

# **VA Debt Management Center (DMC)**

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## **School Certifying Official Training**

**AVAA October 2022**

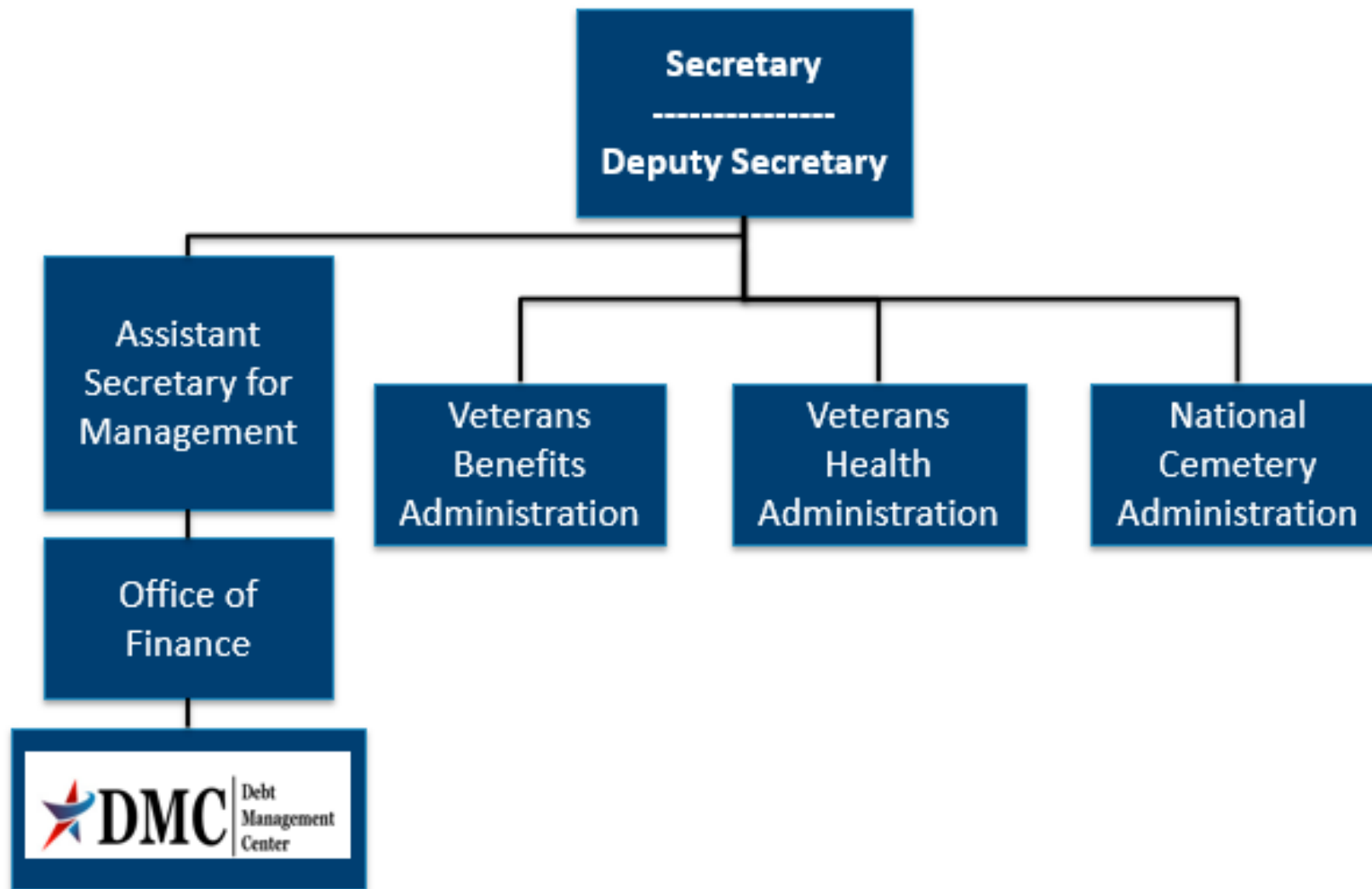
# DMC Overview

- 1 DMC is a franchise fund aligned with VA's Office of Finance (OF) within the Office of Management (OM)
- 2 DMC's staff of approximately 320 employees works to service VA benefit debts, counsel Veterans on options and outcomes, and offer resolutions for each unique situation.
- 3 DMC provides accounts receivable services to VBA, VHA, NCA
- 4 The DMC collects approximately \$1.8 billion annually

## DMC Mission:

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

# Organization Chart



# Debt Establishment



## SCO Certifies Student

- Communicates with student about certification process

## 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



## Education and Training Institutions

Schools are financially responsible for benefits paid under the Post 9/11 GI Bill:

1. Tuition and fees
2. Yellow Ribbon Program

## Students

Students will receive VA debts for:

1. Books and Supplies
2. Housing Stipend/Kicker

# Preventing School Debts



- ❑ Communication with students about the impact of the following:
  - Reducing training
  - Receiving non-punitive grades
  - Changing their class schedule
  
- ❑ When non-punitive grades occur:
  - Have a process for students to share mitigating circumstances so that they can be certified to VA
  - If a student does not share mitigating circumstances up front, remind them they can also submit mitigating circumstances to VA to potentially reduce the amount of debt created
  
- ❑ In order to minimize debts, schools are encouraged to use the best practice of certifying \$0 tuition and fees before the term begins (allowing student to receive books and housing on time) and then certifying the Tuition/Fees/Yellow Ribbon amount at a later date

# Debt Establishment Reasons



- Student never attended any classes
- Student completely withdrew on or before first day of term
- Payment for wrong student, duplicate payment, or payment above certified amount due to VA data entry error
- Reporting reduced tuition and fees and/or Yellow Ribbon amounts
- Student withdrew after the first day of the term
- Student reduced hours before or during term
- School reported a reduction in tuition, fees, and/or Yellow Ribbon due to student reducing or terminating training
- Student dropped/added a course with no net change in training time caused change to tuition, fees, and/or Yellow Ribbon amount

# Debt Establishment Reasons



## Reductions and terminations

- During a school's drop period will be effective the end of the month during which the reduction occurred or the actual date of withdrawal.
- For which punitive grades are assigned will be effective the end of the month during which the reduction occurred or the actual date of withdrawal.
- After the drop period for which non-punitive grades are assigned will be effective the first day of the term unless:
  - The 6-credit hour exclusion is granted
  - Mitigating circumstances (MIT-C) exist



# COVID-19 Operations- Students



- DMC plans to resume referrals of delinquent VBA Veteran/Student debts to Treasury in October 2022**
- DMC has not resumed referrals to Credit Reporting Agencies or Credit Alert Verification Reporting System (CAIVRS) at this time (resumption date TBD)**

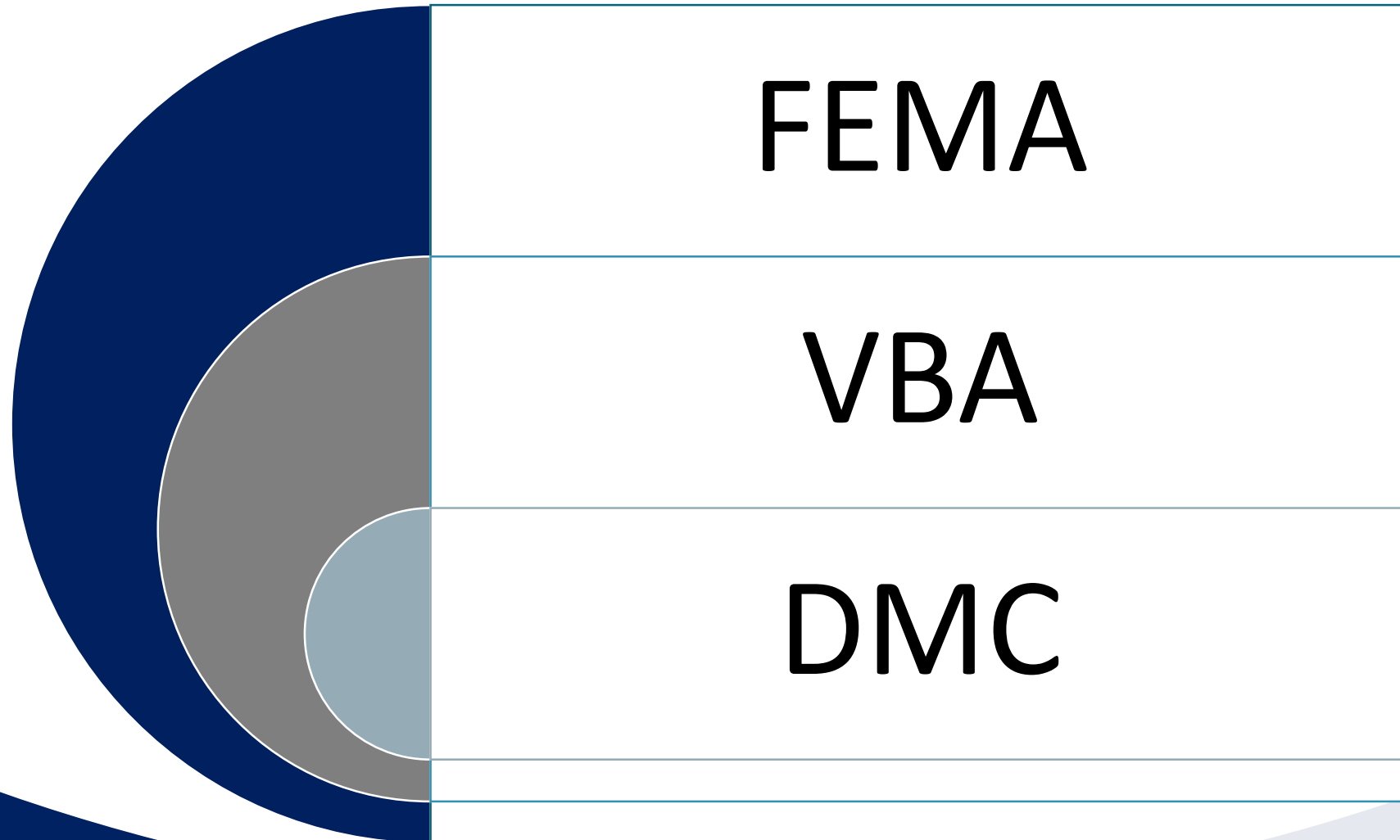
# Debt Relief Options- Students



**If Veterans/students are experiencing financial hardship, DMC is providing continued relief options:**

- **Extending repayment plans**
- **Requesting debt forgiveness through the waiver process**
- **Submitting a compromise offer to settle the debt for less than the full amount**
- **Requesting a temporary hardship suspension of repayment until December 31, 2022**

# Debt Relief Options- Natural Disasters



# VA Debt Portal for Veterans



- ❑ Debt Portal: <https://www.va.gov/manage-va-debt/>
  - Veterans can log in to view balances and DMC letters
  - FAQ's
  - Email notifications to Veterans
  - Online VA Form 5655 Financial Status Report (FSR)
  - More enhancements to come

# DMC School Official Debt Line

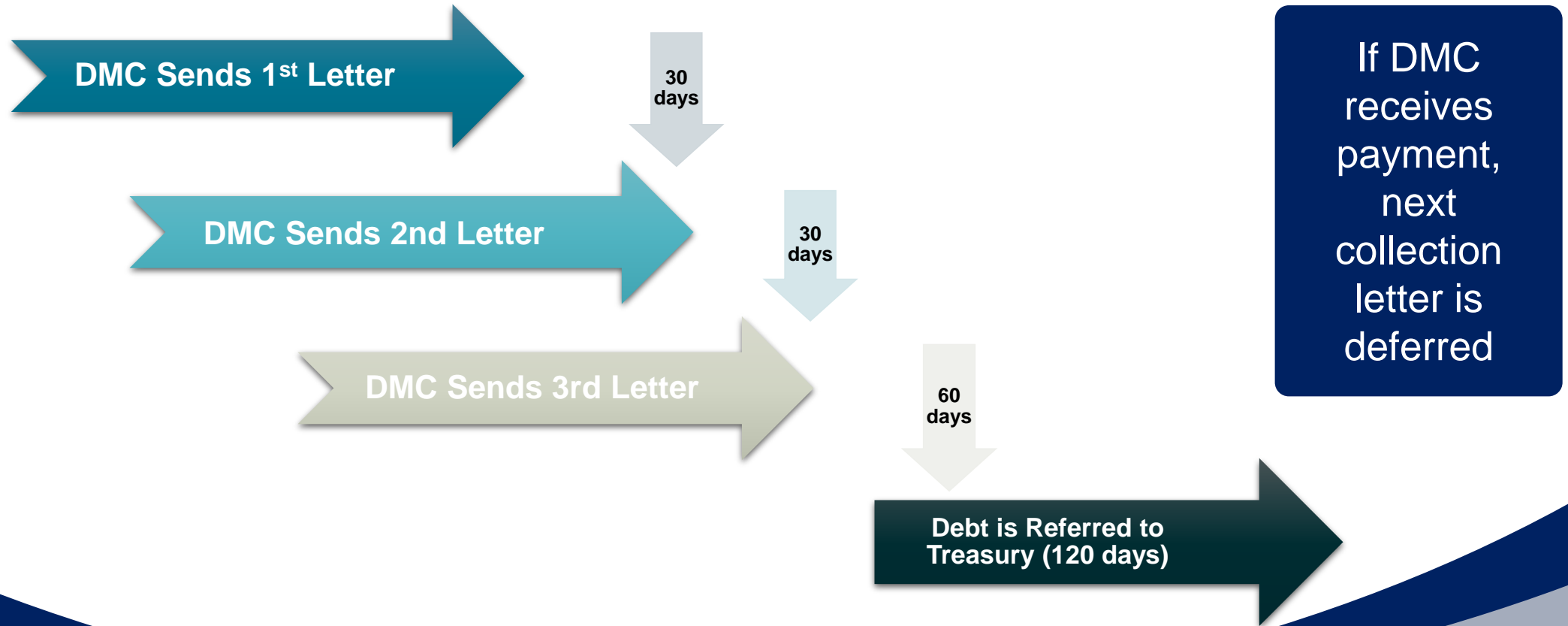
- ☐ 833-720-2574 (international 612-843-6508)
- ☐ Use for questions on Post 9/11 GI Bill Tuition and Fees debts such as:
  - Term dates for a debt
  - Confirm a payment was received
  - Confirm an outstanding balance
  - Assistance with an online payment

Disputes regarding the existence or amount of the debt should be sent via <https://ask.va.gov/> (Select category: “Veterans Affairs-Debt” and topic: “A School Official”)

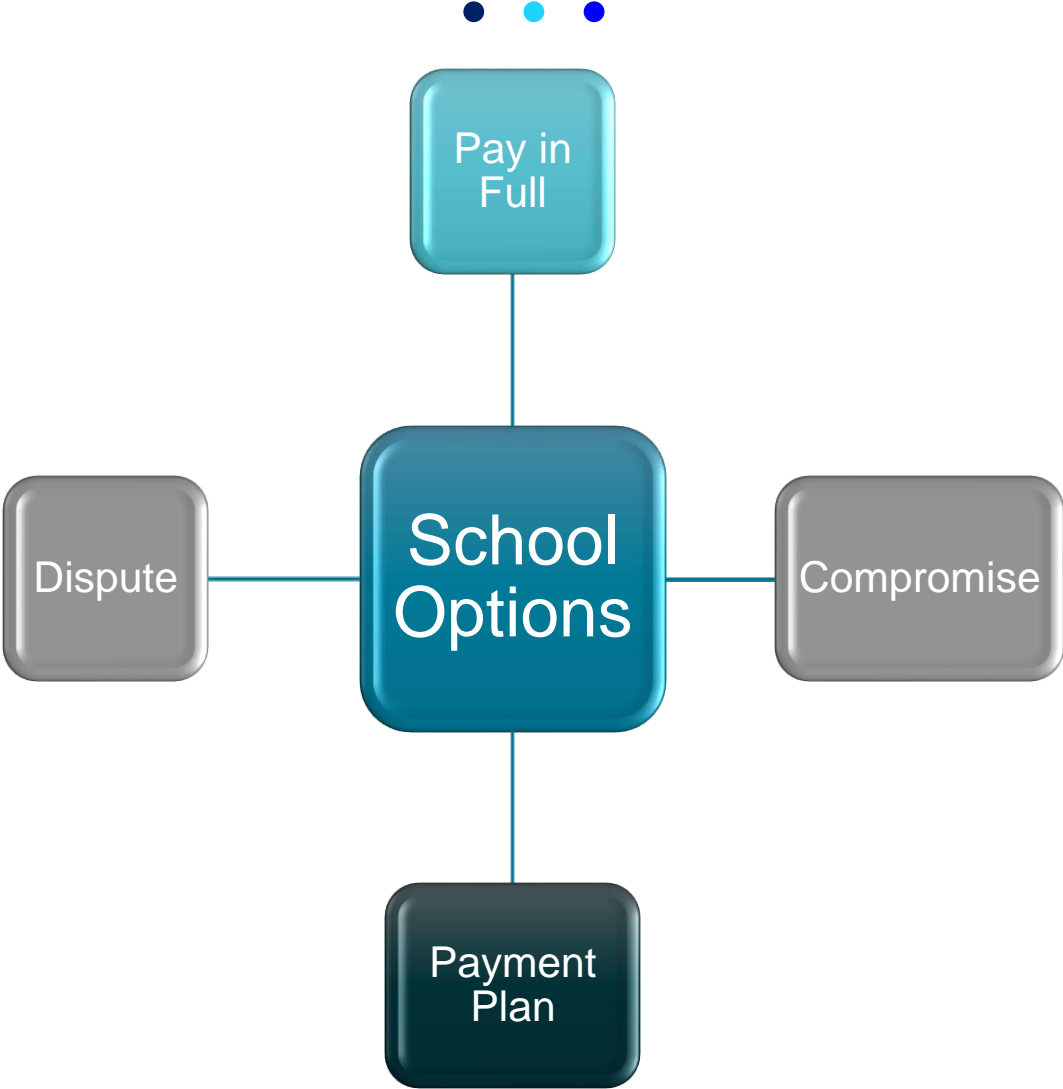
# School Debt Collection Process



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



# Ask VA (AVA) for School Inquiries



- All school inquiries and disputes should be submitted using AVA (<https://ask.va.gov/>)
- Select “Veterans Affairs- Debt” as the category and “A School Official” as the topic
- Under “My inquiry is” select “On behalf of a Veteran”- this enables you to select School Certifying Official or Other (Business) under relationship to Veteran
- You must log in to receive a response that receives specific debt information

Create Account/Sign in to start your message



# Ask VA (AVA) for School Inquiries



Tell us about your question

Which category best describes your question? \*

(\*Required)\*

Veteran Affairs - Debt

Veterans Affairs- Debt

Which topic best describes your question? \* (\*Required)

A School Official

A School Official

Tell us the reason you're contacting us? (\*Required)

Question

Question

My inquiry is: (\*Required)

On behalf of a Veteran

On behalf of a Veteran

Are you currently an employee of the VA? \*

No  Yes

Your relationship to the Veteran (\*Required)

School Certifying Official

School Certifying Official

# Requesting a debt list in Ask VA (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 **general question** to submit your debt list by facility code request (you must still be signed in to AVA)

My inquiry is: (\*Required)

A general question

# 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.)

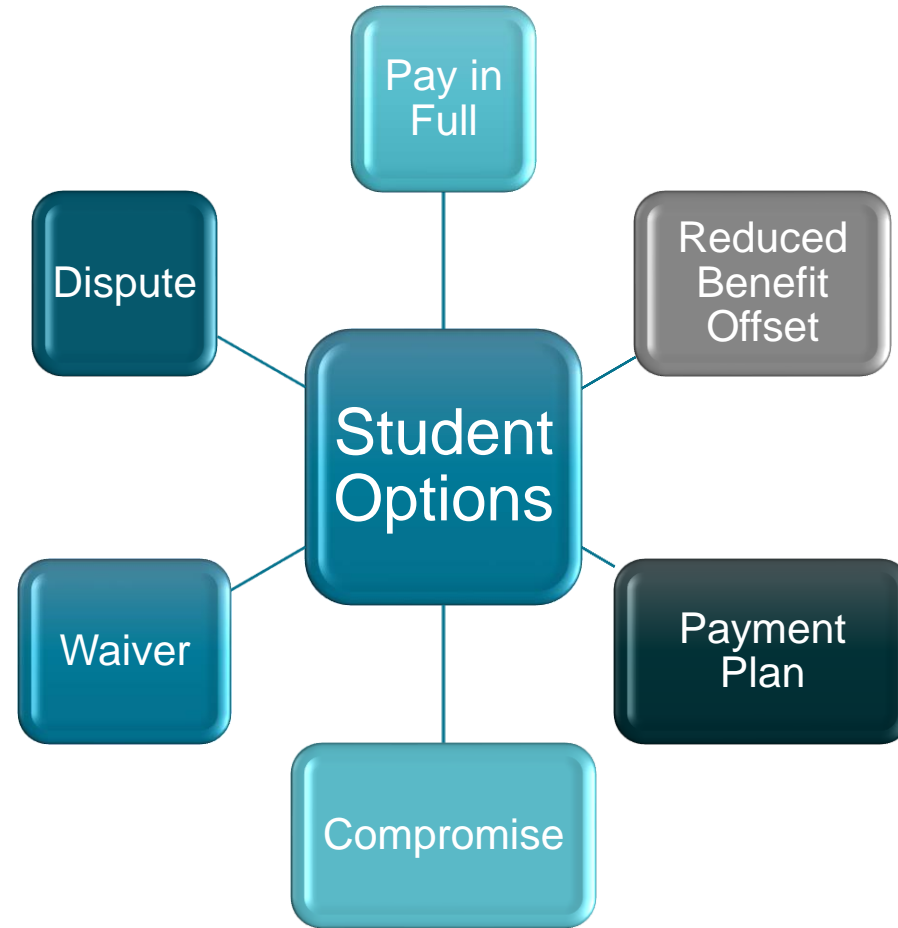
# How to Pay a Debt



- 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
- Pay online: [www.pay.va.gov](http://www.pay.va.gov)
- Check SCO handbook for other options



# Student Options



# 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)

# How to Contact TOP



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

In order 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

# Become a Debt Superstar (Contact DMC)



<https://www.va.gov/manage-va-debt/>

Veteran Debt Portal

<https://ask.va.gov>

Online inquiry system  
(subject: Veterans Affairs- Debt, topic: A School Official)

833-720-2574

DMC School Official Debt Line

800-827-0648

DMC Toll Free Line - Students





# Issue Not Getting Resolved?



- Julie Lawrence – Chief Education and External Relations  
[Julie.Lawrence@va.gov](mailto:Julie.Lawrence@va.gov)
- Nicole Haselberger – Assistant Chief Education and External Relations  
[Nicole.Haselberger@va.gov](mailto:Nicole.Haselberger@va.gov)
- Tami Dorle – Supervisory Financial Administrative Specialist  
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- Gary Greenwood – Management Analyst  
[Gary.Greenwood2@va.gov](mailto:Gary.Greenwood2@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>

