

Robert Worley:

Good morning. It's great to be with you today. And I'll spend a little bit of time upfront just descriptive of the executive order. If you haven't read the executive order, it'd be a good idea to do so. You can do a search on Executive Order 13607 and you'll find the actual text and it's worth looking into the details. So I'll be summarizing that, and then talking a little bit about where we are with respect to implementation of the provisions of the executive order and from the VA perspective and then Carolyn Baker will talk about it from the DOD perspective, and then, **David**, from Department of Education perspective.

The executive order was signed on April 27th of this year by President Obama with the full title 13607 – the Executive Order 13607, Principles of Excellence for Educational Institutions Serving Service Members, veterans, spouses, and other family members. We've abbreviated the title somewhat when we talk about it just to say Principles of Excellence, or Executive Order 13607. This executive order was designed to provide information and protections for those who are using federal education benefits. It's really in large measure intended to provide better, more comprehensive, and more meaningful information to our military members, veterans and families as they go about using these benefits.

There's a strong enforcement and oversight theme in the executive order as well which seeks to strengthen that oversight and enforcement against abusive or deceptive practices, and to be able to get at that issue and do something about it.

The Principles of Excellence when we use that term, there's a series of provisions, if you will, or actions, that are listed – I'll go over in the next slide – but basically it establishes these principles and charges educational institutions to comply with them.

One of the aspects of this executive order also is to expand data collection efforts. As of today or so, or just recently in terms of the count, and we pay attention to this every day, the taxpayers have paid approaching \$24 billion to beneficiaries using the post-9/11 GI Bill since its inception in August of '09. That's to about 880,000 or so beneficiaries. Again, that's just the post-9/11 GI Bill. That's fair to ask what are the success metrics for that money, and this is one of the things that the executive order charges us to do is to come up with outcome measures and how to collect those.

There's also a charge in the executive order to develop a

centralized complaint system, and I'll talk more about that later. And this is this to get at deceptive or aggressive practices that are targeting service members and veterans and their families.

So this slide just gets at, again, some of the additional provisions that are under the principles of excellence part of the executive order, and I won't read all the verbiage to you, but the idea here is to help prospective students understand the total cost of what their program will be, and understand what their benefits are, what their indebtedness might be at the end of their educational program, and to understand all this before they go into private loans or other alternative types of funding.

Providing an educational plan, a solid roadmap, if you will, for their educational pursuits to end fraudulent and aggressive recruiting practices, both on and off military institutions or installations, and that includes payment of incentive compensation. Accommodation for folks who are in the middle of their program and get called up either for service or deployment, and to be able to readmit them and provide them the opportunity to pick up where their program left off.

A point of contact for financial advising and counseling and as well, the institutional refund policies. And we've had a lot of discussions about that and I'll let Mr. Bergeron talk more about that. That's his favorite topic.

I will say that with respect to the questions that come up, the veterans department have not changed not changed its policies regarding how it approaches either underpayments or overpayments of veterans with respect to the executive order, so it's really all about Title IV and how that gets implemented.

The department of education, department of veterans affairs, and department of defense, primarily were charged in this executive order for the implementation of it. We established three working groups to do the work, and you can see the titles there. One was generically called Information. The other Enforcement, and then one oversaw the writing of two 90-day reports that were required.

The Consumer Financial Protection board is also a key player here with respect to – especially with the complaint system, as well as the Federal Trade Commission and their sentinel database. I'll talk more about that again in a later slide.

With respect to the work that's been completed, when the

executive order was signed in April of this year, we formulated a letter to go out to all educational institutions that was signed out by my boss, who's the deputy undersecretary for economic opportunity in the Veterans Benefits Administration. It was a collaborative effort with all the agencies charged with implementing the executive order. We sent that letter out through state approving agencies to their educational institutions in each state. The letters just basically let people know that this executive order was out there, and sought agreement for compliance with respect to the principles of excellence. And the VA strongly encouraged the educational institutions to comply with these principles, although I wanna make sure it's understood that these principles are not conditions for being approved as a GI Bill school, or for your programs, for GI Bill benefits.

Those that responded by initially it was June 30th, and then later August 1st, that they intended to comply with the principles by the end of this academic year, the '12-'13 academic year, were placed on a list, and you can find them on the GIBill.va.gov website. Over 6,000 schools have agreed to do so.

We conducted three informational Webinars. Of course, as well as the executive order may be written, there are a lot of questions about its implementation and the impact on institutions, and so we collaboratively, as David mentioned earlier, did three Webinars, the third of which was recorded and is resident for your viewing on the various agency website if you'd like to take a look at it.

Another aspect that is required in the executive order is the trade marking of the term, "GI Bill." That has actually been accomplished effective October 16th, and associated terms of use of the term "GI Bill" are under development in the VA.

The financial aid shopping sheet was finalized. Let the department of ed talk about that. The 90-day reports were done and submitted to the White House in August. And with respect to outreach, one of the things that really came clear right away is that a lot of folks wanted to understand what this executive order does, want to ask questions, wanted to be a part of the process of understanding how we were going about implementing it through the year and beyond. So we've reached out to a number of organizations, the school certifying officials associations. There's several other school associations, department of ed headache hosted several engagements. Veterans service organizations have been engaged with on multiple occasions and will continue to do so, as well as state-approving agencies and others.

The ongoing work, and this definitely a work in progress, and some of these are very challenging issues that the working groups are working on – developing streamlined tools for military veterans students and the families, using key measures of value and affordability to do this through eBenefits is something that the VA is charged with.

One of the keys to both this and the next bullet is to do what so far I guess has been almost the impossible, and that's to start to try to talk a common language with nomenclature between the department of ed, VA, and DOD. We have faculty codes and other ways of identifying institutions. There's OPEIDs. There's lots of ways to do it and we need to be able to crosswalk that if we're gonna be effective across agencies, which is what this executive order charges us to do, at either developing streamlined tools, outcome measures, and so forth.

We are charged on that issue to develop a strategy for developing outcome measures. What are the success metrics that are meaningful to access how our service members, veterans and family members are doing as they use these benefits? This is not as easy a question to answer as it sounds. So we're engaged in a dialogue to try to nail those down and then figure out how to effectively collect them from the various institutions that service our military folks.

Procedures for processing and sharing complaints, as well as the overall complaint system is something that was central in the executive order, and there's been a fair amount of work by the enforcement working group on that topic. The executive order states that service members, veteran spouses, and family members should have access to a strong enforcement system through which they can file complaints when institutions are not compliant with the principles of excellence. This is a status of the work that's been done so far on the centralized complaint system. It builds on existing systems that are out there in the various agencies to the greatest degree possible so that we're not reinventing the wheel from scratch.

It's a forum for students to report both recruiting issues or other issues that they may feel compelled to complain about. There's a standardized complaint form that we have developed collaboratively between the agencies and – not that they can't tweak it a little bit for their intake methods, but basically the basic information has been agreed to. And each of the agencies is

working through the Paperwork Reduction Act and the systems of records notification processes in order to get these forms approved and get this program implemented.

Complaints will be stored in the Federal Trade Commission consumer sentinel network database. This is an already-established database that authorized agencies can access.

The DOD and VA – and I’m just speaking for the VA – as we look at our compliance reviews that we do at educational institutions, we haven’t exactly, since there’s time for educational institutions to comply with the principles, we haven’t fully fleshed this out, but since we come to many schools already to do compliance audits or compliance surveys we will likely add a piece to it that will look at how you’ve been implementing the principals of excellence. Again, I wanna emphasize compliance or noncompliance with the executive order is not an approval criterion for GI Bill benefits.

The database I mentioned earlier will be accessible, and I just want to emphasize that this system is not intended to be a complaint about, “I don’t like my physics professor,” or, “I didn’t get paid my GI Bill housing allowance last month.” That’s not what – all agencies have ways of handling those kinds of issues. This is intended to be an avenue to additionally things that have potential legal ramifications and to put those into the database, and, if, necessary, or if appropriate the Department of Justice or whoever would do what they need to do.

I’ll stop there. That’s really an introduction and a little bit of a perspective on what’s been done so far in the work ahead, and I’ll turn it over now to Carolyn Baker.

Carolyn Baker:

Good morning. When Dave introduced me, I thought it needed to tell you a little bit more about my responsibilities. I work – whoa. I work with the defense department, and if you have an active duty service member attending your institution, that is the program that I have the oversight for, for the military tuition assistance program. It can be your Guard and Reserve that are also attending your program, but it has to do with Title X dollars that are provided for our active duty service members to attend your institutions.

In the department, we’re a little bit different than the department of education. We have instructions and directives. We don’t have rules. Our instruction that has the oversight for the program that I academy work with and with the military tuition assistance program is the one that is up there on the screen. One of the policy

that we have within our instruction, it actually states that an institution that participants in the voluntary education military tuition assistance program under Title X dollars must have a signed MOU with the Department of Defense to be able to receive and participate in the program.

We put the policy into our instruction in March of 2012. I mean, excuse me, March 2011. It was supposed to be implemented on the 1st of January, 2012. However, many institutions of higher learning and veterans organization and military organizations came to the department and they said that they had some concerns with some of the requirements that we had in the MOU. And as you can read on the screen, one of our requirements was that the institution must adhere to the service member's opportunity colleges requirements, principles, and criteria, and also an institution must recognize, accept, and award military training and education where appropriate, and also to provide an education plan.

The institutions and some organizations felt that those were too stringent, and they couldn't comply with those requirements. However, they still wanted to serve military members. The military organizations came to us and said that we didn't have anything in our MOU that addressed aggressive marketing and loan defaults, and for an institution to actually provide the skills required for employment.

And then we had, also, congress sent the department a letter to Secretary Panetta and said that they had concerns, and they said that we didn't have anything that ensured quality and protections for our service members and disclosure of information, and aggressive marketing and loan defaults. And if you reflect back to what Rob mentioned about the executive order, the timeframe, we put our MOU out in the spring of 2011. We were gonna implement it in 2012, 1, January. The executive order came out in April timeframe.

So all of the concerns that the institutions had and the veteran's organizations and the military organizations and the Hill, you'll see that some of those same concerns that they came forward with are now in the president executive order. So now we have been directed actually by the president to incorporate some of those protections for our service members and our veterans into our program and into our MOU.

So what has happened since 1 January when we put our MOU on

hold? We got together with higher educational organizations. And I'm sure that many of the schools that are in this room right now, your schools assisted us in rewriting our MOU and telling us what you could and what you couldn't do. So what we did was we – instead of actually putting out the statement that a school must adhere to the **SOC** principles and criteria, we separated those. So a school now will sign an MOU saying they are either a SOC members institution or they will abide by the other criteria that's on the right-hand side that says Non-SOC membership.

We didn't create any new requirements in this part section of our MOU. What we did was we took out some of the stronger verbiage. To give you an example, in the area of accepting military training and credit for work experience, now we are requesting the schools to review it and where appropriate, apply it to credit. So those are some of the verbiages. We softened the verbiage. Instead of actually instructing the institutions, we are asking you to consider certain things. We also pulled out things like having a representative for financial aid in explaining all financial aid to include Title IV benefits that a service member could actually apply.

The current status of the MOU, we rewrote the MOU. It went out for all staffing and through all legal processes. Currently, it is now at OMB. I received word this morning that OMB is currently waiting for our marketing plan our public address releases, and then they're going to posting it on the federal register. So I anticipate either before this conference is over with, or early next week, it will be posted on the federal register, and then it will actually become a so-called rule in department of education terminology.

A school will have 60 days after the posting on the federal register to sign an MOU with the Department of Defense to continue to participate in the Title X dollars, and military members can continue to go to your school.

Now I see a couple of faces out there wondering, "What does that really meant to me, and what happens?" We know that the Christmas holidays or the winter holidays are coming up. We know schools are going to be closing, and those individuals who would be your president, your CEO, or your executive agent that signs the MOU, might not actually be there. So we will extend that 60 days and we will actually announce an implementation date to take into consideration some of the holidays.

According to OBM standards, if you say 60 days, it includes Saturdays and Sundays, and it does not include holidays like Thanksgiving and Christmas. But we're going to take that into consideration and expand that a little bit.

If any of the schools in the room currently have an MOU and if you're aware that you have an MOU, if you – if the institution does not have any concerns over the current verbiage, they don't have to do anything else. If an institution does have concern over the current verbiage and they have signed an MOU, they can cancel the old MOU and they can sign a new MOU. And for more information about, and to see the verbiage of it, you can go to our particular Web page.

Now when we go over to the executive order – and I won't repeat everything that Rob just mentioned, but I will address those particular areas that the Department of Defense has to address.

Very small verbiage. Don't worry about it. From my understanding, these are all gonna be posted and you can get a copy of it later. What I wanted to emphasize is that there were several requirements that we actually have, and that our MOU currently covers the majority of those requirements. Some of 'em we have to strengthen, and some of 'em we really truly have to address. The ones that we need to strengthen are work on the verbiage is the personalized form or the information sheet that we spoke about, some accreditation issues, we readmission requirements for a service member who is deployed or who has had to leave school because of work-related issues, their reinstatement. The complaint system and on-based access to military students.

I've been told that they can't hear. When I get closer, it goes funny. Okay. Now can you hear me in the back? Can you raise your hand if you can hear me? Okay, good. Felt like I was back in school, again. Good.

Okay. The refund policy. Rob had mentioned that one of the requirements of the executive order is that the departments are supposed to be more in lined with verbiage and policies. We really were not supposed to create additional rules and requirements. If one agency currently had a requirement, we were instructed that we should look at that. If it was applicable, if we could work with that, then we should adopt that. So we will be adopting the requirements under the Title XXXIV, education of the refund policies. Please note that I know that under Title IV there are a lot

of requirements that have to do with the refund policies. We're not requiring the schools to do that. What we were doing is we are looking at the percentage of the refund a school must provide to a service member who enrolls in their school and withdraws.

Currently, our requirement only states that an institution must have a policy of 100-percent refund policy up to the first day of class, and after that, you followed the school refund policy. What we're going to be doing is that we're going to be doing this same formula of percentage of refund as it is for Title IV. And, again, when we make any of these changes to our instruction, it will be out on the federal register for comment prior to it going final, and we're anticipating it will be out on the federal register for your comments probably in the spring timeframe. So it won't be a real surprise.

Again, under the refund policies, we're also going under the USC CODE 1098, and that has to do with service members who are deployed or activated and they come back.

And, again, this is under the readmission. What we found was that schools were not readmitting our service members when they were activated, deployed, or pulled away from school because of work-related missions. And so now we're going to actually put that into our MOU and we're going to be enforcing that.

The standardized form I mentioned to you, in our MOU, it says that there must be a school representative that provides financial information to all military students. One of requirements in the executive order is to provide standardized format or form, and we're going to be adopting that of the department of education. If a school provides this, then we will say that they fulfilled that requirement of the executive order for the department.

The complaint system as Rob had mentioned, I think this is probably one of the most complicated and complex of all of requirements as I see it, and that is to try to get three agencies to create a new system, all in compliance, with all the same verbiage, and being to transfer information backwards and forwards. So, again, as Rob mentioned, this is not a complaint system for a student who is not happy with their professor or didn't get their grades on time. This is actually something they would go forward up to the justice department. We will be screening all of the complaints prior to them going forward. We will try to resolve any kind of concerns a student has prior to it going forward, and it's only if it can't be resolve or if it's some magnitude of fraud or something like that.

On-base access. I'm not sure how many you in the room actually go onto our military bases, but before, we used to just say you could go onto the base and you had to contact the base education officer. Now we are actually putting very strict rules in place in institution. In the future, we'll not be able actually come onto the base without written permission. Before, it could have been a telephone call. They're going to actually have to request to come onto the base, and only after approval, then they would only be able to counsel. Institutions will no longer be able to market on our bases.

The only way they can market their school is if they are participating in an education fair that has been sanctioned by the education officer. And if a school actually comes onto the base to counsel their students, they must have at least 20 students active duty members attending their institution onto the base. So it's a little bit stricter what we have found over the past couple years as you have retired members. You have spouses with ID cards and they're ending up the PX, the commissary, in the billeting area, and they are recruiting military members to attend their schools and we're trying to clamp down that in a little bit.

The other thing, too, is that it will be only institutions and representatives that work at the institution, no marketing firms or any firm that represents and institution will be allowed on the base anymore, so it's a little bit stricter, and that basically says exactly what I just mentioned. And now I will turn it over to Dave.

David Bergeron:

So you can see there's been a lot of work done to ensure collaboration across the three agencies. To say this is unprecedented I think would be an understatement. We have meetings/conference calls pretty much every week between the various agencies, and it's really been a great working relationship, something that I've been really very proud to be part of. Carolyn and Rob have been amazing partners this effort, and so have the people who work for them and for whom they work, all the way up to the secretaries of the three agencies. It is, in my view, one of the more remarkable partnerships, and it's not surprising because it's making sure that we're serving well a group of students who are particularly vulnerable. They're vulnerable because in circumstances /situations that make them vulnerable to physical threat, but also because of some of our rules. Think about our 90/10 rule, the fact that we have an incentive compensation ban that didn't apply in the context of the ANDOD programs, there were lots of reasons that institutions were interested in recruiting

these students, and this is the concerns that congress had raised to us, the veteran service organizations, and the organizations that represent you all in Washington.

Wanna just talk about a few things from the executive order from the department's perspective that really are critical in providing good service to veterans and service members that came out of all of this work. And it's important that for me to recognize that this is a task that came from the highest levels of government and which has personal interest to the president, the vice president, and their spouses that are actively engaged in issues around veterans and service members. It's just not the agency's. It's not just the people dealing with it these individuals and their families day to day. It comes from the very top.

It's service members when they're deployed. It's service members when they come home. It's service members' families, and it's veterans that we are concerned about. And so we started to think about what is it that a service member who's coming back and would need to know. And I talked in the general session about the college scorecard and financial aid shopping sheet, and part of what drove us to do work on those particular tools was really to say how could we better service veterans and service members.

What is it that they would need? We do a lot of work and we spend a lotta time appropriately trying to work with students who are making that transition from high school to college. We don't do nearly as much for adults, and we certainly weren't doing a good job for veterans and service members. And so we've been working on a set of college choice tools. We have the financial aid shopping sheet which covers one of the significant provisions of the executive order related to the standard form, and both Ron and Carolyn mentioned it.

But the other piece of that is to make sure that when students who are coming back from their service in military show up on your campuses, it's really important that they know about all the Title IV eligibility they may have before a student receives a private loan or some alternative financing. Really important that they take advantage of all the federal benefits that are available to them first. And so the executive order really tries to drive that point home and tries to encourage us to make sure that students who are veterans and service members really get the support of all of our programs before they go and receive other kinds of benefits.

We are in the process of developing a suite of college choice tools.

The shopping sheet and the scorecard really are two pieces of that. As I said, college navigator is the tool we've had for a number of years. We have also had the college affordability and transparency center, and that's at CATC stands for, for a couple years, we have been providing information to students and families about the institution with the highest cost and with the highest rate of cost increases. That website has been available for about two years now, and we wanna put the scorecards – place the scorecards there on that site so _____ an easy point of access.

And then as students get more involved in the choice process, they could access more information on college navigator or private sector ranking services and other information about institutions. We hope they go and visit your campuses. We think that doing that's an important step. But then once they've decided to apply and once you've offered them admission, we think it's really important that they get back a standardized financial aid offer that allows them to easily compare across institutions. And so we've talked about it in the general session, and you'll hear us talk about it a lot, I suspect, over the next couple days that's really important that we adopt something that – a tool that helps families make these comparisons easily and not get lost and confused in the way that individual institutions talk about their aid offers.

Finally, we think that once the shopping sheet is available and is being used by many institutions, that students or families will find that private organizations develop tools that allow for easy comparison of financial aid offers. One of the reasons that we include on the shopping sheet the ability to download the information, have it provided in the code, whatever that's called – if there's anyone that's less technologically literate than Jeff, it's probably me.

Anyway, in the HTML code – finally get it out – in the HTML code that we have made available, that will produce the shopping sheet, embedded in that is the ability to insert a button that allows a student to pull down that information and then we expect as time goes on that developers will have built the tools that allow that information to be imported into a comparison tool. So we think that that's the direction that this system will take us over time, that there will be others that build pieces of this and that we will provide some, and that you and your vendors will provide parts of it, too, 'cause the information on the shopping sheet, by and large, can only come for your institution.

As we built these tools we've been really very cognizant of the fact

that it's all about where people are in their choice process. We want to encourage – for students to consider a wide range of institutions and pick the one that's best for them, and we think that's important, as I've said, to provide this information on the shopping sheet in a clear and consistent manner. It's been designed to be very simple for perspective students and their families to understand the types of aid that they're being offered and as Carolyn said, it's a critical piece to ensuring institutions are component with the principles of excellence executive order.

With that, we got a lotta time for questions. So, there are microphones in the middle, and so anyone who wants to go to a microphone can ask any of us a question. We also have Jessica and Marty who are available to respond to questions. Particularly for Jessica around our choice tools and where we're going with that, and Marty on a variety of other things related to the Eds implementation of the executive order. Go ahead, sir.

Audience: Morning. I have lots of questions. I've been in financial aid for many years. I'm used to looking at a department of education financial aid handbook to see how to administer the program. Is there such a thing for the VA and the active Army?

Jessica Shedd: We don't actually have a handbook on how to do it. Each one of our services actually works with the institutions and has their own, for lack of a better words, "rules," because even though I work up at the defense department up in Secretary Panetta's area, each one of the services actually implements the tuition assistance program with their own funds. So many you know Go Army ad, the AI Portal, and some of those other portals that the schools actually work with, so you you'd have to contact the schools.

But if you send me an e-mail – I think at end of this our e-mail addresses are there. If you send me an e-mail address, then I will – or a message, I'll send something back to yourself who to contact within each one of the services.

Audience: Is there any move to combine all of this into one VA active Amy, active service program so that it would make our lives a little easier?

Jessica Shedd: If they do, I hope that another agency has the oversight and management of it, and not the defense department. *[Laughs]*

Robert Worley: Hello? Okay. I would say there isn't – for the VA, there's a VA handbook on all the benefits that are available and what those

benefits provide. If you're talking about more detail on, for example, post 9/11 and how percent eligibility and rate of pursuit and those kinds of things, website is probably the best sort there. With respect to combining –

Jessica Shedd: I was really looking for what happens when a student withdraws. Who do I give the refund to in the middle of a semester? Do I give it back to the VA, or do I give it to the student?

Robert Worley: Well, if –

Jessica Shedd: 'Cause I'm giving a year's payment for VA students in September.

Robert Worley: If the term has started and the individual reduces/increase – well, let's just say reduces their load or withdraws completely, then that's a debt against the student. Were the refund – if the school refunds a certain amount to the student, depending on when they drop, that's between the school and the student, but the student is gonna have to pay back the VA for that part. If they withdraw before the term starts, that's a school debt, and the school owes the VA back the tuition that was paid to them. And I could talk to you more afterwards if you'd like.

But I wanted to make one more common on your question about combining, and I'm not in charge of this program, but the transition assistance program that is mandated under the Vow To Hire Heroes Act that is being implemented now, being started now, I think for all services brings that together in a transition program that much better identifies for and teaches and helps folks transitioning understand what their complete set of benefits looks like.

Audience: You mentioned service members opportunity college. What is that and how do you become one?

Jessica Shedd: Okay. Services members opportunity college, the best thing for me to tell you to do is to Google that and you will find the Web page. It'll come up right away on a Google search. It's not an issue. Basically, what we have done in the department is we have contracted with **ASKEW** to be a conduit between us and the institutions, and they have a set of criteria or protections that before was always voluntarily done, and so you can become a SOC member. You can apply to become a SOC member, we call it. And you can go to the Web page and you can see all of the requirements.

Also, another aspect of that is that some of the institutions have worked with articulation agreements for transferability of credit, so a student could start taking classes at one institution and be taking several classes from other institutions as they travel around and still obtain their degree from the first one that they start with.

I wanted to answer one question about the military tuition assistance and the refunds. A service member never receives active duty tuition assistance money. The money never goes to the service member. It always goes better the service and the institution. If a student actually receives the money, there's no questions asked. We recoup it from their paycheck. So, please, don't do it to 'em. Just return it to the service.

Audience: One last question. I believe in August of 2011, the secretary of defense implemented certain program changes, regulations that were then put on hold like in November or December of that year. Has that been resolved? They wanted to do a study. I think there were a lot of clashes with the _____ law at the time, and I haven't heard anything different or any outcome from that.

Jessica Shedd: Okay. There's several things that are going through my mind on that one. When I mentioned that the that MOU was put on hold last year, that's the one that I'm talking about that is going to be put back into the federal register, and the policy will be implemented probably the next week or so. So – yeah.

Audience: Hi. Is this turned on? So my school has signed onto the principles of excellence and I understand that means we're committed to using the shopping sheet for perspective undergraduate schools who applying for financial aid. We also have graduate and professional students at my institution, and my question is regarding our obligation to provide the shopping sheet to graduate and professional students, and also whether we're expected to provide the shopping sheet for each subsequent academic year for a continuing student.

David Bergeron: So I'll start, and Marty may correct me if I'm wrong. She does that. So what we said around the graduate and professional student question is that we think that information of the same nature should be provided to graduate and professional students so that they have that available to them in a standard form. Clearly, it needs to be customized for graduate and professional students, and customized in significant ways. We mentioned a little while ago that subsidized loans are no longer available to graduate students. There's a line on the form subsidized loans. There's a line for Pell

Grants on the form. Pell Grants aren't available for graduate students. So clearly, you could just make notation if you just wanted to use the form without modification, just say "N/A, N/A," in those two places and move on, or you could delete the row. We are agnostic on which way you go with that. But we do think it's really important that students – even graduate students have the access to that information in a comparable form.

A lot of what we're talking about, though, unlike our normal process is voluntary, right, that we are not mandating at this time that people use the shopping sheet for all students all the time, and we're being very careful in describing it. And I will say that my big boss, **Arnie Duncan** says that he believes that adopting the shopping sheet as a tool on all campuses is just common sense, and he wants to show some of the media that common sense doesn't rule. There was an editorial in the *New York Times* or *Wall Street Journal* saying we would have to mandate it to make it work. He doesn't think so and I don't think so.

I think institutions, if they voluntary adopt it. And that includes for continuing students. We think that continuing students should have access to the same information, and, yeah, they're not comparing institutions at the time that they use it for second or third year of enrollment. But we think it's helpful to institutions if the institutions were to do that.

Again, it's voluntary. We're not mandating it at this point.

Audience: I understand that it's voluntary, but as a school that is signed onto the principles of excellence we've committed to using it, and so my questions is by making that commitment are we also committing to using the shopping sheet for continuing students and graduate professional students?

David Bergeron: For graduate and professional students I said we want institutions to use it and customize it to met their needs. We would like institutions to use it for subsequent enrollment for continuing students.

Audience: Okay. So even though we've committed to the principles of excellence, we're not required to use the shopping sheet for graduate students and continuing students.

David Bergeron: That's correct. Yes.

Audience: *[Inaudible comment]*

David Bergeron: You need to get near the microphone.

Audience: Oh, I'm sorry.

David Bergeron: That's okay.

Audience: Just a short question. It's toward the Department of Veteran Affairs. Where can I get a list of the different military tuition opportunities? The only one that I'm aware of is the Go Army Ed, and I'm sure there are others.

Female: *[Inaudible comment].*

Audience: I can't hear you. I'm sorry.

Jessica Shedd: That's the Department of Defense. Go Army Ed is the Department of Defense.

Audience: Okay. So –

Jessica Shedd: Okay. So when you say "Go Army Ed," Go Army Ed is the portal and the online management system for the military tuition assistance for the Army, Guard, and Reserve. And if you go to My Voluntary Education Web page, there will be a link to each one of the services, okay? And then you can go from there, and that might be the easiest way for you to do that.

Audience: That's exactly what I'm looking for.

Jessica Shedd: And if you don't get the information, then just link on and send us an e-mail message and we'll assist you.

Audience: Excellent. That's perfect. Thank you.

Audience: Hi, thank you. The shop – I'm back to the shopping sheet, again. As it relates to veterans, and maybe it just has more to do with our school, but the vast majority of our – we mainly deal with veterans and they're yellow ribbon eligible and we do 100 percent yellow ribbon, so they have all of tuition, books, and they get somewhere around \$1,800.00 a month for living expenses. So most of our veterans don't want to apply for financial aid because they have everything covered, which, of course, is great. But, the shopping sheet – I'm getting, and I know you're saying it's voluntary right now, but it sounds like it's headed towards eventually being a requirement.

You're using this as a source to provide veterans with information, but, basically, those are only – that type of information's only gonna go out to people who apply for financial aid. Do you see what I'm saying? Because it's asking for family contribution, things like that. That's stuff that you need a FASFA for. Well, if they don't want to apply because they have everything covered, how else are you asking the simulation of the information? Do you see what I'm saying?

David Bergeron:

So let me talk about timing. Often, what we have heard from all of you is that you don't know when an individual applicant to your institution is a veteran. They apply for eligibility. They fill out the FASFA. They apply for admission, and then they submit a FASFA. And unless they are – have indicated that they're a veteran for purposes of being determined to be independent, frequently not, because today we college age, and, therefore, we don't know that they're veterans, 'cause we stop asking them questions after they're determined to be independent. So you don't know. What we've heard is you don't know when somebody's a veteran, and, therefore, you don't know what they're eligible for under the GI Bill benefit programs.

And so what the model of financial aid shopping sheet is about is showing them what students in general, what they're specifically eligible for. That means that – and in the small print, it says that you may be eligible for other benefits, including veterans, benefits. We don't put on the shopping sheet the veterans benefits per se, because we've heard from you that you don't know what those are. So your circumstance is different than what the problem we were trying to address in developing the shopping sheet which is institutions not knowing who the veterans are that they're trying to provide information to. And so that's kind of the framework for this.

We want a student to know if they're eligible for Pell Grant, if they fill out the FASFA and they go through that process, they're eligible for a Pell Grant. We want them to know that. We want them to be recommended not to receive a student loan if you don't want to recommend that they receive one. And we want them to have that information comparatively available across institutions.

Audience:

Do you want them to be able to take an unsubsidized or a graduate Plus loan when they're getting already thousands of dollars in veteran's benefits? Are you focused on grants or are you focused

on loans? 'Cause Title IV – I mean at a graduate school we don't deal with grants. So do you want them to be able to get veteran's benefits that covers tuition fees, books, living expenses, and then on top of that, get another \$65,000.00 if they wanted to in financial aid? I mean that's what I'm trying to understand.

David Bergeron: Well, you would be recommended, making a recommendation as to how much the borrow on the shopping sheet, right? And the recommendation for borrowing would be zero, right?

Audience: No.

David Bergeron: No? We don't say to put the maximum eligibility.

Audience: We have the cost of attendance.

David Bergeron: Right, but you're –

Audience: And they can take up to the cost of attendance.

David Bergeron: Right. But on the shopping sheet, you're putting the recommended amount for the particular student that they borrow. So if you're recommending zero, recommend zero, and discourage their borrowing.

Audience: But you don't always – the shopping sheet the way I'm thinking of it is a standardized award letter, eventually. Am I wrong?

David Bergeron: We've avoided calling it that because we don't think it is that.

[Laughter]

Audience: Okay. Well, I don't wanna monopolize the time, but I'm not sure we're on the same page in terms of what we're talking about. But, basically, the concept was the – a lotta times they're gonna get the shopping sheet before we know that they're yellow ribbon eligible or GI eligible.

David Bergeron: Right.

Audience: So we're not gonna know to put zero if they're eligible for full tuition and living expenses. 'Cause they're entitled to take their federal Title IV unsubsidized even if they want it, even if they got full VA benefits. It's not subtracting from their cost.

David Bergeron: Right. So – but – so you award give them the shopping sheet at the time that you admit them, and you don't know there a veteran.

Audience: And then you amend it?

David Bergeron: And you amend it.

Audience: [Laughs] All right. I was afraid you were gonna say that.

[Crosstalk]

David Bergeron: And stand behind the recommendation. This is one of the things I think is really important is that when you are describing this to the individual student that these are things you're recommending that they do or not do, including not borrowing if they don't need it.

Audience: Okay. No, I hear what you're saying, but in a way, you're almost encouraging them by showing that they're eligible to take loans and stuff to do both, in this situation. Not – I mean not speaking undergrad. I'm just from graduate school.

David Bergeron: I got it. Yeah, thank you.

Audience: Thank you.

David Bergeron: Yes, ma'am. Go ahead, in the front.

Audience: My question has to do with the refund policy. If a veteran or a student receiving the VA education benefits and they're recruiting Title IV aid and they withdraw from school, it's my understanding that you're asking us to treat the veterans benefit the same way we do the Title IV when they withdraw. If they have received funds from both programs, which one is the hierarchy as far as returning money?

David Bergeron: So let me start and then I'll Rob talk about the VA portion of this. So the executive order requires the federal agencies, the three agencies affected, to align their return of Title IV – refund policies to the extent permitted by law. And so for the GI Bill benefits to be aligned in the way that you're asking the question, which is where do the – how do they fit in the hierarchy would require VA to change their law, the laws that govern their programs, which they can't do. So DOD can, as Carolyn said in her remarks. They can modify the requirements through their **dody** process in order to accomplish that alignment.

We can't do that for VA. VA has rules that govern their benefit that don't apply. So in this case, you do for return of Title IV, you would just go through the normal return of Title IV allocation, and then you do whatever Rob says.

[Laughter]

Robert Worley: Hello, hello. There we go. As I mentioned to the gentleman earlier, if when you say "Withdraw," if the term has started and the student withdraws totally and the VA has paid the school whatever they paid the school, then the student has incurred a debt and they are responsible for paying that back to the debt management agency that's part of the VA.

If they, again, if they withdraw totally prior to the term start, then in the schools and already been paid, then the school has to return the funding to the VA.

Audience: So is that two different – are we doing two different return policies?

David Bergeron: Yes.

Robert Worley: It's two different processes. Yes.

David Bergeron: And it's because the executive order tells the three agencies to align their requirements to the extent allowed by law, and right now, the law governing the VA benefits must not allow them to align and do it the way that we do it with regard to Title IV. And that's just kind of where we are right now. That may change in the future, but it's not – there's nothing we can do right now to make them align. Unlike the DOD conversation where under DOD they can change their policy to align to the Title IV process.

Audience: So we do the return of Title IV for Title IV, and then we turn around and do another process just for the VA?

David Bergeron: Yes.

Audience: But the same way that we do the return on Title IV.

David Bergeron: No. No, –

Audience: No?

David Bergeron: You do what the VA requirement is which is it basically you turn the student portion – you turn the student over to have the portion that they did not earn repaid.

Audience: Right, but _____ –

David Bergeron: It has nothing to do with you.

Audience: Okay. But from what I understood in the instructions that we're supposed to align their refund policy in the same as return on Title IV. So what's the difference?

David Bergeron: With regard to VA, at this point, there is not a change because the executive order tells us to make changes to the extent permitted by law. And this is an area where we have determined to this point that we're not permitted – the VA is not permitted to change their requirements to align to ours.

Audience: Okay.

Jessica Shedd: I think there might be a little bit of confusion –

Female: We can't hear you.

Jessica Shedd: Okay. Now it comes on. I think we have to talk and then it activates – sorry. I think you might be a little bit confused. I was the one with the Department of Defense that said that we were aligning our refund percentage policy with the department of education. And VA is not changing their policy at all. So that's the difference.

Audience: Okay.

Jessica Shedd: I think it's a little – it might be confusing to some of you out in the room that we all are under different titles of federal funding and we all have different processes. And that's one of the things that the presidential executive order said that we needed to get more in lined, and so I can see right now there is confusion. We've created it.

David Bergeron: Well –

[Laughter]

It's okay to applaud that. The executive order does what an executive order can do, which is it directs agencies to take

particular actions that they can take. But it doesn't give the agency the authority to change the laws that govern their programs. That requires action of others to accomplish, not something that we can do independently.

And so the executive order basically said as a matter of policy, we want the three agencies to align if they can. And in this one instance, what we have found through this implementation process that we've been doing since the executive order was signed, is determined that we're not in a position at this moment because of the existing law to align the VA policy in this area to one the department of education has. We want to, but we can't.

Audience: Buy the Department of Defense is.

David Bergeron: Is. Yep.

Audience: So then taking the Department of Defense as opposed to comparing with the return of Title IV, then what do we do. If their policies align with the return of Title IV process –

Carolyn Baker: We currently working on writing that policy, and when I mentioned that in the spring it will go out on the federal register of what we are planning on to implement for public comment, and then after it comes off the federal register, then we will be putting out a new instruction clearly saying what the percentage is going to be.

Male: Probably have time for two more questions.

David Bergeron: One in the back to start with.

Audience: Hello? Is this one on?

David Bergeron: Yep.

Audience: Hi. I have a comment and then a question. About this whole thing with the refund and the Department of Defense versus the veterans,, quite frankly, I don't know the difference. So when you write up this regulation, you're gonna have to be specific about which benefit has to be reduced and which ones you're talking about 'cause in our minds, it's all from the VA. We don't – some of us don't even realize that some money's coming from the Department of Defense and some's coming from VA. So you gotta get specific about which chapters or programs or whatever you're talking about because clearly, it isn't making much sense

here.

I just wanna double check on this shopping sheet, 'cause some of the things I read before I came here made it sound as if every veteran who gets admitted to your school we need to provide a shopping sheet. But the shopping sheet is something we can only provide to people who actually apply for financial aid, because it would basically be empty if they haven't applied for financial aid. So I wanna make it clear that that's what you really mean is only for people who apply for financial aid.

Carolyn Baker: Can I say from the defense department –

Audience: Can't hear you.

Carolyn Baker: Again, this mike doest – I need to tap and activate it. I'm sorry. From the Department of Defense, what it says for us in executive order is that we must require that the institutions provide information prior to enrollment on the financial aid available to them, and the costs of what it would be to attend your institution.

Audience: Well, that's – we can provide that, but that's not the shopping sheet.

Carolyn Baker: Okay. And what we're saying in the defense department is that the institutions have got to provide the information. If you provide the shopping sheet to the service member, then we're saying that that fulfills that requirement. It's up to the institution to actually to figure out how they're going to provide that information, but it needs to be a standardized information for a service members attending your institution.

So as Dave mentioned, we're not telling you, you have to, but we're telling you that this could fulfill the requirement for the defense department, and so now –

Audience: But this doesn't actually provide any information to somebody who hasn't filed for financial aid, because you're not gonna have a full cost of attendance because the application for financial aid tells us how you plan to live. You're not gonna have a family contribution. If you haven't applied for financial aid, you're not gonna get any grants or work or loan eligibility. So all the top part's gonna be empty and the only thing your gonna have at the bottom is the words that say, "You might also qualify for veteran's benefits," with no dollar amounts attached.

So you haven't really provided them with anything. If you want us to provide something generically to veterans who apply, we can provide verbiage, "If you apply, you might get this. You might get that," but that's not the shopping sheet.

David Bergeron: No, it's not. And I hear what you're saying about only for people who apply for aid. But we've got 21 million-22 million people who apply financial aid through the FASFA, 24 million students enroll nationally overall so, we've got a very high proportion having applied for financial aid, maybe not by the time they applied for admission, so there may be a timing issue there, but that's – I'm having a hard time thinking through where we get to this kind of a problem because you could –

Audience: Well, we have 15,000 people at our school and we have about 8,000 apply for aid, so your statistics across the country might make sense, but a particular – we have maybe 60 percent of our students actually file a FASFA. So –

David Bergeron: So for the remaining students, you'd basically be – well, yeah, you'd basically be saying, "Here's a blank sheet of paper."

Audience: Right.

David Bergeron: Right. Although, you would be providing the cost information.

Audience: Just tuition and fees. We don't know what they plan to do about living, 'cause they haven't filled out the FASFA.

David Bergeron: But you could make an assumption about living where you put why you made that assumption.

Audience: Well, I could do that in a paragraph. I don't need this form.

[Laughter]

David Bergeron: But then if you put it in a paragraph, how is the student who's applied to another institutions gonna make that comparison?

Audience: I don't know. But –

David Bergeron: Well, they may. They may with an assumption about what living arrangement they're making right? And they would have tuition and fees in a standard way.

Audience: The shopping sheet doesn't even give us a place to say what assumption we made about their living.

David Bergeron: There's a space at the bottom to put whatever text you want in.

Audience: Oh, true. Sorry.

David Bergeron: That's okay. We almost didn't have that. We have time for one more question, and then we gotta clear the room. Otherwise, we'll get in trouble.

Audience: I have a quickie. Fundamentally, what's the difference between the net price calculator and shopping sheet?

David Bergeron: Okay. The net price calculator is a tool that a perspective student can use without ever talking to you. You may not even know that they have ever thought about going to your institution. They go in. They use that tool, and they see what the estimated net price will be for a student like them in terms of what their family income is and those kind of things. The shopping sheet tells a specific student what exactly they're going to receive. So there's a student which is a one-to-one between a student who's applied, completed a FASFA, and interested in attending your institution, so one is personal, one is –

Audience: General?

David Bergeron: – an estimate.

Audience: Okay.

David Bergeron: Okay?

Audience: Thank you.

David Bergeron: Thank you all. I've been told to stop.

[Applause]

Big sign. Thank you all.

[End of Audio]