

ACADEMIC AFFAIRS COUNCIL

AGENDA ITEM: 5.F

DATE: June 11, 2014

SUBJECT: DoD Memorandum of Understanding

On May 15, the Department of Defense (DoD) published final rules in the Federal Register for its voluntary education programs. The rules include the newest edition of the DoD's Memorandum of Understanding (MOU), which institutions are required to sign if they wish to continue their participation in the Tuition Assistance (TA) Program, as well as several other service-related tuition support initiatives. All institutions will have to sign the new MOU in order to participate in these programs, regardless of any previously signed MOU.

A brief overview of the changes enacted by the DoD can be found in Attachment I, and the complete set of rules are available at the Federal Register on the link below. AAC representatives should be prepared to discuss questions raised from their institution, and make plans for fulfilling the MOU requirements by the established September 14, 2014 deadline.

<http://www.gpo.gov/fdsys/pkg/FR-2014-05-15/pdf/2014-11044.pdf>

RECOMMENDED ACTION

Discussion & Recommendation.



On May 15, 2014, the U.S. Department of Defense (“DoD”) released a final version of its revised Memorandum of Understanding (“MOU”) that institutions must sign to participate in the Tuition Assistance Program (“TA Program”) for active duty military students.

Overall, the final MOU comes without any significant surprises and mostly implements changes that DoD initially proposed in its draft MOU released in August 2013. Most of these changes were enacted to comply with the requirements of the “Principles of Excellence” Executive Order (Executive Order 13607) signed by President Obama in April 2012.

All institutions will be required to sign the new MOU, regardless of the expiration date of their existing MOU, before September 12, 2014.

Significant Changes to Current MOU

The final version of the MOU incorporates most of the substantive changes proposed in August 2013. Most notably:

- Institutions participating in the TA Program (“Participating Programs”) must (1) be accredited by a recognized national or regional accrediting agency; (2) participate in the U.S. Department of Veterans’ Affairs (“VA”) Educational Benefits Programs (*i.e.*, the Post-9/11 GI Bill Programs); and (3) participate in the student financial assistance programs administered by the U.S. Department of Education (“ED”) under Title IV of the Higher Education Act of 1965, as amended (“Title IV Programs”).
 - Institutions that have current MOUs with DoD will have until January 14, 2016 to finalize participation in these programs. New institutions will need to finalize their eligibility for the VA and Title IV Programs prior to participating in the TA Program.
- Participating institutions must provide TA Program students with numerous disclosures *prior to enrollment* as initially proposed last year including the College Scorecard (<http://collegecost.ed.gov/scorecard/>), College Navigator comparison tool (<http://nces.ed.gov/collegenavigator/>) and the Financial Aid “Shopping Sheet” (<https://www.ifap.ed.gov/dpclatters/attachments/ShoppingSheetTemplateGEN1326.pdf>).
- Participating institutions must comply with all ED program integrity regulations, including those related to misrepresentation, incentive compensation, and state authorization.
 - In addition, the final MOU requires participating institutions to comply with all state authorization requirements for providing distance education even though there is currently no federal rule regulating distance education.

- Participating institutions must comply with strict limitations on recruiting activities of military students (including recruiting on military bases). These limitations are intended to prevent “unfair, deceptive, and abusive recruiting practices.”
- Participating institutions must align their institutional refund policies (covering all refunds, no matter the funding source) with the ED requirements for the return of Title IV Program funds.
- Participating institutions must have readmissions policies that permit TA Program students to continue enrollment if they are unable to attend class due to service-related obligations.
- Only tuition charges can be paid with TA Program funds. Other costs, such as books, supplies, and fees, cannot be paid using TA Program funds, even if such costs are bundled with tuition charges.

Despite receiving comments recommending that DoD require that TA Program funds be counted as “90 money” in an institution’s 90/10 calculation for participation in the Title IV Programs, DoD declined stating that it lacked statutory authority to do so.

The full text of the MOU is available at <https://federalregister.gov/a/2014-11044>. The actual MOU should be available at <http://www.dodmou.com/> soon.

If you have any questions or require any additional information, please do not hesitate to contact us at any time.

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