

Procedural Advisory: School Closure Claims Processing Procedures

February 15, 2019

Purpose: To provide the field with procedural guidance and instructions for handling school closings. This advisory outlines additional guidance supplementing the [Procedural Advisory: Temporary School Closure Due to a Natural Disaster](#), dated September 21, 2018.

Background: In accordance with [38 USC 3680\(a\)](#) and [38 CFR 21.4138\(f\)\(6\)](#) when schools temporarily close due to emergencies, including strikes or upon an Executive Order by the President, the Department of Veteran Affairs (VA) will continue payments for certified periods of enrollment through the end of the term or up to 4 weeks (28 calendar days) from the date of the temporary school closure, whichever is earlier. VA has no authority to issue payments for terms that would have begun during a temporary shutdown. In that scenario, VA will resume payments for training effective the date the student begins training after the school reopens.

REPORTING: School Certifying Officials (SCOs) must report the following:

- School closures, all school closures longer than 28 days.
- The reason for the school closure (i.e. Hurricane Affected Student, Strike, Permanently Closed...)
- Any changes to enrollment dates (Note: Schools must request and receive approval from the State Approving Agency (SAA) of jurisdiction.)
- The number of days the school is closed and all official breaks for terms with amended term dates due to a school closure.
- When a school is closed at the beginning of a certified enrollment period. (VA has no authority to commence payments during a period a school is closed.)

NOTE: If a student is unable to resume his or her classes when the school reopens or while the school remains open, then VA is unable to continue payments to that student. When the student is no longer pursuing classes, the school must report this change in student status as a termination to VA as soon as possible. (e.g. A student must relocate due to damage to the family's home caused by a natural disaster. Be sure to include an appropriate statement in the remarks section of the change in student status with the termination.)

SCOs should follow any additional guidance provided by VA and their Education Liaison Representative (ELR) of jurisdiction. Questions should be directed to their ELR of jurisdiction.

PROCESSING: Veterans Claims Examiners (VCE) should do the following:

All Benefits (Permanent School Closure):

Route these claims to the RESTORATION queue for specialized processing.

All Benefits (Student is unable to complete training):

Upon receipt of a VA Form 22-1999b indicating a student has been terminated due to reasons beyond their control (i.e. mitigating circumstances have been provided) and the school remains open, including after a period of being closed, process the claim as normal applying mitigating circumstances. This action may result in an overpayment. Students may request a waiver of the overpayment.

Non-Chapter 33 Claims (School is closed for up to 4 weeks)

A VA Form 22-1999b or AM1999 was received indicating the school has been closed for a period of 28 days or less. If the term dates:

- Remain unchanged, there is no processing necessary.
- Extend for a period of 28 days or less, extend the ending date as reported.
- Extend for a period of more than 28 days, contact the SCO to verify if in addition to the school closure there were any other official school breaks (i.e. holiday breaks greater than 7 days)
 - Document the response in TIMS and reprocess the enrollment.
 - Clock hours, follow the procedures to verify if the certified period is payable. (e.g. length of course approved, excluding approved breaks)
 - Credit hours, recalculate the term's training time excluding;
 - the length of time the school was closed and
 - the number of days for official breaks when the original term was non-standard length.
 - If there is no change to training time, extend the ending date as certified.
 - If the calculation results in a lower training time, process an adjustment effective at the beginning of the enrollment period, using reason code 70.
 - In an adverse action letter, advise the claimant of changes in the length of the enrollment period reported his/her school. Include the amount of the overpayment.

Chapter 33 Claims (School closed for up to 4 weeks)

A VA Form 22-1999b or AM1999 was received indicating the school has been closed for a period of 28 days or less. If the term dates:

- Remain unchanged, there is no processing necessary.
- Extend for a period of 28 days or less, extend the ending date as reported.
 - Verify the monthly housing allowance (MHA) rate
 - If the MHA rate remains the same, no additional remediation is necessary.
 - If the MHA rate changes, perform the following remediation to correct the MHA rate payable:
 - Non-Standard Term: Add an amount of days equivalent to the extension in the vacation days field.
 - Non-Standard to Standard Term - Follow the steps below:
 1. Determine the rate of pursuit (RoP) of the original non-standard length term prior to the change (Previous RoP) using the [Credit Hour Equivalent](#) (CHE) spreadsheet. Divide the CHE result by Fulltime amount for program.

Formula, Non-Standard term: $CHE / \text{Fulltime amount} = \text{RoP}$

2. Divide credit hours enrolled by the Previous RoP determined above to calculate an Adjusted Fulltime amount.

Formula: $\text{Credit Hours enrolled} / \text{Previous RoP} = \text{Adjusted Fulltime amount}$

3. Enter the Adjusted Fulltime amount in the LTS resulting in the same RoP for the term with adjusted term dates.

NOTE: In some instances, MHA may not have been and should remain not payable. The same remediation steps above should be applied to ensure the RoP remains the same for the purpose of charging the correct amount of entitlement.

- Extend for a period of more than 28 days, extend the ending date as reported. Contact the SCO to verify if in addition to the school closure there were any other official school breaks if not reported. (i.e. holiday breaks greater than 7 days)
 - Document the response in TIMS and reprocess the enrollment.

- Clock hours, follow the procedures to verify if the certified period is payable. (i.e. length of course approved)
- Credit hours - Non-standard term:
 - Add vacation days in the LTS equal to the number of days for official breaks and the length of time the school was closed. NOTE: As a result, RoP may be lower and the rate due for MHA could be less.
- Credit hours - Non-standard to standard term:
 - RoP will need to be recalculated for terms extended longer than the length of time a school is closed. Follow the steps below:
 1. To figure the Adjusted RoP, use the [Credit Hour Equivalent \(CHE\)](#) spreadsheet. Enter the dates the school was closed and holiday breaks on the job aid *Holiday Break Dates* section. Divide the CHE result by Fulltime amount for program.

Formula: CHE from worksheet / Fulltime = Adjusted RoP

2. To figure the Adjusted Fulltime amount, divide the actual credit hours enrolled by the Adjusted RoP.

Formula: Credit Hours / Adjusted RoP = Adjusted Fulltime amount

3. Enter Adjusted Fulltime amount in the LTS. NOTE: The resulting RoP may be lower and the rate due for MHA could be less.
- ALL, when changes result in an overpayment: In an adverse action letter, advise the claimant of the changes to the length of the enrollment period reported by his/her school and the circumstances for these changes. Include the amount of the overpayment.

Additional Scenarios: Temporary school closures reported on a VA Form 22-1999b prior to reopening.

Non-Chapter 33 Claims

1. FLASH TIMS appropriately and add "TCLOSED" to TIMS facility code field.
2. Stop non-Chapter 33 benefits the date reported, using end reason code 29. (*The VCE will stop the claim with a no-pay date 4-weeks from the date the school was*

reported closed. If the enrollment period ends sooner, no adjustments are required.)

3. When possible add BDN STOP message: “STOP SCHOOL CLOSED (*Insert date and reason*)” and suppress the BDN generated letter.
4. Release payments through date stopped using the CERT command when applicable.
5. Send edited adverse action letter to the claimant, clearly explaining the reasons benefits have been stopped.

Once VA receives notice indicating the school has reopened: Resume payments for the enrollment period at the rate of training based upon the original enrollment period from the date the school reopened until the revised term ending date.

Chapter 33 Claims

1. FLASH TIMS appropriately and add “TCLOSED” to TIMS facility code field.
2. On the LTS Biography page add a Stop Automation flag.
3. In Work Product 1:
 - a. For IHLs, add an amendment, terminating the enrollment. (*The VCE will extend the effective date 4-weeks from the date reported or to the end of the term whichever is earlier.*) Authorize the Work Product **without** payments, isolating the tuition and fee and other debts.
 - b. For NCD facilities, process as a leave of absence (LOA). Add an amendment, terminating the enrollment. (*The VCE will extend the effective date 4-weeks from the date reported or to the end of the term whichever is earlier.*) Authorize the Work Product **without** payments, isolating the tuition and fee debts.
4. In Work Product 2: Make no additional changes to the LTS and authorize with automatic payments. This action will prevent additional erroneous housing payment from being released. **NOTE:** Debts for MHA or Books and Supplies for NCD facilities paid after 4 weeks should be manually established.
5. Edit the notification to the claimant, explaining the reason benefits have been stopped. Remove references to tuition and fee debts which would not be established at this time.

Notice is received, indicating school has reopened, in Work Product 3:

- For IHLs, delete the amendment added previously terminating the enrollment period.
 - For NCD facilities, update the (NCD interruption) amendment as necessary with additional non-payable days after 4 weeks.
6. Edit the original enrollment ending date, if necessary.

7. Enter the number of days the school was closed, including the 4-week extension as “vacation” days on the enrollment pop-up. If necessary, edit the full-time measure to manipulate RoP if necessary. Verify any adjustments by ensuring the MHA payment amount is the same as paid before the school closure was reported. **NOTE:** This step does not apply to NCD facilities where LOA is used.
8. Authorize **without** payments. Observe if Student Debt Management issued an appropriate offsetting *STUDENT 06S* payment, correctly managing the isolated tuition and fee debt we did not establish.
9. Follow local policy: Request Finance process or manually FIST/FAUT MHA payments due *beginning* from the date the school reopened through the revised ending date. **NOTE:** This step must be completed prior to the next step.
10. In Work Product 4: Make no changes to the LTS and authorize with automatic payments. This step will correct recurring payments and the date last paid.
11. Edit the LTS generated letter as necessary and release.

Questions: Questions about these procedures should be submitted to the [National Training Team](#).

V/R

Workload Management Team
Education Service