

DEBT RECOUPMENT CLARIFICATION EXAMPLES

Example 1 (Debt recoupment occurs):

- SCO certifies the term 09/01/2024 – 12/15/2024 for 12 in-residence credits with a tuition and fees of \$10,000.00 for a student.
 - The Department of Veterans Affairs (VA) pays the certification and releases \$10,000.00 to the school for the student. A routine payment letter is sent to the student notifying them of the payment.
- The student drops prior to the start of the term. The same student signs up for and 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. SCO submits an adjustment in Enrollment Manager to withdraw the student from the 09/01/2024 – 12/15/2024 term and certifies the 10/01/2024 – 11/15/2024 mini-mester.
 - A routine debt letter will be sent to the student notifying them of the change to their enrollment and the creation of a \$10,000.00 tuition and fees debt being made to the school (and any monthly housing allowance or books and supplies debts the student may owe).
 - A routine debt letter will be sent to the school notifying them that the change to the student's enrollment created a \$10,000.00 tuition and fees debt.
 - A routine payment letter is sent to the student notifying them of the payment for the mini-mester.
- Because the debt is for the same facility code, student, and an overlapping term, rather than release a \$5,000.00 payment to the school for the mini-mester, VA will adjust the debt owed for the 09/01/2024 – 12/15/2024 term from \$10,000.00 to \$5,000.00.
- A specific update letter from the Debt Management Center (DMC) is not released which specifically reports the change in the debt. That said, all future written notification from DMC will reflect the updated debt amount and if the full amount of the debt should be returned from your school, the overage will be refunded back to your school. DMC encourages you to request debt listings through [Ask VA](#) if you need to know all students with debts and information on their associated debts.

Example 2 (Debt recoupment does not occur):

- SCO certifies the term 09/01/2024 – 12/15/2024 for 12 in-residence credits with a tuition and fees of \$10,000.00 for a student.
 - VA pays the certification and releases \$10,000.00 to the school for the student. A routine payment letter is sent to the student notifying them of the payment.
- The student drops prior to the start of the term. The same student signs up for the Spring semester which has term dates of 01/10/2025 – 05/15/2025 for 12 in-

residence credits with a tuition and fees of \$10,000.00. SCO submits an adjustment in Enrollment Manager to withdraw the student from the 09/01/2024 – 12/15/2024 term and certifies the 01/10/2025 – 05/15/2025 term.

- A routine debt letter will be sent to the student notifying them of the change to their enrollment and the creation of a \$10,000.00 tuition and fees debt being made to the school (and any monthly housing allowance or books and supplies debts the student may owe).
 - A routine debt letter will be sent to the school notifying them that the change to the student's enrollment created a \$10,000.00 tuition and fees debt.
 - A routine payment letter is sent to the student notifying them of the payment for the Spring semester.
- Though the debt is for the same facility code and student, there is no overlap of term dates. This means that the VA will pay \$10,000.00 for the Spring term tuition and fees to the school. The school will pay off the tuition and fees debt of \$10,000.00 for the Fall term as per normal. No debt recoupment will occur in this situation.

Example 3 (Debt recoupment does not occur):

- SCO certifies the term 09/01/2024 – 12/15/2024 for 12 in-residence credits with a tuition and fees of \$10,000.00 for student A. SCO certifies the same term (09/01/2024 – 12/15/2024) for 12 in-residence credits with a tuition and fees of \$10,000.00 for student B.
 - The VA pays the certification and releases \$10,000.00 to the school for student A. A routine payment letter is sent to student A notifying them of the payment.
 - The VA pays the certification and releases \$10,000.00 to the school for student B. A routine payment letter is sent to student B notifying them of the payment.
- Student A drops prior to the start of the term.
 - A routine debt letter will be sent to student A notifying them of the change to their enrollment and the creation of a \$10,000.00 tuition and fees debt being made to the school (and any monthly housing allowance or books and supplies debts the student may owe).
 - A routine debt letter will be sent to the school notifying them that the change to student A's enrollment created a \$10,000.00 tuition and fees debt.
- SCO certifies the term 09/01/2024 – 12/15/2024 for 12 in-residence credits with a tuition and fees of \$10,000.00 for student C.
 - The VA pays the certification and releases \$10,000.00 to the school for student C. A routine payment letter is sent to student C notifying them of the payment.
- While there is tuition and fees debt for the same term and the same facility code, it is not for the same student, so no debt recoupment occurs.