MEMORANDUM

DATE: August 27, 2009

TO: Chief Administrators & Business Officers (CABO)

FROM: Robert Turnage
Assistant Vice Chancellor for Budget

SUBJECT: Post 9/11 G.I. Bill Benefits and Treatment of Fee and Tuition Payments

Background. As you know, this year Congress enacted significant new benefits for veterans who served in the Armed Forces on or after September 11, 2001. These benefits include reimbursement from the Veterans Administration (VA) of postsecondary tuition and fees charged to eligible veterans. For all postsecondary institutions in each state, Congress directed that reimbursement amounts be capped at the highest public college/university amounts in each state.

For California, the establishment of these caps was delayed due to a dispute that arose between the State and the VA over the VA’s initial determination that the tuition cap for eligible veterans attending college or university in California would be zero. (Under this program, the VA has set separate caps for “tuition” and “fees” in each state.) This disagreement was recently resolved in California’s favor and the VA is now using the University of California’s Education Fee as the equivalent of tuition for purposes of setting a tuition reimbursement cap. Under the VA approach, this results in a tuition cap for eligible veterans at California colleges and universities of $287 per semester unit. The Chancellor’s Office Academic Affairs division recently advised campus veterans affairs staff to divide the State University Fee (SUF) charged to eligible veterans by the number of enrolled units for purposes of claiming “tuition” reimbursement from the VA on behalf of the students.
The per-unit nature of the VA’s tuition cap does not neatly match the structure of the State University Fee. For a relatively small number of eligible CSU students—for example, eligible undergraduates taking four semester units or less—the division of SUF by enrolled units results in an amount that exceeds $287 per unit. In these cases, campus veteran affairs staff have been advised to assign the “excess” amount of SUF to the fee column of the VA reimbursement form. (The fees cap set for California by the VA is a flat $2,165 per semester and, thus, can readily accommodate the “excess” SUF.)

Another concern has arisen recently with reports across the country that the VA is having trouble processing the large number of reimbursement claims in a timely manner.

**CSU Approach.** We want to insure that eligible veterans enrolling at CSU campuses are not adversely affected by the delays described above. Therefore, campuses should continue to register students who are certified for eligibility under the post-9/11 G.I. bill program as they normally would and campuses should treat the State University Fee, campus mandatory fees and nonresident tuition (if applicable) for these students as accounts receivable until the campus receives reimbursement from the VA for the eligible student.

RT/Im