. The term “GI Bill®” is to be used solely to promote official VA benefit programs and services and must include the proper trademark symbol.
4. Use of the trademark attribution notice, indicating that the mark and all associated services belong to VA, is required and shall be taken as evidence that use of the mark is in good faith.
5. No entity shall use the GI Bill trademark in any manner that directly or indirectly implies a relationship, affiliation, or association with VA that does not exist.
6. Disparagement or misrepresentations of VA services through use of the mark, or by the use of confusingly similar wording, are strictly prohibited.
7. VA reserves the right to bring action against any party that violates VA’s terms-of-use concerning the trademark in Federal court.

**b. Reporting Violations.** VBA personnel shall report suspected violations via email to [223A.VBACO@va.gov](mailto:223A.VBACO@va.gov) and provide the following information:

- Facility Code
- Institution Name
- Institution Point of Contact (POC)
- Institution Address
- Institution Email Address
- Effective Date of Incident
- Website Link
- Screen Shots of Incident, if available
- Education Liaison Representative (ELR) Email
- State Approving Agency (SAA) Email

ECSSs should notify the school or training establishment if a violation of the trademark has been found or suspected. They should use a version of [Figure 3.05](#) Sample Violation Notification Letter

Dear School Certifying Official:

We have recently been made aware that \_\_\_\_\_ has engaged in using the GI Bill® trademark in electronic format through advertisement on your facility’s website. Veteran students and their dependents cannot be reimbursed VA Education benefits for training pursued at your facility because your institution has not sought the required approval through the \_\_\_\_\_ State Approving Agency.

In addition to promoting a program on your website that is not eligible for VA benefits, your use of the phrase “GI Bill®” violates our trademark of that term. Our Terms of Use are published on our website at [http://www.benefits.va.gov/GIBILL/Trademark\\_Terms\\_of\\_Use.asp](http://www.benefits.va.gov/GIBILL/Trademark_Terms_of_Use.asp) .

Third-party use of the trademark is restricted to the education and training institutions eligible to receive VA education benefits. Additionally, your use of the phrase “GI Bill” infringes on our ownership rights. We request that you cease all use of the mark consisting of the wording “GI Bill.” Please be advised that VA must make this request in order to preserve the value of our trademark.

We would appreciate your assurance within thirty (30) days from the date of this letter and that you comply with the Terms of Use for the phrase “GI Bill.”

You may contact \_\_\_\_\_, Chief Education Liaison Officer at ( ) \_\_\_\_ - \_\_\_\_\_ if you have questions.

Thank you in advance for your assistance.

[Name]

Survey Specialist

ADDRESS

### Figure 3.05 Sample Violation Notification Letter

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### 3.13 POWER OF ATTORNEY/NON-ASSIGNABILITY OF BENEFITS ([38 USC 5301\(a\)](#); [38 CFR 21.4146](#))

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This section describes the requirement that prohibits schools and training establishments from negotiating VA educational assistance benefit payments and the review procedures that must occur during a compliance survey.

**a. Requirements.** All VA educational assistance payments must be negotiated by the claimant. Schools and training establishments may not negotiate VA educational assistance checks. A power of attorney giving the school or training establishment authority to negotiate benefit checks is prohibited. Schools and training establishments may not obtain indirect access to the proceeds of

educational assistance checks (may not directly receive) or electronic funds transfers.

If checks (including advance pay) are mailed to a school address, they must be mailed to the school location which the student is attending. Checks may not be mailed to one school location for further distribution to other locations of the school.

The school must be able to properly safeguard checks and deliver them to students. Advance pay checks that cannot be delivered to the student within 30 days after classes begin must be returned in the unopened envelope to the U.S. Treasury return address. Monthly benefit checks mailed to a school address must be returned in the unopened envelope to U.S. Treasury within 30 days if the student fails to call for the check.

*NOTE: This is not applicable to Chapter 33 Tuition, Fee, and Yellow Ribbon payments.*

**b. Review Procedures.** If the school has agreed to receive advance pay checks for delivery to students, the ECSS should review the school's procedures for safekeeping of the checks and delivery to students. If monthly benefit checks for any student in the survey sample are mailed to a school or training establishment address, determine through interviews with the school or training establishment officials, and optional student interviews that the school does not have a power of attorney or any form of direct or indirect access to the proceeds of such checks.

Although the student may endorse the check and return it to the school or training establishment to satisfy a debt, this action must be entirely voluntary. Any practice which has the effect of controlling the student's disposition of the check is not permitted. For example, it is illegal for school personnel to remove a check from the envelope and stamp "for deposit only" to a school account.

The practice of mailing checks or sending electronic funds transfers to a bank account held jointly by the student and the school is also prohibited.

During the review of addresses for the purpose of enforcing the prohibition against assignment, be alert for patterns of beneficiary addresses which may indicate the possibility of fraud.

**EXAMPLES:**

- The same address is used for many students.
- Many addresses are beyond the normal commuting distance.





## Part 10: Chapter 4 – Procedures Applicable to Facilities Offering Specific Types of Training.

### **Subchapter 1. Areas of Review for Schools Offering Courses Leading to as Standard College Degree, Non-Degree Courses, or Both**

- [4.01 Verification of Enrollment Data](#)
- [4.02 Pursuit of Approved Program or Course](#)
- [4.03 Records and Reports of Enrollment, Changes in Enrollment, and Termination or Interruption](#)
- [4.04 Records and Reports of Progress, Conduct, or Attendance](#)
- [4.05 Restrictions on Percentage of Veterans and Eligible Persons Enrolled](#)
- [4.06 Charges for Tuition and Fees](#)
- [4.07 Additional Areas of Review for Courses Approved as Nonaccredited](#)
- [4.08 Independent Study, Including Open Circuit TV](#)
- [4.09 Residential Practical Training](#)
- [4.10 Cooperative Programs \(Other Than Farm Cooperative\)](#)
- [4.11 Farm Cooperative Programs](#)
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#### **Figures**

- [4.1 Sample Notice of Remote Review](#)
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### **Subchapter 2. Areas of Review for Correspondence Schools**

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- [4.3 Correspondence Refund Table \(38 CFR 21.4256\(a\)\(5\)\)](#)

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[4.28 Pursuit of Approved Program or Course](#)

[4.29 Credit for Previous Education and Training](#)

[4.30 Records and Reports of Enrollment, Changes in Enrollment, and Termination or Interruption](#)

[4.31 Records and Reports of Progress, Conduct, or Attendance](#)

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[4.33 Charges for Tuition and Fees](#)

[4.34 Additional Areas of Review for Courses Approved as Nonaccredited](#)

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### **Subchapter 4. Areas of Review for Training Establishments**

[4.36 Verification of Enrollment Data](#)

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[4.41 Related Training](#)

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[4.4 Relationship of Hours Worked to Payment Units for Apprenticeship and On-the Job Training](#)

## **SUBCHAPTER I**

### **AREAS OF REVIEW FOR SCHOOLS OFFERING COURSES LEADING TO A STANDARD COLLEGE DEGREE, NON-DEGREE COURSES, OR BOTH**

#### **4.01 VERIFICATION OF ENROLLMENT DATA**

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For general requirements and procedures see M22-4, Part 10, Compliance Survey. Chapter 03, Paragraph 3.04(a). Schools offering courses leading to a standard college

degree are approved as IHL (institution of higher learning) facilities. Schools offering non-degree courses are approved as NCD (non-college degree) facilities. Schools offering both types of courses are approved as two separate facilities, one IHL and one NCD. Compliance surveys of both types of courses will normally be conducted simultaneously at such schools.

**a. Requirements.** The beginning date is determined in the same way for both IHL and NCD courses. ([38 CFR 21.4131\(b\) and \(c\)](#); [21.7131\(b\) and \(c\)](#); [21.7631\(b\) and \(c\)](#); and [21.4203\(b\)](#))

1. The beginning date of a resident course or unit subject is ordinarily the first scheduled date of classes for the term (semester, quarter, summer session, etc.).
2. The beginning date of a resident course or unit subject is the date the student reports to the school if the published standards of the school require both:
  - i. That the student register before reporting, and
  - ii. That the student report to the school not earlier than 14 days before, nor later than, the first scheduled date of classes for the term.
  - iii. The beginning date of a resident course or unit subject is the date of the first scheduled class in a particular course or unit subject when:
    - A. That date is after the calendar week in which the first scheduled date of classes for the term occurs, or
    - B. That date is more than 14 days after the date of registration.
  - iv. The beginning date of an independent study course or unit subject is the date the student begins the course according to school policy.

*NOTE: For Section 901, the beginning date of an IHL course is the date of registration or the date of reporting if the student is required by the school's published standard to report in advance of registration, but not later than the date the individual first reports for classes, and the beginning date of an NCD course is the first date of class attendance.*  
([38 CFR 21.5831](#))

**b. Review Procedures.** If the beginning date is other than the first scheduled date of classes for the term, review the school's calendar and policies to determine if it was properly certified.

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## 4.02 PURSUIT OF APPROVED PROGRAM OR COURSE

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For general requirements and procedures see Paragraph 3.04b.

**a. Requirements.** In many cases, successful attainment of an educational or professional goal requires that the student be formally admitted ("matriculated") to a degree or professional program before, or within a reasonably brief time after, commencement of the program. Generally, this brief time will not be more than two terms or the equivalent. In addition, appropriate student classification may be required in order to graduate or successfully complete the program. ([38 CFR 21.4252\(l\)](#))

**b. Review Procedures.** Students may be pending matriculation for up to two terms and be considered as pursuing an approved program of instruction. If acceptance into a degree program or classification as a degree-seeking student is required by school regulation, verify through review of application, enrollment and progress records that the student has been accepted or appropriately classified.

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## 4.03 RECORDS AND REPORTS OF ENROLLMENT, CHANGES IN ENROLLMENT, AND TERMINATION OR INTERRUPTION ([38 CFR 21.4135](#), [21.4203](#), [21.4204](#), [21.5810](#), [21.5812](#), [21.7131](#), [21.7631](#))

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For general requirements and procedures see Paragraph 3.04d.

**a. Requirements.** Schools must report quarter/semester credit hours or the weekly clock hours of attendance on the enrollment certification. Either credit or clock hours may be appropriate for both IHL and NCD courses, depending on how the course was approved. Schools must promptly report changes in credit/clock hours (unless the student is in a standard semester or quarter and remains full time) or the termination of attendance on VA Form 22-1999b, Notice of Change in Student Status. A prompt report is defined as one which is received by VA within 30 days after the change in credit/clock hours or termination of enrollment.

1. A school may officially designate a drop period at the beginning of the term, during which enrollment changes may be made, or without affecting the student's grade point average, e.g., a nonpunitive "W" grade may be assigned or the change may not be reflected on transcripts. If the school has officially designated a drop period of 30 days or less, the 30-day reporting period is computed from the last day of that period. If the school has officially

designated a drop period of more than 30 days, the 30-day reporting period is computed from the 30th day of the term.

2. If the student's enrollment was certified for the school year and the student attended to the end of one term but failed to return for the following term, the 30-day reporting period may be computed from the last officially scheduled registration date for the following term.

3. For reduction in clock/credit hours of attendance or termination of attendance, NCD schools must report, in addition to the effective date of change or last date of attendance, the first date from which no credit accrued, if:

- i. The instruction is organized on a block or unit basis; and,
- ii. The block or unit must be repeated in its entirety (no credit for work completed).

4. Benefits are not payable for any or all IHL courses in which a nonpunitive grade is assigned when the effective date of withdrawal (last date of pursuit) is after the official drop period and mitigating circumstances are not shown to exist. The last date of pursuit is:

- i. Residence Courses—Last date of attendance. (Last date of attendance may include regularly scheduled examination days, but does not include holiday periods if the student fails to attend at least 1 day after the holiday period.)
- ii. Independent Study Courses—Official date of change in status under the practices of the institution.
- iii. Cooperative Training—Date of last training.

5. IHLs can not be required to maintain daily attendance records for courses leading to a standard college degree. ([38 USC 3685](#)) Nonaccredited schools are required to have attendance standards. ([38 USC 3676\(c\)\(7\)](#)) Accredited NCD schools may have attendance policies. If a school does not maintain attendance records, it may determine last date of pursuit by any of the items of evidence listed below. (See M22-4, Part 01, General. Chapter 07, School Liability, Section 7.16.)

- i. Last activity as reflected in the instructor's record
- ii. Last papers submitted
- iii. Last examination completed

iv. The student's reasonable statement of last day of attendance

6. Benefits are not payable for audited courses (courses which a student attends with a prior understanding between school officials and the student that no credit will be granted towards graduation). ([38 USC 3680\(a\)\(3\)](#))

7. Benefits are not payable for repeating courses which, based upon school standards, have previously been successfully completed. Courses which have not been successfully completed include those for which a failing grade (F or the equivalent) was assigned and those for which a grade below the required minimum was assigned (D assigned when academic regulations pertaining to the course or program require at least a C).

**b. Review Procedures.** Verify the credit or clock hours certified by review of transcripts, grade reports and drop/add records. Review the grades assigned for all courses attempted to determine if courses for which a nonpunitive grade was assigned have been properly reported. Proper reports of changes and terminations submitted by the school should have resulted in correct effective dates and training time as shown on the compliance survey worksheet.

i1. Determine if school has an attendance policy. (Nonaccredited schools are required to have attendance standards.) Review the school's basic enrollment and attendance records to determine the hours per day and days per week that veterans and eligible persons are attending. Determine if students are attending the schedule(s) approved by the SAA (State Approving Agency) by cross-checking daily and weekly hours of attendance against the course approval. Compare the enrollment data certified to the VA with the school records to determine if the school has promptly reported changes in credit or clock hours and terminations.

2. Changes in credit or clock hours must have been reported promptly (within 30 days) to VA. If changes were not reported, record the new credit or clock hours and the effective date of change. If the change involved a reduction of hours, and if the course is organized on a block or unit basis, determine whether the block or unit must be repeated in its entirety. If so, determine if the school properly reported the first date from which no credit accrued. If changes or terminations have not been properly reported, note the name of the course, credit or clock hour value, grade assigned and last date of course pursuit.

*NOTE: Pending a change to the regulations, schools are no longer required to report changes in credit hours which do not change students' full time status during a standard quarter or semester only. For example, a change from 12 to 15 credit hours or vice versa need not be reported during a standard quarter. All changes involving less than full time pursuit or nonstandard terms must still be reported.*

3. Termination of attendance must also have been reported to VA within 30 days. Verify the last date of attendance by cross-checking the date reported with the instructor's or school's daily attendance record, if one is kept. If the course is organized on a unit or block basis and no credit accrued for the work completed, verify that the school also properly reported the first date from which no credit accrued.

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#### **4.04 RECORDS AND REPORTS OF PROGRESS, CONDUCT, OR ATTENDANCE** ([38 CFR 21.4135\(g\)](#), [21.4253\(d\)\(2\) and \(4\)](#), [21.4254\(c\)\(7\)](#), [21.4277](#))

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For general requirements and procedures see Paragraph 3.04e.

**a. Requirements.** Adequate records must be kept by the school to show progress or grades, and satisfactory standards relating to progress, grades, and conduct must be enforced. For nonaccredited courses, attendance records must be kept and an attendance standard must be enforced. For IHL courses, the school's progress standard is usually based on minimum grades or grade point average. For NCD courses, the school's progress standard may be based on minimum grades or grade point average, minimum attendance requirements, or a combination of these elements. Other acceptable progress criteria may be approved by the SAA.

1. An unsatisfactory grade is a punitive grade that is unacceptable for graduation based on the policies of the school. The following grades are considered unsatisfactory:

- i. Punitive failing grades, i.e., an F or equivalent.
- ii. Punitive grades below that required by the school, e.g., a D in a course when the school requires a C.

2. Incomplete grades ("I," "IP," or other designations) are disregarded when determining unsatisfactory progress because they reflect neither satisfactory nor unsatisfactory work.

- i. Incomplete grades which are automatically converted to satisfactory grades counting toward graduation or to unsatisfactory punitive grades within one calendar year after the date on which the incomplete was assigned do not need to be reported to VA. Incomplete grades which are not converted within one year must be reported to VA for treatment as the equivalent of a nonpunitive withdrawal from the course.

ii. The procedures above do not apply to grading designations (including designation of incomplete) indicating continued enrollment in thesis or dissertation research courses leading to a graduate degree.

iii. Nonpunitive grades are disregarded when determining unsatisfactory progress since benefits are not paid for courses in which a nonpunitive grade is assigned unless mitigating circumstances exist.

**b. Review Procedures.**

1. For all schools, review transcripts, grade reports and attendance reports to determine if progress has been satisfactory in accordance with the school's own standards, e.g., minimum grade or grade point average required. If progress has been unsatisfactory, note the effective date that progress first became unsatisfactory based upon school standards. Determine if the student was placed on academic probation and, if so, if the length of probation was in accordance with the school's own standards. If unsatisfactory progress should have been reported but was not, e.g., the student has been on probation in excess of the school's own standard and remains enrolled, determine the date that unsatisfactory progress should have been reported.

2. If the school has an attendance policy, review the policy and absence reporting procedures to determine if they are adequate for VA reporting purposes. While schools and students are not required to report absences on VA Form 22-8979, Student Verification of Enrollment, (or certification of attendance letters for chapter 1606 beneficiaries), all schools with approved attendance standards are still required to maintain attendance records for their students and must notify VA whenever a student fails to meet the standard. For example, school regulations regarding attendance may provide that five unexcused absences in one term will result in mandatory discontinuance. Review the source record used as a basis for reporting absences (such as an instructor's attendance record) in addition to any secondary attendance records (such as those maintained at a central location) to determine compliance.

i. Review school regulations regarding attendance and determine if any students in the sample have exceeded the maximum number of excused or unexcused absences allowed.

ii. Confirm proper absence reporting procedures through class checks (especially weekend and night classes) and interviews with students and instructors.

iii. Determine through interviews if school officials are fully aware of attendance standards and reporting procedures.



#### 4.05 RESTRICTIONS ON PERCENTAGE OF VETERANS AND ELIGIBLE PERSONS ENROLLED ([38 USC 3473\(d\)](#); [38 CFR 21.4201](#))]

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**a. Requirements.** The 85 percent enrollment limitation applies to IHL and NCD courses. Farm cooperative courses are excluded. Courses offered under contract with DOD (Department of Defense) on or adjacent to military bases and open only to active duty military personnel and their dependents (and civilian employees of a base, with waiver) are excluded. For additional information on computation of the 85 percent enrollment limitation, see M22-4, Part 09, Liaison and Approval Activities. Chapter 09, Miscellaneous, Section 9.15.

1. The 85 percent enrollment limitation for specific courses or curriculum may be waived if the percentage of veterans and eligible persons receiving assistance under chapters 30, 31, 32, 35 and 1606 equals 35 percent or less of the student enrollment at the school. The percentage is computed separately for IHL and NCD facilities, as identified by individual facility code, within a single educational institution. It is also computed separately for certain branches. (See [Section 4.13](#) below.) Even though the general 35 percent waiver may be in effect, the 85 percent enrollment limitation may apply to specific courses or curriculums offered by the school if there is reason to believe that 85 percent or more of the students enrolled in those course receive VA benefits.

2. A school's certification of the 35 percent waiver is required only once. Thereafter, the waiver remains in effect without further certification, unless the school's VA-supported enrollment rises above 35 percent. If the school's VA-supported enrollment does rise above 35 percent, it is the school's responsibility to compute the percentage of veterans enrolled in each course or curriculum and certify the computation to VA.

3. The number of students who are receiving VA educational assistance under chapters 30, 31, 32, 35 and 1606 is compared to the total number of students enrolled. If the result is more than 35 percent for the total school enrollment or 85 percent for the enrollment in a specific course or curriculum, the enrollment restriction is not met. Convert part-time students to the equivalent number of full-time students in making the computation.

**b. Review Procedures.**

1. If the 35 percent waiver is in effect, determine if the school's current (at the time of the survey) VA-supported enrollment is equal to or less than 35

percent. Convert part-time students to the equivalent number of full-time students in making the computation.

2. If the 35 percent waiver has been withheld for any course or curriculum represented in the survey sample, verify through review of school enrollment records that the limitation is met for all such courses or curriculums.

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#### **4.06 CHARGES FOR TUITION AND FEES** ([38 USC 3690](#); [38 CFR 21.4202\(a\)](#))

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**a. Requirements.** The school may not charge or receive from any veteran or eligible person any amount in excess of the established charges for tuition and fees which the school requires from similarly circumstanced students who are not VA beneficiaries and are enrolled in the same course. School policy for the payment or refund of tuition and fees which differs for students who are not VA beneficiaries and veterans or eligible persons may not have the effect of increasing charges to those students receiving VA benefits.

**b. Review Procedures.** During interviews with school officials, determine if school policies may exist for the payment or refund of tuition and fees which have the effect of increasing charges to veterans or eligible persons. If complaints have been received from veterans or eligible persons regarding the payment of such charges, review school financial records to determine the actual charges for both VA beneficiaries and students who are not VA beneficiaries.

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#### **4.07 ADDITIONAL AREAS OF REVIEW FOR COURSES APPROVED AS NONACCREDITED** ([38 USC 3676](#); [38 CFR 21.4254](#))

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**a. Requirements.** For schools or unit courses approved on a nonaccredited basis, the following areas of approval criteria must be reviewed during the compliance survey:

1. Students must be furnished a catalog or bulletin containing official policies with regard to tuition, fees, and other charges, refunds, grading system, course description, etc. ([38 USC 3676\(c\)\(5\)](#); [38 CFR 21.4254\(c\)\(5\)](#))

2. Enrollment must be within the limitations approved by the SAA. Enrollment limitations may be based on a maximum number of

students for the institution and/or on student teacher ratios. ([38 USC 3676\(c\)\(11\)](#); [38 CFR 21.4254\(c\)\(11\)](#) and [21.4258\(a\)\(5\)](#))

3. For students who terminate the course, a pro rata refund of tuition, fees and other charges is required in proportion to the amount of the course completed before withdrawal or discontinuance. The refund must be made promptly, i.e., within 40 days of the notice of termination. ([38 USC 3676\(c\)\(13\)](#); [38 CFR 21.4254\(c\)\(13\)](#) and [21.4255\(a\)\(6\)](#))

**b. Review Procedures.**

1. Confirm through a review of school records and school recruitment and registration procedures, or during optional student interviews, that students have received catalogs, brochures, or other official publications containing the required information.

2. During review of basic school enrollment records in connection with the 85 percent enrollment limitation and 35 percent waiver, determine whether the total number of students enrolled is within the limitation established by the SAA.

3. For those students in the survey sample who have terminated their enrollments, review school financial records to determine if pro rata refunds of tuition , fees and other charges were made within 40 days of the notice of termination.

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**4.08 INDEPENDENT STUDY, INCLUDING OPEN CIRCUIT TV** ([38 USC 3473](#), [3482](#), [3532](#); [38 CFR 21.4267](#))

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**a. Requirements.** Unit courses or programs pursued by independent study must lead to or be fully creditable toward a standard college degree. The course or program must provide for interaction between the student and the teacher (who must be a regularly employed faculty member) by any communications technology (i.e., mail, telephone, video conferencing, computer technology, etc.), in person, or by class attendance. Effective October 9, 1996, open circuit TV courses are considered the same as other independent study courses. Before that date, payment was made for open circuit TV courses on the same basis as for other independent study courses, except that no payment could be made unless the student was concurrently enrolled in at least one resident course.

**b. Review Procedures.** For those students in the survey sample who are pursuing independent study courses, verify through review of transcripts and

grade reports the school's certifications of courses pursued by independent study and those pursued by resident training, if any. Confirm through interviews with school officials that the independent study courses being pursued are correctly described in the school catalog and that they provide for interaction between student and teacher. For students enrolled in open circuit TV courses before October 9, 1996, verify that the student was concurrently enrolled in at least one resident course.

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#### **4.09 RESIDENTIAL PRACTICAL TRAINING** ([38 USC 3688\(b\)](#); [38 CFR 21.4265 \(a through d\)](#) and [\(f\)](#))

Off-campus courses pursued at a training establishment, e.g., work-experience, practicum, etc., may be approved and pursued either as part of a resident institutional program or as part of a cooperative program. For cooperative programs, see [Section 4.10](#) and [Section 4.11](#) below.

##### **a. Requirements.**

1. Medical courses which include clinical training, e.g., nursing courses; medical or dental internships, residencies, and specialty courses, and non medical professional internship programs must meet specific requirements for approval as residential institutional training. These are set out in detail in [38 CFR 21.4265\(a\) through \(e\)](#).

2. Other courses which include work experience may be pursued as resident institutional training if they are accredited and meet the other requirements set out in detail in [38 CFR 21.4265\(f\)](#).

**b. Review Procedures.** For students in the survey sample who are enrolled in practical training courses approved as residential institutional training, verify through interviews with school officials that the specific requirements applying to that type of practical training are being met.

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#### **4.10 COOPERATIVE PROGRAMS (OTHER THAN FARM COOPERATIVE)** ([38 USC 3482\(a\)\(2\)](#), [3532\(b\)](#), and [3688](#); [38 CFR 21.4233\(a\)](#) and [21.4265\(f\)](#))

Off-campus courses pursued at a training establishment (work-experience, practicum, etc.) may be approved and pursued either as part of a cooperative program or as part of

a resident institutional program. For residential practical training programs, see [paragraph 4.09](#) above. For farm cooperative programs, see [Section 4.11](#) below.

**a. Requirements.**

1. The work-experience portion of a cooperative program may alternate with the classroom portion, or be concurrent with it. If alternating, the classroom phases must be at least as long as the work-experience phases. If concurrent, the classroom portion must be equivalent to residential training of at least one-half time, with the work-experience portion being sufficient for the combined training to equal full time.
2. The school must identify the program as cooperative in the school catalog.
3. The school must arrange directly with the employer for provision of substantial training supplementing the classroom portion of the course, and for placement of the student with the employer.
4. The school must exercise supervision and control over the work-experience portion of the program.
5. The school must grant credit for the work-experience portion of the program toward a degree or diploma objective.
6. Before October 9, 1996, if a student was enrolled in a cooperative program with alternating phases, he or she could elect to receive benefits during the classroom phase only. In that case, pursuit of the classroom phase could be at less than a full-time basis. Otherwise, pursuit was required to be at full-time, even though the rate of payment was 80 percent of the full-time institutional rate. Effective October 9, 1996, PL 104-275 provides that payment for cooperative training is at the same rate as institutional training, and all cooperative program must be pursued at the full-time rate.

**b. Review Procedures.** Verify from school records that the course is properly identified in the catalog, and that credit is granted for the work-experience portion. Confirm through interviews with school officials that the school directly arranges for substantial instruction and student placement, and that the work-experience portion of the course is supervised and controlled by the school. Review individual student records to confirm that pursuit has been full time if required, and that the rate of payment is correct.

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#### **4.11 FARM COOPERATIVE PROGRAMS** ([38 USC 3482\(c\)](#) and [3532\(c\)](#); [38 CFR 21.4233\(d\)](#) and [21.4264](#))

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Only DEA (Dependents Educational Assistance) beneficiaries may receive benefits based on enrollment in farm cooperative programs.

##### **a. Requirements.**

1. Students enrolled in farm cooperative courses must be concurrently engaged in relevant agricultural employment for an average of 40 hours per week. Temporary full-time employment is permissible if necessitated by a crop failure.
2. The school must verify on a continuing basis that students are engaged in suitable agricultural employment which is relevant to the institutional agricultural course offered by the school.

##### **b. Review Procedures.**

1. Verify that students are engaged in full-time agricultural employment which is relevant to the course by making a site visit to the place of employment to interview one eligible person. Obtain specific information regarding the student's employment, e.g. percentage of total income derived from agricultural employment, total acreage, crop acreage, livestock.
2. Review student application and enrollment records to determine if the school is verifying that each student is engaged in relevant agricultural employment. School records show information regarding each student's agricultural employment. Records may also include reports of visits made by instructors to each student's place of primary employment. Confirm through interviews with school administrators that student agricultural employment is verified by the school.

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#### **4.12 VERIFICATION OF NCD COURSE MEASUREMENT** ([38 USC 3688](#); [38 CFR 21.4270](#))

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**a. Requirements.** Only the requirements for full-time measurement are stated below. Part-time measurement is determined in accordance with [38 CFR 21.4270](#).

1. A trade or technical course involving shop practice as an integral part is measured on a full-time basis when a minimum of 22 clock hours per week attendance is required, with not more than 2-1/2 hours of rest periods and excluding supervised study.

2. A trade or technical course in which theoretical or classroom instruction constitute more than 50 percent of the required hours is measured on a full-time basis when a minimum of 18 hours per week net instruction is required. Net hours of instruction includes intervals not to exceed 10 minutes between classes, supervised instruction in the school's shops, field trips, and group instruction. Net hours do not include supervised study, shop practice, rest periods, breaks for meals, or a 10-minute interval after the last class of the day. If intervals between classes are more than 10 minutes, that portion of the interval in excess of 10 minutes will be deducted in determining net clock hours of instruction. However, the school may achieve the required net clock hours by lengthening total class time per day.

3. When enrollment is measured on a clock hour basis, a high school diploma program is measured identically to a trade or technical course in which classroom instruction predominates. See subparagraph (2) immediately above. A high school diploma program is also measured on a full-time basis when students are pursuing it at a rate which would result in completion in 4 school years.

**EXAMPLE:** A high school diploma course requires 16 units for completion. The course is measured on a full-time basis when a minimum of four units per year is required.

4. A NCD course offered by a school other than an IHL on a standard quarter or semester credit-hour basis is measured identically to collegiate undergraduate training, provided the institution requires at least the same amount of clock hours as required for trade and technical courses in subparagraphs (1) and (2) above. Otherwise the course will be measured in clock hours, as stated in subparagraphs (1) and (2) above.

5. A farm cooperative course consisting of institutional agricultural courses prescheduled to fall within 44 weeks of any 12 consecutive-month period is measured on a full-time basis when a minimum of 10 hours-per-week net instruction is required or 440 clock hours a year are prescheduled to provide not less than 80 hours of instruction in any 3-month period. Supervised instruction periods in school shops, time involved in field trips and individual or group instruction may be included. Part-time measurement is determined in accordance with [38 CFR 21.4270](#). Pursuit on a less-than-half-time basis is not permitted.

6. Other cooperative programs consisting of classroom instruction and work experience in a business or industrial establishment may not be measured on less than a full-time basis. If the classroom and portions alternate, each must be the equivalent of full-time training. If they are concurrent, the classroom portion must be equivalent to at least half-time training, and the work experience portion must be sufficient for the combined training to equal full time.

**b. Review Procedures.**

1. During preparation for the survey, review the approval file and catalog. Review class schedules for record and note hours of attendance per day and beginning and ending times of scheduled classes. During preparation for a remote review or during the site visit, obtain current class schedules for courses in the sample. Review these to determine if the required minimum hours of attendance or net instruction per week are provided.

2. Verify through class checks and student interviews the beginning and ending times of classes, break periods and meal periods. Determine if the hours of attendance or net instruction meet the minimum requirements for full- or part-time training.

3. Verify that supervised study is not counted in determining the hours of attendance or net hours of instruction.

4. For courses in which theory and class instruction predominate, verify that intervals between classes do not exceed 10 minutes. If intervals between classes are in excess of 10 minutes, deduct the time in excess of 10 minutes in determining net hours of instruction from the total time allotted the class by the school.

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**4.13 BRANCHES** ([38 USC 3473](#); [3689 \(b\) & \(c\)](#); [38 CFR 21.4201](#), [21.4251](#) and [21.4266](#))

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**a. Requirements.**

1. The approval for courses offered at a branch may be combined with the approval for courses offered at the parent facility only when the branch is located in the same State and one of the conditions listed in [38 CFR 21.4266](#) exists.



2. If a course at a branch cannot qualify for combined approval, the course may be approved separately if the branch has an administrative capability. A branch has administrative capability when it:

i. Maintains the same records and accounts required of the parent facility by [38 CFR 21.4209](#);

ii. Designates a certifying official; and

iii. Is able to furnish to VA without resort to the parent school all reports and certifications required by [38 CFR 21.4203](#) and [21.4204](#).

3. If a course at a branch cannot qualify for combined approval, and the branch does not have an administrative capability, the course may be approved separately if the parent facility:

i. Is within the same State;

ii. Maintains a centralized record system which can identify the records of students at each branch; and

iii. Specifies the branch location on enrollment certifications.

4. If a course at a branch cannot qualify for combined approval or separate approval under subparagraphs (1), (2), or (3) above, the course may not be approved.

5. If applicable, the 85 percent enrollment restriction (including the 35 percent waiver provision) is applied separately to branches which have separate approval. See [Section 4.05](#) above.

#### **b. Review Procedures.**

1. Branches with separate approval based on administrative capability are considered separate facilities from the parent school for compliance survey jurisdiction, scheduling and work measurement purposes. Surveys of these branches are conducted separately. During compliance surveys at branches with administrative capability, review school records and interview school officials to determine whether the branch maintains the required records and is able to furnish all required reports and certifications to VA without resort to the parent school.

2. During compliance surveys at parent institutions having branches exempt from administrative capability, review the records of students located at the branch location if such students are included in the sample. Site visits to such branches are not required. They may be made at the survey

specialist's discretion, if there is reason to believe that the requirements of the law are not being met, e.g., inadequate facilities, classes not being held, violation of the 85 percent enrollment restriction. If a site visit is considered necessary, and the ESU (Education Services Unit) having jurisdiction of the branch location is different from the ESU having jurisdiction of the parent school, request the ESU with jurisdiction of the branch to conduct the site visit and assist in the completion of the survey.

3. For all branches with separate approval, verify that the branch is in compliance with the 85 percent enrollment restriction (including the 35 percent waiver provision) and the two-year period of operation rule.

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#### **4.14 TUTORIAL ASSISTANCE** ([38 USC 3492](#), [3533\(b\)](#); [38 CFR 21.4236](#)).

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##### **a. Requirements.**

1. The veteran or eligible person must be pursuing a post secondary program on at least a half- time basis and must have a deficiency in a subject which is required for, prerequisite to, or indispensable to the satisfactory pursuit of the student's approved program.

2. The school must certify that:

i. The tutorial assistance is essential to correct a deficiency;

ii. The tutor selected to provide tutorial services is qualified and is not the claimant's spouse, parent, child, brother, or sister; and

iii. The charges for tutorial services do not exceed the customary charges.

3. Tutoring must be provided on an individual basis. In some cases, however, tutoring may be provided to two or three students at one time if group discussion and interchange is necessary for a successful session.

##### **b. Review Procedures.**

1. For those students in the survey sample who have received tutorial assistance during the survey period, review transcripts to verify that the student was enrolled on at least a half-time basis during the period for which tutorial assistance was received. Determine if the course for which tutoring was received was necessary for the satisfactory pursuit of the student's

approved program. Tutorial assistance may not be used solely to improve a grade, e.g., from a B to an A, but it may be used to improve a minimum grade creditable towards graduation requirements, e.g., from a C to a B, when a B is required in a major academic field.

2. Determine through interviews with school officials the policy for identification of qualified tutors. Does the school refer students to tutors known to be qualified in the subject matter, or do students select their own tutors? If the students select their own tutors, how does the school determine if they are qualified? Verify that close relatives do not provide tutorial services to claimants. Determine what the usual and customary charges are for tutorial services provided to VA beneficiaries and students not in receipt of VA educational benefits. In general, tutorial fees for VA beneficiaries may not exceed the charges to similarly circumstanced students not in receipt of VA educational benefits.

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#### 4.15 EDUCATION LOANS ([38 USC 3512](#), [3698](#); [38 CFR 21.4501](#))

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Education loans may be provided only to spouses or surviving spouses whose DEA (Dependents Educational Assistance) period of eligibility has expired and who have entitlement remaining.

**a. Requirements.** The spouse or surviving spouse must have been enrolled full-time on his or her delimiting date, or on the last date of the ordinary term, semester, or quarter preceding the delimiting date, if it fell during a school break or summer term. During the period for which the loan was granted the spouse or surviving spouse must have been enrolled full-time in the same program as that being pursued on the delimiting date (normal progression is permitted).

**b. Review Procedures.** Verify through review of transcripts and grade reports that loan recipients in the survey sample were enrolled on a full-time basis on the appropriate dates. Verify that enrollment for the loan period is in the same program as that being pursued on the delimiting date.

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#### 4.16 CONFLICTING INTERESTS CERTIFICATION (PROPRIETARY SCHOOLS ONLY)

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**a. Requirements.** The law prohibits employees of VA and the SAA from owning any interest in an educational institution operated for profit. In addition, the law prohibits these employees from receiving any wages, salary, dividends, gifts, or services from private profit schools. These provisions may be waived if VA determines that no detriment will result to the government, or to veterans or eligible persons enrolled. ([38 USC 3683](#); [38 CFR 21.4005](#), [21.5001](#), [21.7305](#), [21.7805](#)) A VA regulation prohibits the approval of the enrollment of any veteran or eligible person in any proprietary school of which the veteran or eligible person is an official authorized to sign certificates of enrollment or verifications/certifications of attendance, an owner, or an officer. ([38 CFR 21.4202\(c\)](#))

**b. Review Procedures.** Verify that the signature and information on VA Form 22-1919, Conflicting Interests Certification for Proprietary Schools Only, are current. If there has been any change, obtain a new VA Form 22-1919. The form must be signed by the president or chief administrative official of the school, e.g., chancellor, director of instruction. It should not be signed by the certifying official unless that person is also the president or chief administrative official. Determine through interviews with school officials and review of school records that the information is correct and that school officials are familiar with the provisions of the law and regulations on conflict of interest.

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## 4.17 CONDUCTING REMOTE REVIEWS

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Remote reviews may be conducted at any IHL or NCD school able and willing to cooperate. For instructions on soliciting schools for participation and on deciding when to conduct remote reviews and site visits, see Section 2.05.

a. Make prior arrangements with schools for remote reviews. Always discuss the remote review by telephone before sending the letter requesting documents. See [Figure 4.1](#) and [Figure 4.2](#). Note that these are only examples, and may be altered to suit individual schools, based on the prior telephone contact.

b. When doing remote reviews, generally follow the procedures in subparagraphs above. The basis of the remote review is a comparison among the transcripts, program plans, school calendar, education/DEA folder extracts, and BDN master records. Some items, e.g., advertising records, financial records of non-VA students, may not be fully examined in a remote review. These items should be annotated on VA Form 22-1934 as "Not Reviewed." Use alternate means to verify other items which would normally be reviewed in person. This will vary from school to school.

## EXAMPLES:

- Current school publications (catalog, schedules, etc.).
- Local newspaper advertising and Yellow Pages.

Dear [Name of Certifying Official]:

This is to confirm our recent telephone conversation concerning the remote compliance survey option. Since you expressed a willingness to participate, we will perform the current survey using this procedure.

Please furnish the following documents for each student shown on the enclosed list:

1. An unofficial copy of the student transcript. This document should be complete and current through the last term completed by the student.

2. A copy of the student's program plan. This document is sometimes referred to as a degree audit, graduation checklist, curriculum guide sheet, academic advising checklist, etc. It should show the subjects required for successful completion of the student's program. If the student has pursued more than one program at your school, include program plans for each program.

3. A copy of the transfer credit evaluation form, if this information is not shown on the curriculum guide sheet or the student's transcript. This document should show the subjects for which credit has been granted toward the student's program, as a result of previous education, training, and experience. If the student has pursued more than one program at your school, please furnish a transfer credit evaluation form or similar document for each program. Please remember that "credit for previous education" is that which applies to the student's program and fulfills one or more requirements for successful completion of the program.

[Optional: 4. The enclosed VA Form 22-1919, Conflicting Interests Certification for Proprietary Schools Only, should be completed, signed by the school president, and returned with the other requested information.]

During the review of these records, it may be necessary to request copies of additional documents, such as add/drop slips, class schedule forms, etc. A determination as to whether these additional documents are needed will be

made on a case-by-case basis. Clarifying information may also be requested by telephone or fax.

The requested documents may be submitted by mail or fax. The number for fax submission is [fax number]; please call [telephone number], before submitting documents by fax. For mail submission, please mark on your envelope: "DO NOT OPEN IN MAILROOM." The mailing address is:

ATTN.: [Name], ELR ([Mail routing symbol])  
U.S. Department of Veterans Affairs Regional Office  
[Street Address]  
[City, State, Zip Code]

The authority for examination of these records is found in Title 38, United States Code, Section 3690(c). If you are not able to comply with this request within the next 2 weeks, or if you have questions, please contact [Name], Educational Liaison Representative, at [telephone number].

Sincerely yours,

[NAME]

Veterans Services Officer

Enclosures

#### **Figure 4.1 Sample Notice of Remote Review**

##### STUDENT RECORDS REQUIRED FOR COMPLIANCE SURVEY

School Name

University of Learning, Anytown, California

Student Name  
Number

Claim  
Social Security Number

John Q. Veteran  
6789

123-45-  
123-45-6789

Jane D. Child  
A

23-456-789-  
012-34-5678

#### **Figure 4.2 Sample Attachment to Notice of Remote Review**

Documents specifically requested for fax or mail submission, such as attendance records, class schedules, advertising materials.

Statements of school officials (for example, on the number of students in the school or in a given program)

c. Properly document information obtained by telephone. Use VA Form 119, Report of Contact, or cite date of contact, name and title of contact, and full information given and received in the narrative report.

d. Do not routinely request that schools submit copies of enrollment certifications or other documents which have been submitted to VA. When they are needed, request such documents from the RPO having the claimant's education folder (or from the Waco RO for awards under section 901). Limit such requests to those documents which provide necessary information not available from BDN screens or elsewhere. Avoid sending extensive requests to the RPO during periods of peak activity, such as fall enrollment. Request copies of documents from the school only if they are not available from the folder.

e. Do not devise local forms to be completed by schools. You may request information to be given in a suggested format. However, schools must not be required to use that specific format.

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## **SUBCHAPTER 02. AREAS OF REVIEW FOR CORRESPONDENCE SCHOOLS**

### **4.18 COMBINATION CORRESPONDENCE-RESIDENCE PROGRAMS**

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Survey the correspondence portion of a combination correspondence-residence program in accordance with the instructions in this subchapter. Survey the residence portion of such a program in accordance with the instructions in Subchapter 01 above. ([38 CFR 21.4279](#))

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### **4.19 VERIFICATION OF ENROLLMENT DATA**

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For general requirements and procedures see Paragraph 3.04a.

**a. Requirements.** For correspondence schools, the beginning date is the date the first lesson is sent to the student or the date the enrollment agreement is affirmed, whichever is later. During the preparation, compare the beginning date as certified by the school with the effective date of the award as shown on the compliance survey worksheet. ([38 CFR 21.4131\(c\)\(2\)](#) and [21.4256\(a\)\(3\)](#)) For additional information on affirmation of enrollment, see M22-4, Part 04, Award Issues. Chapter 02, Flight and Correspondence Training, Section 2.15.

**b. Review Procedures.** Review the school's records to determine if the affirmation was signed and dated 10 full days after the day on which the agreement was signed. Review school records to determine if any lessons were serviced before the date of affirmation. These lessons are non reimbursable.

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#### **4.20 RECORDS AND REPORTS OF ENROLLMENT, CHANGES IN ENROLLMENT, AND TERMINATION OR INTERRUPTION ([38 USC 3680\(b\)](#))**

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For general requirements and procedures see Paragraph 3.04d.

**a. Requirements.**

1. Schools must report (by endorsement on VA Form 22-6553b, Certification of Lessons Completed) the number of lessons serviced. ([38 CFR 21.4203\(e\)](#))
2. Schools must report student terminations not later than 30 days after the notification of termination is received from the student. ([38 CFR 21.4203\(a\) and \(d\)](#)) The effective date of the termination is the date the last lesson is serviced. ([38 CFR 21.4135\(e\)\(3\)\(i\)](#))

**b. Review Procedures.**

1. Review the school's basic records of enrollment and lessons sent to and returned by students. Verify that the lessons are those required for the course in which the student is enrolled. Review the school's records of lessons serviced to determine if they are adequate for reporting the number of lessons completed.
2. Review the school's basic records of lessons serviced to determine the dates the last lessons were serviced for terminated students. Review terminated students' files to determine if the school promptly reported terminations to the VA. Record any differences between the date the last lesson was serviced and the ending date shown on the worksheet.



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#### 4.21 RECORDS AND REPORTS OF PROGRESS, CONDUCT, OR ATTENDANCE

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For general requirements and procedures see Paragraph 3.04e.

**a. Requirements.** For correspondence schools, the progress standard may include a specified rate for submission of lessons and suspensions because of inactivity. ([38 CFR 21.4253\(d\)\(2\)](#))

**b. Review Procedures.** Review the school's records to determine if students have submitted lessons at the specified rate. If an individual's submission rate has been unsatisfactory, determine the date the school's standard was not met. Determine if reports were made accurately and promptly.

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#### 4.22 POWER OF ATTORNEY/NONASSIGNABILITY OF BENEFIT

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For general requirements and procedures, see Paragraph 3.04g.

**a. Requirements.** Enrollment certifications cannot be accepted which show the correspondence school's address, post office box, or sales office address as the student's mailing address.

**b. Review Procedures.** Review school records to determine if VA educational benefit checks are being sent to the school's address.

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#### 4.23 RESTRICTIONS ON THE PERCENTAGE OF VETERANS AND ELIGIBLE PERSON ENROLLED ([38 USC 3473\(d\)](#); [38 CFR 21.4201](#))

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For general requirements and procedures, see [Section 4.05](#).

**a. Requirements.**

1. If the course is a combination of correspondence and resident training, the 85 percent enrollment limitation must be computed twice, i.e., once upon

enrollment in the correspondence phase, and again upon enrollment in the residence phase. ([38 CFR 21.4201\(e\)\(1\)](#))

2. If a non-VA student has not completed a lesson or made a payment toward the cost of the course during the 6-month period immediately preceding the enrollment of a VA student, the non-VA student will not be included in the computation of the 85 percent enrollment limitation. ([38 CFR 21.4201\(e\)\(3\)\(i\)](#))

**b. Review Procedures.** For correspondence schools, review student records of non-VA students to determine if they are enrolled in the same course as the VA students. Ensure that the school's marketing techniques do not result in separate courses for VA and non-VA students, e.g., veterans complete all lessons of the course, but non-VA students consistently completed only selected lessons. Determine if the lessons of non-VA students are serviced in the same manner as the lessons of VA students. For example, if lessons are sent to the VA students in groups of three, they should be sent to non-VA students in groups of three, not ones or twos. If VA students are allowed to submit lessons as fast as they complete them, non-VA students should not be restricted to submitting one lesson every 2 weeks, or a similar schedule prolonging their enrollment. ([38 CFR 21.4201\(e\)\(1\)](#))

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#### 4.24 CHARGES FOR TUITION AND FEES ([38 USC 3686\(b\) and \(c\)](#))

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For general requirements and procedures, see [Section 4.06](#).

##### **a. Requirements.**

1. Benefits for correspondence courses are not payable under section 901, and are not payable to children under chapter 35. ([38 CFR 21.4252\(e\)\(2\)](#); [21.5800\(b\)](#)) Benefits for correspondence courses are payable under chapters 30, 1606, and 35 (spouses and surviving spouses only) at 55 percent of the approved charges. ([38 CFR 21.3131\(a\)](#); [21.7139\(i\)](#); and [21.7639\(e\)](#)) Benefits for correspondence courses are payable under chapter 32/Section 903 at 100 percent of the approved charges. ([38 CFR 21.5138\(a\)\(2\) and \(b\)](#))

2. If a student does not affirm an enrollment, the school, whether accredited or nonaccredited, must make a full refund of any amount paid. ([38 CFR 21.4256\(a\)\(4\)](#)) If a student does affirm an enrollment, but terminates without completing the course, the school must refund a portion of the charges. If the course is approved as nonaccredited (before February 2, 1995), see

[Section 4.26](#) below. ([38 CFR 21.4254\(c\)\(13\)](#)) If the course is approved as accredited, the refund must be as shown in [Figure 4.3](#). ([38 CFR 21.4256\(a\)\(5\)](#)) This information should be clearly stated on the school's enrollment agreement. ([38 CFR 21.4256\(a\)\(1\)](#))

Percent of Completed Lessons	Maximum Which School May Retain
0 percent (Termination after affirmation - no lessons completed)	Registration fee not to exceed 10 percent of tuition for the course or \$50, whichever is less
Less than 25 percent	Registration fee plus 25 percent of tuition
25 percent but less than 50 percent	Registration fee plus 50 percent of tuition
50 percent or more	No refund required

**Figure 4.3. Correspondence Refund Table** ([38 CFR 21.4256\(a\)\(5\)](#))

3. The school must make prompt refunds to students who do not affirm or who terminate the course. A refund is considered prompt when it is made within 40 days of the date of receipt of a notice of termination or disaffirmance. ([38 CFR 21.4256\(a\)\(7\)](#))

**b. Review Procedures.**

1. Review the school's financial records to ensure that the amounts reimbursed by the VA have not exceeded the rates of reimbursement rates indicated in subparagraph a(1) above.
2. Review school financial records and interview school officials to determine if the required refund policies are being followed.
3. For students who terminated their enrollments, review school financial records to determine if refunds were made within 40 days of the notice of termination.

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**4.25 SIX-MONTH NORMAL COMPLETION TIME** ([38 USC 3680\(a\)\(5\)](#); [38 CFR 21.4256\(a\)](#))

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**a. Requirements.** Completion time for a course is the time between the date the first lesson is sent to the student and the date the last lesson is received by the

school. A minimum of six months normal completion time for correspondence courses has long been a requirement. PL 103-446 made this requirement an approval criterion effective February 2, 1995. Before that date, this requirement was a limitation on payment of VA benefits, but was not an approval criterion.

1. For courses approved before February 2, 1995, the current approval criterion must be met in order to remain approved. To meet it, the school offering the course must certify that 50 percent of those completing the course require a minimum of six months to complete it. The school must base this certification upon the experience of students who completed the course during the six month period immediately preceding February 2, 1995.

2. For courses approved on or after February 2, 1995, the current approval criterion must be met for initial approval. To meet it, the school offering the course must certify that 50 percent of those completing the course require a minimum of six months to complete it. The school must base this certification upon the experience of students who completed the course during the six month period immediately preceding the date of application for approval.

i. If a school can show that several correspondence courses are required to reach an objective, so that taken together they constitute a single program of education, the criterion may be applied to their combined completion time. This does not apply to combination correspondence-residence courses.

EXAMPLE: Three correspondence courses, each with a normal completion time of two months, constitute a program of education. The program may be approved, because the combined normal completion time is six months. However, the individual courses may not be approved, because their separate normal completion times are less than the minimum.

ii. For combination correspondence-residence courses, the criterion is applied to the combined completion time. However, individual combination correspondence-residence courses may not be further combined for completion time computations, even when they may be taken together with other correspondence courses to constitute a single program of education.

EXAMPLE: The normal completion time for the correspondence portion of a course is five months and the normal completion time for the residence portion is one month. The combination course may be approved, because the combined normal completion time is six months.

**b. Review Procedures.** Review school records to verify the accuracy of the school's certification. A sample of 10 percent or more of the graduates may be utilized. However, a 100 percent review is required if the sample does not meet the requirement. If this approval criterion is not met after a 100 percent review, refer the discrepancy to the SAA see M22-4, Part 10, Compliance Survey, Chapter 06, Referrals, Section 6.01).

1. For courses approved before February 2, 1995, verify that 50 percent of the graduates during the six month period immediately preceding February 2, 1995, required a minimum of six months to complete the correspondence course or combined correspondence-residence course.

2. For courses approved on or after February 2, 1995, verify that 50 percent of the graduates during the six month period immediately preceding the date of the application for approval required a minimum of six months to complete the correspondence course, program of education consisting of several correspondence courses, or combined correspondence-residence course.

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#### **4.26 ADDITIONAL AREAS OF REVIEW FOR CORRESPONDENCE COURSE APPROVED AS NONACCREDITED ([38 USC 3676](#); [38 CFR 21.4254](#))**

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For general requirements and audit procedures, see [Section 4.07](#).

*NOTE: PL 103-446 modified the approval criteria for correspondence courses beginning on or after February 2, 1995. As of that date, a correspondence course and the correspondence portion of a correspondence-residence course may only be approved if offered by an educational institution that is accredited by an agency recognized by the Secretary of Education. However, an institution which was approved as nonaccredited before February 2, 1995, and retained approval by becoming accredited must have met the following requirements for periods before February 2, 1995, or the effective date of approval as accredited, whichever is earlier.*

##### **a. Requirements.**

1. Students must be furnished a catalog or bulletin containing the approved course outline and approved schedule of charges. ([38 USC 3676\(c\)\(5\)](#); [38 CFR 21.4254\(c\)\(5\)](#))

2. Enrollment must be within the limitations approved by the SAA. ([38 USC 3676\(c\)\(11\)](#); [38 CFR 21.4254\(c\)\(11\)](#))

3. For students who terminate a correspondence course, a pro rata refund of tuition and fees is required based upon the number of lessons serviced by the school. A registration fee of not more than \$10 is not subject to proration. For registration fees in excess of \$10, the amount exceeding \$10 is subject to proration. ([38 USC 3676\(c\)\(13\)](#); [38 CFR 21.4254\(c\)\(13\)](#))

**b. Review Procedures.**

1. Confirm through a review of school records and school recruitment and registration procedures that students have received catalogs or brochures. The required information may also be included in the enrollment agreement.

2. Correspondence courses usually do not have enrollment limitations. However, the residence portion of a combination course should have an enrollment limitation. Through a review of school records, determine total number of students presently enrolled and if this number is within the limitation established by the SAA.

3. For students who terminated their enrollments, review school financial records to determine if pro rata refunds were made within 40 days of the notice of termination. (See [Paragraph 4.24\(a\)\(3\)](#).)

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## **SUBCHAPTER 03. AREAS OF REVIEW FOR FLIGHT SCHOOLS**

### **4.27 VERIFICATION OF ENROLLMENT DATA**

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For general requirements and procedures see Paragraph 3.04a.

**a. Requirements.**

1. The student must be pursuing the same course as that certified by the school on VA Form 22-1999 and VA Form 22-6553c, Monthly Certification of Flight Training. The student must complete the commercial pilot course before enrolling in any other flight course.

2. The beginning date of the flight training course is the first date the student received either ground school or flight instruction.

**b. Review Procedures.**

1. Verify through a review of pilot logs, invoice tickets, and the daily flight record that the course in which the veteran is currently enrolled is the same as that certified by the school on VA Form 22-1999 and VA Form 22-6553c. Training records required by the FAA (Federal Aviation Administration) may also be reviewed to verify enrollment in a specific course. FAR (Federal Aviation Regulations) require the school to maintain a current and accurate record of each student's accomplishment in each approved course. For each student in the survey sample, note the name of the current course on the compliance survey worksheet. If necessary, correct the course code.

2. Determine through a review of the claim folder and school records that the veteran, service member, or reservist actually began the flight training course, with ground school instruction, flight instruction, or both, on the date reported by the school reported in item 19B of the VA Form 22-1999, and that a change of program was not charged, and that the enrollment has remained continuous. Enrollment is continuous as long as there is no period greater than 6 months between the exact date the last flight instruction was received and the date the next flight instruction is received. A change of schools will not break the continuity of enrollment unless a change of program is also involved. Verify through review of pilot logs, invoice tickets, and ground school records, the first date of training certified by the school as shown on the compliance survey worksheet, under "Effective Date". (Use the verified first date of training as the basis for reviewing the 85 percent enrollment computation for each student in the sample. See [Paragraph 4.32\(b\).](#))

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## 4.28 PURSUIT OF APPROVED PROGRAM OR COURSE

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For general requirements and procedures see Paragraph 3.04b.

### **a. Requirements.**

1. Concurrent enrollment in two or more flight courses is not permitted except when the course has been approved by the FAA and the SAA as a combined commercial pilot-instrument course, or as a special curriculum course leading to a certificate or rating normally obtained through pursuit of two separate courses.

2. All or part of a flight training program may be furnished by another school or entity under contract. The contractor providing the training must obtain approval of the course by the appropriate SAA. ([38 CFR 21.4233\(e\)](#))

## **b. Review Procedures.**

1. Determine through comparison of school and VA records that the courses in which students in the sample are enrolled have been properly approved.
2. The fact of contracted training may not be of record in the approval file. Therefore, during interviews with school officials, this area should be explored to determine if the school actually does contract out any training. For example, if a flight school located at a small airport is approved to offer flight engineer training and school facilities are obviously not sufficient to provide such training, ask where the training was provided.

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## **4.29 CREDIT FOR PREVIOUS EDUCATION AND TRAINING**

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For general requirements and procedures see Paragraph 3.04c.

### **a. Requirements.**

1. The flight school must maintain a record of the previous education and training for VA students, grant appropriate credit for previous education and training, shorten the student's course proportionately and so notify the student and the VA. ([38 CFR 21.4253\(d\)\(3\)](#); [21.4254\(c\)\(4\)](#))
2. Under FAR, course credits may be transferred in whole or in part from one certificated school to another. (A "certificated" school is one that has its flight training courses approved under FAR Parts 141 or 142.) The receiving school shall determine the amount of previous training to be transferred, based on a flight test and a written test.
3. Course credits may not be transferred from a noncertificated school to a certificated school.
4. Schools holding examining authority under FAR 141, Subpart D, may recommend graduates of its approved certification courses for pilot certificates and ratings except for flight instructor certificates, ATP (Airline Transport Pilot) certificates and ratings, and turbojet type ratings, without the student taking the FAA flight or written test, or both. However, the student must have graduated from the course of training offered at the school. Schools with examining authority must consider and grant appropriate credit for previous experience and training of VA students. Therefore such students when enrolled in schools with examining authority will take the required FAA written or flight test, or both, as



appropriate. This means that a student can take part of a course at one FAR 141 certificated school, transfer to another FAR 141 certificated school, graduate from the course, and have the second school recommend him/her for a pilot certificate or rating.

5. If a VA student has passed the FAA written examination for a rating or certificate before enrolling in a flight course, the student should be credited with not less than 50 percent of the required ground school hours for the course. If ground school training in preparation for the test was received at a certificated school, full credit would normally be given. However, under FAR 141.77, the student must still complete all the curriculum requirements of the course in order to be issued a graduation certificate. Therefore, even though an eligible student has passed the FAA written examination, assistance payments may still be afforded for that ground school instruction which is necessary to complete course requirements.

6. Education benefits may not be paid for pursuit of a flight objective for which the student is already qualified. ([38 USC 3471](#); [38 CFR 21.4230\(c\)\\*](#)) A student who has obtained a flight certificate or rating for a course, or who could obtain that certificate or rating without further training, is already qualified.

i. Former military pilots with the equivalent of a commercial pilot certificate and instrument rating may obtain an FAA commercial pilot certificate and instrument rating without FAA flight examination within 12 months after release from active duty flying status. Refresher training in the commercial or instrument courses within 12 months after active duty flying status is not permitted.

ii. Refresher training may be provided for the veteran who once held an FAA certificate and the certificate was canceled or surrendered before or during the veteran's qualifying service. In such cases, the refresher training must update the veteran's knowledge and skills in the technological advances made during and since the veteran's active military service.

**b. Review Procedures.** Review the student's VA Form 22-1990, Application for Education Benefits and discharge certificate (DD Form 214), if of record, for any evidence of military training or experience. Request from the appropriate RPO copies of all VA Forms 22-1999 submitted by a flight school for each claimant in the survey sample. Review these documents for the amount of credit allowed, if any, for previous experience and training. During the site visit, review the school's records of previous experience and training to determine if prior training and experience was evaluated and if the credit granted was properly reported.

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#### **4.30 RECORDS AND REPORTS OF ENROLLMENT, CHANGES IN ENROLLMENT, AND TERMINATION OR INTERRUPTION**

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For general requirements and procedures see Paragraph 3.04d.

##### **a. Requirements.**

1. The school and the student must certify the hours of flight and ground instruction received each month on VA Form 22-6553c. The certification will include the type of instruction given (dual, solo, ground school, preflight and postflight briefings), and the hours and charges for each type of instruction. Charges for dual flight instruction, solo flight training, and accompanying pre- and postflight instruction along with ground instruction are eligible for reimbursement.

2. All flight training hours (dual and solo) certified for reimbursement must be included in the FAA-approved curriculum which has been approved by the SAA. When FAR part 142 was issued, part 61 was revised to put a limit on the number of hours in a flight simulator that can be used to meet the flight requirements of part 61. Nonflight hours which are not FAA-approved may be included in an approved flight training course subject to the following limitations:

i. The total hours of preflight and postflight briefings may not exceed the total hours provided for in the training course outline or training program curriculum. If the training course outline or training program curriculum makes no provision for preflight and postflight briefings, then the total hours of pre- and postflight briefings may not exceed 25 percent of the approved flight hours in the course. For example, if an instrument rating is approved for 40 hours of flight training, preflight and postflight briefings may not exceed 10 hours (25 percent of 40 hours).

ii. Ground school instruction must be a part of the FAA-approved curriculum. Ground school is generally intended to prepare the student for the written examination.

3. Ground school may be provided on a group basis in a classroom setting or furnished through programmed audiovisual instruction. In either case the ground school instruction must be provided under the supervision of a qualified instructor who is available for consultation. A record of ground school instruction which shows the hours or units completed must be maintained on a current basis and must be signed and dated by the ground school instructor.

4. In some cases, a student may take the FAA written examination before starting a flight course or before completing all requirements of the course. If the student has passed the FAA written examination before enrolling in or completing all requirements of the course, the student should be credited with not less than 50 percent of the required ground school instruction hours for the course. If the ground school training was taken in preparation for the test and such training was by an FAR part 141 certificated school, full credit would normally be given. However, additional ground school instruction may be provided when it is necessary to complete all curriculum requirements.

5. Except for minor substitutions, an eligible student enrolled in a flight training course may train only in the aircraft approved for that course. If a particular aircraft is not available for some compelling reason, the veteran may be permitted to train in an aircraft different from that shown for the particular course, provided the aircraft substituted will adequately meet the training requirements for that phase of the course. Substitutions should be identified by the school on the VA Forms 22-6553c showing the substituted aircraft and the reason for the substitution. If the charge for the substituted aircraft is different from the charge for the regularly approved aircraft, the reimbursement will be based on the charge for the substituted aircraft or the charge approved for the regular aircraft, whichever is the lesser.

#### **b. Review Procedures.**

1. During preparation for the survey, photocopy the VA Forms 22-6553c submitted during the review period for each case in the survey sample or transfer the data certified (type and hours of instruction) onto a worksheet for use during the a site visit. A list of approved aircraft for each course showing model, horsepower, and ID number ("N" number) should be obtained from the facility approval file or requested from the school at the beginning of the a site visit.

2. For each course in the review sample, determine if the aircraft used for instruction are approved for the course and verify the hours of flight, ground school and pre- and postflight instruction as certified on the VA Forms 22-6553c.

i. Verify the flight instruction hours certified for each month through cross-check of the pilot log (if available at the school during the a site visit), flight or invoice tickets, engine log records and daily flight records. For flight simulator under FAR part 61, ensure that the number of hours does not exceed the limit.

ii. Determine if ground school instruction is being conducted in accordance with the FAA-approved curriculum. Verify the hours of ground school instruction certified through a review of the school's

ground school records. Cross-check entries on this record with invoice tickets or other available records showing the hours and charges for instruction.

3. Verify the hours of pre- and postflight instruction through review of invoice tickets or other records showing the hours and charges for instruction. Review the records of students not receiving VA benefits to determine if pre- and postflight briefings are required for and provided to students not receiving VA benefits at the same rate as VA students.

4. For students in the review sample who have completed courses during the review period, verify that the FAA check ride was not certified for payment of benefits. The leasing of aircraft to take a check ride with an FAA examiner is prohibited except where a licensed pilot must be present during the flight test. Payment may be authorized for the final stage check with the flight school's chief flight instructor if it is included in the training course outline or training program curriculum.

5. If aircraft have been substituted, ensure that the substituted aircraft meet the minimum training requirements for the course and that the charge for the substituted aircraft is not more than the charge for the approved aircraft.

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#### **4.31 RECORDS AND REPORTS OF PROGRESS, CONDUCT, OR ATTENDANCE**

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For general requirements and procedures see Paragraph 3.04e.

##### **a. Requirements.**

1. A flight school is required by FAR to maintain adequate records to show the progress and grades of students in each FAA-approved flight training course. [38 CFR 21.4263\(v\)](#) also requires that the school maintain an adequate system of records to show the progress of each veteran, service member or reservist. A FAA-approved flight training curriculum will include a description of the tests and checks used to measure a student's progress for each stage of training as well as the stage of training normally accomplished within each training period of 90 days. Progress records must be adequate to show a student's level of proficiency at various stages and may include written instruction appraisals, graded course work, copies of periodic written examinations, or other documents that will permit an evaluation of the student's progress toward satisfactory completion of the flight training course.

2. As with other types of training, entitlement to benefits for a program of flight training requires that the veteran, service member or reservist, having commenced the pursuit of a flight training program, continues to maintain satisfactory progress. If the eligible VA student fails to maintain satisfactory progress, educational benefits will be discontinued by VA. Progress is unsatisfactory if the veteran, service member or reservist does not satisfactorily progress according to the regularly prescribed standards and practices of the school he or she is attending.

3. The SAA may also require that students pursuing approved programs of flight training complete a minimum number of instructional hours in a month or calendar quarter, and may set a maximum number of months in which to complete the course. For example, a SAA may require a minimum of 20 hours of flight instruction (dual or solo) in one calendar quarter, and may set a maximum course completion time of 12 months.

4. A flight school, like other institutions, must have and enforce established standards of progress. The school must regularly evaluate the student's progress and compare the student's progress with clearly defined progress standards such as a minimum proficiency level for his or her stage of training, graded course work, periodic examinations or flight checks, or other techniques. In addition, the school's standards of progress may require that the student satisfactorily complete a minimum number of flight hours during a specified period of time (e.g., 20 flight hours during each calendar quarter).

5. The school's established standards of progress must also define any conditions for interruption of training due to unsatisfactory grades or progress; a description of any probationary period; and the conditions for the student's reentrance/readmission following dismissal/suspension for unsatisfactory progress.

#### **b. Review Procedures.**

1. Review records maintained by the school for each student to determine if they adequately reflect the student's progress in his or her program of flight training.

2. Review student progress records and determine whether FAA- and SAA-approved (or VA-approved in those states where the regional office acts as the approving authority) standards of progress have been enforced by the school, and the school has promptly reported unsatisfactory progress, where applicable.

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## 4.32 RESTRICTIONS ON PERCENTAGE OF VETERANS AND ELIGIBLE PERSONS ENROLLED ([38 CFR 21.4201](#))

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For general requirements and procedures, see [Section 4.05](#).

### a. Requirements.

1. The 85 percent enrollment restriction (including the 35 percent waiver) applies to flight schools and courses in general, but does not apply to military aero clubs.
  
2. In determining if the 85 percent requirement is met, the review period is the 30 days preceding a VA Beneficiary's enrollment. Compare the hours of training completed by students receiving VA educational assistance in the review period to the total hours of training completed by all students during the same period. If the result is more than 85.0 percent, the enrollment restriction is not met and further enrollments may not be approved until such time as the hours of training completed by students receiving VA educational assistance become equal to, or less than, 85.0 percent of the total. Make two separate computations, one for all training approved under FAR 141, and one for all training approved under other parts of the FAR. Students not receiving VA benefits must be receiving similar training under the same part of the FAR in order to be used in the 85 percent computation. See [Section 4.33](#) regarding review of charges for students not receiving VA benefits who are used in the 85 percent computation.
  - i. For students enrolled in courses under FAR part 141, base the computation on actual hours of logged instructional flight time or the charges therefore. Students not receiving VA benefits who are used in the computation must have completed the requirements for a private pilot's license and must be actually enrolled in FAR part 141 courses at the commercial pilot level or higher.
  
  - ii. For courses approved under FAR part 63, base the computation on ground training time in addition to actual logged instructional flight time or the charges therefore.)
  
  - iii. Courses under FAR part 61 can be approved only at a flight training center operating under a grant of exemption. Treat these courses together with those approved under the grant of exemption for the computation. Base the computation upon the total of all types of training (ground, simulator, actual instructional flight, etc.) or the charges therefore.

iv. The flight time of an owner or officer of the flight school may not be included in computing the 85 percent ratio.

**b. Review Procedures.**

1. For the most recent VA student's enrollment or reenrollment at the school, regardless of whether he or she is in the review sample, list the verified beginning date for date of enrollment (see [Paragraph 4.27\(b\)\(2\)](#)). If the school has a history of exceeding the enrollment limitation, also check each VA student in the survey sample who has enrolled or reenrolled in a flight course subsequent to the date of the last survey.

2. From the daily flight record for the 30 days preceding each enrollment, list all VA students and students not receiving VA benefits who completed training under the same part of the FAR (e.g., part 61, part 141). Verify and compute the ratio of hours of training completed by VA students to the total of hours of training completed by all students.

i. Cross-check the entries on the daily flight record through review of pilot logs and invoice tickets to verify that all VA students' flight time is listed on the daily record. Also verify that the flight time of students not receiving VA benefits was instructional in nature. In computing the ratio, exclude flight time for business or pleasure purposes by students not receiving VA benefits.

ii. Review the training records of students not receiving VA benefits to verify that they are enrolled in similar training under the same part of the FAR as the VA beneficiaries. Exclude flight time for private pilot training, or for FAR part 61 training unless offered at a flight training center operating under a grant of exemption.

iii. Cross-check the charges for students not receiving VA benefits through review of invoice tickets and school financial records to ensure that flight charges are not waived or rebated, completely or in part, by the school. If the training is given at a reduced charge to students not receiving VA benefits, include that time in the VA student part of the computation. (See [Section 4.33](#) regarding review of charges.)

3. For flight engineer, flight navigator and similar courses, verify the separate computation for the most recent VA student's enrollment through review of training records and school financial records. Ensure that students not receiving VA benefits used in the separate computation for these courses are enrolled on the same basis and pay the same charges as VA students.

4. Exclude all flight time of owners or officers of the school in computing the ratio.

5. If the 85 percent enrollment limitation is not met for the latest VA student's enrollment and this was the only enrollment to be verified because the school had a good 85 percent compliance history, expand the area of review. Make an 85 percent computation for all VA students in the survey sample, in order to determine if the violation is isolated or involves other cases.

6. If the school has certified that not more than 35 percent of its students are VA students, review the 30-day period preceding the date of the last VA student's enrollment and verify the certification. The review should be based on the most recent VA student's enrollment regardless of whether the case is contained in the review sample.

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#### **4.33 CHARGES FOR TUITION AND FEES** ([38 USC 3690](#); [38 CFR 21.4202\(a\)](#))

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For general requirements and procedures, see [Section 4.06](#).

##### **a. Requirements.**

1. The flight charges certified for reimbursement on the VA Form 22-6553c must be in accordance with the rates approved by the SAA, or by VA in those states where the regional office acts as the SAA. Payment is based on reimbursement of 60 percent of the approved charges for flight training pursued by eligible beneficiaries. Reimbursement is restricted to the charges for solo and dual flight instruction, ground school instruction, and pre- and postflight instruction associated with solo and dual flight training hours.

2. Eligible VA students must pay 40 percent of the approved charges for the training received.

3. The flight training courses listed below contain required solo flight training time. Other flight training courses may also include solo flight training, if it is included in the training course outline or training program curriculum.

- i. Commercial Pilot Certificat
- ii. Commercial Pilot (Helicopter)
- iii. Commercial Pilot (Gliders)
- iv. Commercial Pilot (Free Balloon)



v. Flight Instructor (limited to "pilot-in-command" time)

vi. Commercial Test Pilot

4. Students not receiving VA benefits who are used in the 85 percent enrollment computation must pay 100 percent of the approved charges for instruction. The course may not be offered at reduced rates to such students not receiving VA benefits unless it is also offered to VA students at the same reduced rates and on the same basis, e.g., discounted rates for payment in advance. Employee discounts must be provided on an equal basis to VA students and students not receiving VA benefits.

5. Flight training charges may not include charges for books or supplies or charges for any non instructional services or amenities which may be provided by the flight school. Non-instructional services or amenities may include enrollment incentives such as transportation and lodging for out-of-town students and "free" preliminary or follow-up training.

6. One or more students may own an aircraft. In such cases, the aircraft may be leased back to the school for instruction of the student-owner or the instruction of other students. The student-owned aircraft and the charges for its use must be approved by the SAA for each flight course in which it is used. The lease agreement may not result in any increased cost to the VA or have the effect of higher rates to VA student-owners than to other students.

7. Flight clubs may exist at some flight schools where members may rent aircraft at reduced rates. If the reduced rates are less than the approved charges for the aircraft, the lesser rate must be certified for reimbursement. Flight club membership fees may not be certified for reimbursement.

**b. Review Procedures.**

1. The charges certified for reimbursement must be verified through review of school financial records including invoice tickets signed by the student and a school official and entries posted in the accounts receivable ledger. Payment of the cost of the course by VA students must also be verified by review of school financial records. Charges for students not receiving VA benefits used in the 85 percent enrollment computation must be reviewed to verify that they pay the full approved charge for the course. Review of school advertising materials and interviews with school officials should be used to determine if any discount plans are available to students and if these plans are offered on an equal basis to both VA students and students not receiving VA benefits.

2. If the flight school offers any non instructional services or amenities at no or minimal cost to the student, school financial records for students who take advantage of these services must be compared with records for students who do not receive the services. Differences in the total cost of training for the students in each group must be determined to evaluate if the students who do not take advantage of the "free" services consistently complete courses at a lower cost than other students.

3. Interviews with school officials should identify any students buying an aircraft from the school and those having a leaseback agreement with the school. Determine if the aircraft and charges have been approved by the SAA. Compare the charges for VA students who have leaseback arrangements and students not receiving VA benefits who have leaseback arrangements to determine if the charges for the same or similar aircraft are equivalent.

4. Determine if any VA students in the survey sample are members of a flight club. Verify through a review of school financial records that the charges for such students are based on the actual cost to the student and membership fees were not certified for reimbursement.

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#### **4.34 ADDITIONAL AREAS OF REVIEW FOR COURSES APPROVED AS NONACCREDITED ([38 USC 3676](#); [38 CFR 21.4254](#))**

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For general requirements and procedures, see [Section 4.07](#).

##### **a. Requirements.**

1. Students must be furnished a catalog or bulletin containing the approved course outline and the approved charges.
2. Enrollments must be within the limitations approved by the SAA. An enrollment limitation must be established for the ground school portion of flight school courses. The SAA may, at its discretion, set an enrollment limitation for the flight portion of the course.
3. If the school has a payment plan whereby students may purchase blocks of instructional or rental time in advance at a discount, pro rata refunds must be provided if the student discontinues the course.

##### **b. Review Procedures.**

1. Confirm receipt of catalogs through a review of school recruitment and registration procedures.
2. If ground school sessions are conducted during the a site visit, determine by class check if the number of students attending is within the limitations established by the SAA. If additional limitations have been established for the flight portions of a course determine the total number of students enrolled in the course and whether this number is within the enrollment limitation. If student-teacher ratios have been established, compare the number of certified flight instructors to the number of students enrolled in each course.
3. If a veteran student has paid in advance for training and discontinued the course before completion, review financial records to insure that a pro rata refund was provided within 40 days

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#### **4.35 POSSESSION OF VALID PRIVATE PILOT CERTIFICATE OR HIGHER RATING AND APPROPRIATE MEDICAL CERTIFICATE ([10 USC 16136\(c\)](#); [38 USC 3034\(d\)](#); [38 CFR 21.4263\(a\)](#))**

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**a. Requirements.** The requirements for compliance with VA law and regulations in these areas differ considerably from those imposed by the FAA. Flight school officials may need to be reminded of the differences.

1. A veteran, service member, or reservist who has basic eligibility to receive educational assistance allowance under the provisions of chapters 30, 32, or 1606, may receive educational assistance for flight training provided that the student also possesses an unlimited private pilot certificate issued pursuant to FAR part 61, subpart E, or higher certificate or rating before enrolling in the flight training course. Benefits are not payable if the individual possesses only a student pilot or recreational pilot certificate before entry into the approved flight training course. Recreational certificates do not meet the private pilot certificate requirement. For service members on flight status, a commercial pilot certificate (fixed wing or rotor craft) will satisfy this requirement. In order to show that the student meets this requirement, the school must maintain in its records a photocopy of the student's private pilot certificate or higher rating or certificate.
2. The student must also meet the medical requirements for the flight course being pursued. The medical requirements for the course must be met at the time of initial enrollment and continuously during pursuit of the flight training course. For all flight training courses except the ATP certificate, the student

must possess a valid 2<sup>nd</sup> class medical certificate. For the ATP course, the student must possess a valid 1<sup>st</sup> class medical certificate.

3. A 1<sup>st</sup> class medical certificate is valid until the last day of the sixth month after the month of medical examination. The certificate then reverts to a 2<sup>nd</sup> class medical certificate, which is only valid for six additional months, because the expiration date is determined as stated in subparagraph (4) below.

4. A 2<sup>nd</sup> class medical certificate is valid until the last day of the 12<sup>th</sup> month after the month of medical examination. The certificate then reverts to a 3<sup>rd</sup> class medical certificate.

#### EXAMPLES:

A 1<sup>st</sup> class medical certificate based upon a medical examination conducted on January 15, 1996, expires for ATP training on July 31, 1996. The certificate reverts to a 2<sup>nd</sup> class medical certificate, acceptable for all other flight training. The 2<sup>nd</sup> class medical certificate expires on January 31, 1997. The certificate reverts to a 3<sup>rd</sup> class medical certificate, valid only for private pilot operations, and not acceptable for flight training.

A 2<sup>nd</sup> class medical certificate based upon a medical examination conducted on January 15, 1996, expires on January 31, 1997. The certificate reverts to a 3<sup>rd</sup> class medical certificate, valid only for private pilot operations, and not acceptable for flight training.

#### **b. Review Procedures.**

1. Review school enrollment records for each VA student in the survey sample and for all VA students currently enrolled in the school to verify that the students possessed a valid private pilot certificate or higher rating/certificate before enrollment in the flight training courses. For each student in the survey sample, note on the compliance survey worksheet the date that the private pilot certificate or higher rating/certificate was issued. For all other VA students currently enrolled, record this information in the survey work papers.

2. Review school enrollment documents for each VA student in the survey sample to verify that the student possessed a valid medical certificate of the appropriate class before enrollment in the flight training courses and that the medical certificate was maintained during the entire period of pursuit of the course. For each student in the survey sample, note on the compliance survey worksheet the effective date of the medical certificate and the

effective date of renewals of the certificate. For all other VA students currently enrolled in the school, record this information in the survey work papers.

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## SUBCHAPTER 04. AREAS OF REVIEW FOR TRAINING ESTABLISHMENTS

### 4.36 VERIFICATION OF ENROLLMENT DATA

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For general requirements and procedures see Paragraph 3.04a.

**a. Requirements.** For on-job and apprenticeship training, the beginning date to be certified is the first date of employment in the training position. The ending date of training must be certified in accordance with the credit granted for prior training. The beginning and ending dates of training and the credit allowed as reported on the enrollment certification must agree with the information shown on the on-job or apprenticeship training agreement.

**b. Review Procedures.** Review employer records including timecards, progress or other records as necessary to verify that the beginning date certified was the actual first date of training. If the beginning date certified was not the first date of training, record the correct date on the compliance survey worksheet. Also record the hours worked commencing with the verified first date of training. Confirm first date of employment and first date of training during trainee interviews.

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### 4.37 CREDIT FOR PREVIOUS EDUCATION AND TRAINING

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For general requirements and procedures see Paragraph 3.04c.

**a. Requirements.**

1. For training establishments, apprenticeship standards require the granting of advanced standing or credit for previously acquired experience, training or skills with commensurate wages for any progression step granted ([38 USC 3687\(a\)\(1\)](#); [38 CFR 21.4261\(c\)](#); [29 CFR 29.5](#)).
2. The veteran or eligible person may not be already qualified by reason of training and experience for the job ([38 USC 3471](#) and [3677\(c\)\(7\)](#); [38 CFR 21.4230\(c\)\\*\\*](#) and [21.4262\(c\)\(8\)](#)).

## **b. Review Procedures.**

1. During review of claims and DEA folders in preparation for the survey, review the trainee's application for benefits and, if a veteran, the discharge certificate, to determine if the trainee has had previous education, training or experience in the job objective being pursued. Review the enrollment certification and training agreement to determine if any credit was granted for previous experience or training. Note the amount of credit granted on the compliance survey worksheet. If a substantial amount of training or experience is shown on the application or discharge certificate, determine if proper development was undertaken to ensure that the trainee was not already qualified for the objective.

2. During the site visit, review the trainee's application for employment or similar records as appropriate to determine if he or she reported relevant training or experience when seeking employment. Confirm the trainee's past experience and training during the interview with the trainee.

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### **4.38 RECORDS AND REPORTS OF ENROLLMENT, CHANGES IN ENROLLMENT, AND TERMINATION OR INTERRUPTION ([38 USC 3680\(c\)](#) and [3687\(b\)\(3\)](#); [38 CFR 21.3131\(a\)](#), [21.3132\(c\)](#), [21.4203\(f\)](#), [21.5138\(a\)](#) and [\(b\)](#), [21.5270](#), [21.5138\(a\)](#), [21.7139\(j\)](#), [21.7170](#), [21.7636\(a\)](#) and [21.7639\(f\)](#))**

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For general requirements and procedures see Paragraph 3.04d.

## **a. Requirements.**

1. The trainee and the employer must certify the hours worked each month on VA Form 22-6553d, Monthly Certification of On-the-Job and Apprenticeship Training. Full payment is based on 120 hours in 1 full month. In months in which less than 120 hours are worked, benefits are proportionately reduced. Since the computation is rounded to the nearest eight hours, 116 hours is the minimum required for full benefits, as shown in [Figure 4.4](#) below. On the survey worksheets produced for trainees whose awards are processed by PC programs (see Paragraph 2.04(b)), the actual hours certified by the employer and trainee are shown. On VA Forms 22-1936, hours certified by the employer and trainee are shown as "Units of Payment (APP/OJT)." Each unit represents 1/15 of the monthly rate. The number of units shown is the number for which payment was made based upon the hours certified. For example, if 112 hours were certified for a month, VA Form 22-1936 will show 14 units of payment for that month.

2. The hours certified may include related training during working hours, but may not include related training received or pursued after working hours. The hours certified may not include leave or vacation time or hours not worked due to strikes or layoffs.

Hours Worked	Units	Hours Worked	Units	Hours Worked	Units	Hours Worked	Units
0-3	00	28-35	04	60-67	08	92-99	12
4-11	01	36-43	05	68-75	09	100-107	13
12-19	02	44-51	06	76-83	10	108-115	14
20-27	03	52-59	07	84-91	11	116 and above	15

**Figure 4.4. Relationship of Hours Worked to Payment Units for Apprenticeship and On-the-Job Training**

**b. Review Procedures.**

1. Verify the hours certified for each month of the review period through review of official payroll or time and leave records. Ensure that the hours certified represent only actual hours on the job and do not include vacations, leave for medical purposes, strikes, layoff time, related training after working hours, etc.

2. During interviews with trainees, confirm that leave periods and hours of related training, if required, have been properly reported.

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**4.39 WAGES PAID** ([38 USC 3677\(b\)\(1\)](#), [3687\(a\)](#); [38 CFR 21.4261\(c\)\(1\)](#) and [21.4262\(b\)\(6\)](#))

**a. Requirements.**

1. For OJT programs, the beginning wage must be at least 50 percent of the journeyman wage. The wages must be increased in regular periodic increments until, not later than the last full month of the training period, they will be 85 percent of the journeyman wage. Wages for on-the-job programs must be fixed and certain. Wages for a journeyman or for a trainee may not be based in whole or in part on commissions, fees or other variables.

2. For apprenticeship programs, the wage scale must meet the requirements of the apprenticeship standards ([29 CFR 29.5](#)). There must be a progressively increasing schedule of wages to be paid the apprentice consistent with the skill acquired. The entry wage may not be less than the minimum wage under the Fair Labor Standards Act. If a higher wage is required under other Federal or State law or regulations, or by a collective bargaining agreement, the entry wage may not be less than that higher wage. Payment of commissions is not precluded for apprenticeship programs.

3. (See RPO Letter 22-06-12) The approved wage scale is shown on the training or apprenticeship agreement furnished to the trainee. Changes in the wage rate are to be reported on VA Form 22-6553d. Attainment of the journeyman rate indicates the trainee has acquired the skills of a fully trained employee and benefits must be discontinued even though the approved length of the program may not have been completed. However, cost-of-living or other wage increases which affect VA and non-VA trainees alike may be considered revisions to the wage scale and may be approved if the applicable requirements of the law and regulations are met.

#### **b. Review Procedures.**

1. Review the establishment's official payroll records to verify the wages which have been paid during the training program. If differences exist between the approved wage scale and the wages which have been paid, record the amounts paid and the effective dates of change. If the trainee has reached the journeyman wage, note the effective date that the increase was granted.

2. When the wages paid do not agree with the approved wage scale, determine the cause through interviews with establishment officials.

3. During trainee interviews, confirm with the trainee the amounts actually paid and the dates of increases.

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#### **4.40 RECORDS AND REPORTS OF PROGRESS, CONDUCT AND ATTENDANCE** ([38 USC 3474](#), [3524](#) and [3677](#); [38 CFR 21.4135\(g\)](#), [21.4261\(c\)](#), [21.4262\(c\)\(7\)](#), and [21.4277](#))

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For general requirements and procedures see Paragraph 3.04e.

#### **a. Requirements.**



1. Adequate records must be kept by the training establishment to show the progress made by the trainee toward the job objective. The progress record should show the approximate amount of time spent in each of the job operations or tasks to be learned as part of the overall training program.

2. A trainee who fails, for reasons such as layoff or illness, to complete the total number of hours of approved training within the period originally certified may have the award period adjusted to permit payment for the additional approved hours. There is no provision for an extension of the approved length of the program.

**b. Review Procedures.**

1. Review the progress record to determine if it is maintained on a current basis. If a substantial part of the training program has been completed, note any work processes in which no training hours are shown. If there are areas in which no training has been provided, determine the reasons during interviews with establishment officials.

2. If excessive hours have been provided in one or more work processes with no or minimal training provided in other work processes, determine through interviews with establishment officials when progress ceased to be satisfactory.

3. If the benefit award period has expired, determine if the trainee completed the total number of approved hours within the award period. If not, determine the additional number of hours needed to complete the program and whether the journeyman wage was paid upon expiration of the award period.

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**4.41 RELATED TRAINING** ([38 USC 3677\(c\)\(4\)](#) and [3687\(a\)](#); [38 CFR 21.4261\(b\)\(4\)](#) and [21.4262\(c\)\(5\)](#))

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**a. Requirements.**

1. For apprenticeship programs, supplemental related instruction is required. A minimum of 144 hours of such instruction for each year of apprenticeship is recommended ([29 CFR 29.5](#)). Such instruction may be given in trade, industrial or correspondence courses or other forms of approved self-study. The establishment must periodically review and evaluate the trainee's progress in related instruction.

2. For on-job programs, related instruction may be required as part of the training program for the veteran or eligible person who may need it.

**b. Review Procedures.** If related instruction is required, verify through interviews with establishment officials and with trainees that such instruction is being provided and that progress is being evaluated. Review any available records of related training maintained by the establishment or trainee. Ensure that related instruction furnished or received after working hours was not certified as hours worked (see [Paragraph 4.38\(b\)](#)).

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**4.42 TRAINING AGREEMENT** ([38 USC 3677\(c\)\(8\)](#) and [3687\(a\)](#); [38 CFR 21.4261\(c\)\(2\)](#) and [21.4262\(c\)\(10\)](#))

**a. Requirements.**

1. The training establishment must provide a signed copy of the training or apprenticeship agreement to the veteran or eligible person and VA. An on-job training agreement must include the training program (schedule of work processes in which training will be provided and approximate amount of time to be spent in each process) and the approved wage scale. For apprenticeship programs, the apprenticeship agreement must include either explicitly or by reference the training program, approved wage scale and information regarding the number of hours to be spent in related instruction.

2. The on-job training agreement may also include the amount of credit allowed for previous education or training, if any, and the beginning and ending dates of training. The information shown on the training agreement should agree with the information certified on the VA Form 22-1999.

**b. Review Procedures.** During the trainee interview, verify that the trainee did receive a signed copy of the training or apprenticeship agreement; that the training provided agrees with the approved training program; and that the wages paid are in accordance with the approved wage scale.

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**4.43 FAMILY RELATIONSHIP**

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Although no prohibition exists against family relationships present between trainer and trainee, such relationships often occur in on-job training programs and must be

evaluated carefully. Care should be taken to ensure that a bona fide training program exists and especially to ensure that the trainee is not already qualified for the position because of previous experience or training ([38 USC 3677\(c\)\(7\)](#)).

## Part 10: Chapter 5 – Procedures Based on Number of Discrepancies Found.

### [5.01 Expansion of Survey](#)

### [5.02 Preliminary Determination of a Substantial Pattern of Overpayments](#)

#### 5.01 EXPANSION OF SURVEY

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**a. General.** When a compliance survey reveals reporting or approval discrepancies which imply that a substantial pattern of overpayments may exist, the survey sample will be systematically expanded until a preliminary determination can be made as to whether such a pattern exists or not. The survey expansion procedures in this paragraph allow flexibility in decisions concerning expansion. However, all decisions must follow the instructions in this chapter, must be based on the evidence of record, and must be clearly documented in the survey report.

**b. Substantial Pattern of Overpayments.** A substantial pattern of overpayments is that which has resulted in overpayments in a significant number of cases. See [Paragraph 5.02\(b\)](#). The compliance survey process can result in only a preliminary determination. The final determination must be made by the Director of the Regional Processing Office having approval jurisdiction for the school or training establishment involved. See Section 6.03 for referrals involving a substantial pattern of overpayments.

**c. Overpayments.** For this determination, this means acts of commission or omission by the school or training establishment which result in payment of benefits to which the beneficiary was not entitled. Except for the initial expansion decision, discrepancies found on the compliance survey which do not result in overpayments will not be considered. Overpayments resulting from the actions of persons or agencies other than the school or training establishment (e.g., VA, the State approving agency, or the beneficiary) also will not be considered. In deciding whether or not to expand the survey sample, the survey specialist must use his or her own judgment in determining whether an overpayment has occurred and what the approximate size of the overpayment is. Confirmation from the Finance or Authorization activities is not needed. However, in making the preliminary determination concerning a substantial pattern of overpayments (see [Section 5.02](#)), the existence and actual amount of each overpayment must be confirmed.

**d. Elements for Consideration.** In making all decisions on survey expansion, as well as in deciding whether to make a preliminary determination that a substantial

pattern of overpayments exists, consider the following elements, not in isolation, but in conjunction with each other:

1. Total Number of Cases Involved. For example, a small number may be considered to favor expansion because little additional work is needed, or to discourage expansion because the final result probably would not uncover any serious problem.

2. Proportion of Discrepant Cases in the Sample Reviewed. For example, a small proportion of discrepant cases in the sample may reflect isolated, rather than systematic errors in reporting procedures.

3. Magnitude of Overpayments. For example, a large number of small overpayments may represent only a small problem in absolute terms, while a small number of large overpayments may represent a greater problem.

4. Compliance History of the School or Training Establishment. For example, a school which has a good compliance history, and an experienced certifying official, should be considered less of a risk than a school with a poor history, or a certifying official with little experience.

**e. 100 Percent Review.** If all records are reviewed as part of the initial sample (see M22-4, Part 10, Compliance Survey. Chapter 02, Preliminary Procedures, Section 2.03), the survey will not be regarded as a 100 percent review. This term is reserved for surveys which require expansion beyond the original sample. Report 100 percent reviews as such in DOOR, and credit time devoted to them (after the initial review) as "Other Measured Hours."

**f. Primary Expansion.** If review of the initial sample reveals overpayment errors in 30 percent or more of the cases, or discrepancies of any type in 50 percent or more of the cases reviewed, the survey specialist must determine whether or not to expand the sample, unless all records have already been reviewed. Expansion should rarely be done if overpayments are found in less than 30 percent of the cases reviewed. If expansion is decided on, the survey specialist must also decide the size of the additional sample. It must be equal to or greater than the initial sample. If the total number of students is low, the first expansion may be a 100 percent review. The sample may be expanded using the procedures in M22-4, Part 10, Compliance Survey. Chapter 02, Preliminary Procedures, Section 2.04, or cases may be identified and randomly selected from school records.

**g. Secondary Expansion.** If review of the expanded sample reveals overpayment errors in 30 percent or more of the cases, the survey specialist must determine whether or not to conduct a 100 percent review, unless all records have already been reviewed. 100 percent reviews should rarely be done if overpayments are found in less than 30 percent of the cases reviewed in the expanded sample. If a 100 percent review is decided on, the survey specialist must also decide the

scope of the review. The 100 percent review may be limited to those issues which resulted in the overpayments found during the expanded review. The 100 percent review may be conducted immediately if prepared worksheets are already available, or if the total number of students is low and all cases can be identified and selected from school records. Otherwise, the 100 percent review must be scheduled at a later date, after selecting cases using the procedures in M22-4, Part 10, Compliance Survey. Chapter 02, Preliminary Procedures, Section 2.04 and preparing worksheets.

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## **5.02 PRELIMINARY DETERMINATION OF A SUBSTANTIAL PATTERN OF OVERPAYMENTS** ([38 USC 3690\(b\)](#); [38 CFR 21.4202](#))

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**a. General.** Upon completion of a 100 percent review, the survey specialist will routinely refer problem cases to other VA elements as necessary (see M22-4, Part 10, Compliance Survey. Chapter 06, Referrals, Section 6.02). Each response to a referral will be returned to the Education Services Unit annotated by the authorization or finance activity with the amount of any overpayment created. Base the preliminary determination of a substantial pattern of overpayments on these responses. Apply the elements listed in [Paragraph 5.01\(d\)](#) as indicated in the guidelines below.

**b. Overpayments Found in 30 Percent or More of Cases Reviewed.** When cases with overpayments due to reporting errors and/or approval violations represent 30 percent or more of the cases reviewed in a 100 percent review, a preliminary determination will generally be made that a substantial pattern of overpayments exists.

**c. Overpayments Found in Less Than 30 Percent of Cases Reviewed.** When cases with overpayments due to reporting errors and/or approval violations represent less than 30 percent of the cases reviewed in a 100 percent review, and the school or training establishment maintains a records system and reporting procedure which under normal circumstances would result in proper reports to VA, a determination will generally be made that a substantial pattern of errors does not exist. However, if the records system or reporting procedure is inadequate, a substantial pattern of overpayments may exist.

**d. Exceptions.** If the total number and aggregate amount of overpayments are so small that they do not represent a serious problem, or when this is the first occurrence and the school has not been previously notified in writing, the determination will be that a substantial pattern of overpayments does not exist.

**e. Actions Following the Determination.** If a substantial pattern of overpayments is determined to exist, follow the instructions in M22-4, Part 10, Compliance Survey. Chapter 06, Referrals, Section 6.03. If such a pattern is determined not to exist, document the determination in the survey report. If this is the first occurrence, see M22-4, Part 10, Compliance Survey. Chapter 07, Reports and Correspondence, Paragraph 7.05(c) for the required notification to the school or training establishment.

## Part 10: Chapter 6 – Referrals

### [6.01 Referral to State Approving Agency](#)

### [6.02 Referral to Other VA Elements](#)

### [6.03 Referrals Involving a Substantial Pattern of Overpayments](#)

### [6.04 Referral to the Committee on Educational Allowances](#)

### [6.05 School Liability](#)

### [6.06 Fraud](#)

*NOTE: The instructions in this chapter apply to consolidated Education activities. For Education activities conducted in the Manila RO (Regional Office) and for Section 901 claims, which are processed in the Waco RO, these instructions should be followed to the extent possible. In such instances, references in this chapter to the RPO (Regional Processing Office) Director and the CELO (Chief Education Liaison Officer) may generally be applied to the local RO Director and ELR (Education Liaison Representative). When questions or conflicts arise, contact the Field Operations Staff of the Education Service by telephone or e-mail.*

## **6.01 REFERRAL TO STATE APPROVING AGENCY**

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a. All discrepancies involving approval criteria under [38 CFR 21.4250](#), [21.4251](#), [21.4253](#), [21.4254](#), [21.4261](#), [21.4262](#), [21.4263](#), and [21.4264](#), must be reported to the SAA (State approving agency). Prepare a letter identifying the facility, the officials interviewed and the specific approval criteria discrepancies found. For each discrepancy identified, cite the specific statutory or regulatory authority. Furnish any facts regarding the discrepancy that were developed during the survey and give your opinion of the probable cause of the discrepancy. This information may help in preventing a needless duplication of effort by the SAA. The authority for signature of this letter rests with the Director of the Regional Processing Office (RPO). However, this signature authority may be delegated to the Chief Education Liaison Officer (CELO) or to the Education Liaison Representative (ELR) of jurisdiction.

b. Prepare referrals to the SAA as soon as possible after the completion of the remote review or site visit. Referrals to the SAA will be made not later than 30 days after the remote review or site visit. If it is not possible to provide a written referral within 30 days, advise the SAA by telephone of the discrepancies found which involve violations of criteria and follow up with written communications within 30 days thereafter.



c. Work-in-progress controls must be established to ensure that a response from the SAA is received within 60 days after the date of referral. The 60-day time limit may be extended an additional 30 days upon the SAA's request. If it appears that a response will not be furnished within the time limit, the ELR (Education Liaison Representative) should telephone the SAA to confirm the status of the case. If corrective action is not taken within the appropriate time limit, the case must be referred for action to the RPO Director.

d. In some cases, the violations of approval criteria may be of such small nature that a SAA supervisory visit is not warranted. In such cases, a referral to the SAA for informational purposes only is appropriate for corrective action as the SAA deems necessary. Do not establish controls for a response.

#### EXAMPLES:

\* A training establishment's progress records for a trainee are 2 or 3 months out of date.

\* A college reports 15 semester hours of credit for prior training and experience, but school records show that 19 semester hours were actually granted.

e. Refer the following specific types of discrepancies to the SAA:

#### 1. All Schools

i. Failure to maintain adequate records of prior education or training or to give appropriate credit.

ii. Failure to maintain adequate records showing progress.

iii. Evidence that the school is not financially sound or that it is using false or misleading advertising.

iv. Indication that the quality of instruction is not adequate or up to standards of other similar schools.

#### 2. Schools Other Than Flight Schools

i. Failure to enforce the approved policy relating to attendance, conduct, or progress.

ii. Failure to follow the approved school calendar or approved attendance schedules.

iii. Failure to make required refunds of tuition and fees, or charging tuition and fees in excess of those approved.

iv. Failure to furnish a copy of the course outline, school policies, and similar material.

v. Failure to give certificates indicating satisfactory completion of a course.

vi. Failure to adhere to enrollment limitations.

### 3. Flight Schools

i. Failure to maintain permanent ground school records, daily flight records (85-15 percent ratio records), continuous hour meter records for each aircraft, invoices or flight tickets NOT signed by student and school officials, accounts receivable ledger, logbooks and aircraft logs, required medical certificates and private pilot certificates, and records to identify veterans and nonveterans enrolled under parts 61, 62, 63, 141, or 142 of the Federal Aviation Regulations.

ii. Failure to make required refunds of tuition and fees.

iii. Failure to furnish VA students a copy of the course outline, school policies and other such items.

iv. Failure to give a certificate of completion after satisfactory completion of a course.

v. Failure to follow approved schools policies for conduct and dismissal and approved hours of training requirements.

vi. Besides referral to the SAA, discrepancies found on VA compliance surveys which appear to violate FAA regulations should be reported to the GADO (General Aviation District Office) FSDO (Flight Standards District Office) of jurisdiction. Examples of such discrepancies include violation of advertising limitations (revised part 141.23), inadequate ground training facilities (revised part 141.45) and inadequate training records (revised subpart F). The FAA has instructed its GADOs and FSDOs to inform the VA regional office of jurisdiction if a school's certificate, rating or approved course of training is withdrawn or terminated for any reason. Any discrepancies found during FAA inspection visits which appear to violate VA regulations will also be referred to the appropriate VA office.

### 4. Training Establishments

- i. Failure to maintain adequate records of hours worked, progress records, or records of wages paid.
- ii. Failure to provide veterans or eligible persons with a copy of the signed training agreement.
- iii. Failure to provide adequate training shown in the approved training program or related training when required.
- iv. Failure to pay the wages established in the approved wage schedule.

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## 6.02 REFERRAL TO OTHER VA ELEMENTS

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a. If the compliance survey discloses discrepancies involving matters which should be referred to the appropriate Authorization activity, Finance activity, or others, send a memorandum outlining all essential facts within 30 days of the conclusion of the remote review or site visit, over the signature of the CELO or his/her designee. Request corrective action and a response when the action has been completed. Referrals for action should be grouped separately from referrals for information only. Maintain and control all grouped referrals in terminal digit order. Do not refer discrepancies neither requiring corrective action nor involving information for inclusion in the education or DEA (Dependents Educational Assistance) folder: e.g., a late report of reduction when the proper award adjustment has already been made.

1. Request corrective action in accordance with the facts found during the survey. It is not necessary for the school to submit corrected enrollment or other certifications. Furnish copies of individual compliance survey worksheets or a copy of the compliance survey report only if needed.

2. If a request to a facility for additional information was made and the facility did not furnish it, base corrective action upon the facts found exclusive of the additional information.

3. If overpayments have occurred and may continue pending a response from either the facility or the SAA, immediately forward a request for suspension of further benefits in the appropriate cases through the CELO to the Authorization activity. Upon responses from the facility or the State approving agency (or the lack of a response within the time limits) send a follow-up memorandum to the Authorization activity requesting final award adjustments.

4. Upon completion of corrective action by the other VA element, the memorandum should be endorsed and returned to the ESU (Education Services Unit). Work-in-progress controls should be established by the ESU to ensure that corrective action is completed within 30 days. Corrective action may be ascertained by review of the BDN record even though a formal response has not been received. Requests which have been pending more than 30 days without either corrective action or a response should be brought to the attention of the CELO at the RPO.

b. Refer the following types of discrepancies for action by the operating element shown without referral to the SAA or the RPO Director, if not part of a substantial pattern of overpayments. For referrals involving a substantial pattern of overpayments, see [paragraph 6.03](#) below.

1. Authorization activity

- i. Student not enrolled in the same course certified by school.
- ii. Student not pursuing the number of hours certified.
- iii. Student did not commence the course on the date certified.
- iv. Dates of interruption or termination not reported or reported incorrectly.
- v. Changes in training time not reported or reported incorrectly.
- vi. Failure to report the date a trainee reached or exceeded the journeyman wage when such occurs before the scheduled date.
- vii. Eligible persons no longer suitably employed full time in an occupation relevant to the approved training program (farm cooperative).
- viii. Flight student's private pilot's certificate not on file.
- ix. Flight student's medical certificate not on file, not the proper class, or has expired.
- x. Any other action which requires an award adjustment, possible award adjustment or a determination regarding evidence of school liability.

2. Finance Activity (or Other Operating Element Assigned Responsibility)

- i. Hours worked were improperly reported.

- ii. Correspondence lessons were improperly reported.
  - iii. Hours of flight training or ground instruction were improperly reported
- c. If improper reporting in any area results in overpayment of benefits, consider school liability. See [paragraph 6.05](#).
- d. For cases in which fraud on the part of the school or student is suspected see [paragraph 6.06](#) below.

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### **6.03 REFERRALS INVOLVING A SUBSTANTIAL PATTERN OF OVERPAYMENTS**

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- a. During and following a 100 percent audit, refer all cases of potential overpayment to the appropriate RPO activity (authorization or finance) for corrective action. Upon completion of such action, the referrals will be returned to the ESU. Each referral should be annotated by the Finance or Authorization activity with the amount of any overpayment created. Consolidate these results with the results of the previously accomplished routine or expanded survey in order to confirm whether a substantial pattern of overpayments exists. (See par 5.02.)
- b. If a substantial pattern of overpayments exists, the ELR will discuss the matter with the CELO. Notify the Program Administration Staff of the Education Service by telephone or e-mail before taking action adverse to the school or training establishment. After consultation, if adverse action is planned, prepare a memorandum to the Director of the RPO having jurisdiction over the geographical area where the school is located, recommending referral to the CEA if the approval remains active. The memorandum must be signed by the CELO of the RPO of jurisdiction, or his/her designee.
- c. In the memorandum, notify the RPO Director of the discrepancies found and recommend one or more of the following actions due to school noncompliance:
  - 1. Mass suspension and discontinuance. ([38 CFR 21.4210\(e\)](#))
  - 2. Individual suspension and discontinuance. ([38 CFR 21.4210\(e\)](#))
  - 3. Disapproval because of overcharges. ([38 CFR 21.4202\(a\)](#))
  - 4. Mass discontinuance. ([38 CFR 21.4202\(b\)](#))

5. Individual discontinuance. ([38 CFR 21.4202\(b\)](#))

6. Suspension of approval or disapproval of courses when VA functions for the SAA. ([38 CFR 21.4259\(a\) and \(c\)](#))

d. If the Director concurs, take actions as recommended. If the Director does not concur, a memorandum detailing the reasons for the decision will be prepared and returned to the ESU for inclusion in the compliance survey folder.

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#### **6.04 REFERRAL TO THE STATION COMMITTEE ON EDUCATIONAL ALLOWANCES ([38 CFR 21.4212](#))**

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a. The station Committee on Educational Allowances (CEA) is a fact-finding body composed of three station employees designated by the regional office Director. The CEA's purpose is to recommend to the Director of the RPO if further enrollments should be discontinued ([38 CFR 21.4202\(a\)](#)), or if further enrollments should be discontinued and further benefits to those already enrolled discontinued ([38 CFR 21.4202\(b\)](#)). Before taking such actions, as listed in [subparagraph 6.03c](#), the RPO Director will refer the facts to the CEA for its findings and recommendations, except when the director decides on one of the following:

1. Mass suspension under [38 CFR 21.4210\\*\\*](#). However, following a mass suspension, if the RPO Director is convinced the school will not take corrective action and that the SAA will not disapprove the course, the facts will be referred to the CEA before discontinuance.
2. Individual suspension or discontinuance under [38 CFR 21.4210\\*\\*](#).
3. Suspension of approval or disapproval of courses when VA functions for the SAA.

b. It is not necessary for a substantial pattern of overpayments to exist before the cases of schools or individual students are referred to the CEA. When referral is determined to be appropriate, the ELR will discuss the matter with the CELO. Consult with the Program Administration Staff of the Education Service by telephone or e-mail before taking action adverse to the school or training establishment. After consultation, if adverse action is planned, prepare a memorandum from the CELO to the Director of the RPO having jurisdiction over the geographical area where the school is located, recommending referral to the CEA. The school or training establishment will be notified by letter, over the signature of the RPO Director, of the specific nature of the compliance problem, and of its right to a hearing before the CEA. The school or training establishment

may choose to have the hearing at the RPO or at the regional office having jurisdiction over its geographic location. The school or training establishment will be given 30 days to reply.

c. The following types of discrepancies may be referred to the CEA without prior referral to the SAA:

1. Evidence that the school has charged or received from a veteran, in-service student or eligible person any amount in excess of the established charges for tuition and fees which the school requires from similarly circumstanced nonveterans enrolled in the same course. Lower tuition or rates for groups or special categories of persons will not be considered a violation provided the same rates are available to veterans, in-service students, or eligible persons in these groups, or special categories ([38 CFR 21.4202\(a\)](#)).

2. Evidence that the school has willfully and knowingly submitted false reports or certifications ([38 CFR 21.4202\(b\)\(1\)](#)).

3. Evidence that the school has willfully and knowingly failed to report unsatisfactory attendance or termination of training ([38 CFR 21.4202\(b\)\(2\)](#)).

4. Submission of incorrect reports through gross negligence ([38 CFR 21.4202\(b\)\(3\)](#)).

5. Violation of a provision of the law other than approval criteria, and failure to correct it within 30 days, or willful repetition of the violation ([38 CFR 21.4202\(b\)\(4\)](#)).

6. Failure of the school or training establishment to respond within 30 days to a request for information or clarification of apparent violations (which do not involve approval criteria) ([38 CFR 21.4202\(b\)\(4\)](#)).

7. A repeated violation of the 85-15 percent ratio after the school has been notified in writing of the requirement after prior violations ([38 CFR 21.4202\(c\)\(1\)](#)).

8. Refusal by school officials to make records of enrolled veterans, in-service students or eligible persons available for review ([38 CFR 21.4202\(b\)\(6\)](#)).

d. Refer the following types of discrepancies to the CEA after prior referral to the SAA ([38 CFR 21.4250](#), [21.4253](#), [21.4254](#), [21.4261](#), [21.4262](#), [21.4263](#), and [21.4264](#)):

1. Failure of the SAA to correct a reported violation of approval criteria within 30 days, or within 60 days if an extension of time is warranted.

2. Failure of the SAA to respond to the violations within 60 days after referral or within 90 days if an extension of time is warranted.

3. Failure of the SAA to take proper action on violations of approval criteria.

e. In some cases, referrals to the CEA may have to be deferred pending corrective action as reported by the SAA or pending a referral to the OIG (Office of the Inspector General) in cases involving possible criminal violations.

f. Before referral to the CEA, the RPO Director, or his/her designee, may require a special compliance survey site visit in order to determine whether discrepancies at a school have been corrected. The decision should be based on the school's compliance history. If a special survey visit is decided on, it need not be a 100 percent audit but may encompass only the records of those students currently enrolled, and may be limited in the areas reviewed, depending on the discrepancies previously found. Further actions based on the special survey visit must follow the same procedures as when no special survey visit at has been conducted.

g. When the advertising, sales, or enrollment practices of a school or training establishment have been found to be erroneous, deceptive or misleading, either by actual statement, omission, or limitation, and the school or training establishment fails to correct the violation, regardless of whether the case was referred to the SAA for action, the standard procedures for actions due to noncompliance will be followed. Suspension of further enrollments must be considered independently from suspension or withdrawal of approval. However, before adverse action by VA against the school or training establishment, the following optional procedures may be used:

1. Field stations may request that Director, Education Service (225B), review individual cases including administrative review at the request of the school. Schools do not have the right of appeal to the Board of Veterans Appeals.

2. The Director, Education Service, may refer cases deemed appropriate to the Federal Trade Commission for its investigation and preliminary findings in accordance with the VA/FTC formal agreement under the provisions of 38 USC 3696(c). The final decision in each case shall be made by VA.

3. A school or training establishment which has had further enrollments suspended under [38 USC 3696\(a\)](#) may request the resumption of further enrollments upon a showing that it no longer violates that section, provided approval of its courses has not been withdrawn. This request must be approved by the same authority which made the decision to suspend further enrollments, i.e., by the RPO Director or the Director, Education Service. The effective date of the resumption of further enrollments shall in no case be earlier than the date of receipt of the request in VA. If the approval has



been withdrawn, resumption of enrollments is not permitted. The school or training establishment must submit a new application for approval to the SAA, and the applicable effective date will be determined under normal procedures.

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## 6.05 SCHOOL LIABILITY

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a. Compliance survey referrals which result in the creation of overpayments against VA beneficiaries also raise the issue of school or training facility liability for all or part of the overpayment ([38 CFR 21.4009](#)). The responsibility for determining potential liability for overpayments is discharged in the RPO Authorization activity. (See M22-4, Part 01, General. Chapter 07, School Liability.)

b. Upon completion of any compliance survey which has resulted in the establishment of overpayments, the ELR will determine whether or not to refer a copy of the narrative report to the Authorization activity for inclusion in school liability folders. If a 100 percent audit has been performed, referral is required. If the narrative report does not fully account for and explain each overpayment created, attach copies of the memorandums which document the overpayments.

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## 6.06 FRAUD

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a. Information obtained during the compliance survey which indicates fraud or any other violation of Federal criminal statutes will be referred to the Adjudication Officer of the RPO having jurisdiction. The Adjudication Officer will assume control of the issue, complete all necessary development in accordance with established procedures and refer the material to the OIG if appropriate. The ESU will assist the Adjudication Officer when requested in order to fully develop the potential fraud issue. The ESU will not maintain a formal control of the potential fraud issue. However, control of other referrals will be maintained as prescribed in chapter 2. The completion of the compliance survey will depend on the resolution of these other referrals.

b. The discovery of potential fraud or other violations of the law does not preclude the completion of the compliance survey. The compliance survey specialist should advise appropriate regional office personnel of potential violations of law as soon as possible. Such findings will not be discussed with facility officials. The area of

potential fraud or other violation of law will not be investigated by the compliance survey specialist once sufficient information is known which leads to the belief that a violation of criminal statute has occurred. However, the administrative aspects of the survey, e.g., review of records and documentation of overpayments, will be completed.

c. After the compliance survey site visit, administrative action will be completed as indicated above. When a case referred for potential fraud involves the creation of overpayments, payment will be suspended by the Authorization activity and controlled as required by established Adjudication guidelines. The Adjudication Officer will respond to overpayment referrals stating the action taken. (Completion of the survey will depend on the Adjudication Officer's response on the overpayment referral, but not on a final determination of fraud.)

d. The ESU will report referrals for potential fraud to the SAA. If preliminary evidence indicates that it would be in the interests of the Government, the RPO Director may suspend benefits to persons enrolled in the facility until a determination has been made by the SAA whether or not to withdraw the approval.

## Part 10: Chapter 7 - Reports and Correspondence

### [7.01 General](#)

### [7.02 VA Form 22-1934, Compliance Survey of Schools and Establishments Furnishing Education and Training](#)

### [7.03 Narrative Report](#)

### [7.04 Supporting Documentation](#)

### [7.05 Correspondence to School or Training Establishment](#)

#### **7.01 GENERAL**

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a. Compliance survey reports are the basis for determining if a school or training establishment is meeting the requirements of the law and regulations. Therefore, all areas reviewed during the compliance survey must be documented to the extent possible. Reports may be reviewed both within VA and by interested Federal Government elements outside VA, including GAO (General Accounting Office) and the Justice Department. Under the provisions of the Freedom of Information Act, reports may also be released to interested parties outside of the Federal Government. However, reports will not be routinely furnished to parties outside of the Federal Government including SAA's (State approving agencies) and schools.

b. The materials described in paragraphs [7.02](#), [7.03](#), and [7.04](#) constitute a compliance survey report. The compliance survey report must be assembled in a logical and consistent manner. The recommended organization is to assemble the materials in descending order as listed below. The ELR (Education Liaison Representative) may modify this recommendation to suit local circumstances. When a single school offers more than one type of training (e.g., courses leading to a standard college degree and non-degree courses) and has several facility codes, all types of training will normally be surveyed at the same time, but a separate survey report will be prepared for each facility code assigned to the school.

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#### **7.02 VA FORM 22-1934, COMPLIANCE SURVEY OF SCHOOLS AND ESTABLISHMENTS FURNISHING EDUCATION AND TRAINING**

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**a. General.** Use this form for all schools and training establishments. Make entries in all items applicable to the type of school or training establishment being

surveyed. The purpose of the form is to provide statistical data and a summary of the types of discrepancies found, if any, as recorded on the compliance survey worksheet for each case reviewed. Test versions of on-line forms may be used where available.

**b. Dates of Survey.** In the item "FROM," enter the first date of the site visit if no remote review was done. If a remote review was done, whether or not a site visit was made, enter the date the review of submitted documents began. In the item "THROUGH," enter the last date of the site visit if no remote review was done. If a remote review was done, and no site visit was necessary, enter the date the review of submitted documents ended. If the remote review was completed by a site visit, enter the last date of the site visit.

**c. Reason for Survey.** If a remote review was done, whether or not a site visit was made, always check the box marked "OTHER," and enter "Remote," in addition to making any other appropriate entries in this item.

**d. Areas of Inquiry.** Make an entry under "FINDINGS" for all numbered or lettered lines. If the line does not apply, enter "N/A," or a similar annotation. If the line applies but was not reviewed (especially on remote reviews), enter "Not observed," or a similar annotation.

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## 7.03 NARRATIVE REPORT

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**a. General.** The narrative report is the body of compliance survey findings. It should contain not only the facts identified during the compliance survey, but also observations and conclusions reached by survey specialist. Decisions, such as determinations concerning the need for a site visit or for expansion of the survey, must be included. Compliance survey narratives are internal VA documents, and are subject to the provisions of both the Freedom of Information Act and the Privacy Act. They will not be routinely provided to facility officials or other individuals outside VA. However, brief passages of the report, describing particular discrepancies, may be included verbatim in correspondence to schools or SAAs. When an on-line version of VA Form 22-1934 is used, the narrative report may be produced as part of the same document. The narrative report consists of three sections.

**b. Section I - General.** Briefly describe the records which were reviewed and the reason for the review. Attach appropriate documentation to the compliance survey report if the reason is other than routine or follow-up, e.g., memo from Adjudication, letter from beneficiary. If remote review procedures were used for all

or part of the survey, indicate the reasons. If simultaneous surveys of more than one type of training were conducted, indicate the facility code(s) for the other type(s) of training. List the names and titles of officials who were briefed before the review, whether conducted on site or not.

**c. Section II - Discrepancies.** Clearly and fully document, with specific information, the discrepancies found in individual cases and in general areas of review. (See subpar c and d below.) Use this documentation to list and evaluate discrepancies which have been identified during the compliance survey. For convenience, discrepancies may be grouped either by type of discrepancy or by individual trainee. In either case, they will be listed in line number order as they appear on VA Form 22-1934. The following format will be used:

(1). Type. Identify the type of each discrepancy by reference to its line number on VA Form 22-1934.

(2). Facts. Relate the findings and identify the beneficiary by name and claim number.

(3). Evaluation. State a conclusion as to the probable cause of the discrepancy.

(4). Recommendation. Recommend action(s) which if accomplished will correct the discrepancy.

**d. Section III - Summary.** Relate concisely all discussions with facility officials, agreements reached and actions taken during the survey, whether on site or remotely. List officials present at the exit briefing by title. In addition, summarize any assistance provided to the school such as discussions of laws, regulations and procedures. Include other recommendations which were made and implemented during the survey. If VA Form 22-1919, Conflicting Interests Certification for Proprietary Schools Only (Chs. 32, 34, 35, and 36, Title 38, United States Code), was completed during the survey (see par 4.16), note that fact. Note whether personal contacts with VA beneficiaries were made in addition to the survey (see par 3.02 b), and summarize any significant results. Finally, recommend that the next survey be scheduled either routinely, or as a follow-up survey. If a follow-up survey is recommended, the interval should also be recommended, e.g., "within 6 months," "in the next fiscal year." While brevity is desirable, the summary must fully reflect the work done during the survey and include all items noted above.

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## 7.04 SUPPORTING DOCUMENTATION

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**a. General.** All findings, whether positive or negative, discovered during the survey must be supported by appropriate notations on the compliance survey worksheets or in other working papers. Included are those findings relating to each case reviewed as well as general areas of review, e.g., 85 percent enrollment restriction, charges for tuition and fees. These notations are used in preparing the survey narrative report and referrals to other station activities or the SAA for corrective action. If an incorrect report or certification was submitted by the school or training establishment, note the correct information as obtained from school records. If a report was not submitted by the school or training establishment, but school records indicate a report should have been submitted, e.g., change in credit hours, note all appropriate data which should have been furnished in the report. These notes should be organized and legible so they may be used for school liability or other actions when required.

**b. VA Forms 22-1936, Compliance Survey Worksheet for Eligible Students Pursuing Training Under Chapter 34 or 35; or 22-1936a, Compliance Survey Worksheet for Students Pursuing Training Under Chapter 32, 34, or 35; or Other Worksheets.** Include an individual worksheet for each beneficiary in the survey sample. Instructions for obtaining these forms are in paragraph 2.04. Record all findings, including a full description of each discrepancy, in appropriate spaces on the worksheet, or on a blank sheet of paper and attached to the worksheet. Completion of the checklist on the reverse of VA Forms 22-1936 and 22-1936a may be omitted at the ELR's discretion. Nevertheless, review of all appropriate items for the type of training is required (see ch. 3 and 4.) Upon completion of the survey, the worksheet shall become a part of the survey report. Worksheets should be arranged in sequence either alphabetically or numerically; worksheets with discrepancies requiring referral may be filed in sequence ahead of other worksheets. Documents such as notes and copies of transcripts (see subparagraph d. below) should be filed following the worksheet to which they relate. VA Forms 22-1936 or other worksheets which were not used during the compliance survey and which are not needed for expanded survey will not be retained.

**c. Other Documentation.** Other supporting work papers and documentation (notes of survey findings, copies of student transcripts, etc.) will be included in the survey report. When a class check or trainee interview is conducted, it may be documented on VA Form 119, Report of Contact, which will then be included in the survey report (see chapter 4). Only essential documentation should be retained. Information duplicated in the approval file, e.g., list of approved programs, enrollment limitation, class schedules, may be incorporated in the survey report by reference, and the corresponding working papers discarded. Student transcripts obtained for a remote review which are not needed to support the finding of a discrepancy will not be retained, except for a brief period in order to facilitate local quality reviews. If personal contacts with VA beneficiaries were

made in addition to the survey (see par. 3.02b), they need to be documented only to the extent the information elicited was pertinent to compliance issues.

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## 7.05 CORRESPONDENCE TO SCHOOL OR TRAINING ESTABLISHMENT

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a. Correspondence to the school or training establishment is not a part of the compliance survey report, but must be accurately based on the report, and should be filed with it (see ch. 8).

b. Discuss discrepancies which do not violate approval criteria and do not require referral to the SAA with school officials during the compliance survey and document them in the survey report. Following a routine or expanded compliance survey, prepare a letter within 30 days of the conclusion of the site visit (or remote review if no site visit is necessary) for the signature of the Chief Education Liaison Officer (or designee) to confirm the discrepancies found. If agreements for appropriate corrective action could not be reached during the a site visit, or if further corrective action is needed, the letter will include a request for the facility to take appropriate corrective action and furnish a report of the action taken to the VA within 60 days. See paragraph 2.06 for controls on replies to survey correspondence.

*NOTE: Do not send a copy of the compliance survey report to the school or establishment with a letter asking the officials to correct the discrepancies contained in the report.*

c. Refer discrepancies involving violations of the conditions or criteria for approval to the SAA for information or for action. Inform the school of these referrals , but do not discuss the discrepancies.

d. If discrepancies would have resulted in a preliminary determination that a substantial pattern of overpayments exists, except that this was the first occurrence and the school or training establishment had not been previously notified in writing (see par. 5.02), the letter must notify the school or training establishment that:

(1) Overpayments were found in a substantial proportion of the cases reviewed;

(2) If this occurs on a future compliance survey, it may constitute a substantial pattern of overpayments; and

(3) A finding of a substantial pattern of overpayments could result in suspension or discontinuance of VA benefits to students or trainees.

e. If no discrepancies were found, it is not necessary to prepare a letter to the facility if the survey was completed by a site visit. A letter to the facility is always required if the survey was completed by remote review and a site visit was not necessary.

f. If there are serious discrepancies, address correspondence to the chief administrative officer of the school or training establishment. This is usually the same person with authority to sign VA Form 22-8974, Designation of Certifying Official(s), and VA Form 22-1919, Conflicting Interests Certification for Proprietary Schools Only. When there are no serious discrepancies, correspondence may, based on individual circumstances, be addressed to another person, e.g., the certifying official, in order to elicit an appropriate response. When a single school offers more than one type of training, e.g., courses leading to a standard college degree and non-degree courses, and has several facility codes, all types of training will normally be surveyed at the same time. Although separate reports are required for each facility code, the survey specialist may decide to send a single letter conveying the results of the surveys. This decision will be based on individual circumstances, such as the fact that all correspondence will be sent to the same school official. However, each type of training must be treated separately within the single letter.



## Part 10: Chapter 8 - Records

### [8.01 Compliance Survey File](#)

### [8.02 Retention of Compliance Survey Records](#)

#### 8.01 COMPLIANCE SURVEY FILE

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**a.** At the time of each initial survey, establish a compliance survey file for each school and training establishment. This file will consist of a folder containing all required documents and correspondence pertaining to the conduct of compliance surveys at the school or training establishment. It should contain only information and material pertaining to compliance surveys. Records must be filed in a logical and consistent manner. The recommended organization is to arrange the materials in chronological order, as indicated in [subparagraph b.](#) below. However, the Education Liaison Representative may alter the arrangement to suit local circumstances. When a single institution offers more than one type of training and is assigned more than one facility code, a single compliance survey file may contain records for all types of training, but these must be clearly separated by facility code.

*Note: VA Form 22-1919, Conflicting Interest Certification for Proprietary Schools Only, pertains to approval criteria and will no longer be filed in the compliance survey folder. See paragraph 4.16 for instructions on when to obtain this form. A current Form 22-1919 will be filed in the approval folder. See part IX, paragraph 8.01b(7). It is not necessary to transfer Forms 22-1919 currently on file from the compliance survey folder to the approval folder. However, all newly obtained forms should be filed in the proper folder, and ESU personnel are encouraged to transfer forms encountered during normal operations if workload permits.*

**b.** File completed survey reports (see par. 7.01.) on the right side of the folder, in chronological order by date of survey, with the most recent report on top. File correspondence to the school concerning the survey on the left side of the folder, in chronological order by date of survey, with the most recent report on top. When a possible problem area is noted from information on certifications, periodic certifications, correspondence with schools and training establishments, State approving agency supervisory visit reports, or other documents, temporarily attach the document or a note concerning the problem area to the left side of the appropriate compliance survey file for checking during the next survey. Other materials, such as sample copies of forms used by the establishment, may be also be temporarily attached on the left side to assist in future surveys.

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## 8.02 RETENTION OF COMPLIANCE SURVEY RECORDS

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**a.** Retain the compliance survey records for each facility as long as any irregularities or discrepancies remain unresolved. This includes compliance surveys which would have resulted in a determination that a substantial pattern of overpayments exists, except that this was the first occurrence and the school or training establishment had not been previously notified in writing (see par. 5.02). In these cases, the survey report and letter to the facility will be retained permanently, unless the school's approval has been withdrawn. If the school's approval has been withdrawn, see [subparagraph b.](#) below.

**b.** Once all irregularities or discrepancies have been resolved, retain the compliance survey records for 7 calendar years after the date of the survey, unless the school's approval has been withdrawn. If the school's approval has been withdrawn, survey reports may be destroyed 3 calendar years after the date of the survey. Records will be destroyed following the above periods in accordance with RCS VB-1, Part I, Item Number 7 662.030. Obsolete materials should be disposed of as they are encountered during normal operations. However, it may be necessary to periodically purge files which have not been active for a long time.

*NOTE: Student transcripts and other confidential materials must be destroyed*

## Part 10: Chapter 9 – Transmittal History

Reserviced for further use.

## Part 10: Chapter 10 – Archives

Veterans Benefits Administration  
Department of Veterans Affairs  
Washington, D.C. 20420

M22-4, Part X  
Change

### **Prior to 2019 - Archive of Changes Part X Compliance Survey**

#### Change 1

Veterans Benefits Administration Manual M22-4, Part X, "Compliance Survey," is changed as follows:

**Pages 3-7 and 3-8:** Remove these pages and substitute pages 3-7 and 3-8 attached.

Figure 3.3 is changed to correspond to the current VA Form 22-1934 (January 1999). Because the changes occur in a Figure, brackets are not used to show them.

**RESCISSIONS:** None

Benefits

By Direction of the Under Secretary for

CELIA P. DOLLARHIDE  
Director, Education Service

Distribution Per VA Forms 3-7225 and 7225A  
FD

(5) School officials may not agree with the findings of the survey and may offer rebuttal. Make the rebuttal a part of the record, but request appropriate corrective action (including suspension of further payments of benefits to individuals where indicated) based on the facts found. If additional records exist which were not available during the remote review or site visit, allow a reasonable period of time (not to exceed 30 days) for school officials to locate records which would support the data certified. If additional records exist, either the school must submit photocopies or the survey specialist must make a follow-up visit in order to complete the survey.

(6) If the remote review option is exercised and a site visit is not necessary, the exit briefing is conducted by telephone at the completion of the review. The same general information must be conveyed to school officials as in the exit briefing for a site visit. However, a survey which is completed without a site visit will involve no more than minor discrepancies, and will generally be brief.

### **3.04 GENERAL AREAS OF REVIEW**

The completion of the checklist on the reverse side of VA Forms 22-1936, Compliance Survey Worksheet for Eligible Students Pursuing Training Under Chapter 34 or 35, and 22-1936a, Compliance Survey Worksheet for Students Pursuing Training Under Chapter 32, 34, or 35, is not required. Figure 3.3 contains a checklist which may be used as a guide by the survey specialist during individual case reviews. The order of items on this checklist generally follows the arrangement of areas of review in chapters 3 and 4, and indicates the corresponding line number on VA Form 22-1934.

#### **a. Verification of Enrollment Data.**

(1) **Requirements.** The student must have commenced on the date certified, and must be pursuing the same program as that certified by the school on VA Form 22-1999. (38 CFR 21.4131(b), 21.4203(b), 21.5810(b), 21.5831, 21.7131, 21.7152, 21.7631, and 21.7652(a))

(2) **Review Procedures.** During preparation for the survey, compare the beginning date as certified by the school with the effective date of the award as shown on the survey worksheet. Review the school's records to determine if that actually was the date that enrollment commenced. For specific types of training, see chapter 4. During the preparation, note the student's program as certified by the school. Determine through review of basic school enrollment records if this is the same program in which the student is actually enrolled. If necessary, correct the course code shown on the compliance survey worksheet.

#### **b. Pursuit of Approved Program or Course (38 U.S.C. 3470, 3491, 3521, 3675, and 3676)**

(1) **Requirements.** Veterans and eligible persons must pursue an approved program leading to an educational, vocational or professional goal. (38 CFR 21.3130(b), 21.5131, 21.7130, and 21.7630) Deviations from the approved program in areas such as variations from the schedule of courses required for a specific degree, excessive electives and pursuit of non approved unit subjects within a program are generally not permitted. Exceptions may be permitted when school officials allow individual substitute courses or when the school has applied for approval of a new program and it is concluded that the program and the courses will be approved. Before discrepancies are cited, care should be taken to ensure that courses which may appear to be excessive electives or non approved unit subjects are in fact outside the student's stated program requirements. If all or part of the program is being furnished by another school under contract, that school must have obtained approval from the SAA having jurisdiction over its location. (38 CFR 21.4233(e))

*NOTE: The requirement for enrollment in approved courses and programs does not apply to beneficiaries under Section 901. Benefits are payable only for enrollment in accredited courses in accredited schools, but no SAA approval is required. (38 CFR 21.5820)*

(2) **Review Procedures.** During review of transcripts and grade reports, determine if students have taken courses or subjects appropriate for their program. Compare the courses completed with the recommended curriculum as listed in the catalog or other training plan or provided to the student from other sources, e.g., academic counselor, head of department, etc. Note any cases in which excessive elective courses or unnecessary unit subjects may have been taken. If contracted-

<b>COMPLIANCE SURVEY INDIVIDUAL CASE REVIEW CHECKLIST</b>	
<b>AREAS OF REVIEW</b>	<b>22-1934</b>
<b>GENERAL</b>	<b>Line No.</b>
DID BENEFICIARY COMMENCE ON DATE CERTIFIED?	2
IS BENEFICIARY ENROLLED IN AND PURSUING THE APPROVED PROGRAM?	3
IS A RECORD OF PREVIOUS EDUCATION AND TRAINING MAINTAINED AND WAS BENEFICIARY GRANTED APPROPRIATE CREDIT?	4
ARE ACCURATE, CURRENT AND COMPLETE RECORDS OF ENROLLMENT, CORRESPONDENCE LESSONS SERVICED, FLIGHT TRAINING HOURS OR APP/OJT HOURS MAINTAINED FOR BENEFICIARY?	5
WERE ENROLLMENT CHANGES, LESSONS SERVICED, FLIGHT TRAINING HOURS OR APP/OJT HOURS ACCURATELY AND PROMPTLY REPORTED?	6
WAS VA PROMPTLY NOTIFIED WHEN BENEFICIARY TERMINATED OR INTERRUPTED TRAINING?	7
ARE ACCURATE, CURRENT AND COMPLETE RECORDS OF PROGRESS OR GRADES (AND ATTENDANCE, IF REQUIRED) MAINTAINED FOR BENEFICIARY?	8
WAS VA PROMPTLY NOTIFIED WHEN BENEFICIARY DID NOT PROGRESS SATISFACTORILY ACCORDING TO THE STANDARDS AND PRACTICES OF THE SCHOOL OR TRAINING ESTABLISHMENT?	9
<b>ALL EXCEPT TRAINING ESTABLISHMENTS</b>	
WERE CHARGES TO THIS BENEFICIARY FOR TUITION AND FEES THE SAME AS CHARGES TO OTHER STUDENTS SIMILARLY CIRCUMSTANCED?	10
WAS THE 85 PERCENT ENROLLMENT LIMITATION MET AT THE TIME OF THIS BENEFICIARY'S ENROLLMENT?	11
<b>ALL EXCEPT FLIGHT SCHOOLS AND TRAINING ESTABLISHMENTS</b>	
WAS VA PROMPTLY NOTIFIED OF ANY CHANGES IN CREDIT OR CLOCK HOURS THAT WOULD AFFECT THE AMOUNT OF PAYMENT TO THE STUDENT?	12
<b>NONACCREDITED COURSES ONLY (UNLESS PART OF THE APPROVAL CRITERIA FOR AN ACCREDITED COURSE)</b>	
WAS THE BENEFICIARY FURNISHED A COPY OF THE COURSE OUTLINE, SCHEDULE OF TUITION, FEES AND OTHER CHARGES, AND REGULATIONS PERTAINING TO ATTENDANCE, GRADING POLICY, CONDUCT AND RULES OF OPERATION?	13
WAS THE BENEFICIARY'S ENROLLMENT WITHIN THE LIMITATION ESTABLISHED BY THE STATE APPROVING AGENCY?	14

IF INTERRUPTED, DID THE BENEFICIARY RECEIVE A REFUND THAT MEETS THE REQUIREMENTS OF VA REGULATIONS?	15
<b>CORRESPONDENCE SCHOOLS ONLY</b>	
DID BENEFICIARY AFFIRM THE ENROLLMENT AGREEMENT AFTER THE EXPIRATION OF 10 FULL DAYS AFTER THE DAY ON WHICH THE AGREEMENT WAS SIGNED?	16
WERE SUPPLIES, IF PART OF APPROVED COURSE, FURNISHED TO BENEFICIARY?	17
DID BENEFICIARY PAY 100 PERCENT OF THE ESTABLISHED CHARGES?	18
IS THE NORMAL COMPLETION TIME FOR THE APPROVED COURSES AT LEAST SIX MONTHS?	19
<b>FLIGHT SCHOOLS ONLY</b>	
DID BENEFICIARY HOLD A PRIVATE PILOT'S LICENSE OR HIGHER RATING BEFORE ENROLLMENT?	20
DID BENEFICIARY HOLD A CURRENT MEDICAL CERTIFICATE OF THE APPROPRIATE CLASS BEFORE AND DURING ENROLLMENT?	21
DID BENEFICIARY PAY 100 PERCENT OF THE ESTABLISHED CHARGES?	22
<b>TRAINING ESTABLISHMENTS ONLY</b>	
WAS BENEFICIARY FURNISHED A COPY OF THE TRAINING AGREEMENT?	23
IS BENEFICIARY RECEIVING TRAINING IN ACCORDANCE WITH THE APPROVED TRAINING PROGRAM?	24
IS BENEFICIARY RECEIVING WAGES AT THE APPROPRIATE RATE AS SHOWN IN THE APPROVED TRAINING PROGRAM?	25
<b>ALL OTHER</b>	
IN THIS BENEFICIARY'S CASE HAVE REQUIREMENTS OF VA REGULATIONS BEEN MET CONCERNING: ADVERTISING AND SALES PRACTICES, POWER OF ATTORNEY, INDEPENDENT STUDY, PRACTICAL TRAINING, COOPERATIVE AND FARM COOPERATIVE COURSES, BRANCHES, TUTORIAL ASSISTANCE, OWNER/OFFICER RESTRICTION, CONTRACTUAL ARRANGEMENTS, ADVANCE PAY, NONDUPLICATION, AND OTHER AREAS?	27 A-L

**Figure 3.3. Checklist for Individual Case Reviews**