

THE 85/15 PERCENT RATIO REQUIREMENT

NOTE: On August 26, 2022, the President signed into law PL 117-174, "Ensuring the Best Schools for Veterans Act of 2022" modifying the law known as 85/15 Rule.

For current guidance on the 85/15 rule please see 85/15 FAQs page [85/15 Frequently Asked Questions - Education and Training \(va.gov\)](#)

What is the 85/15 Ratio Requirement?

The 85/15 Ratio Requirement 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 school or VA.

If the ratio of Supported Students to Non-Supported Students exceeds 85% at the time a new VA beneficiary student enters or reenters (such as after a break in enrollment), the student cannot be certified to receive benefits in the program.

Does This Apply to All Facilities?

The provisions of the 85/15 Ratio Requirement do not apply to:

1. A farm cooperative training course (38 USC 3680A [d] [2] [B] and 38 CFR 21.4201 [c] [1] [i]).
2. Flying clubs (also known as "aero clubs") operating under regulations of the Armed Forces as "non-appropriated sundry fund activities" (38 CFR 21.4201 [c] [1] [ii]).
3. Facilities which do not charge tuition, fees, or other charges (routinely this means that sites approved for On-The-Job [OJT] or Apprenticeship [APP] training) (38 USC 3680A [d] [1]).

NOTE: Any other type of Educational and Training Institution (ETI) that does not assess tuition, fees, or other charges are not monitored for 85/15 purposes and are not required to calculate or report 85 percent enrollment ratios.

Supported and Non-Supported Students

Supported Students are:

- **Any student receiving any amount of VA Education benefits under Title 38 or Title 10**
- Any student where the full amount of tuition, fees, and other mandatory charges 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 30 days after the end of quarter), unless the student is using an institutionally funded payment plan to pay the full amount of tuition, fees, and other mandatory charges and **all** of the following apply:
 - The availability and requirements of the payment plan policy is published both on the ETI's website and in the ETI's approved catalog

- The payment plan is available to any enrolled student interested in participating in such plans
- The payment plan explicitly requires the student to pay the outstanding balance by the end of the 85/15 reporting period (academic term or calendar quarter) or by the end of the enrollment period, whichever is later
- The payment plan policy prevents the student from training beyond the reporting period unless the outstanding balance is paid in full
- 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 non-Veterans alike, excluding graduate students (i.e., restricted aid)

Non-Supported Students are:

- **Any student who pays the full amount of tuition, fees, and other mandatory charges to the ETI prior to the end of the current reporting period (i.e., no later than 30 days from the start of a term or end of quarter)**
- Any student using an institutionally funded payment plan to pay the full amount of tuition, fees, and other mandatory charges when all the following apply:
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 - The availability and requirements of the payment plan policy is published both on the ETI's website and in the ETI's approved catalog
 - The payment plan is available to any enrolled student interested in participating in such plans
 - The payment plan explicitly requires the student to pay the outstanding balance by the end of the 85/15 reporting period (academic term or calendar quarter) or by the end of the enrollment period, whichever is later
 - The payment plan policy prevents the student from training beyond the reporting period unless the outstanding balance is paid in full
- Any student receiving Title IV Department of Education aid
- Any student receiving Tuition Assistance through the Department of Defense
- Graduate students in receipt of institutional aid

- Any student receiving non-institutional aid (scholarships, grants, or other types of aid offered by a third-party entity not affiliated with the ETI)
- 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 non-Veterans alike (i.e., unrestricted aid)

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.

Reporting Requirements for 85/15 to VA

How is the 85/15 Calculation Done?

85/15 calculations must be submitted using the Statement of Assurance of Compliance With 85 Percent Enrollment Ratios form. This form is required for all approved programs for each cohort of students (i.e., semester, term, etc.). ETIs may not generate and provide their own version of this form (i.e., excel documents or custom reports). This document should be submitted to your Education Liaison Representative (ELR).

Each Facility Code of a Main or Branch campus of an ETI must submit its own 85/15 calculations. Calculations for Extension Campuses without administrative capability should be reported under the associated Main or Branch campus (i.e., the “parent” campus).

If the percentage is equal to or under 85%, the program is compliant with the 85/15 Ratio Requirement. If this percentage is over 85%, then the program has violated the 85/15 Ratio Requirement.

90/10 Rule - Department of Education (ED)

Department of Education (ED) implemented changes to the 90/10 rule included in the American Recovery Plan Act which was signed into law in 2021. These changes now require covered schools (for-profit institutions of higher education participating in Federal financial student aid (FSA)) to include funds provided for the purpose of paying tuition from all Federal educational assistance programs, including VA educational assistance, into their calculation of amounts received from federal funding sources.

Under ED rules effective January 1, 2023, covered schools must include the amount of VA educational assistance funds paid directly to the school (tuition payments under the Post-9/11 GI Bill (Chapter 33), as well as, monthly stipends paid directly to students under the Montgomery GI Bill (Chapter 33), Montgomery GI Bill – Selected Reserve (Chapter 1606), the Survivors’ and Dependents’ Educational Assistance (Chapter 35), and Veteran Readiness and Employment (Chapter 31). Covered schools do not need to include chapter 33 monthly housing allowances (MHA) paid directly to students because those funds are not for the purpose of paying tuition.

VA Assistance to Schools

Historically, VA has provided to each approved facility a Vet Rep Listing which is issued weekly when payments are made during the pervious week to schools for Chapter 33

students. Each Vet Rep Listing reflects the student's name, the term dates, the amount and whether payment was for tuition, fees or yellow ribbon.

In addition, VA has provided to each approved facility a Pay List which is issued monthly when payments are made during the previous month to students for chapter 30, 35, and 1606 payments. Each pay list reflects the student's name, period covered, and the monthly rate awarded to the individual VA student.

VA will continue to issue the Vet Rep Listing and Pay list to all IHL and NCD facilities.

School requests

For questions regarding the 90/10 rule and its requirements, please contact the U.S. Department of Education.

If you are not receiving either the Vet Rep Listing or Pay List, please contact your [State Approving Agency](#) to ensure that we have your correct mailing address.

If information is needed regarding the 90/10 Rule for Veteran Readiness and Employment students, (Chapter 31), contact your Veterans Readiness and Employment [\(VR&E\) point of contact](#).

Calculating Part-Time Students:

Students are either part-time or full-time based on the total number of credits pursued at the ETI.

The ETI must compute the full-time equivalency for part-time students based on the total number of hours in which the student is enrolled for the term and add it to the number of full-time students, (e.g., take the total number of one-half time students, divide by two, and add the quotient to the number of full-time students.)

A student is counted as a full-time or part-time student under each approved concentration or track based on the student's overall rate of pursuit or individual training time.

When Do I Report?

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

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

If the ETI is not structured on a Term Basis

85/15 calculations must be submitted to the ELR of jurisdiction no later than 30 calendar 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 are as follows:

TABLE 1.01 DUE DATES FOR 85/15 SUBMISSIONS

Specific Situations

Students receiving Veteran Readiness and Employment (chapter 31), or Survivors' and Dependents' Educational Assistance (chapter 35) benefits must be counted as Supported Students for determining a program's compliance with the 85/15 Ratio Requirement, but students receiving these specific benefits can be certified for benefits, even if the program is in violation of the 85/15 Ratio Requirement.

The ETI must count students who have not declared a major, together in a separate category. Students must declare a major at the time specified by the ETI, but in no event may the student be certified beyond his or her sophomore year unless a major is declared. The ETI must count students in a remedial or deficiency course with the other students in their declared majors or certificate courses. If they have not declared a major or selected a certificate course, the ETI must count them with other students who have not declared a major or selected a certificate course.

The law prohibits the enrollment of a service member in a remedial or deficiency course if his or her enrollment would cause the course to exceed 85 percent. If a service member has declared a major or selected a certificate course, the ETI should count the service member with the other students in the program. If a service member has not declared a major or selected a certificate course, the ETI will count the service member on the VA side of the ratio for the remedial or deficiency course.

Calculating Double Majors:

How Are Double Majors, Multiple Concentrations or Dual Degrees Counted?

Students enrolled in double majors, multiple concentrations, or dual degrees must be counted for each major, concentration, or degree in which they are enrolled (this is true for both Supported and Non-Supported Students). Students enrolled in Dual Degrees approved by the State Approving Agency (SAA) as one program will be counted only under that one approved program.

Example 1: A student is receiving Post 9/11 GI Bill (chapter 33) benefits and is majoring in both Biology and Chemistry. For 85/15 Ratio Requirement, this student would count as a Supported Student for both the Biology and Chemistry programs.

Example 2: A student is completely self-paying for their schooling and is majoring in French, Latin, and Spanish. For 85/15 Ratio Requirements, this student would count as a Non-Supported Student for all three majors in which they are enrolled. This requirement is similarly true for concentrations/tracks.

Example 3: A student is receiving Post 9/11 GI Bill (chapter 33) benefits and is majoring in Aviation Management (which has a flight component). The school would list on the *Statement of Assurance of Compliance with 85 Percent Enrollment Ratios*:

Aviation Management – Flight Track

Aviation Management – Non-Flight Track

This student as a Supported Student in the Aviation Management – Flight Track.

Non-Compliance with 85/15 Ratio Requirement

If the 85/15 Ratio Requirement is exceeded in a program:

1. The ELR will inform the ETI by letter that all certifications for new VA beneficiary students enrolling in the program suspended for 85/15 violation, are suspended, and inform the ETI to not submit enrollment certifications for VA beneficiary students enrolling or reenrolling on or after the effective date of the suspension. A copy of this letter will also be submitted to the SAA of jurisdiction for informational purposes.

Note: Reenrolling is defined as a student with a gap in his or her training. Summer terms are not considered a break in enrollment.

2. Effective the date the ratio exceeded 85% of Supported Students, the Regional Processing Office (RPO) payment of enrollments and reenrollments for VA beneficiary students are suspended for the out of compliance program of Supported Students.
3. **The ETI should continue to submit certifications for students who:**
 - Are already enrolled in and are pursuing the program
 - Have been previously paid for the program; and
 - Have been continuously enrolled in the program or
 - Are chapter 35 or ch31 beneficiary students

The ETI must continue to submit all changes in enrollments (reductions, terminations, etc.) for enrolled students.

How Does 85/15 Suspension Affect VA Students?

The Regional Processing Office (RPO) of jurisdiction will not authorize payment for benefits for VA students enrolling or reenrolling on or after the date the program exceeded 85% Supported Students, unless a student has been continuously enrolled in the same program.

The exception to this rule is students receiving benefits under chapter 31 or chapter 35. VA students that enroll or reenroll and are using one of these benefits may continue to be certified and paid.

Failure to Provide 85/15 Ratio Requirement Calculations

If an ETI is unwilling or unable to provide 85/15 Ratio Requirement calculations at the required reporting period or when requested by a VA official or SAA official:

- The SAA of jurisdiction will be informed that the ETI is in violation of 38 CFR 21.4209 (5).

Exemptions and Waiver of the 85/15 Ratio Requirement

Some ETIs might qualify for an exemption or waiver. Here is the list of exemptions and waivers that VA will consider:

1. 35% Exemption. The total number of VA beneficiaries enrolled in programs approved to receive VA benefits must be less than or equal to 35% of the total student enrollment enrolled in all programs approved to receive VA benefits. An ETI with a 35% Exemption is not required to periodically report 85/15 calculations to the VA.

A 35% Exemption does not mean the school does not have to comply with the 85/15 Ratio Requirement. An ETI with a 35% Exemption must still:

1. Report to the ELR of jurisdiction when the overall population of VA beneficiaries exceeds 35% of the total enrollment.
2. Monitor each approved program for compliance with the 85% Ratio Requirement.
3. Provide 85/15 calculations at the request of a **VA official or an SAA official**

If during routine monitoring, an ETI with a 35% Exemption identifies a program exceeding 85% enrollment of supported students, school officials must follow steps outlined in the **Non-Compliance with 85/15 Requirement** section of this Handbook.

2. Department of Defense Exemption. A ETI is exempt from all provisions of the 85/15 Ratio Requirement if it has a Department of Defense Exemption.

3. Education Service Waiver. A program may be exempt from all provisions of the 85/15 Ratio Requirement if the ETI has requested and been granted an Education Service Waiver.

*Please contact your ELR for more details on any of these Exemptions and Waiver for which you believe your institution may qualify.