U.S. Department of Veterans Affairs

VA Debt Management Center (DMC)

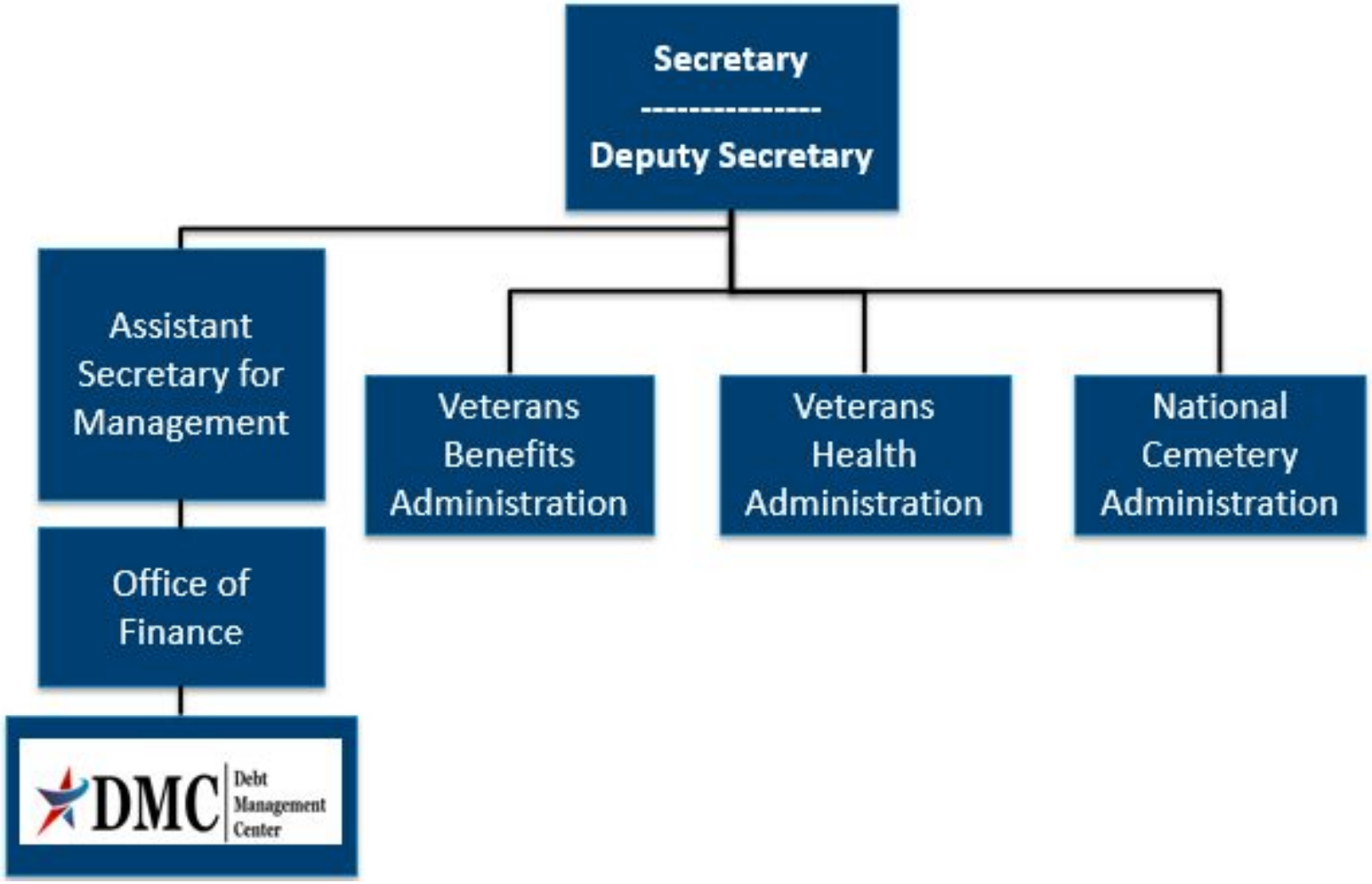
School Certifying Official Training

October 2026

Agenda

- DMC overview
- Digital GI Bill (DGIB) Transition Updates
- Debt establishment
- Understand collection processes
- Debt resolution options
- Risks of non-payment
- Questions

Organization Chart



DMC Mission

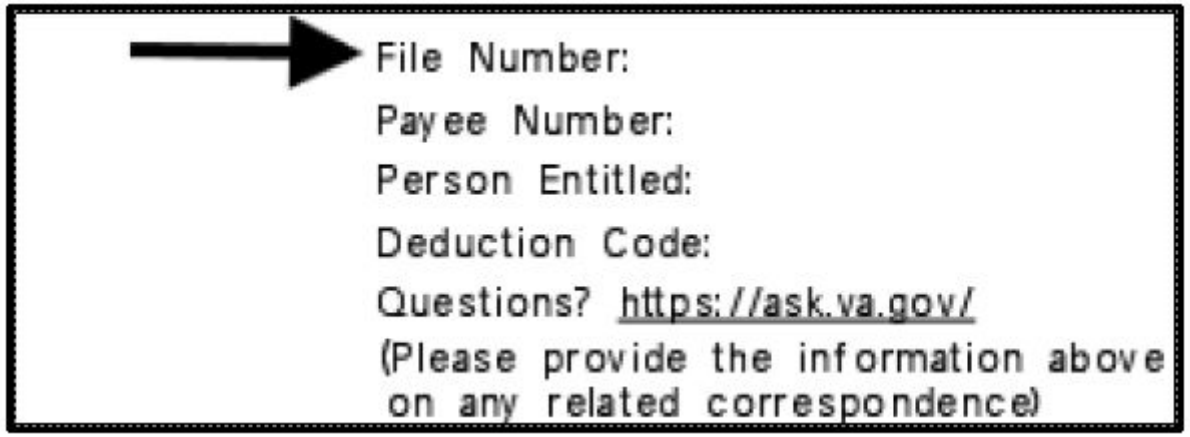
Provide distinctive, high quality accounts receivable services through a compassionate and value-added approach, empowering our stakeholders to focus on core missions.

DGIB Updates: DMC Systems

- Remaining school debt issues related to TOE students resolved
- Work around is available for most instances of debts showing in VBA system but not in DMC system
- Some fixes are still pending- suspended debts will still appear on debt lists but are not being collected
- Most debt issues still pending resolution involve debts not displaying for the correct facility code in the DMC system
  - We are unable to issue debt letters when this is the case

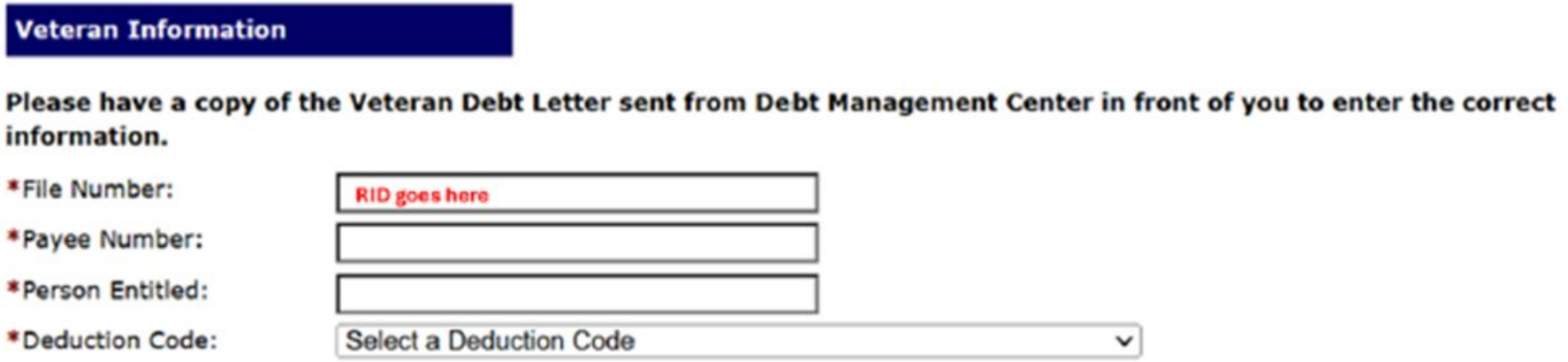
Update to Education Debt Identification

- DMC has transitioned from using VA File Number or SSN to a debt specific Receivable ID (RID) to improve security
- The RID is displayed on education debt letters in the file number field at the top right. You will know it is the RID if the entire number is visible (file numbers only showed the last four digits when displayed in this space).



RID and Pay.va.gov

- Receivable ID is required instead of File number on pay.va.gov for all education debts
- Pay.va.gov still looks the same, however RID will go in place of the file number for education debts
- If a debtor has multiple EDU debts, they must make individual payments per RID



Additional RID Reminders

- If a school needs assistance identifying their Receivable IDs for debts:
  - Request a debt list by facility code in AVA (now includes RIDs)

- Student debts for books, tuition, Chapter 30, 1606, and Chapter 35 payments are also identified by RID

- DMC recommends including the RID on all correspondence and payments:
  - Ask VA (AVA) inquiries
  - Check payments (stub contains RID but suggested to put RID on checks)
  - Students should include RID when submitting VA Form 5655 Financial Status Report (FSR) or other documents to DMC

Debt Establishment

SCO Certifies Student

- Communicates with student about certification process

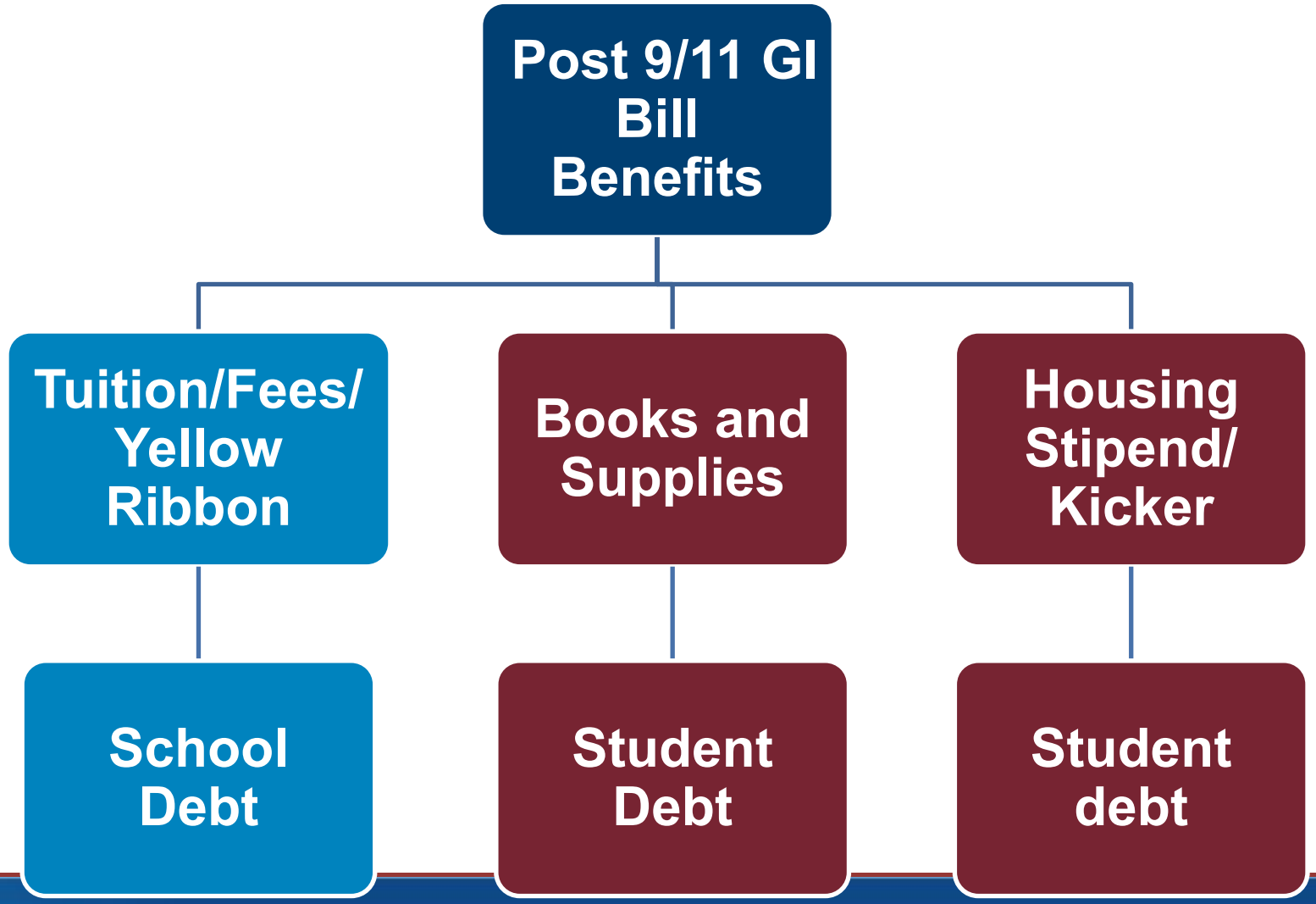
Regional Processing Office (RPO) Processes Certifications

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

DMC Collects Debts

- Sends collection letters for debts
- Processes collection actions

Debt Establishment



Debt Establishment Reasons

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

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

Payment for wrong student or duplicate payment (Erroneous amount)

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

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

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

Debt Establishment Reasons

Student withdrew after first day of term

Student reduced hours before or during term

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

Debt Establishment Reasons

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

Preventing School Debts

Educate students about impact:

- Reducing Training
- Non-punitive grades
- Changing class schedule

When non-punitive grades occur

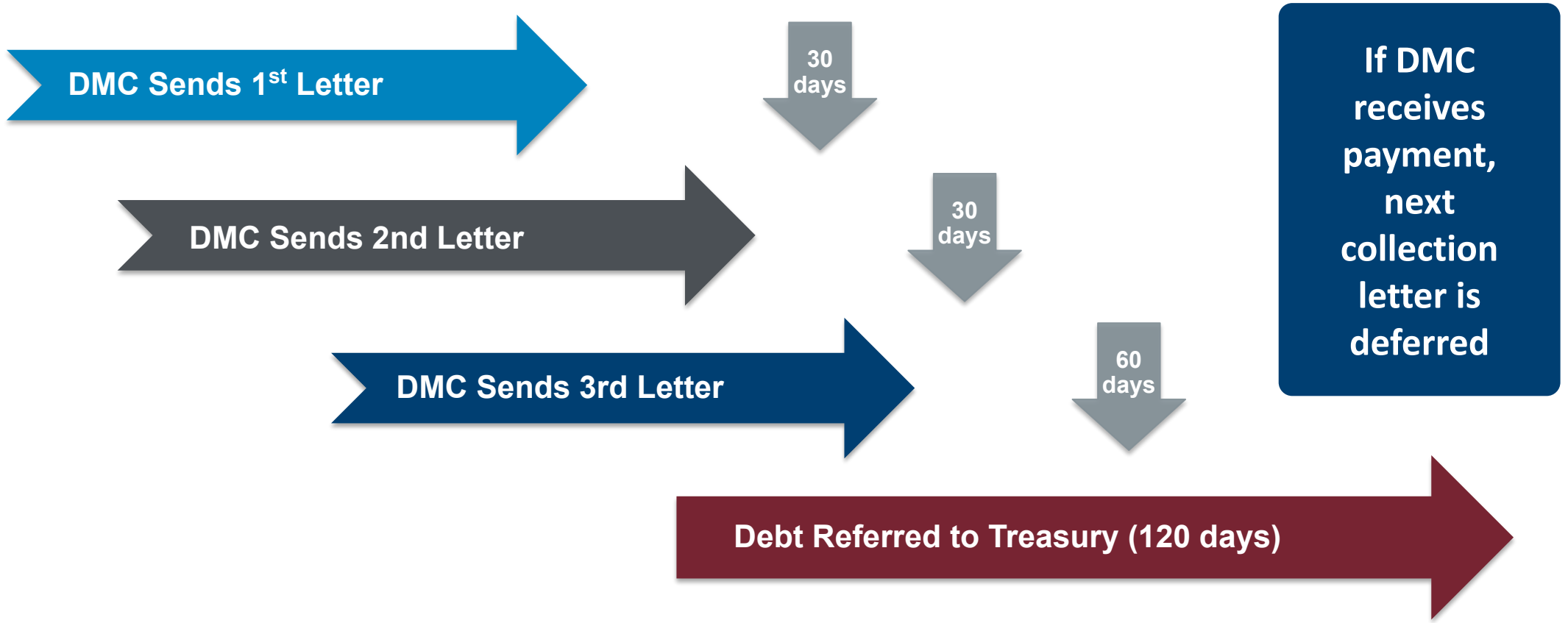
- School can include mitigating circumstances on certification
- Student can submit mitigating circumstances to RPO

Certify $0 tuition/fees before term begins

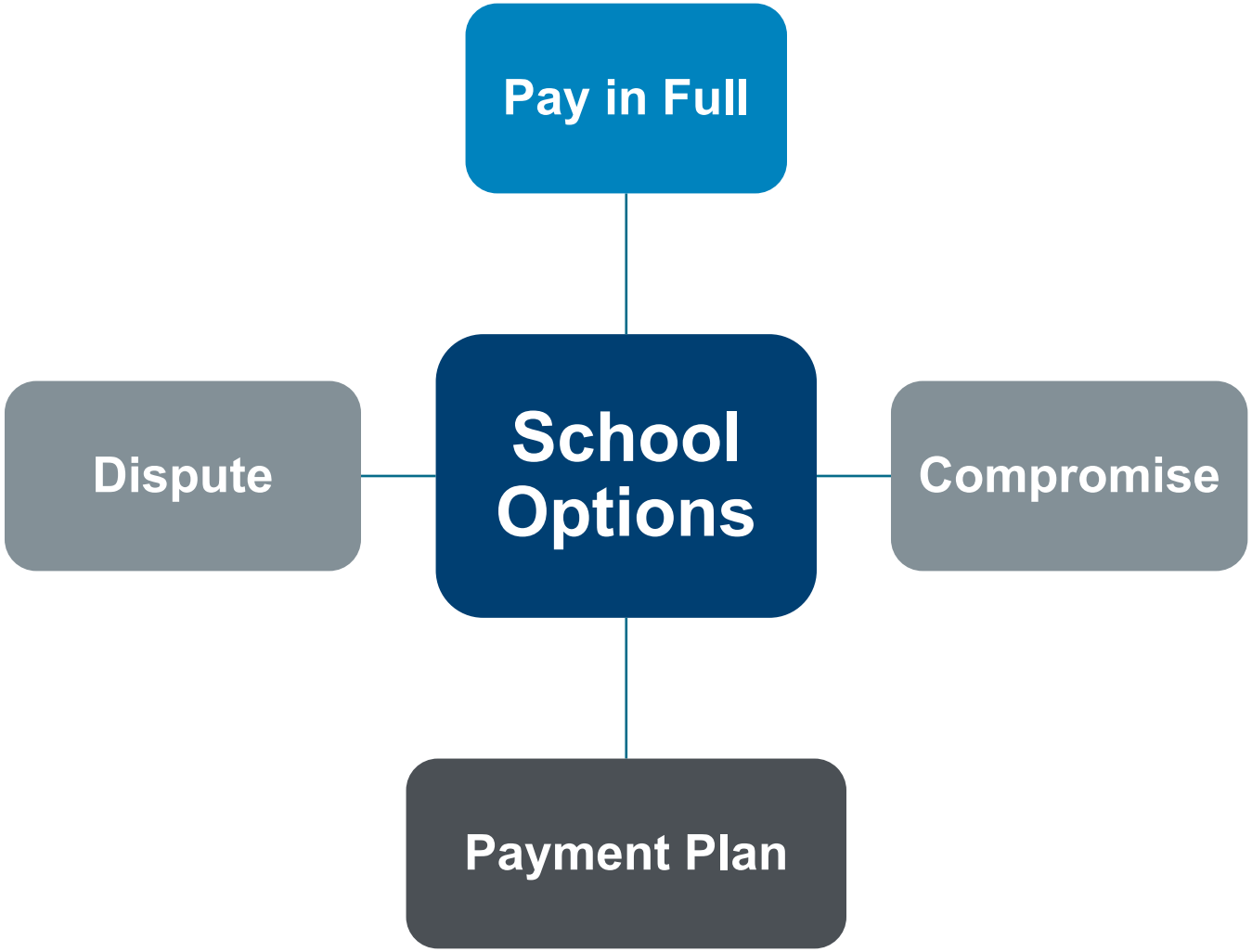
- Certify T/F/YR amount at a later date
- Allows student to receive books and housing on time

School Debt Collection Process

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



School Options



How to Pay a Debt

- **Pay by check: mail the check, payment coupon(s) and/or letter to:**

  VA Debt Management Center
  Bishop Henry Whipple Federal Building
  P.O. Box 11930
  St. Paul, MN 55111-0930

- **Recommend no more than 25 students per check**
- **Pay online: www.pay.va.gov (will need RID)**
- **Check SCO handbook for other options**



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

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

Veteran Information

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

*File Number:

*Payee Number:

*Person Entitled:

*Deduction Code: 75 - Education Ch 33 Tuition, Fees, Yellow Ribbon (school liable)

Use RID for Education Debts

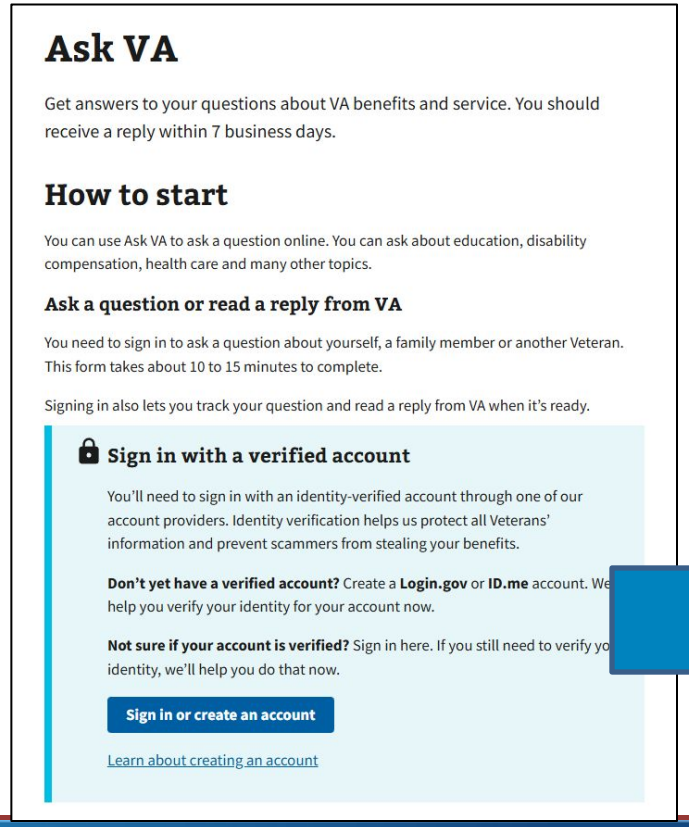
Payee is not always 00, please verify payee on DMC letter

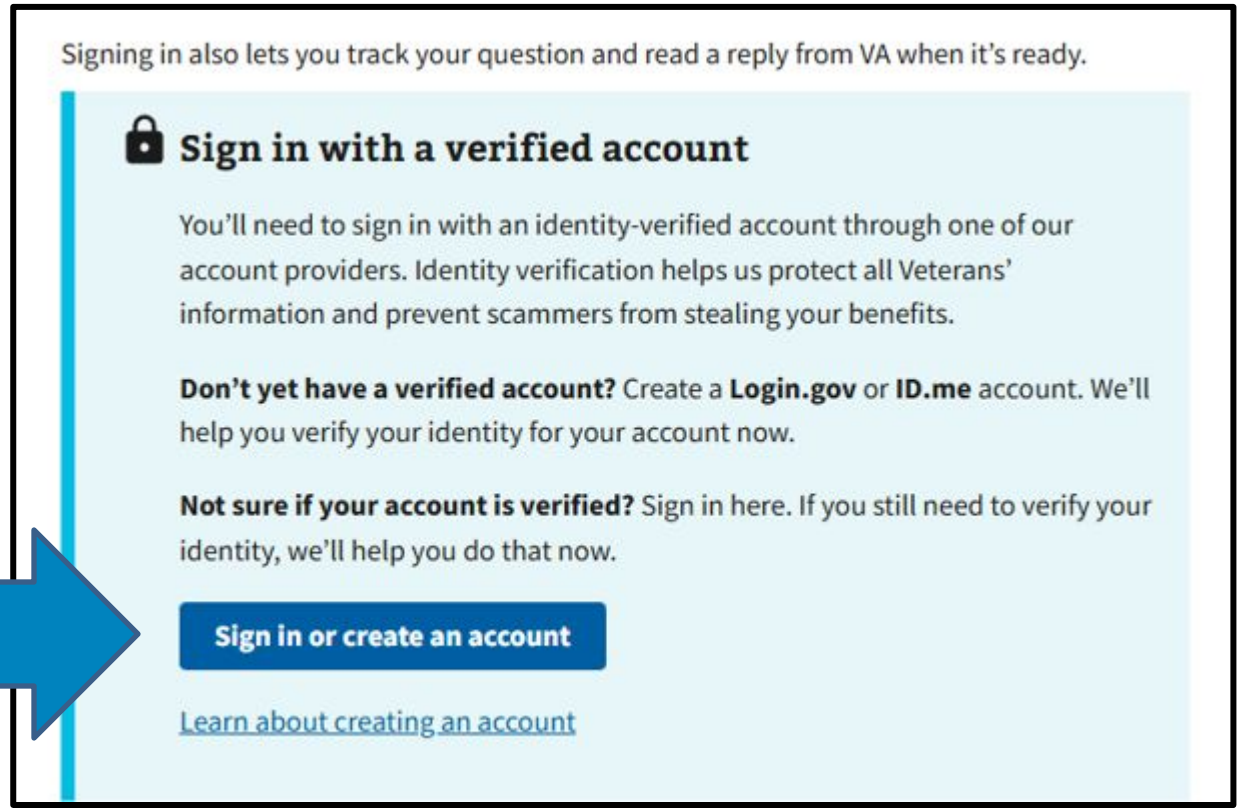
Deduction Code is not always 75, please verify on DMC letter

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

Ask VA (AVA)- for School Inquiries

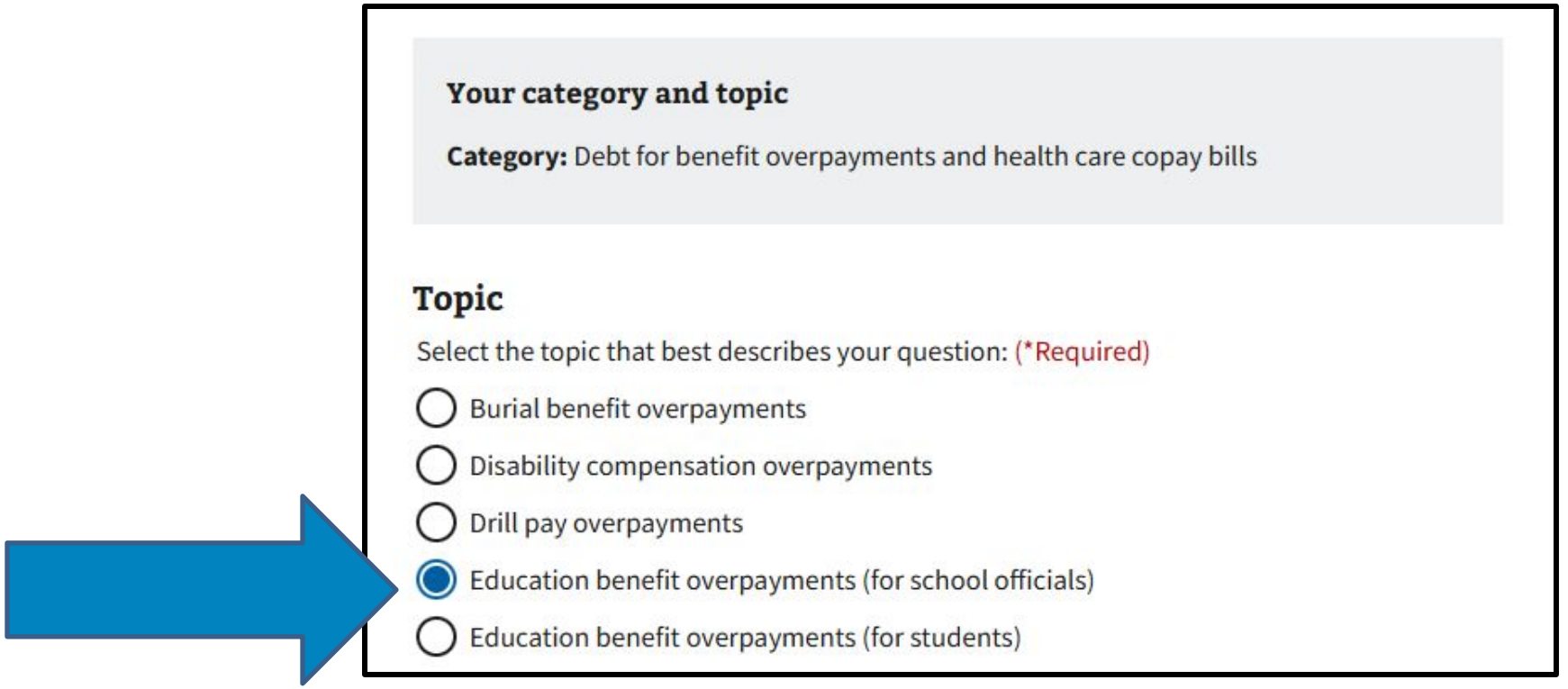
All school inquiries and disputes should be submitted using AVA
https://www.va.gov/contact-us/ask-va/introduction





Ask VA (AVA) for School Inquiries

Choose **"Debt for benefit overpayments and health care copay bills"** as the category and **"Education benefit overpayments (for schools)"** as the topic



Requesting a debt list in AVA

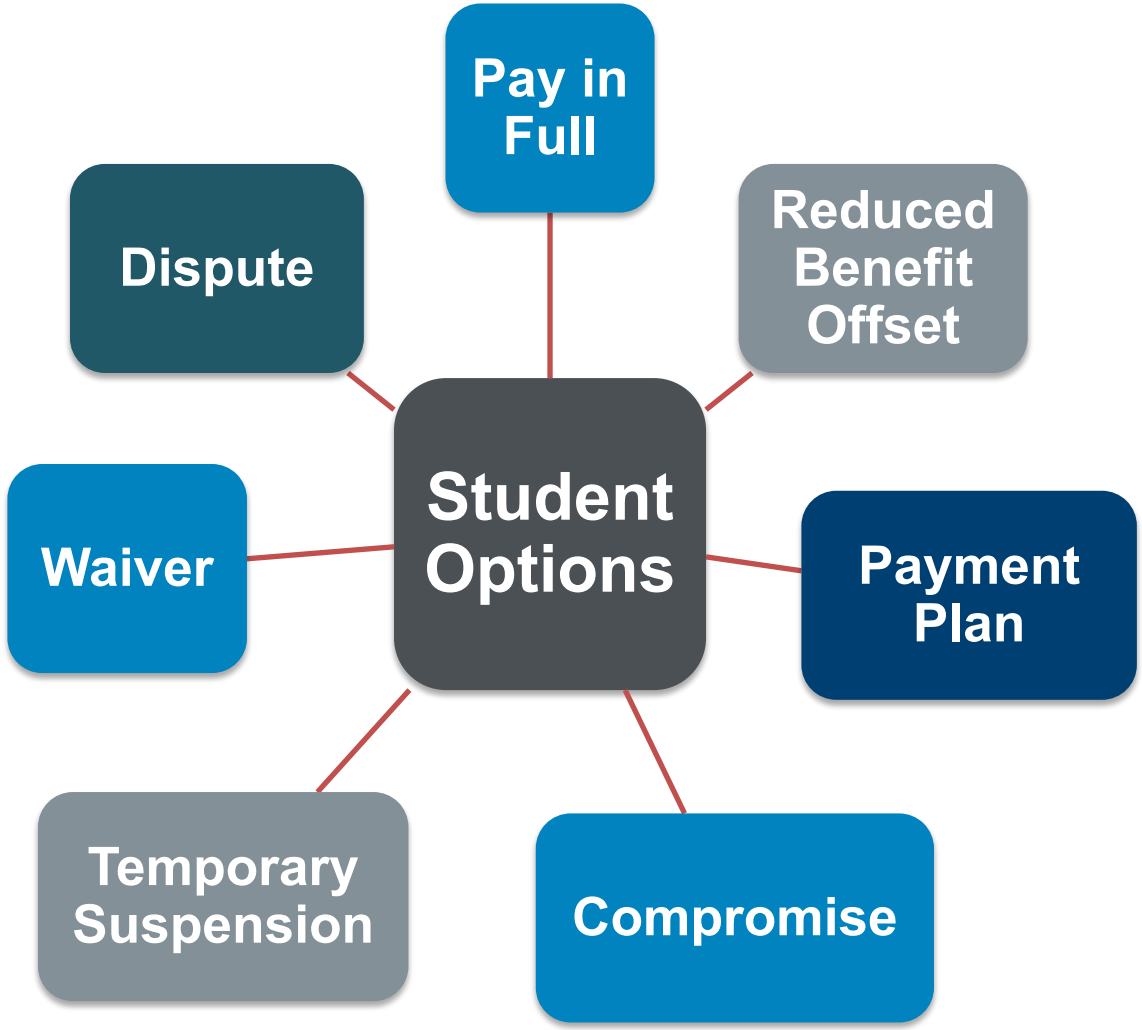
- DMC can provide debt lists by facility code upon request
- Since the debt list is not associated with one specific Veteran, you can choose **It's a general question** on the "Who is your question about screen" to submit your debt list by facility code request
- If you have multiple facilities, list the additional facility codes in the "What is your Question?" box



DMC School Official Debt Line

- **833-720-2574 (international 612-843-6508)**
- **Use for questions on Post 9/11 GI Bill Tuition and Fees debts such as:**
  - **Term dates for a debt**
  - **Confirm a payment was received**
  - **Confirm an outstanding balance**
  - **Assistance with an online payment**
- **Disputes must be in writing. Submit via https://www.va.gov/contact-us/ask-va/ (Select category: "Debt for benefit overpayments and health care copay bills" and topic: "Education benefit overpayments (for schools)"**

Student Options



VA Debt Portal for Veterans

- **Debt Portal: https://www.va.gov/manage-va-debt/**
  - **Veterans can log in to view balances**
  - **FAQ's**
  - **Email notifications to Veterans**
  - **Online VA Form 5655 Financial Status Report (FSR)**
  - **Online Dispute**
  - **One VA Digital Debt Letter**

Treasury Overview Debt Collection Tools

Treasury has two main programs for student and school debt collection

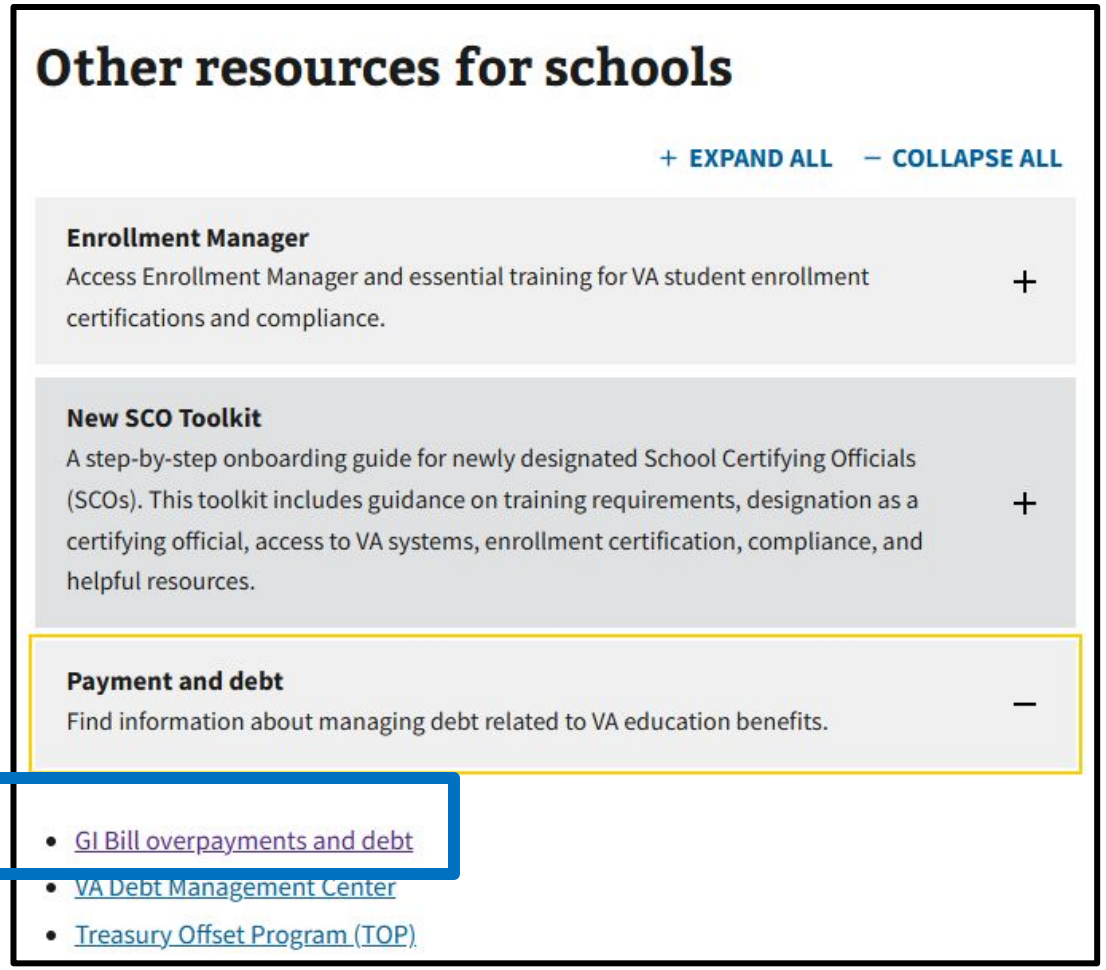
Treasury Offset Program (TOP)

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

Cross-Servicing (CS)

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

New FAQ Page for School Debts



DMC and VA's Education Service collaborated on a webpage with information about school debts:

https://www.benefits.va.gov/gibill/resources/education_resources/debt_info.asp

Become a Debt Superstar (Contact DMC)

https://www.va.gov/contact-us/ask-va/	Online inquiry system (category: Debt for benefit overpayments and health care copay bills, topic: Education benefit overpayments (for school officials)
https://www.va.gov/manage-va-debt/	Veteran Debt Portal
833-720-2574	DMC School Official Debt Line
800-827-0648	DMC Toll Free Line - Students



Issue Not Getting Resolved

- **Julie Lawrence – Chief of Operations, Veterans Resolution Division**

Julie.Lawrence@va.gov

- **Nicole Haselberger – Assistant Chief, Veterans Resolution Division**

Nicole.Haselberger@va.gov

- **Tami Dorle – Supervisory Financial Administrative Specialist , Veterans Resolution Division**

Tamara.Dorle@va.gov



DMC Presentation Survey

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

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

VA | U.S. Department of Veterans Affairs

Backup

Deduction Codes for School Debts

Found on the top right of DMC letter

- Can be any of the following:

75, 63, 91, 92, 93, 94, 95, 96, 97, 98

Please also remember to verify the payee for online payments (not always 00)

Example of Congruent Offset

Congruent Payment Recoupment Example

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

Debt Establishment: Compliance Survey

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

Tips for School Inquiries

When submitting disputes and inquiries via AVA, please include:

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

How to Contact TOP

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

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

- The caller's name, department and job title. The job title will need to indicate a need-to-know position
- At least one of the following:
  - date of the payment
  - amount of the original payment
  - amount of the offset

- Make sure to obtain the Debt Account ID related to the offset from Treasury (typically ends in 0075 for school tuition) **before** contacting DMC about an offset

When to Contact TOP vs. DMC

Information Treasury Has

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

Information DMC Has

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

TOP Letter Example

What Happened to My Payment?

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

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

Payment Date: 01/31/24
PaymentType: EFT

Who Do I Owe?

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

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

TOP Trace Number: XXXXXXXX
Account #: XXXXXXXXXXXXX
Applied To This Debt: $590.68
Type of Debt: Non-Tax Federal Debt



Please see additional pages for other debts, if any.

Federal Debt Collection Laws

- **The Debt Collection Act of 1982**
  - Authority for collection by administrative offset

- **The Debt Collection Improvement Act (DCIA) of 1996**
  - Agencies required to refer delinquent non-tax debts to the Department of Treasury at 180 days

- **Digital Accountability and Transparency Act (DATA) of 2014**
  - Changed referral requirement for delinquent non-tax debts from 180 days to 120 days