

U.S. Department of Defense Tuition Assistance Program MOU Requirement

On March 15, 2011, the U.S. Department of Defense (DoD) issued Instruction Number 1322.25, which establishes the policy requirement for a Memorandum of Understanding (MOU) from all educational institutions providing educational programs through the DoD Tuition Assistance Program (TA).

Our institutions were not aware of the detailed requirements of the MOU until they were informed by peers who attended a DOD sponsored webinar in August, so this is the first opportunity we have had to respond. Our response is as follows:

We have every desire to provide quality, cost effective education to Service members, and applaud DoD for sponsoring programs like TA. We also fully appreciate the importance of MOUs. However, we (including many of us who have already submitted our required MOU) are deeply concerned about multiple clauses in this MOU, and about DoD's failure to adequately notify us of the requirement.

The TA MOU and its Addenda impact multiple offices on our campuses (Registrar, Transcript, Business Office, Contract, and in some cases, Financial Aid), all of which have policies and procedures that must be changed in order to comply. Some of these policies and procedures cannot and should not be changed due to the cost and years of experience that went into their development and implementation. We strongly believe DoD has the responsibility to consult the education community, and to take into account the wide variety in size and organizational structure of participating schools across the country, before mandating such far-reaching changes. We are also concerned that DoD did not take sufficient steps to ensure that all institutions receiving TA, including institutions with a more modest number of TA recipients, received sufficient notice of the pending changes.

Following is a summary of the clauses our institutions are concerned about. This list is presented in order as the clauses appear on the MOU and its Addenda (pp 22-38 of Instruction No. 1322.25 located at <http://www.dtic.mil/whs/directives/corres/pdf/132225p.pdf>). This is by no means an exhaustive list, because only a handful of schools compiled it. But it is representative of the widespread concern among schools across the country.

MOU Template (pp 22-30):

- 2. e. (1) – Who determines recipient eligibility; how and when is recipient eligibility or non-eligibility communicated to schools?
- 2. e. (2) – Do education programs “outside of the United States” include study abroad programs conducted by schools within the United States?

- 3. d. – Do schools who are not a member of SOC have to become a member? Many schools cannot agree to this clause based largely upon the transfer credit policy or credit by examination.
- 4. a. – Many schools cannot agree to this clause because there are many situations in which different Service members taking the same course will be charged different rates, e.g. matriculation date, residency status, enrollment status (full- vs. part-time; degree vs. non-degree). Also, there may be differences in tuition rates charged at different campuses in a multi-campus institution.
- 4. b. – This MOU needs to reflect how disclosure to the issuing Service will be administered such that the schools remain in compliance with their obligations under the Family Education Rights and Privacy Act (FERPA).
- 4. c. (3) – Many schools cannot agree to this clause because education plans frequently change based on accreditation requirements and/or academic restructuring in response to research and technology developments and/or market trends. Creating an evaluated advising plan within 60 days of admission is well outside standard institutional practices in some cases.
- 4. d. (1) – Many schools feel that holding qualifying service members “solely responsible” for payment if they enroll before notifying the school of their intent to use TA is both unwise and unfair because students often apply for other forms financial aid after enrolling in class.
- 4. e. (1) – This contradicts current VA guidelines about priority of funding.
- 4. e. (3) – Many schools cannot agree to this because Title IV aid (including Pell Grant) is processed by the Financial Aid Office and disbursed ten days prior to start-of-term, while TA is processed by the Business Office, and is not disbursed until TA authorization is received and processed.
- 4. f. (2) – Many schools cannot agree to this because all mandatory course fees and many enrollment fees are non-refundable.
- 4. h. (2) – This is contradictory to the textbook policy for many schools.
- 4. i. (3) – Multi-campus schools will not be able to agree to this.
- 4. j. (1) – Many schools cannot agree to this unless or until each DoD Service's electronic delivery system complies with the school's security and reporting requirements.
- 4. j. (2) – How will this evaluation take place, what type of reports will be issued, and where and how will schools be required to submit their written response to DoD findings?
- 4. j. (3) – Many schools cannot agree to this because the two- year post-termination and 14- day response requirements are not attainable. Are these reports intended to be individualized or aggregate?

MOU Addendum for USAF

- 1. It is not clear who is “not covered.” To whom does “non-DoD personnel not covered in the DoD ...MOU” refer?
- 2. b. (1) (e) and (g) – Many schools cannot agree to this because AI Portal does not meet the school's security and reporting requirements.

- 2. b. (1) (h) – Many schools cannot agree to this because they do not accept credit card payments due to the prohibitive cost of merchant fees.
- 2. b. (1) (i)—This Addendum needs to reflect how disclosure will be administered such that the schools remain in compliance with their obligations and the Family Education Rights and Privacy Act (FERPA).
- 3. c. – In the sentence, “The Institution further agrees to defend, pay, or settle all claims arising out of the use of USAF facilities based upon the negligence...of its agents, representatives, officers, employees, and non-DoD affiliated students.”, to whom does the word “its” refer, the Institution or USAF? Also, many state schools may have constitutional prohibitions on indemnity or may have caps on damages that will need to be reflected in the MOU.

MOU Addendum for U.S. Marine Corps

- 2. b. (2)—What does “open enrollment” mean?
- 2. b. (3) – What does “all required equipment” include?
- 3. a.—Many schools cannot agree to this because it is inconsistent with the rules that apply to its other students (e.g., that invoicing is done for all students at the end of the school's drop/add period).
- 3. b. – Many schools cannot agree to this because the school will not transmit SSN without a secure file transfer mechanism; schools will not mail SSN.
- 3. e. – What is the mechanism for submitting grades to NETPDTC? This Addendum also needs to reflect how disclosure will be administered such that the schools remain in compliance with their obligations and the Family Education Rights and Privacy Act (FERPA).
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MOU Addendum for U.S. Navy

- 2. c. (5) – Many schools cannot agree because schools do not have/provide national or international toll-free phone numbers.
- 2. d. – Many schools will not be able to agree that the commanding officer is the final decision maker for all disputes.