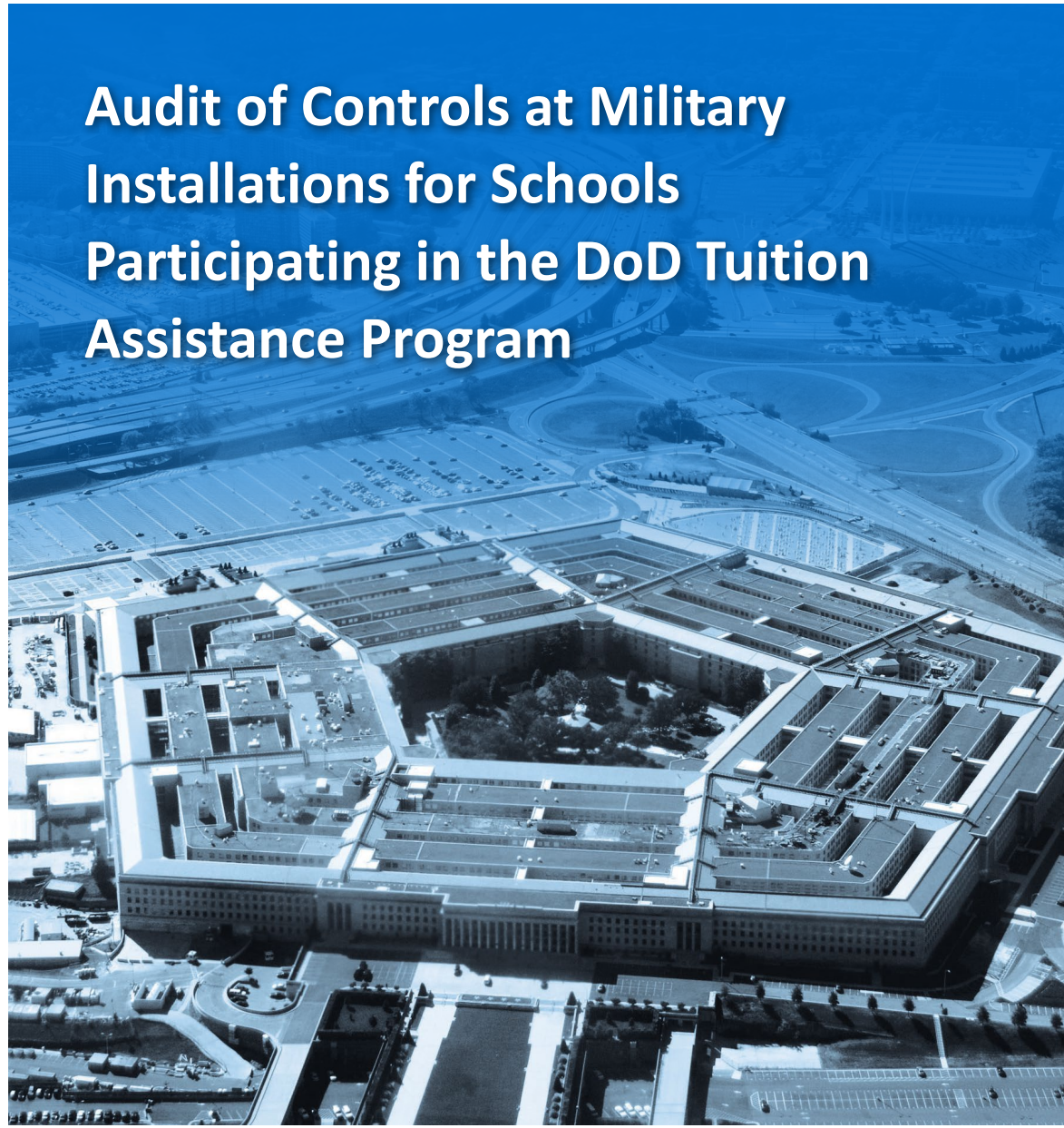




INSPECTOR GENERAL

U.S. Department of Defense

SEPTEMBER 10, 2019



Audit of Controls at Military Installations for Schools Participating in the DoD Tuition Assistance Program

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE





Results in Brief

Audit of Controls at Military Installations for Schools Participating in the DoD Tuition Assistance Program

September 10, 2019

Objective

We determined whether military installations had implemented controls for the DoD Tuition Assistance Program that were designed to ensure that educational institutions with authorized access to DoD installations complied with DoD policies and partnership memorandums of understanding (MOUs) to prevent improper recruitment of service members.

Background

Advocacy Organization Concerns.

In November 2017, a veterans education advocacy organization contacted the DoD Office of Inspector General to raise concerns it had observed with the DoD's administration of the DoD Tuition Assistance Program. Among other concerns, the advocacy organization stated that it believed that military installations' contracts (sponsorship agreements) with for-profit colleges may encourage improper practices for recruiting and collection of service members' data in violation of the DoD's MOU with educational institutions. The advocacy organization also raised concerns related to:

- for-profit educational institutions manipulating the Higher Education Act 90-percent Federal funding cap, which limits for-profit educational institutions from deriving more than 90-percent of their revenues from Title IV Federal student aid programs;
- the quality of educational institutions participating in the DoD Tuition Assistance Program; and

Background (cont'd)

- an online school ranking tool and advertisements for "Military-Friendly Schools" (allegedly made available on many military bases) that were deceptive because they did not disclose that the recommended schools paid to be promoted.¹

These topics were either overseen by the Department of Education or not part of the Tuition Assistance Program. In Appendix B we discuss the advocacy organization's concerns and our analysis of these concerns. In short, we found that the:

- Department of Education monitored and reported annually on for-profit educational institutions compliance with the Higher Education Act 90-percent Federal funding cap and that the schools that violated the cap were not eligible to receive DoD Tuition Assistance Funds.
- 29 educational institutions included in our review were accredited—meaning that a Department of Education-approved accrediting agency assessed the educational institution to ensure that it meets acceptable levels of quality. Therefore, the 29 educational institutions that we reviewed met Department of Education quality standards because they were accredited.
- Federal Trade Commission took action to correct the online school ranking tool by requiring the publisher to disclose all material connections between the endorser and the schools.

Tuition Assistance Program. To examine the advocacy organization's key concerns related to the DoD, we analyzed the controls at military installations to prevent improper practices by educational institutions.

The DoD Tuition Assistance Program provides eligible active duty and Reserve Component service members funding for tuition costs for courses at accredited colleges, universities,

¹ Title IV of Public Law 89-329, "Higher Education Act of 1965," November 8, 1965. Federal student aid programs include (1) Grants - financial aid that does not have to be repaid; (2) Work-Study - a work program through which participants earn money to help pay for school; and (3) Loans - borrowed money for college or career school.



Results in Brief

Audit of Controls at Military Installations for Schools Participating in the DoD Tuition Assistance Program

Background (cont'd)

and vocational or technical institutions. The Tuition Assistance Program funds classroom and distance learning courses taken towards completing academic certificates or associate, undergraduate, and graduate degrees. In FY 2017, 255,729 service members received \$485.5 million in Tuition Assistance Program funding.

Educational institutions that want to participate in the Tuition Assistance Program must sign an MOU with the Under Secretary of Defense for Personnel and Readiness in which the institution commits not to use improper recruiting practices. According to DoD Instruction 1322.25, improper recruiting practices include:

- using unfair, deceptive, abusive, or fraudulent devices, schemes, or artifices (including misleading advertising or sales literature); and
- engaging in unfair, deceptive, or abusive marketing tactics, such as marketing during unit briefings or assemblies, engaging in open recruiting efforts, or distributing marketing materials on DoD installations or at DoD events without approval and monitoring by the responsible education adviser.²

To execute the DoD Tuition Assistance Program, the Army, Air Force, and Marine Corps operate education centers on their installations, and the Navy operates a consolidated virtual education center for all naval installations in the continental United States.

Finding

At the five military installations we visited, Military Service officials had implemented Tuition Assistance Program controls, which sought to ensure that educational institutions with authorized access to DoD installations complied with DoD instructions

and partnership MOUs to prevent improper recruitment of service members. We found that DoD education center or morale, welfare, and recreation (MWR) personnel had approved and monitored sponsorship and advertising agreements, and approved installation access requests for educational institutions, to seek to ensure that educational institutions met the requirements of DoD instructions and partnership MOUs. In addition, Military Services required service members to meet with an education counselor to discuss their academic and career goals and identify potential institutions or education programs that fit their goals before being approved to receive tuition assistance funds.

Sponsorship Agreements. These agreements allowed educational institutions to display banners and logos, and provide promotional items at sponsored events, such as air shows and organized runs. Specifically, the five installations we visited had 12 sponsorship agreements valued at \$63,300, to sponsor 23 events, of which we reviewed 11 agreements. (Only 1 of the 12 sponsorship agreements was with a for-profit educational institution.) We verified that the 11 sponsorship agreements between the installation MWR office and the educational institution required, in accordance with DoD guidance, that agreements be reviewed by legal and education offices.

In addition, the installation legal office, MWR personnel, and education center personnel reviewed and approved the agreements. Furthermore, education center and MWR personnel at installations we visited stated that they monitored educational institution sponsored events for prohibited recruiting practices by attending and monitoring the event.

Advertising Agreements. These agreements allowed educational institutions to advertise on installation MWR websites, digital marquee signs, digital slides on monitors at MWR facilities, and in a bi-monthly base magazine. Specifically, at the five installations we visited, we reviewed a nonstatistical sample

² DoD Instruction 1322.25, "Voluntary Education Programs," March 15, 2011, (Incorporating Change 3, July 7, 2014).



Results in Brief

Audit of Controls at Military Installations for Schools Participating in the DoD Tuition Assistance Program

Finding (cont'd)

of 11 advertising agreements, valued at \$50,175. (None of the 11 advertising agreements were with a for-profit educational institution.) We verified that, in accordance with DoD guidance, the 11 advertising agreements between the installation MWR office and the educational institutions stated that the advertisements must contain the required disclaimer that Federal endorsement is neither implied nor intended. We reviewed advertisements placed on the five installations by educational institutions and determined that the advertisements we reviewed contained the DoD-required disclaimers. In addition, MWR and education center personnel told us that, before the advertisements were published or posted on the installations, education advisers reviewed and approved the advertisements.

Installation Access Requests. Educational institutions interested in providing education, guidance, and training opportunities, or participating in education fairs on a DoD installation, must request access to the installation through the education adviser. The education adviser is required to review and analyze these requests on behalf of the installation commander to ensure that educational institutions are complying with DoD guidance. Specifically, at the five installations we visited, we reviewed a nonstatistical sample of 17 installation access requests. (Of the 17 requests, 4 requests were from for-profit educational institutions.) We verified that, in accordance with DoD guidance, the 17 installation access requests were reviewed and approved by the Service's education center advisers.

Counseling Sessions. The Military Services required service members to meet with an education counselor before being approved to receive tuition assistance funds. At the five installations we visited, the education counselors met with service members to discuss the service members' academic and career goals and to identify potential institutions or education programs that fit the service members'

goals before the counselor approved the service member to receive tuition assistance funds. During the counseling sessions, service members were referred to the Tuition Assistance DECIDE website, which provides information about programs and degrees and the cost of attendance at the educational institutions the service member is interested in attending. We surveyed 60 service members at six installations to determine whether they received counseling; 57 responded that they had met with an education counselor and 3 service members did not respond to the survey question. Of the 57 service members who met with a counselor, 51 responded that a counselor reviewed all the information they needed to make an informed decision. In addition, 51 of the 60 service members surveyed responded that counselors discussed financial aid, course tuition, and fees during their sessions. Counseling represents another tuition assistance control.

Conclusion

We determined that Military Service officials implemented controls designed to ensure that educational institutions with authorized access to DoD installations complied with DoD policies and partnership MOUs for sponsorship and advertising activities and base access. In addition, the Military Services required service members to meet with an education counselor before the members were permitted to select an institution or education program.

While we believe that the implemented controls provided reasonable assurance that educational institutions complied with DoD policies and partnership MOUs, there is always a risk that an educational institution could circumvent implemented controls and use unfair, deceptive, abusive, or fraudulent practices to recruit service members.





**INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
4800 MARK CENTER DRIVE
ALEXANDRIA, VIRGINIA 22350-1500**

September 10, 2019

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR PERSONNEL
AND READINESS
AUDITOR GENERAL, DEPARTMENT OF THE NAVY
AUDITOR GENERAL, DEPARTMENT OF THE ARMY
AUDITOR GENERAL, DEPARTMENT OF THE AIR FORCE

SUBJECT: Audit of Controls at Military Installations for Schools Participating in the
DoD Tuition Assistance Program (Report No. DODIG-2019-122)

This final report provides the results of the DoD Office of Inspector General's audit. We considered management comments on a discussion draft copy of this report when preparing this final report. We did not make any recommendations; therefore, no management comments are required.

We appreciate the cooperation and assistance received during the audit. If you have any questions, please contact me at (703) 604-8938, DSN 664-8938.

A handwritten signature in blue ink, reading "Richard B. Vasquez".

Richard B. Vasquez
Assistant Inspector General for Audit
Readiness and Global Operations

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Introduction

Objective

We determined whether military installations had implemented controls for the DoD Tuition Assistance Program that were designed to ensure that educational institutions with authorized access to DoD installations complied with DoD policies and partnership memorandums of understanding (MOUs) to prevent improper recruitment of service members. See the “What We Reviewed” section at the end of this introduction for a summary of how we accomplished this audit objective. See Appendix A for a discussion of scope, methodology, and prior audit coverage.

Background

There are two primary education benefit programs for service members:

- DoD Voluntary Education Program, which is administered by the DoD and includes the DoD Tuition Assistance Program; and
- Montgomery G.I. Bill or Post-9/11 G.I. Bill (the G.I. Bill), which is administered by the Department of Veterans Affairs.³

Our audit focused on the DoD Tuition Assistance Program.

Veterans Education Advocacy Organization Concerns

In November 2017, a veteran’s education advocacy organization contacted the DoD Office of Inspector General to raise concerns about issues it observed with the DoD’s administration of the DoD Tuition Assistance Program. The advocacy organization stated that, among other concerns, it believed that military installations’ contracts (sponsorship agreements) with for-profit colleges may encourage improper practices for recruiting and collecting service members’ data in violation of the DoD’s MOU with educational institutions. Specifically, the advocacy organization noted that in 2014, a for-profit educational institution violated the DoD MOU by using DoD official seals or other trademark insignia and failing to coordinate with the responsible education adviser for each activity requiring access to the DoD installation.

³ The Department of Veterans Affairs administers the Montgomery G.I. Bill and Post-9/11 Educational Programs governed by Public Law 115-48, “Harry W. Colmery Veterans Educational Assistance Act of 2017,” August 16, 2017, (commonly known as the Post-9/11 G.I. Bill). The Post-9/11 G.I. Bill provides up to 36 months of education benefits to active duty service members, honorably discharged veterans, and veterans who have suffered a disability during service. For the 2018 academic year, the Post-9/11 G.I. Bill pays all tuition and fees for an in-state student at a public school and is limited to \$23,671.94 per academic year for attendance at a private or foreign school.

To address the advocacy organization’s concerns, we analyzed the controls Military Service officials implemented to prevent improper practices by educational institutions (specifically for-profit educational institutions) on military installations.

The advocacy organization also raised concerns related to:

- for-profit educational institutions manipulating the Higher Education Act 90-percent Federal funding cap, which limits for-profit educational institutions from deriving more than 90-percent of their revenues from Title IV Federal student aid programs;
- for-profit educational institutions participating in the DoD Tuition Assistance Program failing to provide a high-quality education; and
- an online school ranking tool and advertisements for “Military-Friendly Schools” (allegedly made available on many military bases) that were deceptive because they did not disclose that the recommended schools paid to be promoted.⁴

These topics were either overseen by the Department of Education or not part of the Tuition Assistance Program. See Appendix B for a complete discussion of the advocacy organization’s letter and our analysis of the additional concerns raised in the letter. In short, we found that the:

- Department of Education monitored and reported annually on for-profit educational institutions compliance with the Higher Education Act 90-percent Federal funding cap and that the schools that violated the cap for two fiscal years were not eligible to receive DoD Tuition Assistance Funds for at least two consecutive fiscal years.
- 29 educational institutions included in our review were accredited—meaning that a Department of Education-approved accrediting agency assessed the educational institutions to ensure that it meets acceptable levels of quality.
- Federal Trade Commission took action to correct the online school ranking tool by requiring the publisher to disclose all material connections between the endorser and the schools.

DoD Tuition Assistance Program

The DoD Tuition Assistance Program is a DoD voluntary education program. DoD voluntary education programs are continuing, adult, or postsecondary educational programs of study that service members elect to participate

⁴ Title IV of Public Law 89-329, “Higher Education Act of 1965,” November 8, 1965. Federal student aid programs include (1) Grants – financial aid that does not have to be repaid; (2) Work-Study – a work program through which participants earn money to help pay for school; and (3) Loans – borrowed money for college or career school.

in during their off-duty time. These programs seek to provide educational opportunities comparable to those available to individuals outside the military, are available to all active duty personnel, and include courses and services provided by accredited postsecondary vocational and technical schools, colleges, and universities. The Under Secretary of Defense for Personnel and Readiness manages the DoD Tuition Assistance Program. These responsibilities are delegated to the Assistant Secretary of Defense for Readiness, who oversees the DoD Tuition Assistance Program.

The DoD Tuition Assistance Program provides eligible active duty and Reserve Component service members funding for tuition costs for courses at accredited colleges, universities, and vocational or technical institutions. The program funds classroom and distance learning courses taken towards completing academic certificates or associate, undergraduate, and graduate degrees.⁵

The Tuition Assistance Program cannot be used to pay for books, materials, or other fees (such as equipment, supplies, registration, and parking fees). However, service members can use G.I. Bill benefits to pay for these non-tuition costs. Additionally, if the service member leaves the military before the course ends; quits the course for reasons other than personal illness, military transfer, or mission requirements; or fails the course, the service member is required to reimburse the Tuition Assistance Program.

FY 2017 Tuition Assistance Program Participation

In FY 2017, 255,729 service members participated in the DoD Tuition Assistance Program at a cost of \$485.5 million. Table 1 shows a breakdown of the FY 2017 Tuition Assistance Program, including educational institutions by type, number of participants, and total costs.

Table 1. FY 2017 Tuition Assistance Program Data

Institution Type	Number of Institutions	Number of Tuition Assistance Participants	Number of Tuition Assistance-Funded Courses	Total Tuition Assistance Cost
Private, For-Profit	186	97,796	283,627	\$205,768,557
Private, Non-Profit	563	63,471	186,992	133,067,621
Public	1,215	94,462	255,686	146,638,706
Total	1,964	255,729	726,305	\$485,474,884

Source: The DoD Tuition Assistance DECIDE website.

⁵ The funding limit for the Tuition Assistance Program is \$250 per semester hour (\$166.67 per quarter hour) and \$4,500 per fiscal year. Most postsecondary educational institution courses are three semester hours, for which the Tuition Assistance Program will pay up to \$750.

Services' Education Center Structures

Each Military Service operates centers that provide academic and vocational counseling services, testing, and academic support services to active duty and Reserve personnel. While the Army, Air Force, and Marine Corps operate education centers on their respective installations, the Navy operates one consolidated education center (the Navy College Virtual Education Center at Naval Air Station Oceana, Dam Neck Annex, Virginia) for all naval installations in the continental United States. The Navy College Virtual Education Center serves as the Navy College Program's central location for information and guidance for off-duty Navy voluntary education programs, products, and services. The Navy also operates education centers at overseas installations.

DoD Tuition Assistance DECIDE Website

To provide required information and assist service members and education counselors in making informed decisions about schools and education programs, the DoD maintains the DoD Tuition Assistance DECIDE website. DECIDE is an information and comparison tool that is populated with recognized and trusted data sources from the Departments of Defense, Education, and Veterans Affairs. Only information on educational institutions eligible to participate in the Tuition Assistance Program is available through the DECIDE website. The website helps service members compare educational institutions that they may be considering by providing information about the institutions' educational costs and performance metrics, including:

- basic educational institution information and accreditation;
- number of DoD Tuition Assistance participants, funding by Service, and type of funding used;
- programs and degrees;
- cost of attendance (tuition and fees, books and supplies, and room and board);
- Department of Education data on the institution's financial health and the median amount of Federal student loans borrowed by undergraduate students;
- graduation rate; and
- number and types of DoD Tuition Assistance program complaints.

DoD Actions to Address Government Accountability Office Reports on the Tuition Assistance Program

In 2011 and 2014, the Government Accountability Office (GAO) reported on issues it identified with the DoD Tuition Assistance Program. The GAO found that the DoD could benefit from increased accountability in its education quality review process and a centralized system to track complaints. (See “Prior Coverage” in Appendix A for a complete description of the GAO’s finding and recommendations). As a result of the GAO’s findings, the DoD agreed to:

- revise DoD Instruction 1322.25, “Voluntary Education Programs,” to explicitly address adverse conduct by a school that may negatively impact service members;
- revise the DoD Voluntary Education Partnership MOUs to explicitly address adverse conduct by a school that may negatively impact service members;
- establish an automated complaint system to track complaints and resolutions; and
- develop a plan for future evaluations of educational institutions, including third-party reviews.

DoD Instruction for Voluntary Education Programs

On July 7, 2014, in part to address the GAO’s findings, the DoD revised DoD Instruction 1322.25, “Voluntary Education Programs,” which establishes voluntary education policy and outlines the eligibility criteria for tuition assistance.⁶ The instruction states that, to enroll service members and receive tuition assistance funds, educational institutions must:

- provide students information about the financial cost and attendance requirements at the institution so that the service member can make informed decisions on where to attend school;
- commit not to use unfair, deceptive, and abusive recruiting practices that target service members; and
- provide academic and student support services specific to the institution’s programs.

DoD Instruction 1322.25 allows educational institutions access to military installations to provide academic programs and counseling and to participate in education fairs. To visit the military installation solely to provide counseling, the educational institution must have a minimum of 20 military students enrolled at the military installation, and must maintain a record of students counseled and provide a copy to the education center following the visit.

⁶ DoD Instruction 1322.25, “Voluntary Education Programs,” March 15, 2011, (Incorporating Change 3, July 7, 2014).

The instruction also requires educational institutions that want to participate in the DoD Tuition Assistance Program to sign a DoD Voluntary Education Partnership MOU with the Under Secretary of Defense for Personnel and Readiness before receiving tuition assistance funds.

DoD Voluntary Education Partnership MOU

The MOU identifies the commitments and agreements between the educational institution and the Under Secretary of Defense for Personnel and Readiness.

In order to have an approved MOU, educational institutions must be:

- accredited by a national or regional accrediting body recognized by the Department of Education;
- state-approved for the use of veterans' education benefits;
- certified to participate in Federal student aid programs; and
- compliant with all state laws related to distance education as required by the Department of Education.

In part to address the GAO's findings, the DoD updated the MOU to document the educational institution's commitment not to use improper recruiting practices, which are defined as:

- using unfair, deceptive, abusive or fraudulent devices, schemes, or artifices (including misleading advertising or sales literature); and
- engaging in unfair, deceptive, or abusive marketing tactics, such as marketing during unit briefings or assemblies, engaging in open recruiting efforts, or distributing marketing materials on DoD installations or at DoD events without approval and monitoring by the responsible education adviser.

As of July 13, 2018, 2,784 educational institutions had a signed DoD Partnership MOU and were eligible to participate in the Tuition Assistance Program.

Postsecondary Education Complaint System

In January 2014, in part to address the GAO's finding, the DoD launched the Postsecondary Education Complaint System in collaboration with the Departments of Veterans Affairs and Education. The complaint system provides a centralized online reporting system for service members and their families to report problems with educational institutions. Complaints are submitted through the Postsecondary Education Complaint System, which is accessed through the DoD website.⁷

⁷ <https://pecs.militaryonesource.mil/pecs/dodpecs.aspx>.

In FY 2017, Tuition Assistance Program participants submitted 30 complaints to the Postsecondary Education Complaint System. Student loans, recruiting and marketing practices, transfer of credits, and accreditation were among the complaint categories. Table 2 shows the number of complaints filed by DoD Tuition Assistance Program participants in FYs 2014 through 2018, as well as a decrease in the number of complaints during that time.

Table 2. Participant Complaints by Fiscal Year

Fiscal Year	Number of Participants	Number of Complaints
2014	294,200	92
2015	285,763	64
2016	271,706	53
2017	255,729	30
2018*	247,681	15

* Our analysis of the type of complaints submitted by participants was based on FY 2017 data because that was the universe of complaints during our audit. However, subsequent to our fieldwork, but prior to the release of this report, the DoD Tuition Assistance DECIDE website published the number of complaints filed in FY 2018. While we did not analyze the complaints filed in FY 2018, we included in this table the number of complaints filed in FY 2018 to show the decline in the number of complaints.

Note: The number of complaints is less than 1 percent of the total number of participants for FYs 2014 through 2018.

Source: The DoD Tuition Assistance DECIDE website.

Of the 30 complaints in FY 2017, 11 complaints were against for-profit educational institutions (the focus of the advocacy organization’s concerns). We analyzed these 11 complaints in the “Service Officials Designed Controls to Ensure Educational Institution Compliance” section of our finding.

DoD Institutional Compliance Program

In FY 2017, in part to address the GAO’s findings, the DoD implemented the DoD Institutional Compliance Program. The program provides feedback to educational institutions to improve their compliance with the guidelines established in the DoD Voluntary Education Partnership MOU. The program includes three annual assessments by a contractor.

- Assessment 1 uses sampling to select 250 institutions from the entire population of Tuition Assistance-approved institutions and requires third-party evaluations of a 15-question institution self-assessment and website verification.

- Assessment 2 requires third-party evaluations of 25 of the institutions sampled in Assessment 1. Assessment 2 reviews the institutions' self-assessments of internal processes that support compliance with the guidelines established in the DoD Voluntary Education Partnership MOU, Service education office surveys, and scenario-based assessments.
- Assessment 3 is an on-site, in-depth review of five of the institutions sampled in Assessment 2.

A contractor hired by the Assistant Secretary of Defense for Readiness performed Assessment 1 in FY 2018. The Assessment 1 report identified common issues with educational institution websites, including:

- display of DoD or Service insignias and logos (implying DoD endorsement);
- incomplete tuition assistance guidance;
- lack of demonstrated or easily accessible information pertaining to programmatic accreditation; and
- lack of transparency regarding the financial aid process, including timeliness and total cost of attendance.

In February 2018, the DoD communicated the Assessment 1 results to 23 for-profit educational institutions included in the sample of 250 educational institutions. The Assistant Secretary of Defense for Readiness required educational institutions to resolve report findings of noncompliance and provide corrective actions taken within 6 months of the review. The Assistant Secretary of Defense for Readiness received corrective action plans from all 23 for-profit educational institutions. Assistant Secretary of Defense for Readiness officials stated that they reviewed the supporting documentation provided by the educational institutions to verify whether the corrective actions addressed each finding.

According to personnel from the Office of the Assistant Secretary of Defense for Readiness, Assessment 1 took longer than anticipated due to required coordination and approval processes. As a result, Assessments 2 and 3 were not performed in FY 2018. On March 26, 2019, an official from the Office of the Assistant Secretary of Defense for Readiness stated that through a process improvement recommendation they will not perform the 3-part third-party assessment in FY 2019. Instead, the process for the FY 2019 assessment would include a self-assessment by the education institution and a review of the educational institution's public website by the third-party assessor.

What We Reviewed

We reviewed DoD Tuition Assistance Program controls designed to prevent improper recruiting on military installations, including controls over educational institution compliance with DoD Voluntary Education Partnership MOUs, sponsorship and advertising agreements, and base access requests. Furthermore, we interviewed morale, welfare, and recreation (MWR) and education center officials who manage, and surveyed service members who participate in, the DoD Tuition Assistance Program at the installations we visited to determine whether the DoD Tuition Assistance program's controls were being implemented.

We visited the following Army, Air Force, and Marine Corps installations that were among the top five locations with the most Tuition Assistance Program participants or funds spent for their respective Services.

- Fort Campbell, Kentucky
- Joint Base Lewis-McChord, Washington
- Joint Base Andrews, Maryland
- Marine Corps Base Camp Lejeune, North Carolina

Also, we visited the consolidated Navy College Virtual Education Center at Naval Air Station Oceana, Dam Neck Annex, Virginia. Table 3 shows a breakdown of the FY 2017 Tuition Assistance Program number of participants and total costs for each of the installations we visited.

Table 3. FY 2017 Tuition Assistance Program Data for Installations Visited

Installation	Number of Tuition Assistance Participants	Total Tuition Assistance Cost
Fort Campbell, Kentucky	4,431	\$7,378,690
Joint Base Lewis-McChord, Washington	5,286	8,759,003
Joint Base Andrews, Maryland	1,792	2,923,265
Marine Corps Base Camp Lejeune, North Carolina	3,600	7,100,000
Navy College Virtual Education Center, Virginia*	45,571	90,159,541
Total	60,680	\$116,320,499

* The Navy College Virtual Education Center provides tuition assistance for sailors on continental U.S. naval installations.

Source: Service Tuition Assistance Program offices.

In addition to interviewing MWR and education center officials, we surveyed service members at the five locations, as well as at Naval Support Activity Philadelphia, Pennsylvania, and Joint Base McGuire-Dix-Lakehurst, New Jersey. In the survey, we asked the Service members:

- whether they were taking classes using tuition assistance funding;
- why they chose the school they enrolled in;
- whether they were recruited, pressured, or encouraged to enroll in a specific school;
- whether financial aid, tuition, and fees were discussed during their counseling session;
- whether the school's outcomes, such as retention, graduation, or employment rates were discussed during the counseling session; and
- whether the education counselor reviewed all of the information the service member needed to make an informed decision.

See Appendix A for a complete description of our scope and methodology.

Review of Internal Controls

DoD Instruction 5010.40 requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls.⁸ We did not identify internal control weaknesses related to base access, sponsorships, or tuition assistance controls at the military installations we visited.

⁸ DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013.

Finding

Service Officials Implemented Controls for the Tuition Assistance Program

At the five military installations we visited, Military Service officials had implemented controls for the Tuition Assistance Program, which sought to ensure that educational institutions with authorized access to DoD installations complied with DoD policies and partnership MOUs to prevent improper recruitment of service members. For 29 educational institutions, we found that DoD education center or MWR personnel had approved and monitored sponsorship and advertising agreements, and approved installation access requests, to seek to ensure that these educational institutions met the requirements of DoD instructions and partnership MOUs. In addition, the Military Services required service members to meet with an education counselor to discuss their academic and career goals and identify potential institutions or education programs that fit their goals before being approved to receive tuition assistance funds.

While we believe that the implemented controls provided reasonable assurance that educational institutions complied with DoD policies and partnership MOUs, there is always a risk that an educational institution could circumvent implemented controls and use unfair, deceptive, abusive, or fraudulent practices to recruit service members.

Service Officials Implemented Controls Designed to Ensure Compliance With DoD Instructions and MOUs

At the five military installations we visited, Military Service officials had implemented controls for the Tuition Assistance Program, which sought to ensure that educational institutions with authorized access to DoD installations complied with DoD policies and partnership MOUs. To perform this analysis, at the five installations we visited we reviewed:

- sponsorship agreements to verify that the agreements complied with DoD requirements that agreements be reviewed by legal and education offices and no items valued over \$20 could be distributed.
- advertising agreements to verify that the agreements complied with DoD requirements that the advertisements must contain a disclaimer that Federal endorsement is neither implied nor intended.
- installation access requests to verify that the requests complied with DoD requirements that the education advisers review and approve the requests.

We also interviewed education counselors and reviewed counseling materials to determine how they counseled service members before granting them permission to receive tuition assistance funds. The counseling sessions represent another tuition assistance control.

Education Center Personnel Approved Sponsorship and Advertising Agreements

According to a December 3, 2015, memorandum (Office of the Assistant Secretary of Defense [OASD] memorandum) from the Deputy Assistant Secretary of Defense for Military Community and Family Policy, educational institutions operating under a valid partnership MOU may participate in MWR commercial sponsorship or advertising programs.⁹ DoD Instruction 1015.10 provides policy for MWR programs, including sponsorship and advertising agreements.¹⁰ Sponsorship includes providing assistance, funding, goods, equipment, or services to MWR programs or events for a specific period of time in return for public recognition or advertising promotions. Advertising agreements are a monetary fee paid for advertising exposure at the installation. Advertising gives entities a presence at the installation through banners, advertisements in local MWR publications, table tents, and electronic media (such as on marquees, digital network signs, commercial MWR websites, and social media).

Sponsorship Agreements

We reviewed 11 of the 12 sponsorship agreements at the five installations and determined that the agreements complied with the OASD memorandum and DoD Instruction 1015.10.¹¹ The OASD memorandum states that MWR personnel must coordinate with the installation's responsible education adviser to ensure that the sponsorship agreements do not conflict with DoD Instruction 1322.25 and the partnership MOU. Also, DoD Instruction 1015.10 requires that the MWR offices ensure that sponsors do not obtain personal contact information without attendee express written consent and have established procedures to ensure that sponsorships:

- be for a 1 year period or less,
- are reviewed by the installation legal office for legal sufficiency, and
- require promotional materials to include appropriate disclaimers since DoD does not endorse any commercial supplier, product, or service.

⁹ Deputy Assistant Secretary of Defense for Military Community and Family Policy memorandum, "Participation by Educational Institutions in Morale, Welfare, and Recreation Commercial Sponsorship and Advertising Programs," December 3, 2015.

¹⁰ DoD Instruction 1015.10, "Military Morale, Welfare, and Recreation (MWR) Programs," July 6, 2009, (Incorporating Change 1, May 6, 2011).

¹¹ The Joint Base Lewis-McChord MWR office could not locate the file for one FY 2017 agreement with a non-profit educational institution. Because the other 11 agreements used standard language and processes to comply with DoD Instruction 1015.10 and the advocacy organization's concern was with for-profit educational institutions, the 11 agreements provided a reasonable basis to reach our conclusions.

From October 1, 2016, through April 17, 2018, the five installations had 12 sponsorship agreements, valued at \$63,300, for nine educational institutions to sponsor 23 events. The agreements allowed the educational institutions to display banners and logos, and provide promotional items at the events. Table 4 summarizes the number of the sponsorship agreements from October 1, 2016, through April 17, 2018, at each of the installations we visited.

Table 4. Sponsorship Agreements at the Five Installations Visited

Location	Total Agreements			Non-Profit Agreements			For-Profit Agreements		
	No.	Value	No. of Events	No.	Value	No. of Events	No.	Value	No. of Events
Fort Campbell	–	–	–	–	–	–	–	–	–
Joint Base Andrews	1	\$3,000	1	1	\$3,000	1	–	–	–
Joint Base Lewis-McChord	8	49,400	17	8	49,400	17	–	–	–
Navy Mid-Atlantic	–	–	–	–	–	–	–	–	–
Camp Lejeune	3	10,900	5	2	9,500	3	1	\$1,400	2
Total	12	\$63,300	23	11	\$61,900	21	1	\$1,400	2

Source: Installation MWR offices.

Both Fort Campbell and the Navy Mid-Atlantic region had no sponsorship agreements from October 1, 2016, through April 17, 2018. For the three installations with sponsorship agreements:

- Joint Base Andrews had one sponsorship agreement with a non-profit community college to be a sponsor of the base air show in FY 2017 for \$3,000.
- Joint Base Lewis-McChord had sponsorship agreements with four non-profit educational institutions sponsoring three recurring monthly events and two non-profit educational institutions sponsoring two single day events, totaling \$42,550, in FY 2017. As of April 17, 2018, MWR officials provided sponsorship agreements with three non-profit educational institutions sponsoring six single day events, totaling \$6,850, in FY 2018. Sponsored events included Armed Forces Day, Turkey Trot (a 5k fun run), a cultural day, and Kids' Fest.
- Camp Lejeune had two sponsorship agreements—one with a for-profit educational institution (\$1,400) to sponsor two golf events, and one with a non-profit university (\$6,500) for a teambuilding and fitness event that totaled \$7,900 in FY 2017. As of April 17, 2018, Camp Lejeune had one FY 2018 sponsorship agreement for a non-profit university to sponsor an education fair that totaled \$3,000.

In addition, the Army and Air Force sponsorship agreements included requirements that advertising material and samples of promotional items be approved in advance; that no items valued over \$20 could be distributed; and that no military logos, emblems, seals, trademarks, or other protected DoD marks could be displayed by the educational institution. The Marine Corps agreements did not have this wording in the agreements but the Marine Corps Community Services staff stated that they reviewed the advertising material, did not allow prizes to be handed out, and monitored sponsor activities. At the sponsorship event we attended, educational institutions distributed promotional items, such as pens, highlighters, lip balm, and stress balls. The educational institutions that attended this event did not display any military logos, emblems, seals, trademarks, or other protected DoD markings.

In addition, for the sponsorship agreements that we reviewed, the installation legal office, MWR personnel, and education center personnel reviewed and approved the agreements. These sponsorship agreements therefore complied with the OASD memorandum and DoD Instruction 1015.10. For example, at Joint Base Andrews, the Air Force provided a memorandum from the Contract and Fiscal Law Chief that documents the legal review of the sponsorship agreement and concludes that the agreement is legally sufficient. Specifically, the memorandum shows that the legal review included a review of Federal databases to determine whether the sponsor was a suspended contractor or had a negative contracting history and a determination that the agreement met the requirements of the Air Force Instruction for commercial sponsorship and advertising.¹²

We also found that sponsorship agreements with for-profit educational institutions declined at the installations we visited. As previously discussed, in a letter to the DoD Office of Inspector General, a veteran's education advocacy organization stated that it believed that military installations' contracts (sponsorship agreements) with for-profit colleges may encourage improper practices for recruiting and collection of service members' data in violation of the DoD MOU with schools. Since the advocacy group's concern was specific to for-profit institutions, we reviewed the number of sponsorship agreements the five installations had with for profit institutions.

- In FYs 2014 and 2015, the five installations had 29 sponsorship agreements, valued at \$292,345, with 10 for-profit educational institutions.¹³
- In FYs 2017 and 2018 (as of March 30, 2018), there was only one sponsorship agreement, valued at \$1,400, with a for-profit educational institution.

¹² Air Force Instruction 34-108, "Commercial Sponsorship and Sale of Advertising," October 12, 2011.

¹³ Office of Assistant Secretary of Defense for Readiness only had data on for-profit institutions for FYs 2014 and 2015.

Furthermore, according to a February 20, 2018, Navy Fleet and Family Readiness Executive Summary on Navy Voluntary Education Guidance Impact on Navy MWR, Navy sponsorship agreements with educational institutions significantly decreased from a combined \$286,100 in FYs 2014 and 2015 to \$1,400 in FY 2017. This occurred because the Navy consolidated education advisers in the continental United States into regional locations, and a January 2016 policy from the Navy Voluntary Education Directorate required an education adviser be present at all educational institution-sponsored events.

Advertising Agreements

At the five installations, we reviewed a nonstatistical sample of 11 advertising agreements, valued at \$50,175, with nine educational institutions, and determined that the agreements complied with OASD memorandum and DoD Instruction 1015.10 requirements for:

- MWR personnel to coordinate with the installation's responsible education adviser to ensure that the advertising agreements do not conflict with DoD Instruction 1322.25 and the partnership MOU; and
- educational institutions to include a disclaimer stating that the advertisement does not imply a DoD endorsement. However, the instruction does not describe the specific wording or requirements for the disclaimer.

At the installations we visited, educational institutions advertised on installation MWR websites, digital marquee signs, digital slides on monitors at MWR facilities, and in a bi-monthly base magazine. MWR and education center personnel told us that, before the advertisements were published or posted on the installations, education advisers reviewed and approved the advertisements. The advertising agreements stated that the advertisements must contain the required disclaimer that Federal endorsement is neither implied nor intended. We reviewed advertisements posted by education institutions at the five installations we visited and found that they contained the DoD-required disclaimers. For example, at Fort Campbell's MWR office, the television screens contained a disclaimer for the educational institution that was advertised. In addition, the Joint Base Andrews MWR website had an education institution advertisement with the required disclaimer. The disclaimer on the television advertisement stated, "No Federal endorsement is implied," and the website disclaimer stated, "No Federal endorsement of advertiser is intended." Therefore, the advertising agreements and advertisements complied with the OASD memorandum and DoD Instruction 1015.10.

Education Center Personnel Approved Installation Access

We also reviewed the process that educational institutions must complete to gain access to military installations. According to DoD Instruction 1322.25, educational institutions interested in providing education, guidance, and training opportunities, or participating in education fairs on a DoD installation, must provide their requests to the responsible education adviser, who will review and analyze these requests on behalf of the installation commander. Before granting access, the DoD Instruction requires that the education adviser ensure that educational institutions are:

- party to a signed Voluntary Education Partnership MOU with the DoD;
- compliant with the requirements of the state where services will be rendered (including compliance with state laws related to distance education) consistent with regulations issued by the Department of Education;
- state-approved for the use of veterans' education benefits;
- certified to participate in Federal student aid programs through the Department of Education under Title IV of the Higher Education Act of 1965; and
- accredited by a national or regional accrediting body recognized by the Department of Education and conduct programs only from among those offered or authorized by the main administrative and academic office.

Our nonstatistical sample of 17 installation access requests included 11 educational institutions. We verified that these educational institutions that had sponsorship or advertising agreements were:

- state-approved for the use of veterans' education benefits,
- certified to participate in Federal student aid programs, and
- accredited by a national or regional accrediting body recognized by the Department of Education.

We could not review one additional educational institution that had a sponsorship or advertising agreement for state approval because it went out of business. However, we verified that this educational institution was certified to participate in Federal student aid programs and was accredited. We verified state approval through the Veterans Affairs GI Bill Comparison tool, certification for student aid through the Department of Education's website, and accreditation through the individual accrediting body websites.

In addition, we verified that education advisers reviewed and approved the installation access requests. Education advisers stated they determined that the educational institutions had:

- a signed DoD MOU, which requires the educational institutions to be accredited by a national or regional accrediting agency recognized by the Department of Education; and
- an installation control visitor request form for off-installation educational institutions, or a signed installation-level MOU for on-installation educational institutions.

Army officials at Fort Campbell and Joint Base Lewis-McChord stated that they require educational institutions to submit a base access request through the GoArmyEd website, the Army's tool for administering education benefits.

A Navy official stated that, for a school to be able to access a Navy installation, the school must have a current MOU, and either (1) have prior approval to be on the installation, or (2) have a regional education adviser present if the school wants to counsel students. Navy officials also stated that when an educational institution asks about gaining access to a Navy base, the education center provides the school with a copy of the Academic Institution Base Access User Guide, which provides the school instructions on how to apply for base access.¹⁴ According to the guide, the school requests base access electronically through the Navy's Academic Institution Portal. The guide states that the school should allow a minimum of 2 weeks of processing time for approval and the request, whether approved or denied, remains in the system as a historical record. The guide also states that the request will ask for the school point of contact, the name of the visitor, and a list of students the school wishes to contact.

Air Force education center officials at Joint Base Andrews stated that they approve installation access only when the educational institution requests access through the Air Force's Academic Institution Portal and the school is on the schedule, has been cleared through base security, and has been provided a contractor badge. The Air Force education center officials at Joint Base Lewis McChord stated that schools request base access through the Academic Institute Portal, one of three portals in the Air Force Education System. An education center official stated that he runs a report to determine whether a school requesting a visit has at least 20 students and a signed MOU.

Therefore, the education advisers complied with the DoD Instruction 1322.25 requirements to review and analyze requests for installation access.

¹⁴ Navy College Program, "Academic Institution Base Access User Guide," May 31, 2016.

Installation Personnel Monitored Sponsored Events

Education advisers and MWR personnel at the installations we visited stated that they monitor events sponsored by educational institutions to ensure that educational institutions comply with the DoD Instruction and partnership MOUs.¹⁵ According to installation education center and MWR personnel, they monitor sponsored events to ensure that educational institutions comply with the DoD Instruction and partnership MOUs. For example, at Camp Lejeune education advisers attended and monitored the event to ensure that service members gave written consent before educational institutions collected the service member's information.

We found that each installation had procedures that required education center or MWR personnel to monitor educational institutions when the DoD gave the institutions access to the installation to sponsor events. Procedures required:

- education center personnel to approve base access forms;
- education center personnel to review sponsorship and advertising agreements;
- education center or MWR personnel to monitor sponsored events to ensure that educational institutions comply with the DoD Instruction and partnership MOUs; and
- students to provide written consent prior to educational institutions collecting their information.

Both Fort Campbell and the Navy Mid-Atlantic region had no sponsorship agreements from October 1, 2016, through April 17, 2018. However, Fort Campbell held education fairs twice a year that were not sponsored. The education center personnel stated that they request all materials that the educational institution will hand out at the fair prior to the event so that all materials can be reviewed. Education center personnel stated that they attend the event and monitor the educational institutions' activities by walking around the event. During the education fair, each institution is required to display an educational disclosure checklist that identifies useful information including class format, degrees available, costs, and current accreditation. At Joint Base Lewis-McChord, the Army's MWR office monitored sponsorship events for both the Army and the Air Force. MWR officials stated that they monitor sponsorship events to ensure that the sponsor conforms to the requirements of the agreement, such as ensuring that banners are hung in appropriate locations.

¹⁵ Education advisers monitor sponsored events at Joint Base Andrews and Naval Air Station Oceana. MWR personnel monitor educational institution sponsored events at Joint Base Lewis-McChord and Camp Lejeune. Fort Campbell no longer allows educational institutions to sponsor events.

We attended one event sponsored by an educational institution at Camp Lejeune.¹⁶ At the event, we verified that education advisers monitored the 55 educational institutions that participated in the sponsored education event to prevent improper practices to recruit service members.

Service Members Received Tuition Assistance Counseling

The Military Services required service members to meet with an education counselor before being approved to receive tuition assistance funds. Counselors meet with service members to discuss their academic and career goals and identify potential institutions or education programs that fit their goals. In addition, counselors discuss transcripts, transfer of credits, tuition assistance policy and procedures, and evaluation of a degree plan.¹⁷ During the counseling session, service members are referred to the Tuition Assistance DECIDE website, which provides information about programs and degrees and the cost of attendance at the educational institutions the service member is interested in attending. See Appendix C for a summary of each Service's specific requirements for counseling.

We surveyed 60 service members at six installations to determine whether they received counseling. Of the 60 people we surveyed, 57 responded that they had met with an education counselor.¹⁸ Of the 57 service members who met with a counselor, 51 responded that a counselor reviewed all the information they needed to make an informed decision. In addition, 51 of the 60 service members surveyed responded that counselors discussed financial aid, course tuition, and fees during their sessions.¹⁹

The following describes the specific tuition assistance counseling at each of the five installations we visited. Based on our interviews with the counselors and education center personnel and our review of guidance materials, the counseling represents another tuition assistance control.

Tuition Assistance Counseling at Fort Campbell

At Fort Campbell, the education office provides a briefing to incoming soldiers who relocated to the installation. The briefing includes details on the Tuition Assistance Program, which the Army administers through the GoArmyEd website.²⁰

¹⁶ Only one sponsored event occurred during our visits to the installations.

¹⁷ A degree plan is a complete list of all the courses required to achieve the desired degree or certification.

¹⁸ We surveyed service members at Fort Campbell, Joint Base Lewis-McChord, Joint Base Andrews, Marine Corps Base Camp Lejeune, Naval Support Activity Philadelphia, and Joint Base McGuire-Dix-Lakehurst. Of 60 service members surveyed, 3 responded "not applicable." Of the three who responded "not applicable," one responded that counseling was not yet required and two provided no explanation for their response.

¹⁹ Of 60 service members surveyed, 4 responded "no," and 5 responded "not applicable." For the five service members who responded "not applicable," one responded that counseling was not yet required and four provided no explanation for their responses.

²⁰ www.GoArmyEd.com

According to Fort Campbell education center personnel, when a soldier wants to begin participating in the Tuition Assistance program, the soldier must first see an education counselor. The counselor provides the soldiers with a checklist to guide the soldier through the registration process, which includes establishing a GoArmyEd account. Education center personnel assist the soldier in setting up the account and completing the application that matches the soldier's interest to a degree and provides a list of schools that offer that degree. An education counselor must go into GoArmyEd to approve the soldier's request for eligibility for tuition assistance. The education center personnel stated that they are not allowed to recommend specific schools but they tell the soldiers to research the schools they are interested in attending.

Tuition Assistance Counseling at Joint Base Lewis-McChord

Joint Base Lewis-McChord has both Army and Air Force education centers. According to Joint Base Lewis-McChord education center personnel, the Army required soldiers to check in with the education center within 30 days of relocating to the base. Depending on their rank, soldiers are scheduled to take a workshop about the education center services. The workshop provides an overview of what schools are on base, the programs available, financial aid, scholarships, the Tuition Assistance Program, the G.I. Bill, transfer of school credits, and other education-related information. The workshop also teaches soldiers how to set educational goals and choose a school. Education center personnel provided the audit team with documents they use during the workshops, including "Things to Consider When Selecting a School," which suggests that the soldiers:

- ask themselves whether they will use the education after leaving the military;
- look at third-party review sites on the school and its courses;
- consider the type of school—public, private for-profit, private not-for-profit; and
- consider whether the courses are transferrable, which can relate to the school's type of accreditation.

The Army education center at Joint Base Lewis-McChord also uses the GoArmyEd website for soldiers using the Tuition Assistance Program, and requires the soldier to take the GoArmyEd 101 class. The education center personnel make a note in the soldier's GoArmyEd account when the soldier completes the workshop.

Air Force education center officials at Joint Base Lewis-McChord stated that they send airmen to the newcomer briefing on the Army side of the base, and that they required airmen who use tuition assistance to take a virtual briefing on tuition assistance every year. Officials at the Air Force education center at Joint Base Lewis-McChord stated that they required airmen to sign a counseling document that states that the airmen received counseling about:

- school accreditation;
- transfer credits;
- methods of course delivery, including on-base, off-base, and distance learning;
- types of degree plans;
- how to upload degree plans and educational goals to the Air Force Virtual Education Center;
- rules for using tuition assistance;
- the use of other education benefits, such as the G.I. Bill.

Tuition Assistance Counseling for the Navy

The Navy College Virtual Education Center at Naval Air Station Oceana, Dam Neck Annex, Virginia, is the Navy's centrally managed education center. Before receiving tuition assistance funds sailors must complete training and speak with a counselor to identify an educational institution and program. The education counselors review educational institution options based on the sailor's career and education goals. The education counselors stated that they also discuss accreditation, transferring credits, and financial aid. If the sailor does not have an educational institution or career field in mind, the education counselors stated that they require the sailor to complete a personality or career assessment.

Tuition Assistance Counseling at Joint Base Andrews

At Joint Base Andrews, Air Force education center personnel stated that they conduct a briefing on education benefits every other week, including a discussion of tuition assistance. According to education center officials, airmen are required to take a tuition assistance briefing every 12 months, which is available online through the Air Force Virtual Education Center. Airmen are required to receive counseling and sign a counseling document.

Tuition Assistance Counseling at Camp Lejeune

According to education center personnel, upon arriving at Camp Lejeune, marines are required to check in with the education center, where they receive a briefing on education benefit options. Education center officials stated that marines are required to receive counseling before receiving tuition assistance. During the counseling sessions, counselors stated that they provide marines with a Military Tuition Assistance Screening Sheet, which provides information about the Tuition Assistance Program and instructions regarding the application process for tuition assistance, as well as the web address for a Department of Education site that provides useful information about colleges. In addition, during the counseling session, counselors stated they discuss tuition assistance requirements and assist the marine with choosing a degree program and educational institution. Marines who want to use tuition assistance are also required to receive approval from their commander, and must take either a 90-minute basic adult educational test on reading, language, and math or a self-paced online assessment that measures math and language skills.

Service Officials Designed Controls to Ensure Educational Institution Compliance

Since March 2011, when the GAO reported on the DoD's oversight of schools that receive Tuition Assistance Program funds and the extent to which the DoD coordinates with accrediting agencies, the DoD has developed:

- an automated tracking system to document all concerns and complaints, and
- a partnership sharing agreement to use information from the Department of Education.

At the installations we visited, Service officials had established controls designed to ensure that educational institutions complied with DoD instructions and partnership MOUs. Specifically, education center personnel approved sponsorship and advertising activities and base access, and required that educational guidance be provided to service members before they selected an institution or education program.

To further assess the effectiveness of the Services' controls, we surveyed 60 service members at six installations. All responded that they were not recruited, pressured, or encouraged to enroll in a specific school.

In addition, we examined the Postsecondary Education Complaint System and found that service members submitted only a limited number of complaints. In FY 2017, out of 255,729 Tuition Assistance Program participants, only 30 complaints were filed against 22 of the 1,964 educational institutions with a DoD Tuition Assistance Program MOU. Of the 30 complaints, 11 were against for-profit educational institutions. Because the advocacy organization's concerns were related to for-profit educational institutions, we analyzed only those 11 complaints.

The following are two examples of complaints and resolutions that directly relate to the concerns identified in the veterans education advocacy organization's letter.

- A service member submitted a complaint related to recruitment and marketing practices and financial issues. The service member claimed that he could avoid repaying close to \$20,000 in student loans because he was wounded twice in Afghanistan, and Arizona has a policy that any Purple Heart recipient can attend a state educational institution tuition-free. The complaint was resolved when the for-profit educational institution explained to the service member that Arizona provides free tuition scholarships to Purple Heart recipients who attend Arizona public universities; however, the school that the complainant attended was a private for-profit university.
- A service member submitted a complaint regarding a financial issue. The service member complained that she incurred a \$750 debt when her school instructed her to apply for a Pell Grant to pay for her next class because she had reached her annual Tuition Assistance Program funding limit of \$4,500.²¹ However, the grant was not approved because the service member failed to submit documents required to verify her financial need and eligibility. The complaint was resolved after the school forgave the service member's outstanding \$750 tuition balance.

None of the remaining nine complaints against for-profit educational institutions related to the institution using improper marketing and recruiting practices. Instead, the nine complaints involved issues such as transfer of credits, financial issues, graduation delay, and not receiving a paper diploma. All of the 11 complaints were addressed and resolved by the educational institutions or DoD officials.

²¹ Pell Grants are limited to students with financial need. The Pell Grant program is administered by the Department of Education, which determines the student's financial need and eligibility.

Conclusion

We concluded that Military Service officials implemented controls designed to ensure that educational institutions with authorized access to DoD installations complied with DoD policies and partnership MOUs. In addition, Military Services required service members to meet with an education counselor before being approved to receive tuition assistance funds.

While we believe that the implemented controls provided reasonable assurance that educational institutions complied with DoD policies and partnership MOUs, there is always a risk that an educational institution could circumvent implemented controls and use unfair, deceptive, abusive, or fraudulent practices to recruit service members.

Appendix A

Scope and Methodology

We conducted this performance audit from February 2018 through May 2019 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We reviewed a nonstatistical sample of five military installations that accounted for \$116.3 million of the \$485.5 million in FY 2017 Tuition Assistance Program funding, and for 60,680 of the 255,729 FY 2017 Tuition Assistance Program participants. We sampled installations from the Army, Air Force, and Marine Corps that were among the five locations with the most Tuition Assistance Program participants or funds spent for their respective Services to determine whether the installations implemented controls to ensure postsecondary educational institutions complied with DoD instructions and partnership MOUs over sponsorship and advertising activities and base access. In addition, we visited the consolidated Navy College Virtual Education Center at Naval Air Station Oceana, Dam Neck Annex, Virginia, to determine whether Navy officials implemented controls to ensure postsecondary educational institutions complied with DoD instructions and partnership MOUs over sponsorship and advertising activities and base access.

From October 1, 2016, through April 17, 2018, the five installations had 12 sponsorship agreements, valued at \$63,300, to sponsor 23 events. We reviewed 11 of the 12 sponsorship agreements at the five installations and determined whether the agreements complied with the OASD memorandum and DoD Instruction 1015.10.²² We reviewed a nonstatistical sample of 11 advertising agreements at the five installations visited, valued at \$50,175, to determine whether the agreements complied with the OASD memorandum and DoD Instruction 1015.10. In addition, we reviewed a nonstatistical sample of 17 installation access requests that the education centers received to determine whether education advisers reviewed and approved the installation access requests. There were a total of 29 educational institutions that had a sponsorship agreement, had an advertising agreement, or requested installation

²² The Joint Base Lewis-McChord MWR office could not locate the file for one FY 2017 agreement with a non-profit educational institution. Because the other 11 agreements used standard language and processes to comply with DoD Instruction 1015.10 and the original concern was with for-profit educational institutions, the 11 agreements provided a reasonable basis to reach our conclusions.

access at the five installations visited. See Table 5 for a list of the educational institutions in our scope, whether they were for-profit, and the number of participants, advertising agreements, sponsorship agreements, and installation access requests.

Table 5. Educational Institutions in our Scope

	Educational Institutions	For-Profit (Y = Yes, N = No)	Number of Tuition Assistance Participants (2017 - 2018)	Number of Agreements		Number of Installation Access Requests
				Sponsorship	Advertising	
1	Austin Peay State University	N	741		2	
2	Bates Technical College	N	7	1		
3	Brandman University	N	1,163	2		
4	Campbell University	N	649	2		
5	Central Michigan University	N	509		1	
6	Central Piedmont Community College	N	12			1
7	Chamberlain University	Y	49			1
8	The Citadel: The Military College of South Carolina	N	23			2
9	City University of Seattle	N	73	1		
10	Coastal Carolina Community College	N	482			2
11	Coastline Community College	N	2,101			1
12	Columbia Southern University	Y	6,430			1
13	Davenport University	N	34		1	
14	East Tennessee State University	N	16			1
15	Full Sail University	Y	54			1
16	Golf Academy*	Y		1		
17	Grantham University	Y	2,317			1
18	Hopkinsville Community College	N	423		1	
19	Liberty University	N	6,941			5
20	Lindsey Wilson College	N	0		1	
21	Northwest University	N	4	1		
22	Pierce College	N	1,210	2		
23	Regent University	N	408			1
24	Saint Leo University	N	3,007		1	
25	Saint Martin's University	N	140	1		

Table 5. Educational Institutions in our Scope (cont'd)

	Educational Institutions	For-Profit (Y = Yes, N = No)	Number of Tuition Assistance Participants (2017 - 2018)	Number of Agreements		Number of Installation Access Requests
				Sponsorship	Advertising	
26	Thomas Edison State University	N	2,619		1	
27	University of North Carolina at Wilmington	N	35		2	
28	University of the District of Columbia	N	6	1		
29	Western Kentucky University	N	299		1	
	Totals	5	29,752	12	11	17

* The Golf Academy closed in December 2018.

Source: Installation MWR and Education offices, DECIDE, and Department of Education.

We verified that 28 of the 29 educational institutions were:

- state-approved to receive educational benefits through the Veterans Affairs GI Bill Comparison tool;
- certified to participate in Federal student aid programs through the Department of Education's website; and
- accredited through the individual accrediting body websites.

We could not review one additional educational institution that had a sponsorship or advertising agreement for state approval because it went out of business; however, we verified that this educational institution was certified to participate in Federal student aid programs and was accredited.

We met with DoD officials and the Services' education center personnel responsible for the DoD Tuition Assistance Program to identify controls over: (1) educational institutions' sponsorship and advertising on military installations; (2) educational institutions' installation access; and (3) service member education counseling. In addition, we conducted site visits at education centers and MWR offices located at Joint Base Lewis-McChord, Washington; Joint Base Andrews, Maryland; Fort Campbell, Kentucky; Naval Air Station Oceana, Dam Neck Annex, Virginia; and Marine Corps Base Camp Lejeune, North Carolina.

Evaluation of Sponsorship Controls

During our visits, we identified and evaluated controls implemented to monitor educational institutions on the installations and during MWR-sponsored events. We reviewed the controls and documentation related to the Service education centers' approval of educational institution sponsorship activities and installation access at the five installations visited. In addition, we verified that controls

were in place to ensure that education center or MWR personnel monitored educational institution-sponsored MWR events. We verified that the education adviser properly monitored an educational institution-sponsored education fair at Marine Corps Base Camp Lejeune.

Service Member and Advocacy Organization Interviews

We randomly surveyed 60 service members about their experiences with the process of signing up for and using the Tuition Assistance Program. We surveyed service members at education centers at Fort Campbell, Kentucky; Joint Base Lewis-McChord, Washington; and Joint Base Andrews, Maryland. We also surveyed service members at the installation education fair at Marine Corps Base Camp Lejeune, North Carolina. In addition, we conducted surveys with sailors at Naval Support Activity Philadelphia, Pennsylvania, and Joint Base McGuire-Dix-Lakehurst, New Jersey. In addition, we contacted the person from the veterans education advocacy organization to gain clarification regarding the organization's concerns with the Tuition Assistance Program.

Use of Computer-Processed Data

We used computer-processed data that the Under Secretary of Defense for Personnel and Readiness makes available to the public on the Tuition Assistance DECIDE website. We used this data to determine the number of Tuition Assistance Program participants, the number of courses funded, the total Tuition Assistance Program cost, and the number of complaints made against educational institutions in FY 2017. Although we did not validate this data, the use of the data would not change the conclusions of this report.

Prior Coverage

During the last 8 years, the Government Accountability Office issued two reports discussing DoD education benefits. Unrestricted GAO reports can be accessed at <http://www.gao.gov>.

GAO

Report No. GAO-14-855, "DoD Education Benefits: Action is Needed to Ensure Evaluations of Postsecondary Schools are Useful," September 2014

The GAO reported that the DoD did not have a plan in place to evaluate postsecondary schools, which left the DoD without the information necessary to assess the quality of postsecondary schools that served about 280,000 service members in FY 2013. The GAO recommended that the DoD develop a plan for future school evaluations. The DoD agreed with the recommendation stating that it planned to continue its oversight of schools, including third-party reviews. The GAO closed this recommendation.

Report No. GAO-11-300, "DoD Education Benefits: Increased Oversight of Tuition Assistance Program is Needed," March 2011

The GAO reported that the DoD's oversight policies and procedures varied by a school's level of program participation, with schools that operate on base being subject to the highest level of oversight. The GAO also found that the DoD lacked a system to track complaints and their outcomes. As a result, it may have been difficult for the DoD and the Services to accurately identify and address Service-wide problems and trends. The GAO recommended that the DoD: (1) improve accountability for recommendations made by third party quality reviews; (2) develop a centralized process to track complaints against schools; (3) conduct a systemic review of its oversight processes; (4) take actions to ensure that Tuition Assistance Program funds are used only for accreditor-approved courses and programs; and (5) require and verify state authorization for all schools. The DoD agreed with the recommendations. In response to the recommendations, the DoD implemented a revised third-party assessment review process, established a joint complaint system, and revised DoD Instruction 1322.25 and all DoD Voluntary Education Partnership MOUs. The GAO closed these recommendations.

Following the 2011 GAO report, the President issued Executive Order 13607, "Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members," on April 27, 2012. This Executive Order established the "Principles of Excellence" for educational institutions to ensure that service members, veterans, and family members have information, support, and protections while using Federal education benefits. (See Appendix D for Presidential Executive Order 13607.) The DoD used the Executive Order as a basis for updating DoD Instruction 1322.25.

Appendix B

Veterans Education Advocacy Organization Concerns

In a November 2017 letter to the DoD Office of Inspector General, a veterans education advocacy organization raised concerns that it observed with the DoD's administration of the DoD Tuition Assistance Program. The letter stated that the organization believed that military installations' contracts (sponsorship agreements) with for-profit colleges may encourage improper practices for recruiting and collection of service members' data in violation of the DoD MOU with the schools.

In its letter, the advocacy organization cited a 2014 incident at Fort Campbell, Kentucky, that led the DoD to review a for-profit educational institution to determine whether the institution used improper recruiting practices. The DoD review determined that the institution violated the DoD MOU by, among other infractions, violating DoD policies regarding use of its official seals or other trademark insignia and failing to coordinate with the responsible education adviser for each business-related activity requiring access to the DoD installation. As a result of the review, DoD officials placed the educational institution on probation and barred the institution from receiving DoD Tuition Assistance for new or transfer students.

Based on its observations, the advocacy organization believed that other military installations were granting for-profit educational institutions access to MWR events, and that the educational institutions were improperly recruiting service members in order to access their DoD Tuition Assistance Program funds. We designed our audit objective and performed our audit to address the concern about improper recruiting practices on military installations.

The advocacy letter also identified concerns with:

- for-profit educational institutions manipulating the Higher Education Act 90-percent Federal funding cap, which limits for-profit educational institutions from deriving more than 90-percent of their revenues from Title IV Federal student aid programs;
- the quality of educational institutions participating in the DoD Tuition Assistance Program; and
- an online school ranking tool and advertisements for "Military-Friendly Schools" (allegedly made available on many military bases) that were deceptive because they did not disclose that the recommended schools paid to be promoted.

However, we found that the for-profit educational institutions complied with the Higher Education Act, we verified the accreditation for the 29 educational institutions in our review and did not identify any discrepancies in accreditation; therefore, all of the education institutions were appropriately eligible to participate in the Tuition Assistance Program, and the Federal Trade Commission took action to correct the online school ranking tool.

Federal Funding Cap

The advocacy organization stated that for-profit educational institutions were manipulating the Higher Education Act's 90-percent Federal funding cap that limits for-profit educational institutions from deriving more than 90-percent of their revenues from Title IV Federal student aid programs.²³ An educational institution must obtain at least 10-percent of its revenue from a source other than Title IV education funds, the primary source of Federal student aid. (This is referred to as the 90/10 rule.) Funds from the Tuition Assistance Program are not defined as Higher Education Act Title IV funds (DoD tuition assistance funds are Title X funds), so the Tuition Assistance Program funds count toward the 10 percent requirement, just like private sources of financing. Therefore, educational institutions comply with the law when they report Tuition Assistance Program funds as part of the 10 percent of revenue from a source other than Title IV education funds.

We reviewed publicly available reports from the Department of Education on the 90/10 rule. The Higher Education Act requires the Department of Education to report annually to Congress on the 90/10 rule. We reviewed the Department of Education reports to Congress from 2014 to 2015, 2015 to 2016, and 2016 to 2017. The reports state the number of for-profit institutions that exceeded the 90/10 rule during that year and whether the for-profit institutions were no longer eligible to participate in Title IV programs. According to the reports, once a school exceeds the 90/10 rule for 2 consecutive fiscal years, the school is not eligible to participate in Title IV programs for at least 2 consecutive fiscal years. The 2015 to 2016 and 2016 to 2017 reports stated that no for-profit schools were deemed ineligible. However, the 2014 to 2015 letter stated that two schools were deemed ineligible. We searched for these two schools in the DoD Tuition Assistance DECIDE website and neither school was in the system. Only educational institutions eligible to participate in the Tuition Assistance Program are available through the DECIDE website. Therefore, neither school was eligible to receive tuition assistance funds.

²³ Title 34 Code of Federal Regulations section 668.28 (2011).

The Department of Education posts the reports publicly, including a spreadsheet that identifies each for-profit institution's percentage of revenue related to the 90/10 rule. We reviewed the 2016 to 2017 spreadsheet for 13 for-profit schools that had more than 500 students in the Tuition Assistance Program. According to the Department of Education's spreadsheet, none of the 13 for-profit schools exceeded the 90-percent threshold. These 13 for-profit schools had 90/10 rule percentages ranging from a low of 6.5 percent to a high of 82.65 percent.

Based on (1) the Department of Education's annual reports to Congress, (2) the DECIDE tool's exclusion of the two schools that the Department of Education deemed ineligible to receive Title IV funding, and (3) the annual report's demonstration that each of the 13 for-profit schools were under the 90-percent threshold, we determined that the Department of Education and the for-profit schools complied with the Higher Education Act and we did not refer this topic to the Department of Education for review.

Quality of Educational Institutions

The advocacy organization raised concerns about the quality of the educational institutions that participate in the DoD Tuition Assistance Program. Educational institutions that participate in the DoD Tuition Assistance Program must be accredited by a national or regional accrediting body recognized by the Department of Education. The Department of Education provides oversight of the postsecondary accreditation system through its review of Federally-recognized accrediting agencies. The goal of accreditation is to ensure that the education provided by institutions or programs of higher education meets acceptable levels of quality. All of the educational institutions that participated in the DoD Tuition Assistance Program reported accreditation by an organization approved by the Department of Education. Although the quality of educational institutions is the responsibility of the Department of Education, through its oversight over the postsecondary accreditation system by review of all Federally-recognized accrediting agencies, we verified the accreditation for 29 educational institutions in our audit scope. We did not identify any discrepancies in accreditation; therefore, all of the education institutions were appropriately eligible to participate in the Tuition Assistance Program.

Educational Institution Ranking Tools

Finally, the advocacy organization raised concerns about the ranking tools and advertisements allegedly provided to service members through the DoD Transition Assistance Program. The DoD Transition Assistance Program provides information and training to ensure that service members transitioning from active duty are prepared to enter the private sector after they separate from the Service.

The transition curriculum is designed to provide service members with training, services, resources, and tools to help them prepare for a career after the military. The advocacy organization was concerned that a private publisher produced a list of “Military-Friendly Schools,” school rankings, and other search engine results that were deceptive and reportedly made available on many military bases.

We did not include the DoD Transition Assistance Program in our audit; however, we verified that, in October 2017, the Federal Trade Commission barred the publisher from misrepresenting the scope of the search conducted by any search tool, any material connection between the publisher and any school, or that paid commercial advertising is independent content. The Federal Trade Commission further required the publisher, in connection with an endorsement of any postsecondary school, to disclose all material connections between the endorser and the schools. The publisher has revised the way it conducts the rankings and we verified that the May 2018 “Military-Friendly Schools” list included a disclaimer stating that advertising and partner status is not a factor in the selection process.

Appendix C

Military Service Requirements for Voluntary Education, Including Tuition Assistance

Each Military Service established requirements for voluntary education, including requirements for service members to receive counseling before receiving tuition assistance funds. Each Military Service's requirements for counseling are described below.

Army Requirements for Counseling

The Army's regulation for continuing education requires counselors to:

- counsel all soldiers before the soldier is approved to receive tuition assistance funds to ensure the soldier understands the degree plan and responsibilities for using tuition assistance;
- review the soldier's academic history, test scores, and other useful predictors to determine whether the soldier is likely to complete the program for which the soldier requested tuition assistance;
- assist soldiers in determining educational goals and approve and annotate those goals in the GoArmyEd website;
- provide information on alternative funding, such as use of in-service G.I. Bill benefits and financial aid;
- discuss cost effectiveness of similar programs when assisting the soldier in choosing a degree program;
- explain the tuition assistance reimbursement requirements;
- advise soldiers of their responsibility to perform all tuition assistance-related actions through the GoArmyEd website; and
- advise soldiers that enrolling with educational institutions not accredited by regional accrediting bodies recognized by the Department of Education may mean that the soldier's transfer credits may not be accepted.²⁴

Furthermore, the Army regulation requires soldiers to receive counseling from the education center within 30 days of arrival at a new duty station and for soldiers to use GoArmyEd for tuition assistance.

²⁴ Army Regulation 621-5, "Education: Army Continuing Education System," July 11, 2006, revised September 6, 2009.

Navy Requirements for Counseling

The Navy instruction for voluntary education requires Navy education officials to:

- assist sailors in establishing educational goals based on academic background, aptitudes, work experience, and career objectives;
- assist sailors in establishing education plans by providing information on available education institutions, degrees, and courses;
- recommend or administer examinations;
- assist with enrollment in educational institutions and programs;
- provide information on financial aid programs and procedures to include assisting sailors in applying online to the free application for federal student aid; and
- provide information on the requirements for using tuition assistance benefits.²⁵

The Navy and Marine Corps use the Navy College Management information System as their automated tuition assistance management system.

Air Force Requirements for Counseling

The Air Force memorandum for voluntary education requires counselors to:

- assist airmen in establishing realistic educational and vocational goals, identify challenges to goal attainment, and provide periodic followup;
- provide information, resources, and analysis to airmen including credit hour, accreditation, and available programs;
- use a checklist for all airmen receiving counseling for the first time or for airmen who have been inactive in pursuing their education for a year or more, which includes discussing:
 - accreditation,
 - transfer credit,
 - testing,
 - college fees,
 - course delivery method,
 - on-base programs,
 - local school options,
 - online programs,
 - evaluated education plan,

²⁵ Navy Education and Training Command Instruction 1560.3, "Navy Voluntary Education Programs," January 20, 2011.

- tuition assistance policy and procedures,
- grants and other funding sources,
- course enrollment changes,
- foreign transcript evaluation,
- the Air Force Virtual Education Center, and
- Community College of the Air Force degree requirements; and
- provide advice, guidance, and counseling to airmen on tuition assistance benefits, processes, and requirements including information about student and school eligibility, completion requirements, service commitments, reimbursement procedures, waiver packages, and financial options.²⁶

The Air Force requires all counseling sessions to be documented in the Air Force Automated Education Management System.

Marine Corps Requirements for Counseling

In addition to the Navy requirements, the Marine Corps order for lifelong learning requires counselors to provide marines education counseling at their first permanent duty station and each new duty station.²⁷ In 2014, a Marine Administrative Message provided an update to tuition assistance guidelines. The update referred to the Marine Corps order for lifelong learning and stated that education personnel are available at all installations to assist marines in developing personal and professional education plans and to make informed academic intuition selections that support the marine's education goals.

²⁶ Air Force Guidance Memorandum AFI 36-2649, "Air Force Voluntary Education Program," October 1, 2014, and updated June 5, 2018.

²⁷ Marine Corps Order 1560.25, "Marine Corps Lifeline Learning Program," September 1, 2010.

Appendix D

Presidential Executive Order 13607

This Executive Order established the “Principles of Excellence” for educational institutions to ensure that service members, veterans, and family members have information, support, and protections while using Federal education benefits.



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Executive Order 13607 of April 27, 2012

Establishing Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to ensure that Federal military and veterans educational benefits programs are providing service members, veterans, spouses, and other family members with the information, support, and protections they deserve, it is hereby ordered as follows:

Section 1. Policy. The original GI Bill, approved just weeks after D-Day, educated nearly 8 million Americans and helped transform this Nation. We owe the same obligations to this generation of service men and women as was afforded that previous one. This is the promise of the Post-9/11 Veterans Educational Assistance Act of 2008 (title V, Public Law 110-252) (Post-9/11 GI Bill) and the continued provision of educational benefits in the Department of Defense’s Tuition Assistance Program (10 U.S.C. 2007); to provide our service members, veterans, spouses, and other family members the opportunity to pursue a high-quality education and gain the skills and training they need to fill the jobs of tomorrow.

Since the Post-9/11 GI Bill became law, there have been reports of aggressive and deceptive targeting of service members, veterans, and their families by some educational institutions. For example, some institutions have recruited veterans with serious brain injuries and emotional vulnerabilities without providing academic support and counseling; encouraged service members and veterans to take out costly institutional loans rather than encouraging them to apply for Federal student loans first; engaged in misleading recruiting practices on military installations; and failed to disclose meaningful information that allows potential students to determine whether the institution has a good record of graduating service members, veterans, and their families and positioning them for success in the workforce.

To ensure our service members, veterans, spouses, and other family members have the information they need to make informed decisions concerning their well-earned Federal military and veterans educational benefits, I am directing my Administration to develop Principles of Excellence to strengthen oversight, enforcement, and accountability within these benefits programs.

Sec. 2. Principles of Excellence for Educational Institutions Serving Service Members, Veterans, Spouses, and Other Family Members. The Departments of Defense, Veterans Affairs, and Education shall establish Principles of Excellence (Principles) to apply to educational institutions receiving funding from Federal military and veterans educational benefits programs, including benefits programs provided by the Post-9/11 GI Bill and the Tuition Assistance Program. The Principles should ensure that these educational institutions provide meaningful information to service members, veterans, spouses, and other family members about the financial cost and quality of educational institutions to assist those prospective students in making choices about how to use their Federal educational benefits; prevent abusive and deceptive recruiting practices that target the recipients of Federal military and veterans educational benefits; and ensure that educational institutions provide high-quality academic and student support services to active-duty service members, reservists, members of the National Guard, veterans, and military families.

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To the extent permitted by law, the Principles, implemented pursuant to section 3 of this order, should require educational institutions receiving funding pursuant to Federal military and veterans educational benefits to:

(a) prior to enrollment, provide prospective students who are eligible to receive Federal military and veterans educational benefits with a personalized and standardized form, as developed in a manner set forth by the Secretary of Education, working with the Secretaries of Defense and Veterans Affairs, to help those prospective students understand the total cost of the educational program, including tuition and fees; the amount of that cost that will be covered by Federal educational benefits; the type and amount of financial aid they may qualify for; their estimated student loan debt upon graduation; information about student outcomes; and other information to facilitate comparison of aid packages offered by different educational institutions;

(b) inform students who are eligible to receive Federal military and veterans educational benefits of the availability of Federal financial aid and have in place policies to alert those students of their potential eligibility for that aid before packaging or arranging private student loans or alternative financing programs;

(c) end fraudulent and unduly aggressive recruiting techniques on and off military installations, as well as misrepresentation, payment of incentive compensation, and failure to meet State authorization requirements, consistent with the regulations issued by the Department of Education (34 C.F.R. 668.71–668.75, 668.14, and 600.9);

(d) obtain the approval of the institution's accrediting agency for new course or program offerings before enrolling students in such courses or programs, provided that such approval is appropriate under the substantive change requirements of the accrediting agency;

(e) allow service members and reservists to be readmitted to a program if they are temporarily unable to attend class or have to suspend their studies due to service requirements, and take additional steps to accommodate short absences due to service obligations, provided that satisfactory academic progress is being made by the service members and reservists prior to suspending their studies;

(f) agree to an institutional refund policy that is aligned with the refund of unearned student aid rules applicable to Federal student aid provided through the Department of Education under Title IV of the Higher Education Act of 1965, as required under section 484B of that Act when students withdraw prior to course completion;

(g) provide educational plans for all individuals using Federal military and veterans educational benefits that detail how they will fulfill all the requirements necessary to graduate and the expected timeline of completion; and

(h) designate a point of contact for academic and financial advising (including access to disability counseling) to assist service member and veteran students and their families with the successful completion of their studies and with their job searches.

Sec. 3. Implementation of the Principles of Excellence.

(a) The Departments of Defense and Veterans Affairs shall reflect the Principles described in section 2 of this order in new agreements with educational institutions, to the extent practicable and permitted by law, concerning participation in the Yellow Ribbon Program for veterans under the Post-9/11 GI Bill or the Tuition Assistance Program for active duty service members. The Department of Veterans Affairs shall also notify all institutions participating in the Post-9/11 GI Bill program that they are strongly encouraged to comply with the Principles and shall post on the Department's website those that do.

(b) The Secretaries of Defense, Veterans Affairs, and Education, in consultation with the Director of the Bureau of Consumer Financial Protection (CFPB)

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and the Attorney General, shall take immediate action to implement this order, and, within 90 days from the date of this order, report to the President their progress on implementation, including promptly revising regulations, Department of Defense Instructions, guidance documents, Memoranda of Understanding, and other policies governing programs authorized or funded by the Post-9/11 GI Bill and the Tuition Assistance Program to implement the Principles, to the extent permitted by law.

(c) The Secretaries of Defense, Veterans Affairs, and Education shall develop a comprehensive strategy for developing service member and veteran student outcome measures that are comparable, to the maximum extent practicable, across Federal military and veterans educational benefit programs, including, but not limited to, the Post-9/11 GI Bill and the Tuition Assistance Program. To the extent practicable, the student outcome measures should rely on existing administrative data to minimize the reporting burden on institutions participating in these benefit programs. The student outcome measures should permit comparisons across Federal educational programs and across institutions and types of institutions. The Secretary of Education, in consultation with the Secretaries of Defense and Veterans Affairs, shall also collect from educational institutions, as part of the Integrated Postsecondary Education Data System and other data collection systems, information on the amount of funding received pursuant to the Post-9/11 GI Bill and the Tuition Assistance Program. The Secretary of Education shall make this information publicly available on the College Navigator Website.

(d) The Secretary of Veterans Affairs, in consultation with the Secretaries of Defense and Education, shall provide to prospective military and veteran students, prior to using their benefits, streamlined tools to compare educational institutions using key measures of affordability and value through the Department of Veterans Affairs' eBenefits portal. The eBenefits portal shall be updated to facilitate access to school performance information, consumer protection information, and key Federal financial aid documents. The Secretaries of Defense and Veterans Affairs shall also ensure that service members and veterans have access to that information through educational counseling offered by those Departments.

Sec. 4. *Strengthening Enforcement and Compliance Mechanisms.* Service members, veterans, spouses, and other family members should have access to a strong enforcement system through which to file complaints when institutions fail to follow the Principles. Within 90 days of the date of this order, the Secretaries of Defense and Veterans Affairs, in consultation with the Secretary of Education and the Director of the CFPB, as well as with the Attorney General, as appropriate, shall submit to the President a plan to strengthen enforcement and compliance mechanisms. The plan shall include proposals to:

(a) create a centralized complaint system for students receiving Federal military and veterans educational benefits to register complaints that can be tracked and responded to by the Departments of Defense, Veterans Affairs, Justice, and Education, the CFPB, and other relevant agencies;

(b) institute uniform procedures for receiving and processing complaints across the State Approving Agencies (SAAs) that work with the Department of Veterans Affairs to review participating institutions, provide a coordinated mechanism across SAAs to alert the Department of Veterans Affairs to any complaints that have been registered at the State level, and create procedures for sharing information about complaints with the appropriate State officials, accrediting agency representatives, and the Secretary of Education;

(c) institute uniform procedures for referring potential matters for civil or criminal enforcement to the Department of Justice and other relevant agencies;

(d) establish procedures for targeted risk-based program reviews of institutions to ensure compliance with the Principles;

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(e) establish new uniform rules and strengthen existing procedures for access to military installations by educational institutions. These new rules should ensure, at a minimum, that only those institutions that enter into a memorandum of agreement pursuant to section 3(a) of this order are permitted entry onto a Federal military installation for the purposes of recruitment. The Department of Defense shall include specific steps for instructing installation commanders on commercial solicitation rules and the requirement of the Principles outlined in section 2(c) of this order; and

(f) take all appropriate steps to ensure that websites and programs are not deceptively and fraudulently marketing educational services and benefits to program beneficiaries, including initiating a process to protect the term "GI Bill" and other military or veterans-related terms as trademarks, as appropriate.

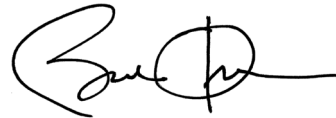
Sec. 5. General Provisions. (a) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(b) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department, agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.



THE WHITE HOUSE,
April 27, 2012.

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Filed 5-1-12; 8:45 am]
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Acronyms and Abbreviations

- GAO** Government Accountability Office
- MOU** Memorandum of Understanding
- MWR** Morale, Welfare, and Recreation
- OASD** Office of the Assistant Secretary of Defense



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