

NATIONAL ASSOCIATION OF STATE APPROVING AGENCIES, INC. (NASAA)

FRANK MYERS, PRESIDENT, NASAA

<> RISK-BASED SURVEY & SUPERVISORY VISITS <>

<> WAVES, JULY 16, 2024 <>



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HISTORY OF THE GI[®]BILL

“ONE OF THE FINEST EDUCATION BENEFITS EVER DEvised”

1776

Continental Congress approves measure to provide pensions to disabled soldiers

1943

Harry Colmery (WW-I vet) writes 1st draft of new veterans education program on hotel stationery at Mayflower Hotel in Washington, D.C.

Jan 1944

GI Bill of Rights introduced in Congress

Jun 1944

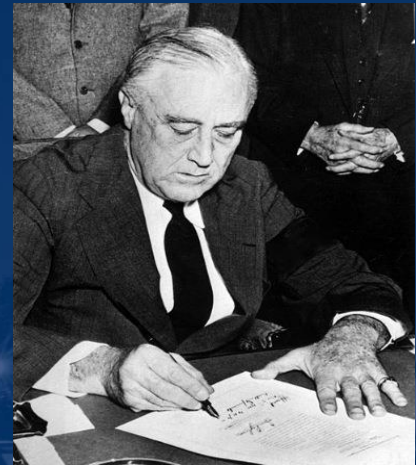
FDR signs GI Bill of Rights into law

1947

Veterans account for 49% of all college students

1952

Veterans Adjustment Act extends many benefits of original GI Bill to Korean War vets



A NEW FEDERAL STATE PARTNERSHIP

Congress recognized that it was the responsibility of the State to determine the education of its citizens. It was decided that each state would establish a “State Approving Agency” and that the governor of each state would designate a state bureau or department as the SAA for the state. The SAA would be supported through funding, under contract, from the Department of Veterans Affairs (VA). This evolved as a cooperative federal-state effort that maintained the rights of the states while monitoring and protecting a federally sponsored program administered under the terms and conditions of federal laws.



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A NEW FEDERAL STATE PARTNERSHIP

Congress also recognizing that education was a state responsibility, mandated that each State create an agency to approve the programs within their borders and to determine which programs were appropriate for veterans to enroll in, to utilize their VA educational benefits. The first State Approving Agencies (SAA) were formed for veterans after World War II.



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HISTORY OF THE STATE APPROVING AGENCIES (SAA)

Initially, the SAA's role was to provide information on state approved programs to the VA. By the late 1940s and early 1950s, the SAAs were operating under specifically mandated federal standards, the Code of Federal Regulations, and providing approval and oversight activities. The SAAs became the primary source of assuring institutional accountability with specialized authorization exercising the state's authority to approve, disapprove and monitor education and training programs for veterans and began to assist states and the VA with exposing fraudulent and criminal activity involving the payment of veterans' benefits.



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HISTORY OF THE STATE APPROVING AGENCIES (SAA)

In 1948, SAA representatives met to form an organization, the *National Association of State Approving Agencies (NASAA)*. With the formation of NASAA, the SAAs began to create professional standards for themselves. The organization established a forum for the exchange of ideas, the promotion of high professional standards, policies and ethical practices among its members and representation on mutual interests of issues coming before the membership. It also worked to protect both the schools and the veterans from fraud, waste and abuse. The organization continues to work to develop and maintain uniform standards for all SAAs.



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HISTORY OF THE STATE APPROVING AGENCIES (SAA)

- January 1, 1947, when the first contracts were signed with SAA and the federal government.
- The states met on September 20-22, 1948, to form NASAA.
- NASAA 53



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NASAA'S MISSION STATEMENT

The National Association of State Approving Agencies works in cooperation with its partners:

- (1) To facilitate the efforts of the state approving agencies to promote and safeguard quality education and training programs for all Veterans and other eligible persons;
- (2) To ensure greater education and training opportunities that meet the changing needs of Veterans; and
- (3) To protect the GI[®] Bill resources available for those programs.



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STATE APPROVING AGENCY

STATE MISSION & RESPONSIBILITY

- To ensure quality instruction, appropriate administration, and fair and equitable practices for every veteran (and eligible person) who enters a SAA-approved educational program.

SAA's do this by:

- Validating and approving educational courses and programs to be pursued by veterans and eligible persons
- Overseeing educational institutions, and ensuring compliance with federal and state guidelines
- Ensuring the interests and prerogatives of **the State** are preserved in both processes



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THE PLAYERS

- The “Triad”

- VA
- SAA
- Institution/SCO

Mutual trust,
Mutual dependence!

- Other players

- ED
- DoL
- FAA
- Accrediting agencies
- State L&C agencies

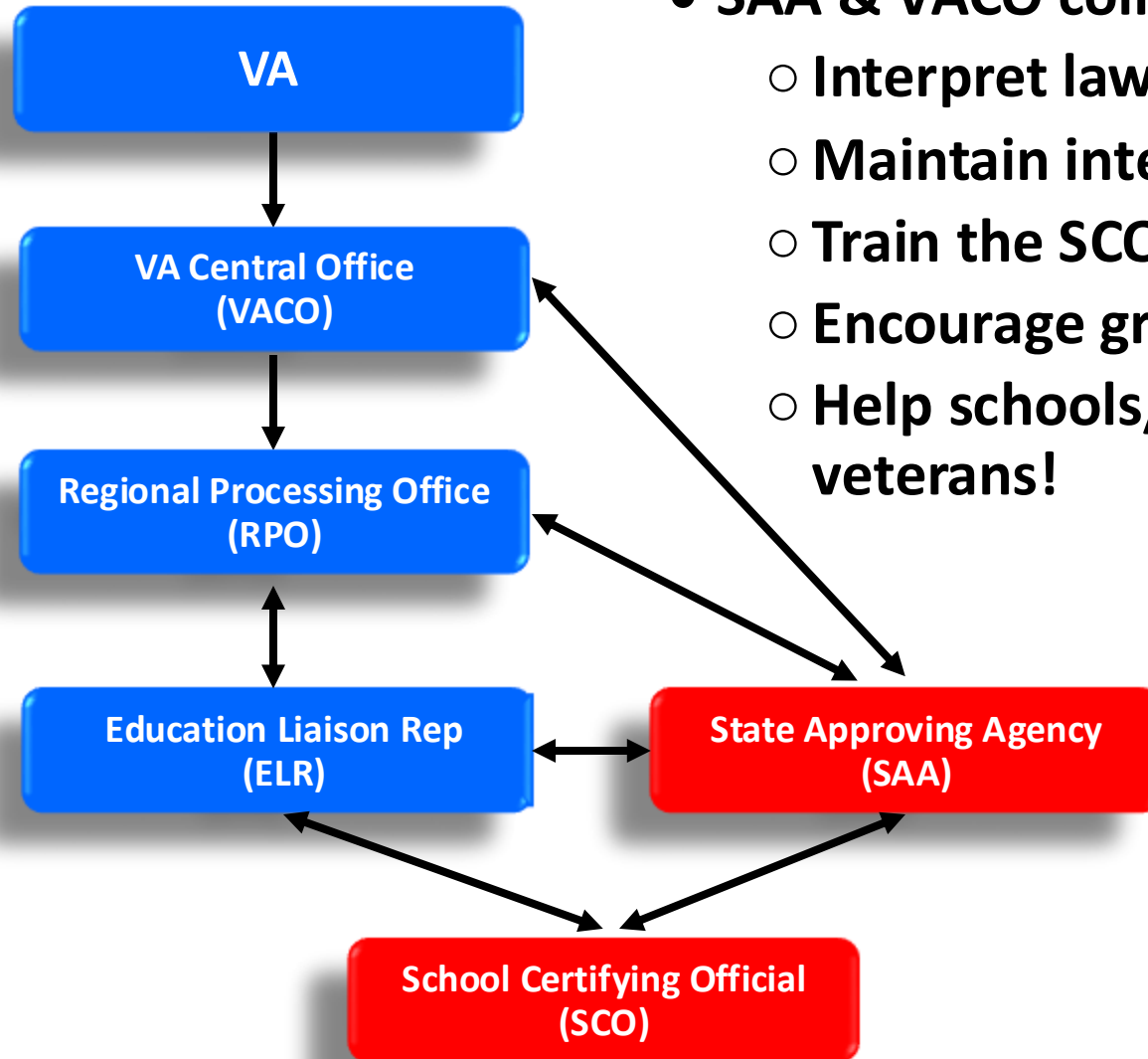
And of course, the VA-eligible students



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A FEDERAL STATE PARTNERSHIP



- **SAA & VACO collaborate to help**
 - Interpret laws and regulations
 - Maintain integrity of programs
 - Train the SCOs
 - Encourage greater use of VA benefits
 - Help schools/companies better serve veterans!



VA AND NASAA PARTNERSHIP

- Department of Veterans Affairs – 80 years!
- NASAA -75 years!



COMPLIANCE AND OVERSIGHT

- SAAs assists DVA with this responsibility.
- Former “Supervisory Visits” were more focused on SCO training and process improvement.
- Compliance Survey primarily an audit of fiscal administration of the GI Bill; focus shifted from academic programs to more emphasis on finances (no longer applicable).
- Risk Based Surveys are more focused on outcomes and education programs. NASAA Risk Based Survey Project determined the parameters of these visits.



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Public Law 116-315 Sections 1013 & 1014; 38 USC 3673 & 3673A

- Is an onsite review conducted at education and training institutions (ETI) to check compliance and mitigate risk factors and associated practices.
- Risk factors, to include, but not limited to:
 - Rapid student population increase
 - Rapid tuition and fee payment increase
 - Volume of validated student complaints
 - Financial stability
 - 85/15 rule violation
 - Veteran completion rates
 - Advertising and marketing practices
 - Federal or State government actions in court
 - Change from For-profit to Not-for-profit
- SAA conducts review of student files, financial stability, advertisements and marketing, and complaints made against the ETI.
- While on-site, SAA will tour the facility and when appropriate review a course.



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REQUIREMENTS

In addition to the data-driven, proactive selection process described above, RBSs are also conducted when VA receives notice of certain actions specified in statute at 38 U.S.C. § 3673(e)(2). Types of notices include the following:

- Notice from the Department of Education that an ETI is in receipt of payments under heightened cash monitoring level 2 payment method under section 487(c)(1)(B) of the Higher Education Act of 1965.
- Notice that the Department of Education has placed an institution in provisional certification status.
- Notice of a punitive action taken against an ETI for misconduct or misleading marketing practices by
 - U.S. Attorney General,
 - Federal Trade Commission, or
 - Another Federal agency



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REQUIREMENTS-CONTINUES

- Notice of a punitive action taken by a State against an ETI.
- Notice of action taken by an accrediting agency or association due to
 - Loss of accreditation
 - Risk of losing accreditation
 - Probation
 - Suspension
 - Show cause relating to the ETI's
 - Academic policies and practices
 - Financial stability
 - Revocation of accreditation



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REQUIREMENTS-CONTINUES

- Section 1022 of the Isakson-Roe Act (added at 38 U.S.C. § 3699B) also requires RBSs to be performed for three consecutive years following conversion of a private for-profit educational institution to a private nonprofit or public educational institution.



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RISK-BASED SURVEY (RBS)

As a result of the Isakson and Roe Veterans Health Care and Benefits Improvement Act of 2020 (Public Law 116-315), section 1017 amended chapter 36 of Title 38 USC §3679 to establish grounds for disapproval of a course when an Education and Training Institution (ETI) fails to comply with a risk-based survey or fails to secure an affirmation of approval following the RBS by the SAAs of jurisdiction.

An ETI can fail to comply with an RBS by one of the following:

1. Failure to respond to a request to schedule an RBS within 6 business days.
2. Failure to provide or produce documentation upon request during a compliance action under CFR 21.4209.



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PUBLIC LAW 112-249 - IMPROVING TRANSPARENCY OF EDUCATION OPPORTUNITIES FOR VETERANS

Public Law 112-249, signed on January 10, 2013, mandates, among other things...

- A centralized mechanism for tracking/publishing feedback from students and SAA regarding quality of instruction, recruiting practices, and post-graduation employment placement of institutions of higher education.
- SAA's will share with accrediting agencies or associations information regarding the SAA's evaluation of an IHL.



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2014 VA & NASAA INITIATIVES

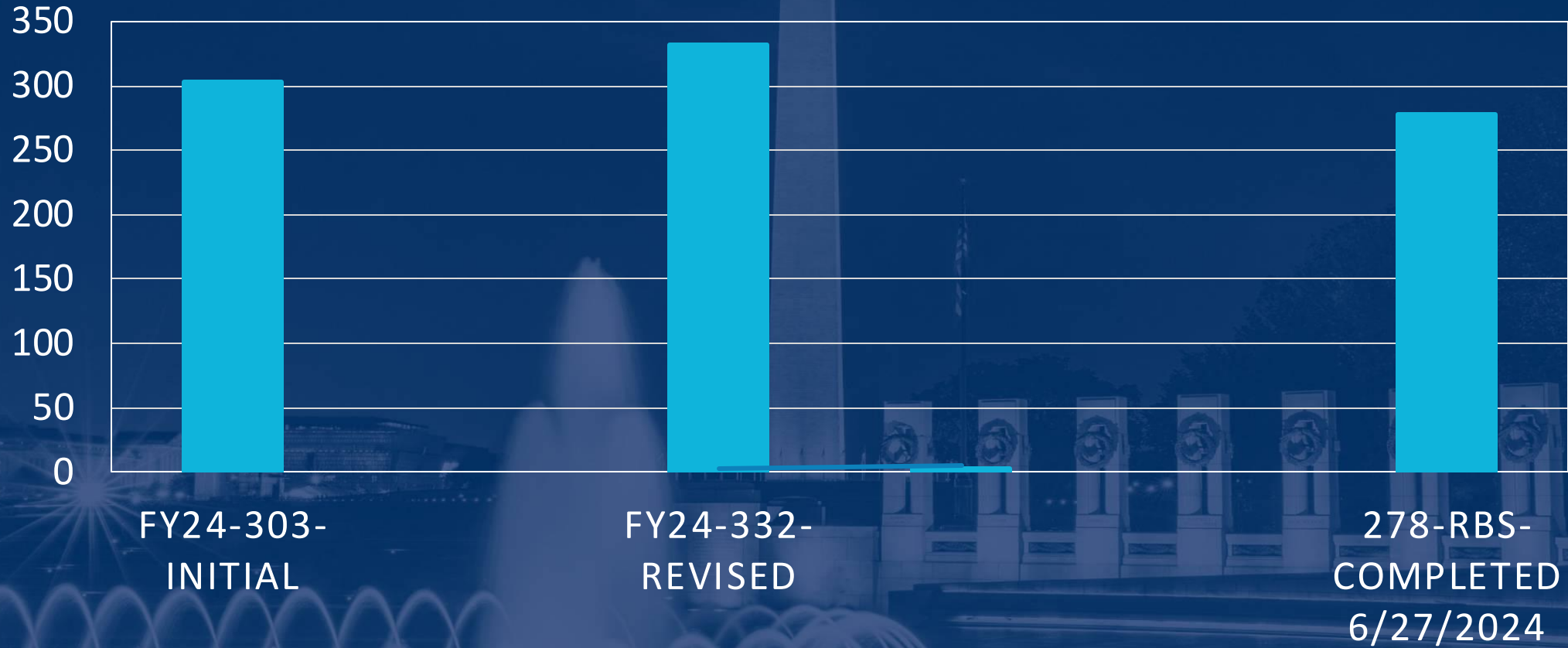
- National VA Online **Feedback** (Complaint) System
 - A centralized online reporting system; launched in Jan 2014
 - Report violations of the **Principles of Excellence** (E.O. 13607)
 - Report negative experiences with educational institutions
 - Identify and address unfair, deceptive, misleading practices
 - Ensure high quality academic and student support services
- VA Online **Comparison** Tool
 - Launched in February 2014
 - Easier to calculate Post-9/11 GI Bill benefits and learn more about VA's approved colleges, universities and other education and training programs across the country.



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RISK-BASED SURVEY-CONDUCTED-COMPLETED <>IDENTIFIED<>



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SUPERVISORY VISIT

- A significant part of the Supervisory Visit is providing technical assistance to SCOs.
- The visit will allow SAAs an opportunity to reacquaint ETIs with all approval matters, which includes covering specific requirements for maintaining approval.
- SAA will review student records, (3) VA beneficiary records and one (1) non-beneficiary
- Additionally, the visit includes the examination of approval criteria, such as:
 - Has the current catalog or bulletin been approved by SAA.
 - Has VA been notified of applicable changes in school certifying officials.
 - Has there been a change of ownership or change of location.
 - Is ETI in compliance with 85/15 ratio requirements, or have a 35% exemption.
 - Is ETI in compliance with 38 USC 3696 advertising, sales, and enrollment practices.



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ISAKSON & ROE ACT

P.L. 116-315, Isakson and Roe Veterans Health Care and Benefits Improvement Act of 2020

Became law January 5, 2021

Contains several provisions pertaining to SAAs including:

- **Section 1015** - Additional requirement for approval of educational institutions for purposes of the educational assistance programs of the Department of Veterans Affairs This section requires accredited institutions (even those “deemed approved”) to be eligible for participation in the Federal Student Aid program through Title IV of the Higher Education Act in order to be eligible to receive GI Bill® funds. Effective: August
- **Section 1018** - Requirements for educational institutions participating in the educational assistance programs of the Department of Veterans Affairs This section essentially codifies in statute the requirements of the Principles of Excellence Program, currently in Executive Order 13607. It also makes compliance with those requirements mandatory for approval of a course of education. Effective: June 15, 2021, and apply to educational institutions beginning on August 1, 2021



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THANK YOU



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