§ 3691A. Withdrawal or leave of absence from certain education

(a) IN GENERAL.—(1) A covered member may, after receiving orders to enter a period of covered service, withdraw or take a leave of absence from covered education.

(2)(A) The institution concerned may not take any adverse action against a covered member on the basis that such covered member withdraws or takes a leave of absence under paragraph (1).

(B) Adverse actions under subparagraph (A) include the following:

(i) The assignment of a failing grade to a covered member for covered education.

(ii) The reduction of the grade point average of a covered member for covered education.

(iii) The characterization of any absence of a covered member from covered education as unexcused.

(iv) The assessment of any financial penalty against a covered member.

(b) WITHDRAWAL.—If a covered member withdraws from covered education under subsection (a), the institution concerned shall refund all tuition and fees (including payments for housing) for the academic term from which the covered member withdraws.

(c) LEAVE OF ABSENCE.—If a covered member takes a leave of absence from covered education under subsection (a), the institution concerned shall—

(1) assign a grade of ‘incomplete’ (or equivalent) to the covered member for covered education for the academic term from which the covered member takes such leave of absence; and

(2) to the extent practicable, permit the covered member, upon completion of the period covered service, to complete such academic term.

(d) DEFINITIONS.—In this section:

(1) The term ‘covered education’ means a course of education—

(A) at an institution of higher education; and

(B) paid for with educational assistance furnished under a law administered by the Secretary.

(2) The term ‘covered member’ means a member of the Armed Forces (including the reserve components) enrolled in covered education.

(3) The term ‘covered service’ means—

(A) active service or inactive-duty training, as such terms are defined in section 101 of title 10; or

(B) State active duty, as defined in section 4303 of this title.

(4) The term ‘institution concerned’ means, with respect to a covered member, the institution of higher education where the covered member is enrolled in covered education.

(5) The term ‘institution of higher education’ has the meaning given such term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

(6) The term ‘period of covered service’ means the period beginning on the date on which a covered member enters covered service and ending on the date on which the covered member is released from covered service or dies while in covered service."
Excerpts from School Certifying Official’s Handbook Covering VA Grade Policies:

INCOMPLETE GRADES

Incompletes Assigned on a Provisional Basis

• Some institutions allow the assignment of an "I" (incomplete) grade on a provisional basis only. These institutions require a student to remove the "I" grade within a specified time (e.g., by the end of the term following the term for which the "I" grade was assigned). Institutions that have and enforce such a policy are not required to report the assignment of an "I" grade at the time it is assigned.

• If the incomplete course for which the “I” grade was assigned is not completed within the institution’s specified completion time and the “I” grade is replaced with a non-punitive grade, the non-punitive grade must be timely reported to VA. The SCO should amend the certification, reduce the hours and tuition and fees as appropriate, and report the nonpunitive grade as “Student completed term, but non-punitive grades assigned for one or more course(s)”. When a letter grade (i.e., A-F), or other punitive failing grade is assigned, no report to VA is needed.

Incompletes Assigned on a Non-Provisional Basis

• Some institutions allow an "I" (incomplete) grade to remain in a student’s record indefinitely. In such cases, the school must report the incomplete grade as non-punitive at the time the “I” grade is assigned. The SCO should amend the certification, reduce the hours and tuition and fees as appropriate, and report the “I” grade as “Student completed term, but non-punitive grades assigned for one or more course(s)” If the student later successfully completes the course or receives a punitive failing grade, the SCO should amend the enrollment certification and increase the hours and tuition and fees as appropriate, effective the first day of the term.

Chapter 33: All incomplete grades must be reported for chapter 33 per the rules above.

Chapters 30, 32, 35, and 1606: An incomplete grade doesn’t need to be reported at the time of assignment (even if a non-punitive grade is assigned) if training time isn’t affected. Example: A student takes 15 credit hours, completes 12 credit hours, and receives 3 credit hours incomplete. Training time isn’t affected because the incomplete doesn’t change the student’s full-time training time.

Non-punitive Grades

• A non-punitive grade is a grade that doesn’t count as earned credit and isn’t considered in progress standards for graduation. A withdrawal after the drop period is non-punitive if it isn’t calculated into the student’s GPA or it isn’t considered in academic progress criteria like probation and suspension. Non-punitive grades have the same effect as an audit. They don’t apply to the degree and they don’t affect academic progress.

• Non-punitive repeat grades do not have to be reported under some circumstances. Review the forgiveness policy under Repeating Courses.

Punitive Grades

• A punitive grade is a grade assigned for pursuit of a course which is used in determining the student’s overall progress toward completion of the school’s requirements for graduation, e.g., a failing grade.
• Unlike the non-punitive grade, the punitive grade does affect the criteria to be met by the student for graduation, i.e., it is a factor in computing the student's grade average or grade point average.

Mitigating Circumstances
Mitigating Circumstances are circumstances beyond the student’s control that prevent the student from continuing in school or that cause the student to reduce credits.

Examples are:
• An illness or death in the student’s immediate family.
• An illness or injury afflicting the student during the enrollment period.
• An unavoidable change in the student’s conditions of employment.
• An unavoidable geographical transfer resulting from the student’s employment.
• Immediate family or financial obligations beyond the control of the claimant that require him or her to suspend pursuit of the program of education to obtain employment.
• Discontinuance of the course by the school.
• Unanticipated active military service, including active duty for training.
• Unanticipated difficulties with childcare arrangements the student made for the period during which he or she is attending classes.

When a student terminates or reduces after the drop period and a non-punitive grade is assigned, mitigating circumstances are an issue. If mitigating circumstances are needed and adequate evidence of mitigating circumstances isn’t received, VA will not pay for the course(s) in question. If the student has already been paid for the course or courses, VA will create an overpayment (subject to the 6-Credit Hour Exclusion described below) from the beginning of the term.

If mitigating circumstances are an issue for the adjustment or termination reason you select, EM will display a Mitigating Circumstances box. The drop-down arrow for the box will display the above list of mitigating circumstances. If you know the circumstance and it’s clearly one of the circumstances listed, then select that circumstance. Documentation of mitigating circumstances provided by the student should be retained within the student’s file.

If you don’t have documentation of the student’s circumstance, then leave the mitigating circumstance box blank. If you leave the mitigating circumstance box blank, VA will ask the student to provide evidence of a mitigating circumstance.
Section 1018 Principles of Excellence (POE) codifies in statute the following requirements:

Section 1:
Schools must provide a covered individual (a student using benefits under chapter 30, 31, 32, 33, or 35 of title 38, U.S.C., or chapter 1606 of title 10, U.S.C.) with a personalized shopping sheet that contains:

- Estimated total cost of the course that includes tuition, fees, books, supplies and any other additional costs.
- Estimated cost of living expenses.
- Amount of costs above that are covered by VA Education Benefits.
- Other types of Federal financial aid, not administered by VA that is offered by the institution, that the individual may be qualified to receive.
- Estimated amount of student loan debt the individual would have upon graduation.
- Information regarding graduation rates.
- Information regarding job-placement rates for graduates, if available.
- Information regarding the acceptance of transfer credits including military credits.
- Any additional requirements including training, experience, or examinations that are required to obtain a license, certification or approval for which the course of education prepares the individual.
- Other information to facilitate comparison by the individual about aid packages offered by different educational institutions.

- Personalized shopping sheets must be provided within 15 days after tuition and fees are determined for the academic year if there is a change.
- Schools must maintain policies that:
  - Inform an enrolled covered individual of the availability of federal financial aid, not administered by VA that is offered by the institution.
  - Alert the individual of the potential eligibility for other federal financial aid before packaging or arranging student loans or alternative financing.
  - Prohibit automatic renewal of a covered individual in a course and/or programs.
  - Ensure each covered individual approves of the enrollment in a course.
  - Allow enrolled members of the Armed Forces, including reserve components and National Guard to be readmitted if such members are temporarily unavailable or must suspend enrollment by reason of serving in the Armed Forces.
  - Accommodate short absences for such services in the Armed Forces.
- Schools must provide covered individuals the requirements for graduation and a graduation timeline.
- Accredited educational institutions agree to obtain approval of the respective accrediting agency for each new course or program.
- Schools must designate an employee of the educational institution to serve as a point of contact for covered individuals and family members seeking assistance with:
  - Academic Counseling.
  - Financial Counseling.
  - Disability Counseling.
  - Other information regarding completing a course of education at the education institution.
Section 2:

- State Approving Agency will take action when the education institution does any of the following:
  - Carries out deceptive or persistent recruiting techniques including on military institutions.
  - Misrepresents payment of incentive compensation.
  - During a 1-month period makes three or more unsolicited contacts to a covered individual via phone, email and/or in person.
  - Engages in same day recruitment and registration.
  - Provides a commission, bonus, or other incentive payment based directly or indirectly on success in securing enrollments or financial aid to any persons or entities engaged in any student recruiting or admission activities, or in making decisions regarding the award of student financial assistance. (Please note: schools are already subject to this requirement under 38 U.S.C. § 3696(d)(1)).

PRIOR CREDIT

- One of the criteria for approval of any school for Veterans' training is that it reviews prior credit and grant credit as appropriate to a VA student's current program. This is found in Title 38, Code of Federal Regulations, Sections 21.4253(d)(3) and 21.4254(C)(4). In essence, this requires every approved school to have and enforce a policy with regard to transfer courses, credits, and previous experience.

- Schools no longer have to report prior credit to VA, Schools must evaluate prior credit, grant credit as appropriate, notify the student of the evaluation, and shorten the program certified accordingly. Whenever a student initially enrolls in your school or changes programs at your school a credit evaluation must be completed. VA will review credit evaluations during compliance surveys and credit evaluation records must be kept and made available to VA upon request.

- Schools should make every effort to obtain transcripts to comply with the requirement to evaluate and grant credit where appropriate. However, if a transcript cannot be obtained, you may continue to certify enrollment as long as the student has matriculated (see definition of non-matriculated students). Reviews of prior credit policies will be conducted during compliance surveys and treated as approval issues if the school is not complying.

Military Education and Training Resources
Military education and training should be evaluated for prior credit. Information needed to evaluate military education and training is available online.

The ACE Military Guide
Find information about the American Council on Education (ACE) Military Guide (Guide to Evaluation of Educational Experiences in the Armed Services) at their website.
Military Transcripts
Find information about the Military Joint Services Transcripts (https://jst.doded.mil/official.html) and how transcripts may be requested by current and former members of the Army, Coast Guard, Marine Corps, and Navy at their webpage. Current and former members of the Air Force can request transcripts from the Community College of the Air Force (CCAF). Air Force personnel can obtain their transcript, even if they have not attended classes at the CCAF. More information about military transcripts (https://www.va.gov/resources/how-do-i-get-college-credits-for-my-military-service/) can be found on the vets.gov website.