



VETERANS EDUCATION SUCCESS

June 22, 2020

Nancy J. Kessinger
Veterans Benefits Administration
Department of Veterans Affairs
810 Vermont Ave. N.W.
Washington, D.C., 20420

Dear Ms. Kessinger:

I am writing to provide comments on the Department of Veterans Affairs' (VA) Federal Register notice (OMB Control No. 2900-0051) on reports that State Approving Agencies are currently required to submit to VA. SAAs have a critical role to play in ensuring the integrity of the GI Bill, and the information SAAs submit to VA plays an indispensable role in the Department's ability to safeguard taxpayer funds. As a result, we believe that the quarterly reports on SAA activities collected under 38 CFR 21.4154 as well as the notices of approval sent to schools and to VA under 38 CFR 21.4250(b), 21.4258, and 21.4259 contain information essential to the oversight of schools that participate in the GI Bill.

Although the information is essential, we urge VA to ensure that the technology for providing the quarterly reports functions effectively. It has come to our attention that VA has refused to fund an approximately \$60,000 software upgrade for the quarterly report. Currently, these reports are submitted via spreadsheet, which is not the most effective way to report the information. In addition, we understand that VA requires SAAs to report on outreach activities, which VA refuses to fund.

As we noted in a [report](#) released last year, there are other actions that VA can take to improve SAA oversight of schools:

- The payment audits, referred to as compliance surveys, assigned to SAAs are time-consuming. This heavy workload has negatively affected SAAs' ability to perform the necessary oversight to ensure the quality of the programs approved at GI Bill-participating schools. It is important to reduce the time SAAs spend on compliance surveys in order to enable them to spend time on true oversight of colleges receiving the GI Bill. As VA's Inspector General concluded in a December 2018 [report](#), current SAA oversight is inadequate and, as a result, VA stands to make improper GI Bill payments totaling \$2.3 billion over 5 years to colleges that should not be allowed to enroll veterans. We urge VA to significantly reduce the SAAs' compliance survey workload. We understand that VA plans to negotiate a \$10 million contract for the conduct of compliance surveys. Once the contract is in place, it would be ideal for VA to redirect SAAs to true oversight of colleges.
- VA's August 2018 policy advisory to SAAs should be rescinded. It instructs SAAs to ignore early warning signs from other oversight partners, such as accreditors, that suggest a school's participation in the GI Bill presents a risk to veterans and taxpayers. SAAs should be able to suspend new enrollment at a school that is placed on probation or show cause by its



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accreditor. In general, VA needs to pay more attention to [early warning signs](#) about schools from all of its oversight partners, including the Education Department, federal and state law enforcement agencies and regulators, the Security and Exchange Commission, and Departmental Offices of Inspector General.

- Effective oversight of GI Bill-participating schools requires a collaborative relationship between SAAs and VA. As outlined in our September 2019 [report](#), the relationship has at times been adversarial. A 1952 House report on GI Bill training programs noted that “The relationship and relative authority and responsibility of the Veterans’ Administration and State Approving Agencies is not clearly defined by the present law, resulting in contention and confusion between Veterans’ Administration and State Approving Agencies.” We outlined several statutory inconsistencies in our September 2019 [report](#) on VA and SAA roles and responsibilities. We urge VA and SAAs to work with the House and Senate Committees on Veterans Affairs to address these inconsistencies and other sources of conflict.

Thank you for the opportunity to submit these comments.

Sincerely,

Walter Ochinko
Research Director, Veterans Education Success