

VA



U.S. Department
of Veterans Affairs

VA Debt Management Center (DMC)

School Certifying Official Training

Updated September 2025



Pre-Decisional Deliberative Document/Not for
distribution

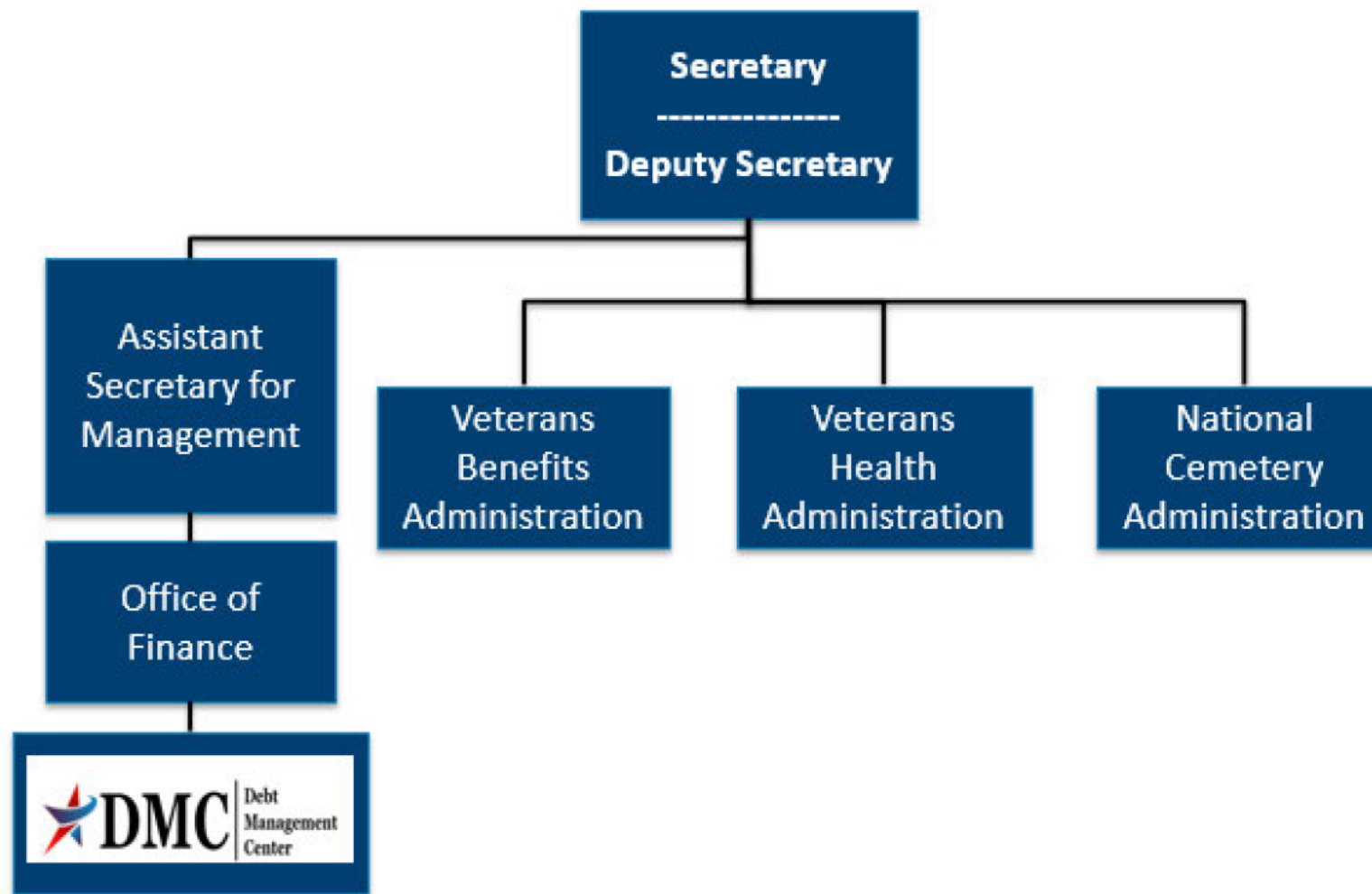


Agenda

- **DMC overview**
- **Digital GI Bill (DGIB) Transition Updates**
- **Debt establishment**
- **Understand collection processes**
- **Debt resolution options**
- **Risks of non-payment**
- **Questions**



Organization Chart





DMC Mission

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



DGIB Updates: DMC Processes

Chapter 33 Modernization Upgrades

- Separate debt balances for each term per facility per student in VA system
- DMC uses additional deduction codes other than 75
 - Deduction code is needed for pay.va.gov payments or if check is mailed without remittance from DMC letter
- Certain tuition and fees and Yellow Ribbon debts are recouped from subsequent, congruent (there is at least one day of overlap) payments for the same student



DGIB Updates: Pending Issues

Many issues have been resolved

- Some letters cannot be issued yet
- Some debt fixes are pending- suspended debts will still appear on debt lists but are not being collected



DGIB Updates: DMC Processes

Non Chapter 33 Modernization Upgrades

- Chapter 35, 30, and 1606 debts for students were transitioned to a new payment processing system in early August




Update to Education Debt Identification

- **DMC has transitioned from using VA File Number or SSN to a debt specific Receivable ID to improve security**
- **This change was effective August 4th, 2025**
- **Receivable ID is required instead of File number on pay.va.gov for all education debts**
- **If a school needs assistance identifying their Receivable ID (s):**
 - **Request a debt list by facility code in AVA (now includes receivable IDs)**



Update to Education Debt Identification

The Receivable ID will be viewable on education letters in the current file number field on the top right of the page. Although the number will now be the Receivable ID, the letter will still say “File Number”. You will know it is a Receivable ID if the entire number is visible. Previously listed file numbers only show the last 4-digits.



File Number:
Payee Number:
Person Entitled:
Deduction Code:
Questions? <https://ask.va.gov/>
(Please provide the information above
on any related correspondence)



Debt Establishment

SCO Certifies Student

- Communicates with student about certification process

Regional Processing Office (RPO) Processes Certifications

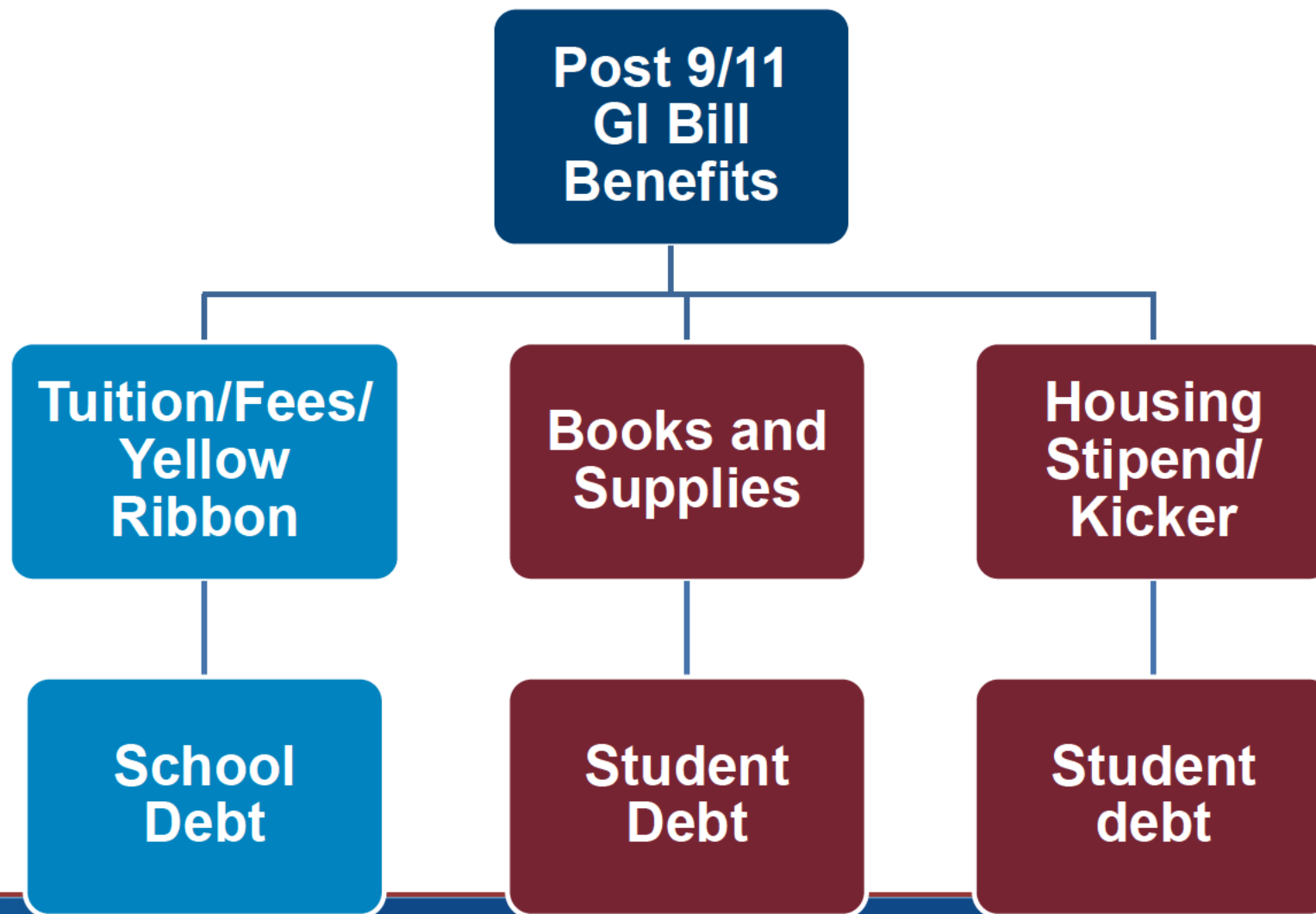
- Evaluates entitlement
- Issues payments and establishes debts
- Sends a letter when payments are issued or debt created

DMC Collects Debts

- Sends collection letters for debts
- Processes collection actions



Debt Establishment



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Debt Establishment Reasons

Student never attended any classes (All T/F/YR)

**Reporting reduced T/F/YR amount, no change to training
(Amount of \$ change)**

**Payment for wrong student or duplicate payment
(Erroneous amount)**

**Payment above certified amount due to VA data entry error
(Erroneous amount)**

**Student completely withdrew on or before first day of term
(All T/F/YR)**

**Student dropped/added a course, no net change in training time
(Amount of \$ change)**



Debt Establishment Reasons

**Student withdrew
after first day of term**

**Student reduced
hours before or
during term**

**School reported reduction
in T/F/YR due to student
reducing or terminating
training**



Debt Establishment Reasons

Action	Condition	Will Be Effective
Reduction	During Drop Period	End of month the reduction occurred
Termination	During Drop Period	Actual date of withdrawal
Reduction	Punitive Grade assigned	End of month the reduction occurred
Termination	Punitive Grade assigned	Actual date of withdrawal
Reduction or Termination	Non- Punitive grade assigned	First day of the Term
Reduction	Non- Punitive grade AND Mitigating Circumstances (MITCs)	End of month the reduction occurred
Termination	Non- Punitive grade AND Mitigating Circumstances (MITCs)	Actual date of withdrawal



School Debt Example

- SCO certifies term 08/28/2024 – 12/16/2024, T&F \$10,000.00 (for credits)
- VA pays \$10,000.00 for the 08/28/2024 – 12/16/2024 term
- School reported a change to tuition and fees with no change to credits, the new tuition and fees reported was \$5000
- Student then reduced training effective November 15th with punitive grades and new tuition and fees amount is \$2500
- **How would you calculate this debt?**



School Debt Example continued

School Debt Calculation

- Amount due for term is \$4633.03
 - ($\$5000/109$ days in the term x 93 days attended at this rate = \$4266.06) plus
 - ($\$2500/109$ days in the term x 16 days attended at this rate = \$366.97)
- \$10,000 paid - \$4633.03 due = **Debt of \$5366.97**



Preventing School Debts

Educate students about impact:

Reducing Training

Non-punitive grades

Changing class schedule

When non-punitive grades occur

School can include mitigating circumstances on certification

Student can submit mitigating circumstances to RPO

Certify \$0 tuition/fees before term begins

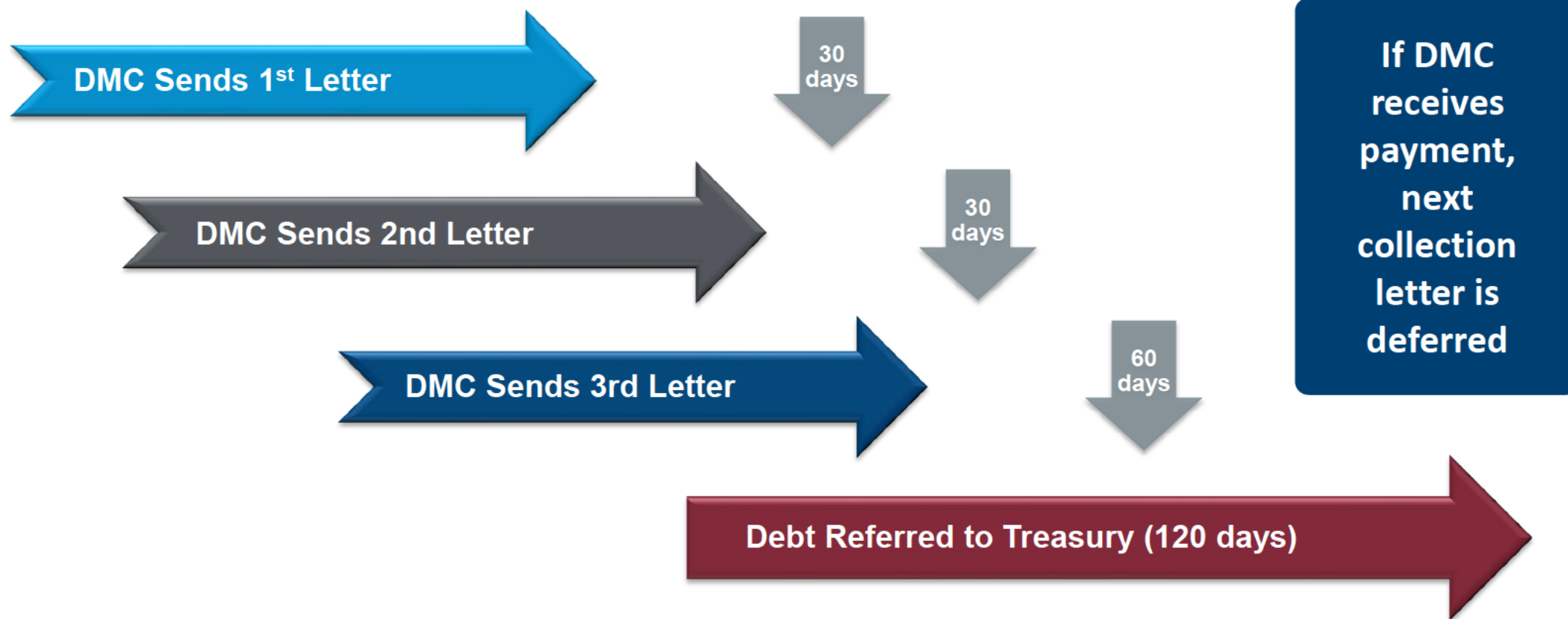
Certify T/F/YR amount at a later date

Allows student to receive books and housing on time



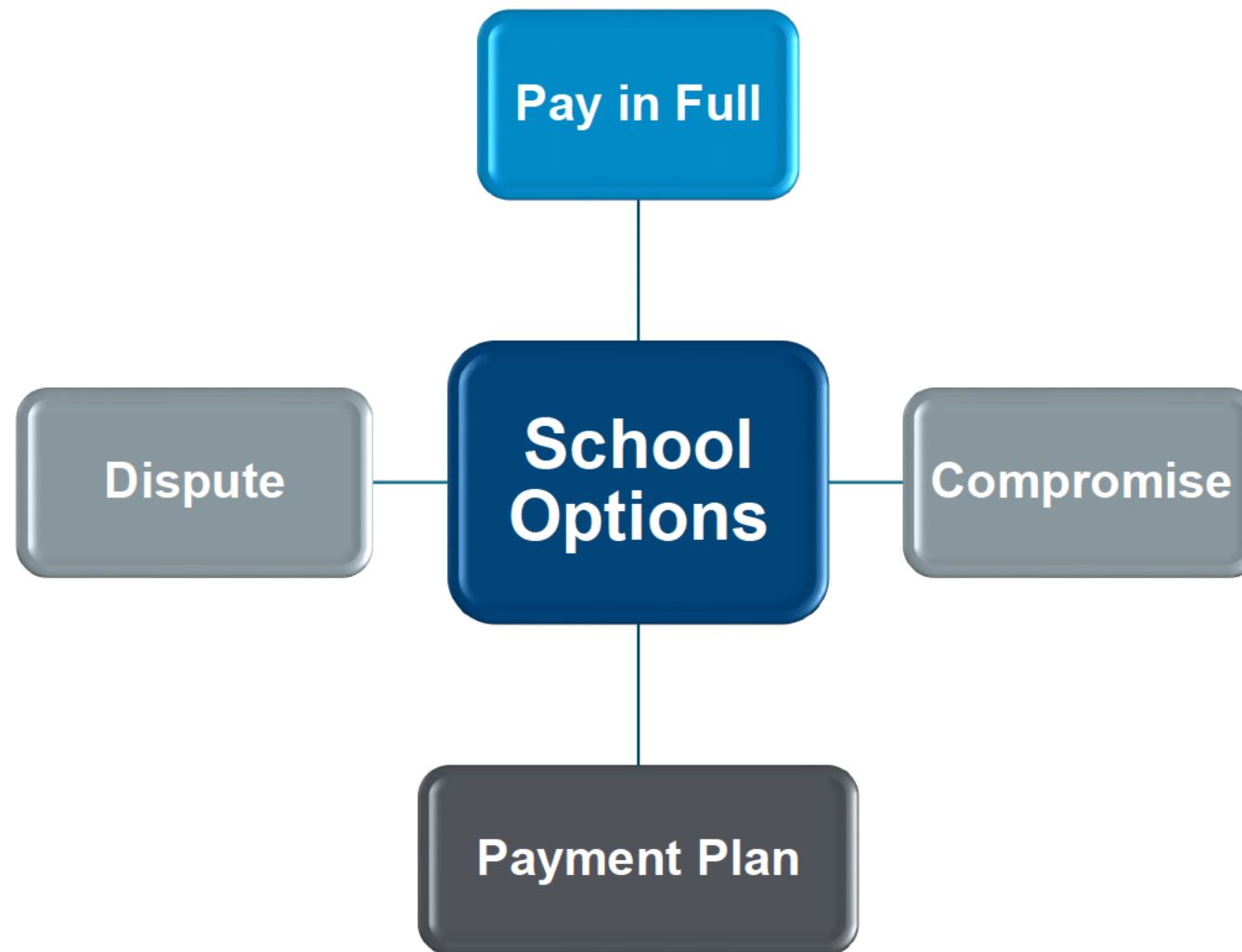
School Debt Collection Process

DMC sends Notice of Indebtedness letters, monitors accounts, and advises debtor of any delinquency, including the requirement to refer their account to Treasury





School Options



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How to Pay a Debt

- **Pay by check:** mail the check, payment coupon(s) and/or letter to:
VA Debt Management Center
Bishop Henry Whipple Federal Building
P.O. Box 11930
St. Paul, MN 55111-0930
- **Recommend no more than 25 students per check**
- **Pay online:** www.pay.va.gov (will need RID)
- **Check SCO handbook for other options**





How to Pay a Debt on www.pay.va.gov

Payee and Person entitled name format are on DMC school debt letters

Veteran Information

Please have a copy of the Veteran Debt Letter sent from Debt Management Center in front of you to enter the correct information.

*File Number:

*Payee Number:

★ *Person Entitled:

*Deduction Code:

Use RID for Education Debts

Payee is not always 00, please verify payee on DMC letter

Deduction Code is not always 75, please verify on DMC letter

★ Person Entitled

'Person Entitled' is the first initial, middle initial (if there is one) and first four letters of the debtor's last name. If the entry on the collection letter after 'Person Entitled' does not have a middle initial, a blank will appear where the middle initial would be. Please leave the same space blank on this form.



Ask VA (AVA) for School Inquiries

- All school inquiries and disputes should be submitted using AVA (<https://www.va.gov/contact-us/ask-va/>)
- Select “Debt for benefit overpayments and health care copay bills” as the category and “Education benefit overpayments (for schools)” as the topic
- Under “My inquiry is” select “On behalf of a Veteran”- this enables you to select School Certifying Official or Other (Business) under relationship to Veteran
- You must sign in to AVA to select the category “Debt for benefit overpayments and health care copay bills”



Requesting a debt list in AVA

- DMC can provide debt lists by facility code upon request
- Since the debt list is not associated with one specific Veteran, you can choose **general question** to submit your debt list by facility code request
- If you have multiple facilities, list the additional facility codes in the “What is your Question?” box

My inquiry is: (*Required)

A general question

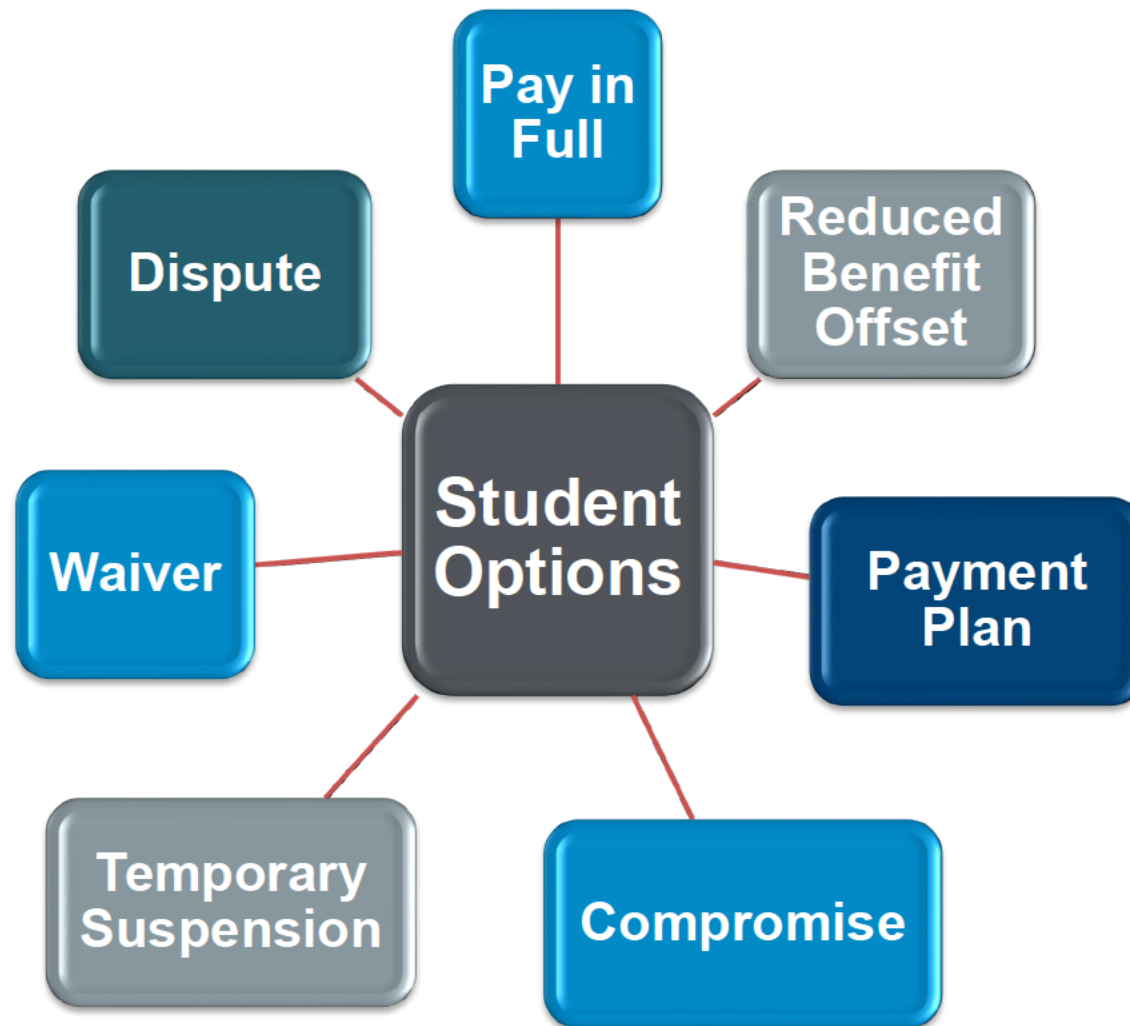


DMC School Official Debt Line

- **833-720-2574 (international 612-843-6508)**
- **Use for questions on Post 9/11 GI Bill Tuition and Fees debts such as:**
 - Term dates for a debt
 - Confirm a payment was received
 - Confirm an outstanding balance
 - Assistance with an online payment
- **Disputes must be in writing. Submit via <https://www.va.gov/contact-us/ask-va/> (Select category: “Debt for benefit overpayments and health care copay bills” and topic: “Education benefit overpayments (for schools)”**



Student Options



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VA Debt Portal for Veterans

- **Debt Portal:** <https://www.va.gov/manage-va-debt/>
 - **Veterans can log in to view balances**
 - **FAQ's**
 - **Email notifications to Veterans**
 - **Online VA Form 5655 Financial Status Report (FSR)**
 - **Online Dispute**
 - **One VA Digital Debt Letter**



Treasury Overview Debt Collection Tools

Treasury has two main programs for student and school debt collection

Treasury Offset Program (TOP)

- Federal grants
- Social Security
- Civilian pay
- Military retirement

Cross-Servicing (CS)

- Private Collections Agencies (PCA)
- Telephone collections
- Administrative Wage Garnishment (AWG)



Become a Debt Superstar (Contact DMC)

<https://www.va.gov/contact-us/ask-va/>

Online inquiry system
(category: Debt for benefit overpayments and health care copay bills, topic: Education benefit overpayments (for school officials))

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

Veteran Debt Portal



800-827-0648

DMC Toll Free Line - Students





Issue Not Getting Resolved

- **Julie Lawrence – Chief of Operations, Veterans Resolution Division**
Julie.Lawrence@va.gov
- **Nicole Haselberger – Assistant Chief, Veterans Resolution Division**
Nicole.Haselberger@va.gov
- **Tami Dorle – Supervisory Financial Administrative Specialist , Veterans Resolution Division**
Tamara.Dorle@va.gov





DMC Presentation Survey

DMC values your time and feedback on our presentation. We would appreciate it if you're able to complete the survey below.

<https://www.surveymonkey.com/r/DMCSCO>



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of Veterans Affairs

Backup

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Deduction Codes for School Debts

Found on the top right of DMC letter

– Can be any of the following:

75, 63, 91, 92, 93, 94, 95, 96, 97, 98

Please also remember to verify the payee for online payments (not always 00)



Example of Congruent Offset

Congruent Payment Recoupment Example

- SCO certifies term 09/01/2024 – 12/15/2024, 12 in-residence credits, T&F \$10,000.00
- VA pays \$10,000.00 for the 09/01/2024 – 12/15/2024 term
- Student drops prior to the start of the term creating debt of \$10,000.00
- **Same student** is certified for the mini-term of 10/01/2024 – 11/15/2024 for 6 in-residence credits with a tuition and fees of \$5,000.00.
- VA will not release any T&F payment and will reduce the outstanding T&F debt by \$5,000.00
- If facility has already submitted a repayment of \$10,000.00 to the Debt Management Center (DMC), VA will send \$5,000.00 to the facility



Debt Establishment: Compliance Survey

Debt	Collection	Source	Dispute
School Debt	DMC collects	Tuition/Fees/Yellow Ribbon	Dispute with DMC
Student Debt	DMC collects	Books/Supplies Housing/Kicker	Dispute with DMC
Potential School Liability	RPO collects (no DMC involvement)	School may have to repay Books/Supplies/ Housing/Kicker on behalf of students	Special process (no DMC involvement)



Tips for School Inquiries

When submitting disputes and inquiries via AVA, please include:

- One inquiry per student
- Identifying information for the student
- School name and **facility code**
- Debt amount
- Supporting details (front and back of cashed check, when was updated certification sent, etc.)



How to Contact TOP

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

To provide you with information about an offset, Treasury will need to know:

- The caller's name, department and job title. The job title will need to indicate a need-to-know position
- At least one of the following:
 - date of the payment
 - amount of the original payment
 - amount of the offset
- Make sure to obtain the Debt Account ID related to the offset from Treasury (typically ends in 0075 for school tuition) **before** contacting DMC about an offset



When to Contact TOP vs. DMC

Information Treasury Has

- Debt Account ID number for a given offset (can look up debt account ID with offset info)
- Entity that referred a debt that was offset
- Information about payment that was offset

Information DMC Has

- Details about debt we referred (need Debt account ID from Treasury to identify debt)
 - Student associated with referred debt
 - Term dates for referred debt



TOP Letter Example

What Happened to My Payment?

The U.S. Department of the Treasury, Bureau of the Fiscal Service (Fiscal Service), applied all or part of your payment to delinquent debt that you owe. This action is authorized by federal law. Below is your payment information:

Payment From: Defense Finance and Accounting Svc.
Payee Name:

Payment Date: 01/31/24
PaymentType: EFT

Who Do I Owe?

We applied your payment to debt that you owe to the following agency:

Department of Veterans Affairs
DEBT MANAGEMENT CENTER
BISHOP HENRY WHIPPLE FEDERAL BLDG
1 FEDERAL DRIVE, SUITE 4500
ST. PAUL MN 55111
800-827-0648

TOP Trace Number: XXXXXXXXX

Account #: XXXXXXXXXXXXXXXX

Applied To This Debt: \$590.68

Type of Debt: Non-Tax Federal Debt



Please see additional pages for other debts, if any.



Federal Debt Collection Laws

- **The Debt Collection Act of 1982**
 - Authority for collection by administrative offset
- **The Debt Collection Improvement Act (DCIA) of 1996**
 - Agencies required to refer delinquent non-tax debts to the Department of Treasury at 180 days
- **Digital Accountability and Transparency Act (DATA) of 2014**
 - Changed referral requirement for delinquent non-tax debts from 180 days to 120 days



How to Self-Certify

1. Click on the URL or copy and paste it in your web browser.
<https://vba-tpss.vbatraining.org/assess/trkSignIn?refid=XSCO>
2. Enter your email address and eight (8) digit facility code and click Next
(If you do not have a user profile, click New User Account and follow the steps to set up your profile.)
3. Scroll down and click the Conference/Workshop/Virtual Training tab
4. Select the applicable training session from the list of topics that appears on the right side of the screen by clicking Begin
5. To enter Conference/Workshop/Virtual Training Title: Click the dropdown arrow and select SCO Virtual Training Session and click Submit
6. Enter the start date and the end date
7. Enter your Facility Name, City and State (Main Campus) and click Submit
8. Certify your attendance by clicking Agree and then submit.
9. Print your training certificate and keep for your records