



AVECO Conference

Annual Reporting Fee (ARF) Payments

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Presenter

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Annual Reporting Fee (ARF) Payments

What is the Annual Reporting Fee?

- A yearly payment, authorized under 38 U.S.C. §3684(c), made to any educational institution or to the sponsor of a program of apprenticeship, furnishing education or training.
- The total amount paid is based on the number of certified students who received VA benefits during a calendar year; the most recent being, January 1, 2020 – December 31, 2020.



Annual Reporting Fee (ARF) Payments

What is the Purpose of the Annual Reporting Fee?

- The Annual Reporting Fee (ARF) is paid in lieu of any other compensation or reimbursement for reports or certifications that the school is required to submit to VA by law or regulation.
- The payment is intended to support the work of your institution's office of Veterans Affairs and the Certifying Official(s).
- The ARF payment must be used solely for the processing of enrollment certifications and changes to enrollment certifications, or for supporting programs for Veterans at your school.
- Fees are paid for students receiving VA education benefits under Chapter 30, 31, 32, 33, 35, 1606, 1607, and STEM.



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How Is the Payment Calculated?

- VA calculates the ARF payment for each facility based on the award lines within the systems of record for each benefit.
- VA will extract a list of students per facility from each benefit system.
- The numbers are combined and then scrubbed to remove duplicate instances of a student.
- The count is then summed and a total amount due is calculated for each facility.



Annual Reporting Fee (ARF) Payments

Potential Rejected Payments

- Once the amount payable is calculated, the VA offices(stations) of jurisdiction will receive a preliminary list of potential facility rejects.
- A facility may be rejected for one of the following reasons:
 - Reporting Fee Bar indicator is set in WEAMS
 - Applicable Law Code Indicator is set to “Not Approved” in WEAMS
 - School Name and/or Address Error
 - Invalid Facility Code, stations are to make corrections in WEAMS to facilities that were erroneously rejected
- If the facility was rejected for Invalid Facility Code, stations may submit a corrected facility code to Hines ITC.
- Once validations are complete, final payments will be generated.



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When Will You Get Your Payment?

- The ARF payment must be made as close as possible to the end of the calendar year for which it is due, typically it is paid within the first quarter of the following calendar year.
- Payments are paid using the 8-digit facility code, one payment per facility code will be generated (no combined payments for a school with multiple facility codes).
- Payments will be made by Electronic Funds Transfer (EFT) to the account stored in WEAMS.
- If no EFT account exists for a facility, the payment will be sent by check to the mailing address of the School Certifying Officials.
- A list of students associated with the ARF is sent to each facility directly.



Annual Reporting Fee (ARF) Payments

Revisions Under the Colmery Act/ Expiring Authorities Act

The Harry W. Colmery Veterans Educational Assistance Act of 2017, (Public Law 115-48, § 304), as amended by the Department of Veterans Affairs Expiring Authorities Act of 2017 (Public Law 115-62, § 411), provided the following changes, **effective August 1, 2018**, to Annual Reporting Fees (ARF):

- Schools will receive \$16.00 per eligible student. (Temporary reduction to \$15 has expired.)
- Eliminates the separate higher fee payment for institutions that offer advanced payment.
- If a school receives a Reporting Fee for 100 or more eligible students, then the Reporting Fee paid to the school cannot be used for, or merged with, the school's general fund.



Annual Reporting Fee (ARF) Payments

Compliance Survey Procedures

Education Compliance Survey Specialists (ECSSs), Education Liaison Representatives (ELRs), and State Approving Agencies (SAAs) will review how the Reporting Fee paid to the school/facility are utilized during Compliance Survey visits.

- The surveyor will interview the primary School Certifying Official (SCO) and confirm how the school utilizes the Reporting Fee and document findings.
- Schools should document how they use the Reporting Fee (a formal ledger, receipts to/from a SCO training conference, invoices for equipment for the school's Veteran Center, formal documentation the school uses the Reporting Fees as part the SCOs salary, etc.). The surveyor will review these documents and ensure the school has not spent the Reporting Fee on unapproved expenses.
- If the school has over 100+ Veteran students, the surveyor will interview the primary SCO and confirm the Reporting Fee is not merged with any other funds at the school. The SCO is required to have documentation that the Reporting Fee is not merged with any other fund at the school. The document should include the account number (and if available a copy of the ledger) for the Reporting Fee account.



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Compliance Survey Procedures (cont.)

- The surveyor will document how the school uses the Reporting Fee
- If the Reporting Fee is not being utilized properly the surveyor must:
 - Specifically address the discrepancy in the Exit Interview with the SCO.
 - Submit a referral to the SAA of jurisdiction, citing the regulatory authority **38 CFR 3684**.
 - Furnish any facts regarding the discrepancy that were developed during the survey and give an opinion of the probable cause of the discrepancy.
 - This referral is for informational purposes only.
 - The SAA will provide corrective action as the SAA deems necessary. Controls will not be established for a response from the SAA.
 - Annotation of the error will be made in Compliance Survey Results Letter sent to the school.



Annual Reporting Fee (ARF) Payments

What Do SCOs Need To Do?



Check the list of students that were counted towards your institution's payment.



Verify the students on the list were enrolled at your school during all or part of the calendar year.



If you are satisfied – No action is necessary



If you find a discrepancy

Annotate the discrepancy, sign, and date the list.

Send it to the Education Liaison Representative (ELR) assigned to your school via email within 30 days from the date of the letter.

NOTE: If you do not know who your school's ELR is, visit

https://benefits.va.gov/gibill/resources/education_resources/school_certifying_officials/elr.asp



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