



DEPARTMENT OF VETERANS AFFAIRS
OFFICE OF INSPECTOR GENERAL

VETERANS BENEFITS ADMINISTRATION

Forever GI Bill:
Early Implementation
Challenges



The mission of the Office of Inspector General is to serve veterans and the public by conducting effective oversight of the programs and operations of the Department of Veterans Affairs through independent audits, inspections, reviews, and investigations.

The Office of Inspector General (OIG) has released this issue statement to provide information on matters of concern that the OIG has gathered as part of its oversight mission. The OIG conducted this review in accordance with the Council of the Inspectors General on Integrity and Efficiency's Quality Standards for Inspection and Evaluation, except for the standard of reporting as to advance review and comments. Due to the nature of the objective to respond to congressional inquiries and disclose that information to VA and the public, not distributing a draft to VA did not have an effect on this Issue Statement, and there are no recommendations requesting VA's response.

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Statement Summary

The Office of Inspector General (OIG) received a letter from 13 members of Congress dated November 30, 2018, requesting an investigation into allegations that the Department of Veterans Affairs (VA) would be withholding retroactive payments for missed or underpaid monthly housing stipends that it failed to pay while implementing the “Forever GI Bill.” Given the impact of delayed or incorrect payments on veterans and congressional concerns, the OIG’s objective was to examine VA’s timeline of early implementation actions and the impediments to meeting Forever GI Bill mandates.

The Forever GI Bill (officially titled the *Harry W. Colmery Veterans Educational Assistance Act of 2017*) expanded education benefits for veterans, servicemembers, families, and survivors. Among the Act’s provisions was elimination of the deadline to use benefits within 15 years for certain beneficiaries, and changes to the formula for providing a monthly housing allowance.¹ As of December 2018, the Veterans Benefits Administration (VBA) had not implemented at least two key requirements of the Act related to the housing stipends (sections 107 and 501). These two sections fundamentally redesign how VBA pays monthly housing allowances to veterans using the Post-9/11 Educational Assistance Program, including changing the base for the calculation of monthly housing stipends to *the location of the campus* where the student attends most classes, instead of the location of the main campus of the institution. The OIG examined the impediments to VA’s implementation of these provisions of the Forever GI Bill Program, recognizing that hundreds of thousands of veterans, servicemembers, and their families receive GI bill benefits and have been potentially impacted by underpayment of housing benefits.

What the OIG Found

VBA failed to modify their electronic systems, such as the Long-Term Solution (LTS) application, by the required implementation date to make accurate housing allowance payments under sections 107 and 501. VA lacked an accountable official to oversee the project during most of the effort. This resulted in unclear communication of implementation progress and inadequately defined expectations, roles, and responsibilities of the various VA business lines and contractors involved. In November 2018, the VA Secretary named the Under Secretary for Benefits as the official responsible for implementing the Forever GI Bill. Given the reported impact on veterans and the lack of full implementation of the Forever GI Bill, Congress passed *The Forever GI Bill Housing Payment Fulfillment Act of 2018* (signed into law January 2019) requiring VA to report its implementation plans to Congress, specifically for sections 107 and

¹ For more information on the Forever GI Bill, visit the VA’s website at <https://www.benefits.va.gov/GIBILL/FGIBSummaries.asp>.

501. This issue statement provides an interim look at VA's progress. The OIG will continue to monitor VA's actions related to implementation of the Forever GI Bill.

What the OIG Did

On November 30, 2018, the OIG received a request from 12 senators and one congressman to investigate allegations that VA planned to withhold retroactive payments for missed or underpaid monthly housing stipends that it failed to pay students under the *Harry W. Colmery Veterans Education Assistance Act* (P.L. 115-48), also known as the Forever GI Bill.² The information provided to members of Congress, and some additional context, is provided below.

Even as the OIG began to examine these allegations, *The Forever GI Bill Housing Payment Fulfillment Act* (P. L. 115-422) was enacted on January 3, 2019, mandating that VA report to Congress within 90 days on its plan to fully implement sections 107 and 501 of the Forever GI Bill. VA's response is expected to provide additional information that should address the questions raised in the November 30, 2018, congressional request.

The OIG informed Congress that during December 2018 and January 2019, OIG staff conducted numerous interviews with VA and contract personnel involved in the Forever GI Bill implementation efforts. In addition to interviews, the OIG team reviewed internal VA documents and the results of an independent technical assessment conducted by The MITRE Corporation.

Based on OIG staff's initial analysis, a significant factor contributing to the delays in system modifications needed to satisfy the requirements of sections 107 and 501 was the lack of an accountable official to oversee the project.

System Modifications

The OIG team found that approximately 10 months passed from the time Congress enacted the Forever GI Bill until VA received the initial software development release and began testing the system modifications to VA's LTS application in order to address sections 107 and 501. LTS is an information technology application for automated processing of Chapter 33, Post-9/11 Educational Assistance claims. LTS is used to establish eligibility, determine payments, or disallow claims.

VA's testing of the software development release identified defects, and additional versions of LTS were developed. Based on interviews, when user testing occurred, the tests failed scenarios that VBA did not account for when they developed the business requirements. VA also learned of changes needed to their VA ONline Certification of Enrollment (VA-ONCE) program, a VA system that feeds necessary data to LTS. VA eventually paused testing on LTS software for

² VA Secretary Wilkie issued a statement on November 29, 2018, to "clear up any confusion" about correcting any underpayments to benefit recipients, committing to making all beneficiaries "100 percent whole," including any retroactive payments (see <https://www.va.gov/opa/pressrel/pressrelease.cfm?id=5154>).

sections 107 and 501 in August 2018 and reexamined the requirements. Subsequently, VA provided several new LTS testing scenario updates to Booz Allen Hamilton, the contractor tasked with modifying LTS.

Lack of a Single Accountable Official

The parties involved in the implementation have primarily been the VA Office of Information and Technology, VBA Education Service, VBA Office of Business Process Integration, Booz Allen Hamilton, and various VA leaders. During those first 10 months, Booz Allen Hamilton had to initially onboard team members and work with VA's program offices to attempt to develop and clarify the business requirements needed to upgrade VA's system. Throughout planning and early implementation efforts, VA lacked a single accountable official to oversee the project, which resulted in unclear communications to VA stakeholders of implementation progress and inadequately defined expectations, roles, and responsibilities of the various VA business lines and contractors involved. A significant difficulty was that VA's program offices held different expectations from one another as to what they considered complete and accurate business requirements. In addition, VA's Office of Information and Technology and VBA Education Service had divergent opinions of a deployable solution.

In November 2018, the VA Secretary named the Under Secretary for Benefits as the official responsible for implementing the Forever GI Bill. VA tasked The MITRE Corporation with performing an independent technical assessment to identify issues related to the delayed delivery of LTS and to recommend a resolution. The MITRE Corporation developed a report dated November 30, 2018, that included 22 findings and 20 recommendations to VA that would help ensure that LTS is successfully tested and deployed. The findings and recommendations focused on issues of leadership and governance, the technical environment, processes, requirements management, personnel authority and responsibilities, and software code evaluation.

To provide more detailed information, the OIG also submitted a timeline to members of Congress that outlined some of the steps and reported problems in the implementation of the Forever GI Bill related to housing stipends. It is included in the following section. The timeline represents activities that occurred from the time Congress enacted the Forever GI Bill in August 2017 to January 2019, as reported to the OIG team by VA and Booz Allen Hamilton personnel. According to the Forever GI Bill, the effective date of section 501 was January 1, 2018, and the effective date for section 107 was August 1, 2018.

High-Level Timeline of Events

August through November 2017

- VBA Education Service established a Program Executive Office to monitor and coordinate all Forever GI Bill implementation activities.

- VA conducted internal analyses and found that 22 of 34 sections needed information technology (IT) solutions at an estimate of \$70 million, and that, without IT changes, VA would need almost 1,000 new employees, including more than 800 solely for implementing the requirements of sections 107 and 501.
- VA's Office of Information and Technology committed to providing a solution to sections 107 and 501, and decided to partially redirect an already awarded contract with Booz Allen Hamilton to conduct some of the work.
- VBA Education Service staff began identifying requirements for VA's LTS application with Booz Allen Hamilton.

December 2017 through May 2018³

- Business requirements were loaded into an application used to manage and track changes, and the process of clarifying the requirements for sections 107 and 501 was started.
- The previously awarded contract with Booz Allen Hamilton was amended to include work on sections 107 and 501. Booz Allen Hamilton started onboarding teams to address these sections.
- According to Booz Allen Hamilton, their teams were fully staffed for sections 107 and 501 work by March 2018.
- Booz Allen Hamilton started software development on sections 107 and 501, although requirements generation and clarification was ongoing.
- VA learned of changes needed to their VA-ONCE program, a VA system that provides necessary data to LTS.

June through October 2018

- Booz Allen Hamilton delivered their initial LTS release to address sections 107 and 501 to VA for testing. As testing continued to identify defects, additional versions of LTS were developed.
- New VA-ONCE requirements to provide data to LTS were identified.
- VA paused testing on LTS software for sections 107 and 501 in August 2018 and reexamined the requirements.
- VA provided several LTS testing scenario updates to Booz Allen Hamilton.

³ From December 2017 through April 2018, requirements elaboration, software development, testing, and deployment to address the requirements of section 112 of the Forever GI Bill was also carried out.

- Software testing continued. Booz Allen Hamilton and VA’s Office of Information and Technology determined that the VA-ONCE system did not have the requirements needed to provide the necessary data to LTS.⁴

November 2018

- Booz Allen Hamilton provided the most current version of LTS to VA. VA assessed whether to deploy this version.
- VA announced that, effective December 1, 2018, VBA “will reset its implementation efforts for sections 107 and 501 of the law to give the department the time, contracting support and resources necessary to develop the capability to process Spring 2020 enrollments in accordance with the law by December 1, 2019. This includes soliciting bids from contractors for support in the areas of program integration, systems implementation, and software development.... Also, for the current academic year (2018–2019), VBA will pay housing allowances based on the location of a school’s main campus, rather than the physical location of the student.”
- VA released another statement clarifying that “once VA is in a position to process education claims in accordance with the new law—each and every beneficiary will receive retroactively the exact benefits to which they are entitled under that law.”

As of January 2019

- VA issued a Request for Information for a contractor to provide a fully functional and operational solution that fully implements the Forever GI Bill, to include all software and software development, integration, testing, maintenance, and training. VA was in the process of developing a Request for Proposal.

Conclusion

This issue statement reflects the information collected to respond to concerns from members of Congress about the early implementation actions of the Forever GI Bill requirements. The OIG will continue to monitor VA's actions, and will review the plan provided to Congress under the *Forever GI Bill Housing Payment Fulfillment Act*.



MICHAEL J. MISSAL
Inspector General

⁴ As of November 2018, the anticipated completion date for updates to VA-ONCE was estimated to be March 2019 or later.

OIG Contact and Staff Acknowledgments

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