Education Service
School Certifying Official Training

The 85/15 Rule
&
35% Exemption Reset
## LEARNING OBJECTIVES

Upon completion of this training, you should be able to:

1. Understand the background and purpose of the 85/15 Rule
2. Know when and how to submit required 85/15 reports
3. Understand the 35% Exemption and how it relates to the 85/15 reporting requirement
4. Understand how to calculate and report based on program and instruction site
5. Distinguish the differences between supported and non-supported students
6. Understand how to calculate and report for overlapping terms
7. Understand reporting requirements for changes in enrollment
8. Identify what to do when encountering special situations of 85/15
Interchangeable Terms

Throughout the presentation the following terms are used interchangeably and wherever used should be understood to refer to an Educational and Training Institution (ETI):

- Educational Institution
- ETI
- Facility
- School
- Training Facility
What Is The 85/15 Rule?

The 85/15 Rule prohibits paying Department of Veterans Affairs (VA) benefits to students enrolling in a program when more than 85% of the students enrolled in that program are having any portion of their tuition, fees, or other charges paid for them by the Education and Training Institution (ETI) or VA.

If the ratio of Supported Students to Non-Supported Students exceeds 85%, only students maintaining continuous enrollment may receive benefits for that program.

NOTE: Students receiving Veteran Readiness and Employment (Chapter 31), or Survivors’ and Dependents’ Educational Assistance (Chapter 35), benefits must be counted when calculating 85/15 Rule compliance, but they can continue to be certified and enrolled if the ETI is found to be in violation of the 85/15 Rule.
Why Does The 85/15 Rule Exist?

To ensure that a minimum number of students, who are not receiving VA funds, are willing to pay for the full cost of the program.

To ensure the price of the program responds to the general demands of the open market and that the minimal number of non-VA beneficiaries find the program to be worthwhile.
REPORTING REQUIREMENTS
When Do Routine 85/15 Calculations Need To Be Provided? (1 of 2)

If the ETI is **structured on a Term, Quarter, or Semester Basis**, then –

85/15 calculations must be submitted to the Education Liaison Representative (ELR) of jurisdiction no later than 30 days after the start of each regular term (excluding summer terms).

**EXAMPLE:**

Spring Term start date: January 4, 2021
85/15 Report due: February 2, 2021

Fall Term start date: September 6, 2021
85/15 Report due: October 5, 2021
When Do Routine 85/15 Calculations Need To Be Provided? (2 of 2)

If the ETI is **not structured on a Term Basis**, then –

85/15 calculations must be submitted to the ELR of jurisdiction no later than 30 days after the beginning of each calendar quarter.

Calendar quarters align with the quarters of VA’s fiscal year which starts in October and ends in September.

Due dates for routine reporting of 85/15 calculations will be as follows:

<table>
<thead>
<tr>
<th>Due Date</th>
<th>Enrollment Periods Beginning Between</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 30th</td>
<td>October 1 through December 31</td>
</tr>
<tr>
<td>April 30th</td>
<td>January 1 through March 31</td>
</tr>
<tr>
<td>July 30th</td>
<td>April 1 through June 30</td>
</tr>
<tr>
<td>October 30th</td>
<td>July 1 through September 30</td>
</tr>
</tbody>
</table>
35% EXEMPTION
35% Exemption – What Is It?

**What is the 35% Exemption?**

An ETI with a 35% Exemption is not required to routinely (as required by regulation) report 85/15 calculations to the VA.

85/15 calculations must still be provided at the request of VA or State Approving Agency staff.

**35% Exemption Criteria**

The total number of VA beneficiaries enrolled in the educational institution must be less than or equal to 35% of the total student enrollment.

NOTE 1: Any program(s) that exceed 85% Supported Student enrollment are not exempt and the ETI must continue to monitor and routinely report enrollment data on any programs not included in the 35% Exemption.

NOTE 2: Total student population is NOT based on Full Time Equivalency (FTE).
35% Exemption Calculations vs 85/15 Calculations

**35% Exemption Calculations** are based on actual student enrollment and are calculated based on VA students vs. Non-VA students. (38 CFR 21.4201 [c] [4])

**85/15 Calculations** are based on full time equivalency and are calculated based on supported vs. non-supported students. (38 CFR 21.4201 [e] [2])
35% Exemption Reset

There will be a national reset to rescind all 35% Exemptions.

This reset is effective:

- July 1, 2021

VA is resetting the 35% Exemption because recent reviews of 85/15 conducted by VA revealed that a number of ETI were not correctly computing the ratio of supported to non-supported students, especially those ETI with the 35% Exemption.

NOTE: If a facility does not currently hold a 35% Exemption, the ETI is still required to provide routine reports as previously outlined.
35% Exemption – Next Report Due – Non-Term Based ETI

Since the reset for ETI is effective July 1, 2021, all non-term based ETI must submit 85/15 calculations no later than July 30, 2021. Those calculations, which will cover all enrollment periods, must be reported by individual cohorts/modules, between April 1, 2021 and June 30, 2021.

When non-term based ETI enrollment ratios meet the necessary exemption criteria then the ETI may reapply for the 35% Exemption.

The earliest an NCD ETI can reapply for the 35% Exemption is when the April – June 85/15 calculations have been submitted. A response to the submission will be provided within 90 days.

NOTE: Per 38 Code of Federal Regulations (CFR) 21.4201 if there is reason to believe that the enrollment of veterans and eligible persons in the course may exceed 85 percent of the total student enrollment in the course, a 35% Exemption can be revoked at that time.
35% Exemption – Reapplication - Non-Term Based ETI

If 85/15 Enrollment Ratios meet the necessary exemption criteria for periods beginning on or after July 1, 2021, then the non-term based ETI may apply for the 35% Exemption.

The earliest a non-term based ETI can reapply for the 35% Exemption is when the April – June 85/15 calculations have been submitted. A completed *Statement of Assurance of Compliance with 85 Percent Enrollment Ratios* for the corresponding reporting period must accompany any application for the 35% Exemption.

A response to the submission will be provided to the ETI within 90 days.

**NOTE:** Per 38 Code of Federal Regulations (CFR) 21.4201 if there is reason to believe that the enrollment of veterans and eligible persons in the course may exceed 85 percent of the total student enrollment in the course, a 35% Exemption can be revoked at that time.
35% Exemption – Next Report Due – Term Based ETI

When the ETI is term based, the reset will be effective July 1, 2021. All term based ETI must submit 85/15 calculations no later than 30 days after the start of the Fall 2021 term, as it is published in the academic calendar.

When IHL ETI enrollment ratios meet the necessary exemption criteria then the ETI may reapply for the 35% Exemption.

The earliest date an IHL ETI can reapply for the 35% Exemption is when the Fall 2021 reporting for 85/15 calculations is submitted. A response to the submission will be provided to the ETI within 90 days.

NOTE: Per 38 Code of Federal Regulations (CFR) 21.4201 if there is reason to believe that the enrollment of veterans and eligible persons in the course may exceed 85 percent of the total student enrollment in the course, a 35% Exemption can be revoked at that time.
35% Exemption – Reapplication – Term Based ETI

If a term based ETI’s 85/15 Enrollment Ratios meet the necessary exemption criteria for terms beginning on or after July 1, 2021, then the ETI may apply for the 35% Exemption.

The earliest date a term based ETI can apply for the 35% Exemption is when the Fall 2021 reporting for 85/15 calculations is submitted. A completed Statement of Assurance of Compliance with 85 Percent Enrollment Ratios for the corresponding reporting period must accompany any application for the 35% Exemption.

A response to the submission will be provided to the ETI within 90 days.

NOTE: Per 38 Code of Federal Regulations (CFR) 21.4201 if there is reason to believe that the enrollment of veterans and eligible persons in the course may exceed 85 percent of the total student enrollment in the course, a 35% Exemption can be revoked at that time.
35% Exemption – Routine Lifecycle Maintenance

If granted, 35% Exemptions will routinely expire at the following intervals:

<table>
<thead>
<tr>
<th>Facility Type</th>
<th>35% Exemption Must Be Renewed Every</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accredited IHL</td>
<td>24 months</td>
</tr>
<tr>
<td>Non-Accredited IHL</td>
<td>24 months</td>
</tr>
<tr>
<td>Accredited NCD</td>
<td>24 months</td>
</tr>
<tr>
<td>Non-Accredited NCD</td>
<td>24 months</td>
</tr>
</tbody>
</table>

NOTE: Per 38 Code of Federal Regulations (CFR) 21.4201 if there is reason to believe that the enrollment of veterans and eligible persons in the course may exceed 85 percent of the total student enrollment in the course, a 35% Exemption can be revoked at that time.
Branch Campuses

Approved campuses that have both administrative capability and a Facility Code must complete 85/15 calculations separate of the main campus of the Educational & Training Institution (ETI).

- Students will be individually counted (based on full-time equivalency at the site).

- This is true for both Supported and Non-Supported Students.

Note: Though issued a facility code, approved teaching sites, commonly referred to as “extension campuses,” do not maintain administrative capability and are not approved separate of a parent campus.
Extension Campuses

Approved training sites without administrative capabilities (those sites approved and possessing an extension campus facility code) do not require separate 85/15 calculations. The student will be counted under the campus which maintains administrative capability over that training site (i.e. the “parent” campus of the training site) be that the main campus or an approved branch campus.

Example:

<table>
<thead>
<tr>
<th>Approved Campus with Administrative Capability</th>
<th>IHL Main Campus: 1-1-1234-56</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved Training Site of IHL Main Campus:</td>
<td>Extension Campus A: 1-1-X789-56</td>
</tr>
</tbody>
</table>

Any enrollments in classes held at Extension Campus A (1-1-X789-56) are included in calculations for programs approved under its parent campus of IHL Main Campus (1-1-1234-56).

<table>
<thead>
<tr>
<th>Approved Campus with Administrative Capability</th>
<th>IHL Branch Campus: 1-1-8101-56</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved Training Site of IHL Branch Campus:</td>
<td>Extension Campus B: 1-1-X234-56</td>
</tr>
</tbody>
</table>

Any enrollments in classes held at Extension Campus B (1-1-X234-56) are included in calculations for programs approved under its parent campus of IHL Branch Campus (1-1-8101-56).
Dual Degrees

Students enrolled in multiple majors must be counted for each major in which they are enrolled.

This is true for both Supported and Non-Supported Students - and are counted as a full-time or part-time students under each major based on the total number of credits the student is pursuing during the enrollment period.
Concentrations and Specializations

Students must be counted for each concentration and track in which they are enrolled. Per 38 Code of Federal Regulations (CFR) 21.4201(e)(1), a course or curriculum that varies in any way from a similar course, although it may have the same designation, requires a separate 85-15 percent computation.

Consequently, separate 85/15 computations are required when there is any difference in the educational/vocational objective, length, cost, or equipment of a program based on the concentration or track.

This is true for both Supported and Non-Supported Students - and are counted as a full-time or part-time students under each concentration based on the total number of credits the student is pursuing during the enrollment period.
Differing Modalities

If there is a difference in the length, cost, or equipment of a program based on the modality taken, then the differing modalities must be separately listed and calculated for 85/15 Rule purposes.

This is true for both Supported and Non-Supported Students - and are counted as a full-time or part-time students under each modality based on the total number of credits the student is pursuing during the enrollment period.
Concentrations and Modalities Interaction

Separate 85/15 calculations are required whenever there is a difference in the length, cost, or equipment of a program. It is possible if there are differing modalities, in concentrations, that these would require their own individual 85/15 calculations.

Note: This is true for both Supported and Non-Supported Students - and are counted as a full-time or part-time students under each modality/concentration based on the total number of credits the student is pursuing during the enrollment period.
SUPPORTED STUDENTS AND NON-SUPPORTED STUDENTS
Supported Students

- Any student receiving any amount of VA Education benefits.
- Any student where the full amount of tuition and fees has not been paid to the ETI prior to the reporting date (i.e. no later than 30 days from the start of a term or end of quarter).
- Any student who received a loan for tuition, fees, or other charges directly from the ETI if the policy for determining the recipient of such loan is unequal with respect to veterans and nonveterans.
- Any student who receives a loan considered to be less than an Arm’s Length transaction. (See definition on slide 30)
- Any student where the ETI accepts less than full tuition, fees, or other charges from a loan company (the repayment works to essentially reduce the tuition, fees, or other charges accepted by the ETI from the loan company).
- Any student who is granted any waiver or forgiveness of tuition, fees, or other charges.
- Any student who receives an institutionally funded scholarship or grant, if the institutional policy for determining the recipient of such aid is not equal with respect to veterans and nonveterans alike (excluding graduate students).
Non-Supported Students

• Any student who pays the full amount of tuition, fees, and other mandatory charges to the ETI prior to the reporting date (i.e. no later than 30 days from the start of a term or end of quarter).
• Any student who finances their tuition, fees, and other mandatory charges through an Arm’s Length Transaction (i.e. a Promissory Note with a neutral 3rd party lending facility).
• Any student receiving Title IV Department of Education aid.
• Any student receiving Tuition Assistance through the Department of Defense.
• Any student receiving non-institutional aid (scholarships, grants, or other types of aid offered by a third-party entity not affiliated with the ETI).
• Graduate students in receipt of institutional aid.
• Any student receiving an institutionally funded loan, scholarship, or grant, if the policy for determining the recipient of such aid is equal with respect to veterans and nonveterans alike.

NOTE: If the student is receiving multiple types of aid and any of it is Supported, the student must be counted as a Supported Student.
Arm’s Length Transaction

An **arm's length transaction**, refers to a transaction in which each party:

1. Is independent; and
2. Has equal bargaining power.

In an arm’s length transaction, neither party has the ability to place undue pressure on the other. Each party is free to act independently, and in its own interest, to attain the most beneficial deal.

**Transactions of this nature do not give rise to fiduciary duties between the parties.**

NOTE: A fiduciary duty means that a party acts in a way that benefits another (i.e. legal guardian taking care of a minor)
Arm’s Length Transaction Example 1

Arm’s Length transaction – The ETI provides students with a list of potential lenders who they can apply to receive education loans from. The student determines independently which lenders they apply to and the lender independently determines the student’s eligibility to the loan.

All students who receive their loan from the lender they chose, and do not meet any other criteria to be counted as a Supported Student, must be counted as Non-Supported Students.
Arm’s Length Transaction Example 2

Arm’s Length transaction – Bank ABC has multiple loan officers, one of whom is the spouse of the owner of XYZ ETI. Bank ABC has routine internal compliance reviews to ensure standardization of loan granting criteria.

All students who received their loan from Bank ABC, and do not meet any other criteria to be counted as a Supported Student, must be counted as Non-Supported Students.
Less than Arm’s Length transaction – The ETI has a business relationship with ABC Bank. ABC Bank offers students a lesser interest rate for loans in exchange the ETI agrees to use ABC Bank as their sole loan provider thus creating fiduciary duties between the parties.

All students who received their loan from ABC Bank must be counted as Supported Students.
Less Than Arm’s Length Transaction Example 2

**Less than** Arm’s Length transaction – Bank ABC only has one loan officer, and that loan officer is the spouse of the owner of XYZ ETI.

All students who received their loan from ABC Bank must be counted as **Supported Students**.
Arm’s Length Transactions

• Arm’s length transactions have many situational components that determine the relationship.

• If you are unsure about your specific situation, please contact your ELR.
Student’s receiving 3rd party aid from a source not affiliated with the ETI can be counted as a Non-Supported Student, unless they possess another criteria which requires the student to be counted as a Supported Student.

This would include, but is not limited to, 3rd party scholarships, grants, employer education reimbursement, etc.
Third Party Aid Examples

• Students receiving Department of Education (Title IV; FAFSA) loans or grants will be counted as Non-Supported Students.

• Students receiving Department of Defense (Tuition Assistance; MyCAA) funds will be counted as Non-Supported Students.

NOTE: If the student is receiving multiple types of aid and any of it is Supported, the student must be counted as a Supported Student.
Institutional Scholarships And Loans

Undergraduate students who receive an institutionally funded loan, scholarship, or grant, must be counted as a Supported Student if the policy for determining the recipient of such aid is designed or applied in an unequal way with respect to veterans and nonveterans alike (i.e. restricted aid).

Students in Graduate Level programs may receive restricted aid and can still be counted as Non-Supported Students.
Institutional Scholarships And Loans
Example 1

Example of **restricted aid** - Children of faculty members at ABC University receive a scholarship for full tuition reimbursement. If the child is eligible for aid from any other source (such as by being a GI Bill® beneficiary), the student is only allowed to utilize one source of aid.

- All students receiving the restricted aid must be counted as **Supported Students**.

Example of **unrestricted aid** – Children of faculty members at ABC University receive a scholarship for full tuition reimbursement. This applies to all children of faculty members, including children using VA benefits.

- Students receiving the unrestricted aid, and do not possess another criteria which requires the student to be counted as a Supported Student, must be counted as **Non-Supported Students**.
Example of **restricted aid** - The ETI obligates that a student decline all institutional aid (such as merit or athletic scholarships) in order to be certified for Yellow Ribbon benefits.

- Any student receiving institutional aid which a student receiving Yellow Ribbon could not receive, must be counted as a Supported Student.
Discounts, Waivers, And Tuition Forgiveness

If the ETI is granting a reduced tuition and fees (essentially a discount) to all students in a program then this would not be restricted aid, and students receiving this discount (and no other type of Supported aid) would continue to count as Non-Supported Students.

If the ETI is granting a waiver or tuition/fees forgiveness selectively (all students in a program were charged X amount, and only some students are being granted the lesser charges), then students receiving the waiver or forgiveness would need to count as Supported Students for that term.
Discounts, Waivers, And Tuition Forgiveness
Example 1

All firefighters are given a discounted tuition of $500.00.

Students who are firefighters and are using GI Bill® benefits are given the discounted tuition of $500.00.

Students receiving this discount, and do not possess another criteria which requires the student to be counted as a Supported Student, must be counted as Non-Supported Students.
Discounts, Waivers, And Tuition Forgiveness
Example 2

As a result of COVID-19 all students who were attending in-residence are converted from an in-residence to an online modality and are provided a discounted tuition of $500.00.

Students who were attending in-residence and are using GI Bill® benefits are given the discounted tuition of $500.00.

Students receiving this discount, and do not possess another criteria which requires the student to be counted as a Supported Student, must be counted as Non-Supported Students.

**NOTE: There is now a change in cost due to modality – so if the online modality wasn’t specifically broken out previously, it must be now.**
Payment Plans

Any student where the full amount of tuition and fees has not been paid to the ETI prior to the reporting date (i.e., no later than 30 days from the start of a term or end of quarter) must be counted as a Supported Student.

This includes students on payment plans where the full amount of tuition and fees charged to the student (to include non-certifiable tuition and fees charges such as application fees, transfer fees, meal plans, etc.) is not paid in full by the reporting date. So, when students are on a payment plan which goes beyond the reporting date, then that student must be counted as a Supported Student.
Payment Plans – Example 1

Student is charged the following (Total Charges = $12,850.00):
- $10,000.00 Tuition Charge
- $250.00 Parking Fee
- $100.00 Application Fee
- $2,500.00 Meal Plan

Student is on a payment plan to pay $1,000.00 a month until charges are paid off.

Tuition and fees have not been paid to the ETI prior to the reporting date (i.e., no later than 30 days from the start of a term) – this student must be counted as a **Supported Student**.
Payment Plans – Example 2

Student is charged the following (Total Charges = $12,850.00):
• $10,000.00 Tuition Charge
• $250.00 Parking Fee
• $100.00 Application Fee
• $2,500.00 meal plan

Student gets loans and pays all charges except the meal plan ($10,350.00) to the ETI by the 1st day of term.

Student is on a payment plan to pay for the meal plan $500.00 a month until charges are paid off.

Tuition and fees have not been paid to the ETI prior to the reporting date (i.e., no later than 30 days from the start of a term) – this student must be counted as a Supported Student.
Payment Plans – Example 3

Student is charged the following (Total Charges = $12,850.00):

- $10,000.00 Tuition Charge
- $250.00 Parking Fee
- $100.00 Application Fee
- $2,500.00 Meal Plan

Student is awarded a 3\textsuperscript{rd} party scholarship for the $20,000.00. Scholarship funds are not received until the 40\textsuperscript{th} day of term.

Tuition and fees have not been paid to the ETI prior to the reporting date (i.e., no later than 30 days from the start of a term) – this student must be counted as a Supported Student.
Payment Plans – Example 4

Student is charged the following (Total Charges = $12,850.00):

- $10,000.00 Tuition Charge
- $250.00 Parking Fee
- $100.00 Application Fee
- $2,500.00 Meal Plan

Student is formally awarded federal or state loans/grants (i.e. Pell Grant, Title IV loans, etc.) for $12,850.00.

This student must be counted as **Non-Supported Student** (so long as the student does not possess another criteria which requires the student to be counted as a Supported Student).

Note: The funds from the Federal or State agency do not need to be received by the reporting date; however, the ETI must have proof of the award to include the award amount and that proof must be received by the reporting date.
OVERLAPPING MODULAR/COHORT REPORTING
Overlapping Modules/Cohorts

Routinely speaking Non-College Degree (NCD) programs are structured on a modular or cohort basis where terms may overlap each other – and there are also some Institutions of Higher Learning (IHL) that are structured to offer all programs this way.

Note: This does not refer to programs offered on a term basis, such as those offered in “mini-mesters” at an otherwise traditionally term-structured institution.

This means that when calculating 85/15 for these types of programs, the school administrators will review and report on all students enrolled in a program at the start of each module or cohort.

It helps to visualize this as a cascading effect with one pool of students graduating from one module into another larger pool of students and so on.
Overlapping Modules/Cohorts (1 of 3)

NCD ETI has one approved program (Example program) which has the following cohort dates:

- **Cohort One** - 01/01/2021 – 07/01/2021
- **Cohort Two** - 02/01/2021 – 08/01/2021
- **Cohort Three** - 03/01/2021 – 09/01/2021

The ETI must review 85/15 compliance as it begins enrolling students in **Cohort One** (01/01/2021 – 07/01/2021) to ensure that it’s Supported Student population remains in compliance with the requirements of the 85/15 Rule.

The ETI enrolls 5 students using GI Bill® benefits (Supported Students) and 1 student completely self-paying who pays the full tuition and fees before the first day of class (Non-Supported Student).

The current 85/15 calculation for Example program is 83.33%.
Overlapping Modules/Cohorts (2 of 3)

When enrolling students for *Cohort Two* (02/01/21 – 08/01/21) the ETI must review 85/15 compliance by including all students who are still attending, so all new students and all still enrolled students in *Cohort One* (01/01/21 – 07/01/21), which must be factored into the calculation. So, because a new Supported Student would put the ETI out of compliance with 85/15 (it would be 6 Supported Students and 1 Non-Supported Student which would make the 85/15 percentage 85.71%), the site would be unable to certify a new Supported Student until a new Non-Supported Student enrolled.

- For *Cohort Two* (02/01/2021 – 08/01/2021) ETI enrolls 2 students who are completely self-paying (Non-Supported Students) and 4 students using GI Bill® benefits (Supported Students).

- Because the cohorts overlap, all students are calculated together for a total of 9 Supported Students and 3 Non-Supported Students.

The current 85/15 calculation for *Example Program* is 75%.
Overlapping Modules/Cohorts (3 of 3)

When enrolling students for *Cohort Three* (03/01/2021 – 09/01/2021) the ETI must review 85/15 compliance by including all students who are still attending; so all of the students enrolled in the current cohort and students still enrolled form the earlier cohorts, *Cohort One* (01/01/2021 – 07/01/2021), and *Cohort Two* (02/01/2021 – 08/01/2021) must be factored into the calculation.

- For *Cohort Three* (03/01/2021 – 09/01/2021) the ETI enrolls 0 students who are completely self-paying (Non-Supported Student) and 2 students using GI Bill® benefits (Supported Students).

- Because the cohorts overlap, all students are calculated together for a total of 11 Supported Students and 3 Non-Supported Students

The current 85/15 calculation for *Example Program* is 78.57%.
Changes In Enrollment

Changes in enrollment which happen on or after the first day of term do not require 85/15 calculations to be amended and resubmitted. This may have a ripple effect for the following term.

Changes in enrollment where students preregistered but never attended do require 85/15 calculations to be amended and resubmitted.
Changes In Enrollment Example

VA-ONCE IHL ETI has one approved program (Example program) which has the following term dates:

<table>
<thead>
<tr>
<th>Term</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall Term 2020</td>
<td>09/01/2020 – 12/15/2020</td>
</tr>
<tr>
<td>Spring Term 2021</td>
<td>01/15/2021 – 05/01/2021</td>
</tr>
</tbody>
</table>

During the Fall Term the ETI enrolls 5 students using GI Bill® benefits (Supported Students) and 2 student completely self-paying who pay the full tuition and fees before the first day of class (Non-Supported Students).

The current 85/15 calculation for Example program is 71.43%.
Changes In Enrollment Example – No Amendment Required

VA-ONCE IHL ETI has one approved program (Example program) which has the following term dates:

<table>
<thead>
<tr>
<th>Term</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall Term 2020</td>
<td>09/01/2020 – 12/15/2020</td>
</tr>
<tr>
<td>Spring Term 2021</td>
<td>01/15/2021 – 05/01/2021</td>
</tr>
</tbody>
</table>

On 10/01/2020 one of the Non-Supported student drops from the program for personal reasons. On 11/01/2020 the other Non-Supported student drops from the program for personal reasons.

The ETI does not have to amend and resubmit new 85/15 calculations for the Fall term.
Changes In Enrollment Example – No New Certifications

VA-ONCE IHL ETI has one approved program (Example program) which has the following term dates:

<table>
<thead>
<tr>
<th>Term</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall Term 2020</td>
<td>09/01/2020 – 12/15/2020</td>
</tr>
<tr>
<td>Spring Term 2021</td>
<td>01/15/2021 – 05/01/2021</td>
</tr>
</tbody>
</table>

Prior to the Spring Term a new student wishes to enroll in the program and be certified for GI Bill® benefits (Supported Student). Because the program is already at over 85% Supported Students, this new student could not be certified for GI Bill® benefits.
Changes In Enrollment Example – Program at 100%

VA-ONCE IHL ETI has one approved program (*Example program*) which has the following term dates:

<table>
<thead>
<tr>
<th>Term</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall Term 2020</td>
<td>09/01/2020 – 12/15/2020</td>
</tr>
<tr>
<td>Spring Term 2021</td>
<td>01/15/2021 – 05/01/2021</td>
</tr>
</tbody>
</table>

During the Spring 2021 Term no new students enroll in the program. The current 85/15 calculation for Example program is 100%.

- All students continuously enrolled in the program may continue to be certified.
- 85/15 calculations must be provided to the ELR of jurisdiction because a program is in excess of 85% Supported Students.
- The ELR will suspend the program with an 85/15 payment suspension, which serves as a safeguard to prevent new students from being paid for the program.
Changes In Enrollment Example – Natural Progression

School Certifying Officials must ensure that they do not certify new students for terms which would cause the program to be in excess of 85% Supported Students (with the exception of Chapter 31 or Chapter 35 students).

If a change in enrollment (or normal progression – such as graduation, academic dismal, etc.) causes a program to exceed 85% Supported Students, VA will take payment suspension actions, but this would not be considered an error in certifying.

If a pattern of 85/15 violation is noted VA will take additional compliance actions and may escalate the pattern to other federal agencies for their review.
Special Situation – No Students In A Program

When submitting 85/15 calculations, the ETI must list all approved programs (and any applicable tracks and concentrations) and provide calculations for those programs.

All programs must be included, even if there are no Supported students or no students enrolled in the program at all.

This includes all approved undergraduate, graduate, and NCD programs.
Special Situation – One Student In A Program

When submitting 85/15 calculations, the ETI must list all approved programs (and any applicable tracks and concentrations) and provide calculations for that program.

If a program has a total student population of one Supported student – the ETI is not in violation of the 85/15 Rule. The ETI is not officially in violation of the 85/15 Rule until a second supported student enters the program.
Questions

Questions regarding specific 85/15 situations should be sent to your Education Liaison Representative of jurisdiction. Contact information for Education Liaison Representatives can be found on the GI Bill® website.
Lesson References

- 38 U.S. Code § 3680A
- 38 CFR § 21.4201
Thank you for your time today!