**The Lump Sum Payment Program**

**Standard Operating Procedure**

The Lump Sum Payment Program was a part of the Improvement to the Work Study Allowance Program which is outlined by the [RYAN KULES AND PAUL BENNE SPECIALLY ADAPTIVE HOUSING IMPROVEMENT ACT OF 2019, Public Law 116-154](https://www.congress.gov/bill/116th-congress/house-bill/3504/text).

1. **Vendorize the School**

Schools (parents and sub-campuses) are required to be vendorized prior to receiving a payment. If a school needs to be vendorized or if a school needs to modify their vendor information, they must complete and submit VA Form 10091. The Financial Services Center (FSC) is responsible for reviewing and processing vendorizing requests. The FSC is also responsible for making sure the school’s vendor information is available in the financial system of record, Financial Management System (FMS).



1. **Obligation**

An obligation (non-contract) must be established in FMS prior to issuing a payment. VBA Regional Office 351 (Muskogee, Oklahoma), Education Service will send Muskogee Support Services Division (SSD) the participation agreement and school approval letter via a SharePoint website. Muskogee SSD will establish Work Study Lump Sum (WSLS) obligation(s) in the Centralized Administrative Accounting Transaction System (CAATS) 1358 obligation module with documents attached.

Key data fields are:

* 1. Vendor Code: School Vender Code
		1. This is dependent on the participation agreement
		2. If the participation agreement costs are broken down between the parent and child campuses, then obligation would need to be established for each parent and child separately
		3. If the cost break down is not listed for child campuses then one obligation goes to the parent campus
	2. Obligation numbering
		1. Use 800 series. For example: 351JX8000, where x = fiscal year
	3. Approved Use: Reimbursement to VA Employees or Students ([VA Financial Policy, Volume II, Chapter 6, Appendix A, Approved Use #19](https://www.va.gov/finance/docs/VA-FinancialPolicyVolumeIIChapter06.pdf))
	4. Required Attachments: Participation Agreement
	5. Budget Fiscal Year 2021
	6. Fund 0137E – ONLY Ch. 1606
	7. Fund 0137Y – All other Programs
	8. FCP 990030099 Cost Center 30700
	9. BOC Depending on services listed in agreement. Options include:

|  |  |  |
| --- | --- | --- |
| **Budget Object Code (BOC)** | **BOC Description** | **Program** |
| 4101 | Montgomery GI Bill - AD | Chapter 30 |
| 4102 | Post 9/11 GI Bill | Chapter 33 |
| 4103 | Vet Readiness & Employment | Chapter 31 (VRE) |
| 4104 | Survivors & Dependent Education Assistance | Chapter 35 |
| 4105 | Select Reserve | Chapter 1606 |
| 4106 | Veteran Education Assistance Program | Chapter 32 |
| 4111 | STEM Scholarship | STEM |

After Muskogee SSD creates and submits the obligation for review, Muskogee SSD will review the obligation (first-level approval), and the Administrative and Loan Accounting Center (ALAC) Administrative Accounting Division (AAD) will finance review the obligation (second-level approval). After all approvals, the obligation will interface into FMS during the nightly batch job (6:30 p.m. CT). If the obligation rejects in FMS, ALAC AAD will research and work with Muskogee SSD on resolution, and clear the rejected obligation in FMS.

1. **Payment**

Muskogee SSD will input report in the CAATS Certified Payment module.

Key data fields are:

1. Required Attachment: Participation Agreement and School Approval Letter
2. Vendor Code: School vendor code
3. Obligation Number: obligation number for the proper campus

To ensure the school is paid promptly, Muskogee SSD must select “Yes” in the CAATS Prompt Pay Exempt field, input today’s date, and insert “Work Study Lump Sum Payment” in the description.

After Muskogee SSD creates and submits the payment, Muskogee SSD will review the payment (first-level approval), and ALAC AAD will finance review the payment (second-level approval). After all approvals the transaction will interface into FMS during the nightly batch job (6:30pm CT). If the payment rejects in FMS, ALAC AAD will research and work with Muskogee SSD on resolution, and clear the rejected payment in FMS.

1. **School Communication**

Schools are required to submit monthly reports to Muskogee Education Services via email (VAWORKSTUDY.VBAMUS@va.gov). Muskogee Education Services will notify and send the report to Muskogee SSD via a SharePoint website.

In addition, Schools are required to submit an annual report. Schools are directed to this website for questions and support, [http://gibill.custhelp.va.gov](https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fgibill.custhelp.va.gov%2F&data=04%7C01%7C%7C85ba23c962184c62be9608d90594b88b%7Ce95f1b23abaf45ee821db7ab251ab3bf%7C0%7C0%7C637546958566559715%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=tHKTPppEBcD%2B1tAm35eUTGHhNXEENRNL6NNDxK2vabE%3D&reserved=0).

1. **VBA Finance Center Collects Fund from DoD**

The Department of Defense (DoD) is funding only Chapter 1606 of the WSLS program. VA will pay upfront (obligation and certified payment). After the payments are processed, the VBA Finance Center will process an Intragovernmental Payment and Collection System (IPAC) to collect money from DoD. No additional IPACs are required for the school year (there could be addition if funds run out for 1606).

1. **Reporting – Data Queries**

The Financial Management Business Solution (FMBS) team will query the CAATS database to collect WSLS data. FMBS will write the query, establish Information Technology (IT) tickets, and run the query. FMBS will provide data by program for obligation made and funds transferred to fund 3220. FMBS will distribute the data to the appropriate parties via SharePoint, including VBA Finance Center and VBA OFM Mandatory Budget by close of business on the 2nd to last business day of the month. The VBA Finance Center will send a copy of the data to DoD for their records.

1. **Reporting - School Reporting**

Employees assigned to the Muskogee Work Study Team, Muskogee SSD, and Muskogee Education Services will have access to school reporting information via a SharePoint website. The Muskogee Work Study Team will also share this information with the contracting officer, as requested.

1. **Debt (>%25 of remaining fund)**

At the end of the school year if a school has more than 25% of funds remaining in the total obligation, Muskogee SSD will establish an account receivable in the CAATS Accounts Receivable module 🡪 Benefit Debt sub-module.

Key data fields are:

1. Vendor Code: School Vendor Code
2. Fund: 0137E for 1606 ONLY
3. Fund: 0137Y for all other programs
4. A separate line on the receivable will need to be created for each line of the obligation that has a balance. The line of accounting established for the obligation line will be used to set up the receivable. We are tracking activity by BOC therefore the BOC on the debt must be accurate and properly reflect the obligation.

After Muskogee SSD creates and submits the account receivable, Muskogee SSD will review the account receivable (first-level approval). The approved transaction will interface into FMS during the nightly batch job (6:30 p.m. CT). If the account receivable rejects in FMS, ALAC AAD will research and work with Muskogee SSD on resolution, and clear the rejected accounts receivable in FMS.

Timesheets are routinely recorded in the Work Study Management System as they come in from schools and are tracked in the system by education benefit program. Schools will be required to send their financial records that includes the expenditures, and the Work Study team will perform a reconciliation by matching what they paid with the time records.

1. **Offset debt**

When a School with an open account receivable returns the funds to Muskogee, Muskogee will deposit the money into fund 3220 using the CAATS Deposits module 🡪 Cash Receipt sub module. *Step 9 and 10 need to be done on the same day.*

1. **Modify Accounts Receivable**

When Muskogee receives a refund from the school, SSD will use the CAATS accounts receivable module 🡪 modify receivable sub module to decrease the proper lines we received money for.

**Contacts**

ALAC AAD Questions – Submit a Sales Force Ticket in the OFM app.

 [https://va.lightning.force.com/lightning/page/home](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fva.lightning.force.com%2Flightning%2Fpage%2Fhome&data=04%7C01%7C%7C7dbb739a496e423e716408d9067ebccd%7Ce95f1b23abaf45ee821db7ab251ab3bf%7C0%7C0%7C637547963660256820%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=F8QGIcwAbdm9jPvKfMjvJvmbfrNiWYxO%2FEx5szt%2BQdM%3D&reserved=0" \t "_blank" \o "https://gcc02.safelinks.protection.outlook.com/?url=https%3a%2f%2fva.lightning.force.com%2flightning%2fpage%2fhome&data=04%7c01%7c%7c7dbb739a496e423e716408d9067ebccd%7ce95f1b23abaf45ee821db7ab251ab3bf%7c0%7c0%7c637547963660256820%7cunknown%7ctwfpbgzsb3d8eyjwij)

CAATS Questions – Submit a Sales Force Ticket in the OFM app.

 [https://va.lightning.force.com/lightning/page/home](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fva.lightning.force.com%2Flightning%2Fpage%2Fhome&data=04%7C01%7C%7C7dbb739a496e423e716408d9067ebccd%7Ce95f1b23abaf45ee821db7ab251ab3bf%7C0%7C0%7C637547963660256820%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=F8QGIcwAbdm9jPvKfMjvJvmbfrNiWYxO%2FEx5szt%2BQdM%3D&reserved=0)

Muskogee SSD mailbox and/or the work study team mailbox - SSD.VBAMUS@va.gov

Muskogee Education Services - VAWORKSTUDY.VBAMUS@va.gov

Policy Questions - [https://va.lightning.force.com/lightning/page/home](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fva.lightning.force.com%2Flightning%2Fpage%2Fhome&data=04%7C01%7C%7C7dbb739a496e423e716408d9067ebccd%7Ce95f1b23abaf45ee821db7ab251ab3bf%7C0%7C0%7C637547963660256820%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=F8QGIcwAbdm9jPvKfMjvJvmbfrNiWYxO%2FEx5szt%2BQdM%3D&reserved=0) 🡪 Contact: New Finance Case 🡪 Record Type: Accounting (ALAC)

Sales Force Access – Mailbox: VAVBAWAS/CO/FISCALSYSTEMS

VBA Finance Center - VAVBAHINFINACTG.VBAHIN@va.gov

**Helpful Links**

[CAATS Training Materials](https://vbaw.vba.va.gov/VBAORM/alac/CAATStrainingmanuals.asp)

**Acronyms**

Accounts Receivable = Debt

ALAC AAD - Administrative and Loan Accounting Center, Administrative Accounting Division

CAATS - Centralized Administrative Accounting Transaction System

DoD - Department of Defense

IPAC - Intragovernmental Payment and Collection System

FMBS - Financial Management Business Solution

FMS - Financial Management System

FSC – Financial Services Center

IT - Information Technology

MTF - Miscellaneous Transfer Form

RO - VBA Regional Office

SSD - Support Services Division

WSLS – Work Study Lump Sum Program