

Procedural Advisory: Section 113 of the Harry W. Colmery Veterans Education Assistance Act

July 5, 2018

Purpose: To provide the Regional Processing Offices (RPOs) with guidance regarding the calculation of the proper prorated housing payment, entitlement adjustment, and letter modifications for claimants who are entering or being discharged from active duty.

Background: Previously, monthly housing allowance benefits were terminated at the end of the month in which the individual entered onto active duty service; conversely, when released from active duty, VA would commence payment of the monthly housing allowance at the beginning of the following month.

Section 113 of the Forever GI Bill, and Public Law 115-62, requires VA to prorate the monthly housing allowance under the Post-9/11 GI Bill for everyone when entering and releasing from Active Duty (AD).

- VA must award housing allowance benefits for each day of the month an individual is not serving on active duty and must terminate housing payments immediately upon entry onto active duty.
- This change is effective for terms, quarters, or semesters that begin on or after August 1, 2018.
- LTS will continue to pay in accordance with the existing end of month rules; this advisory is in effect until those LTS programming changes can be implemented.

Procedures: All Regional Processing Office personnel should utilize the following general procedures for claims involving the payment or collection of a prorated housing allowance for all Chapter 33 claimants upon entering active duty, or when being discharged from active duty.

The standard case should be an enrollment certification that has off-ramped due to a change in service information. The correction of the LTS's payment can be done in the same work-product used to add the service information into LTS.

- Enter the service information in the LTS work-product, allowing it to make the incorrect "end of month" calculation for the enrollment period in question.

The "Audit Worksheet" will be used to calculate the difference between the LTS-calculated payment (paid) and the correct payment (due) and captured to TIMS.

- This is a basic calculation of the MHA divided by 30 and multiplied by the number of days the LTS incorrectly paid, or failed to pay housing for the partial month of the discharge or return to active duty.

AUDIT WORKSHEET						
File Number:				Name:		
Amount Paid						
Begin Date			No Pay Date			Monthly Rate
YYYY	MM	DD	YYYY	MM	DD	
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
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						\$0.00
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						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
Total Paid:						\$0.00
Amount Due						
Begin Date			No Pay Date			Monthly Rate
YYYY	MM	DD	YYYY	MM	DD	
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
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						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
						\$0.00
Total Due:						\$0.00
Overpayment:						
Amount Due:						

A manual transaction will be used to either pay or collect the difference as appropriate.

- Use the Manual Award Section – Housing One Time Adjustment function of the Work Product Summary Screen to enter either the positive or negative value calculated by the Audit Worksheet. Enter the words “Section 113 HSG ADJ” and the term being adjusted in the description.

Add/Edit Manual Award

* Type

* Amount (\$) * Effective Date

Description

Check the “Stop Automation” box to prevent LTS from making incorrect calculations to potential future amendments to this period.

- Enter “Section 113 Adjustment” in the comments.

Automation

Stop Automation

* Note

LTS letters should be manually changed to reflect the correction.

- Ensure the award letter being produced by LTS reflects the correct values and reasons for the adjustment.

“How Much Do You Owe

Your total overpayment of **\$325.00** for Housing/Kickers is determined as follows:

- **Monthly Housing Allowance:** We paid you a monthly housing allowance through August 1, 2009; however, due to recent changes, your monthly housing allowance overpayment is \$325.00.*

**Note: Section 113 of the Forever GI Bill, and Public Law 115-62, requires VA to prorate the monthly housing allowance under the Post-9/11 GI Bill for everyone when entering and released from Active Duty (AD)”*

Any amendments to terms for which the adjustment described in this advisory has been applied will require a second signature.

Training: The National Training Team will develop a training package to follow-up this advisory which will include scenarios and examples.

Questions: If there are additional questions regarding this procedural advisory, please contact the Workload Management Team at VAVBAWAS/CO/222.

V/R

Workload Management Team
Education Service