COMPUTER MATCHING AGREEMENT
BETWEEN THE DEPARTMENT OF VETERANS AFFAIRS
AND THE DEPARTMENT OF DEFENSE
FOR DETERMINATION OF ELIGIBILITY
FOR MONTGOMERY GI BILL, POST-9/11 GI BILL, AND
RESERVE EDUCATIONAL ASSISTANCE PROGRAM BENEFITS

Article I. Introduction

A. Supersedure

This computer matching agreement supersedes all existing data exchange agreements or memoranda of understanding between the Department of Defense (DoD) and the Veterans Benefits Administration, Department of Veterans Affairs (VA), applicable to determining the eligibility for payment of benefits under the Montgomery GI Bill — Active Duty (chapter 30), the Montgomery GI Bill — Selected Reserve (chapter 1606), Reserve Educational Assistance Program (Chapter 1607) and the Post-9/11 GI Bill (chapter 33) and continued compliance with the requirements of all programs.

B. Guidance

This agreement between Department of Defense (DoD) and the Department of Veterans Affairs (VA) is executed to comply with the Privacy Act of 1974, as amended, 5 U.S.C. §552a, and with Office of Management and Budget (OMB) guidelines published at 54 Fed. Reg. 25818, June 19, 1989, interpreting the provisions of the Privacy Act pertaining to computer matching, as well as those computer matching portions of a revision of OMB Circular No. A-130, Transmittal No. 4 (65 FR 77677, December 12, 2000).

C. Abbreviations and Definitions

1. Disclose and disclosure. The release outside the agency (department) of information or data, with or without the consent of the individual to whom the data pertain, either by the Department of Defense or Department of Veterans Affairs.

2. DMDC. Defense Manpower Data Center, DoD Center Monterey Bay, 400 Gigling Road, Seaside, CA 93955-6771. Telephone (831) 583-2400 or DSN 878-2951.

3. DoD. Department of Defense.

5. **Matching program.** As defined in subsection (a)(8) of the Privacy Act, will also mean that this particular matching program meets the criteria and definition of a "Federal benefit program", also defined in subsection (a)(12) of the Privacy Act, as this matching program pertains to Federal programs.

6. **OMB.** Office of Management and Budget.


8. **Recipient agency.** As defined in subsection (a)(9) of the Privacy Act, will mean the Department of Veterans Affairs, Veterans Benefits Administration, the agency receiving the records and actually performing the computer match, i.e., the matching agency.

9. **Source agency.** As defined in subsection (a)(11) of the Privacy Act, will mean the Department of Defense, the agency initially disclosing the records for the purpose of a computer match.

10. **SSN.** Social Security Number.

11. **VA.** Veterans Benefits Administration, Department of Veterans Affairs, 810 Vermont Avenue, NW, Washington, DC 20420.

**Article II. Purpose and Legal Authority**

**A. Purpose**

The purpose of this computer matching program between the VA and DoD is to verify that individuals meet the conditions of military service and eligibility criteria for payment of benefits determined by the VA under four enacted programs.

**B. Legal Authority**

The legal authority for the four programs is contained in Title 10, U.S.C. (Montgomery GI Bill – Selected Reserve), Sections 16131, 16131a, 16132, 16132a, 16133 and 16136; Title 10, U.S.C. (Reserve Educational Assistance Program — REAP), Sections 16161, 16162, 16162a, 16163, 16163a, 16164, 16165, and 16166; Title 38, U.S.C. (Montgomery GI Bill – Active Duty), Sections 3011, 3012, 3018A and 3018B; Title 38, U.S.C. (Post-9/11 GI Bill), Sections 3301, 3311, 3312, 3313; and Public Law 111-377 (Post-9/11 Veterans Educational Assistance Improvements Act of 2010) dated January 4, 2011. The administrative responsibilities designated to both agencies by law require that data be exchanged in administering the programs.
Article III. Justification and Expected Results

A. Justification

The Montgomery GI Bill — Selected Reserve (Chapter 1606) and the Reserve Educational Assistance Program (Chapter 1607) program was designed by the Congress to require determination of initial eligibility and changes in eligibility status by the Reserve and Guard Components. These Components include the Army Reserve, Navy Reserve, Air Force Reserve, Marine Corps Reserve, Army National Guard, and Air National Guard which are under DoD, and the Coast Guard Reserve which is under DHS when it is not operating as a service in the Navy.

The Montgomery GI Bill — Active Duty (Chapter 30) program was designed by Congress for those who served on active duty after June 30, 1985. The Post-9/11 GI Bill program was designed by Congress to expand the educational benefits for military veterans who served since September 11, 2001, on active duty or in the Selected Reserve within the Reserve and Guard Components. These Components include the Army, Army Reserve, Navy, Navy Reserve, Air Force, Air Force Reserve, Marine Corps, Marine Corps Reserve, Army National Guard, and Air National Guard which are under DoD, and the Coast Guard Reserve which is under DHS, when it is not operating as a service in the Navy. DoD also provides Post 9/11 transferability and eligibility data to support administration of benefits to the Uniformed Services under NOAA and Public Health.

Under the Montgomery GI Bill — Active Duty program and the Post-9/11 GI Bill program, DoD is required to provide data to VA that are used in VA's determination of eligibility of benefits. The parties to this agreement have determined that a computer matching program is the most efficient, expeditious, and effective means of obtaining and processing the data needed by VA to verify individual eligibility for payment of benefits. Computer matching is deemed the most effective tool because of the large number of potentially eligible claimants and the cost VA would have to incur in receiving data directly from DHS or the individual DoD Components. Over 14.2 million record changes (additions, deletions, and amendments) are processed annually. Computer matching eliminates the need for the DoD to use hard-copy notification of eligibility data to VA and for VA to manually input this data into the VA benefit payment system. Instituting a manual procedure would clearly impose a greater administrative burden and seriously delay the administrative process.

B. Expected Results

VA's agreement with DoD to provide educational assistance is a statutory requirement of chapter 1606, Title 10, U.S.C., chapter 1607, Title 10, U.S.C., chapter 30, Title 38, U.S.C. and chapter 33, Title 38, U.S.C (Post-9/11 GI Bill).
These laws require VA to make payments to eligible veterans, service members, guard, reservist, and family members under the transfer of entitlement provisions. The responsibility of determining basic eligibility for chapter 1606 is placed on the DoD. The responsibility of determining basic eligibility for chapter 30 and chapter 33 is placed on VA, while the responsibility of providing initial eligibility data for chapter 30 and chapter 33 is placed on DoD. Thus, the two agencies must exchange data to ensure that VA makes payments only to those who are eligible for a program. Without an exchange of enrollment and eligibility data, VA would not be able to establish or verify applicant and recipient eligibility for the programs. Subject to the due process requirements, set forth in Article VII.B.1., 38 U.S.C. §3684A, VA may suspend, terminate, or make a final denial of any financial assistance on the basis of data produced by a computer matching program with DoD.

To minimize administrative costs of implementation of the law and to maximize the service to the veteran or service member, a system of data exchanges and subsequent computer matching programs was developed. The purposes of the computer matching programs are to minimize the costs of administering the Montgomery GI Bill — Active Duty, the Montgomery GI Bill — Selected Reserve, Reserve Educational Assistance Program, and the Post-9/11 GI Bill program; facilitate accurate payment to eligible veterans or service members training under the chapter of the Montgomery GI Bill — Active Duty, the Montgomery GI Bill — Selected Reserve, Reserve Educational Assistance Program, and the Post-9/11 GI Bill program; and to avoid payment to those who lose eligibility. The current automated systems, both at VA and DoD, have been developed over the last twenty years. The systems were specifically designed to utilize computer matching in transferring enrollment and eligibility data to facilitate accurate payments and avoid incorrect payments. The source agency, DMDC, stores eligibility data on its computer based system of record. The cost of providing this data to VA electronically are minimal when compared to the cost DMDC would incur if the data were forwarded to VA in a hard-copy manner. By comparing records electronically, VA avoids the personnel costs of inputting data manually as well as the storage costs of the DMDC documents. This results in an estimated annual savings of $27,944,975 to VA in mailing and data entry costs. A cost-benefit analysis is at Attachment 1.

In the thirty years since the inception of the chapter 30 program, the cost savings of using computer matching to administer the benefit payments for these educational assistance programs have not diminished. The implementation of chapter 33 has impacted the chapter 30 program over the past 5 years (fiscal year 2010 through fiscal year 2014). Statistics have shown an average decrease of 34% in number of persons who ultimately use chapter 30. The savings have continued to grow with the increased number of persons eligible for all four programs.
Article IV. Description of the Match and Records Involved

A. Description of the Match

VA establishes records for all individuals who have applied for benefits and must verify their eligibility under the Montgomery GI Bill — Active Duty, the Montgomery GI Bill — Selected Reserve, Reserve Educational Assistance Program, and the Post-9/11 GI Bill program. DMDC, as the source agency, will provide to VA the eligibility records on DoD individuals consisting of various data elements set forth in Attachment 2 which contains specific data relating to the requirements for eligibility including data on member contribution amounts, service periods, and transfer of entitlement. VA will match on several attributes, including SSN, DoD EDIPI (or VA_ID), Date-of-Birth, Last Name, and File Identification Number. Service submissions showing new eligibility records and changes in chapter 30 eligibility statuses are processed daily/weekly/monthly at DMDC and transmitted electronically to VA weekly, while chapter 33 service submissions are transmitted electronically to VA nightly via database replication in VA/DoD Identity Repository (VADIR). These files are loaded on VA computers and matched with VA benefit records to determine any adjustments to benefits that are necessary as a result of changed eligibility status. VA processes applications from claimants for educational benefits at four (4) Regional Processing Offices located throughout the country. The data are accessed through VA’s Benefits Delivery Network, and entered into the VA automated claims processing system to establish or change a benefit record for the claimant. VA benefit records are established on an ongoing real-time basis. For the Montgomery GI Bill — Active Duty, the Montgomery GI Bill — Selected Reserve, Reserve Educational Assistance Program, and the Post-9/11 GI Bill program, a match is accomplished between the application data entered in the benefit record and the enrollment and/or eligibility record submitted by DMDC. After an initial benefit record is established in the VA system, any changes in the enrollment and/or eligibility record provided by DMDC will result in a notification to VA by means of a computer match. On a monthly basis, a copy of all VA benefit records is provided to DMDC so that DoD is aware of the payment status of recipients.

B. Privacy Act Systems of Records

1. Eligibility records are extracted from a DoD system of records identified as DMDC 02, DoD entitled: Defense Enrollment Eligibility Reporting System (DEERS), published in the Federal Register at 77 FR 69807 on November 21, 2012. The categories of personnel are all uniformed services (active duty, discharged, separated or retired including members of the reserve and guard). Attachment 3 is a copy of the published record system notice. Routine use 9 (e) and 20(e) under this notice applies to the chapter 33 computer match.
2. VA will use the system of records identified as "Compensation, Pension, Education, Vocational Rehabilitation and Employment Records – VA (58VA21/22/28)" first published at 41 FR 9294 (March 3, 1976), and last amended at 77 FR 42593 (July 19, 2012), with other amendments as cited therein. Attachment 4 is a copy of the system notice.

C. Data Elements

See Attachment 2 for a listing of data elements used for this computer matching program.

D. Routine Uses

Agencies must publish routine uses pursuant to subsection (b)(3) of the Privacy Act for those systems of records from which they intend to disclose data. The systems of records described above contain routine use authority for disclosure of personal data between the agencies for the match, routine use 10 (e)(2) for DoD and routine use 39 for VA. The routine use provisions are compatible with the purpose for which the data were collected in the record systems and also reflects that disclosures are subject to computer matching.

Article V. Starting and Completion Dates

A. Transmittal Letter Begins Review Time

When this agreement is approved and signed by the Chairpersons of the respective Data integrity Boards, the VA, as the matching agency, will submit this agreement and the proposed public notice of the match in duplicate via a transmittal letter to Congress and the OMB for review. The time period for review outside the agencies begins on the date of the transmittal letter.

B. Matching Notice Publication

Simultaneously with the transmittal forwarded to Congress and the OMB for review, VA will forward the public notice of the proposed matching program for publication in the Federal Register as required by subsection (e)(12) of the Privacy Act. The matching notice will clearly identify the record systems and category of records being used and state that the program is subject to review by Congress and the OMB. A copy of the published notice shall be provided to DoD.

C. Effective Date of Agreement When Matching Begins

The parties to this agreement may assume Congressional and OMB concurrence if no comments are received within 40 days of the date of the transmittal letter. The 40-day Congressional and OMB review period and the
mandatory 30-day public comment period for the Federal Register publication of the notice will run concurrently, but not necessarily simultaneously because of the lead time required by the Office of the Federal Register for publication of the matching notice. The effective date of this matching agreement and the date when matching may begin shall be at the expiration of the 30-day Federal Register public comment period or the 40-day Congressional and OMB review period, whichever is later.

D. Duration of the Agreement

This agreement shall be valid for 18 months from the effective date of the notice and may be extended by the parties at the end of 18 months, for a period of time not to exceed 12 months, if each agency’s program manager certifies to its respective Data Integrity Board that:

1. The matching program will be conducted without change; and

2. The matching program has been conducted in compliance with the original agreement.

It shall be the responsibility of the matching agency to prepare the extension at least 90 days before the end of the current agreement. If either party does not wish to extend this agreement, it should notify the other of its intention not to extend at least 90 days before the end of the current agreement. This agreement may be modified at any time by a written modification to this agreement which satisfies the requirements of the Privacy Act by both parties and is approved by the Data Integrity Board of each agency.

E. Frequency of Matching

Matching will be conducted, when the review/publication requirements have been satisfied and thereafter become effective, on a daily, weekly, or monthly basis.

F. Termination

This agreement may be terminated at any time with the consent of both parties. Either party may unilaterally terminate this agreement upon written notice to the other party requesting termination, in which case the termination shall be effective 90 days after the date of the notice, or at a later date specified in the notice so long as the date does not exceed either the original or extended completion date of the match. This agreement may also be terminated for violations of any security procedures as detailed in sections IX.

Article VI. Notification Procedures
A. Direct Notice

Direct notice of the matching is provided to the individual by the DoD Privacy Act Statement on DD Form 2366, the application form used to participate in Chapter 30 (attachment 5); and DD Form 2384-1, the application form used to participate in Chapter 1606 (attachment 8). Direct notice of the matching is also provided to the individual by a Privacy Act Statement on VA Form 22-1990, Application for VA Education Benefits (attachment 7); VA Form 22-1990E, Application for Family Member to use Transferred Benefits (attachment 8); and VA Form 22-5490, Dependents’ Application for VA Education Benefits (attachment 9). After application, periodic notice is provided to the individual via education benefit information pamphlets published by VA and distributed yearly to all active trainees and all education and training facilities.

B. Constructive Notice

Any deficiencies as to direct notice to the individual for the matching program are cured by the indirect or constructive notice that is afforded the individual by agency publication in the Federal Register of both the (1) applicable routine use notice, as required by subsection (e)(11) of the Privacy Act, permitting disclosures of data and (2) the proposed match notice, as required by subsection (e)(12) of the Privacy Act, announcing the agency’s intent to conduct computer matching for purposes of determining eligibility for Montgomery GI Bill and Post-9/11 GI Bill benefits.

Article VII. Verification Procedures

A. Initial Applications for Benefits

1. On an initial application, the Veterans Claims Examiner (VCE) will use Veterans Information Solution (VIS) or supporting documentation from the service member (i.e.-DD214), or the DoD to verify service information. When the eligibility record indicates that the applicant is not eligible for the benefit sought, VA will notify the claimant of that fact and provide instructions for having the record corrected, if in error, or for appeal of the determination, if there is disagreement. On initial applications for the Montgomery GI Bill, since there is no VA benefit record, determinations are made without a computer match.

2. The DoD components will, upon request by VA or the claimant, review the eligibility data or determination and correct the data through the appropriate Service personnel systems or via the DMDC Educational Benefits (DEB) Web Application.

B. Changes in Eligibility Data
1. When a reported change in eligibility has been received by VA from DMDC and the affected veteran or service member has an existing VA benefit record, VA will notify the individual of any potentially adverse effect of the change and provide instructions for notifying VA of disagreement with the data within 30 days of the date of the receipt of the notice. The notification will include information on how to have erroneous data corrected. This notification will be accomplished before any adverse action is taken. In the absence of a correction to the eligibility record or correspondence from the individual contesting the adverse data, VA will, after the 10 day period specified in 38 U.S.C. §3684A, from the date of notification to the individual, reduce, terminate, or deny additional benefits, in accordance with the previous notification to the individual.

2. The DoD components will, upon request by VA or the claimant, review the eligibility data or determination and correct the data through the appropriate Service personnel system or via the DMDC Educational Benefits (DEB) Web Application.

3. If, after a potentially adverse change in eligibility status, VA receives a correction to the eligibility record which restores eligibility, VA will act on that correction without additional verification. If an individual veteran or service member submits correspondence indicating that the data from the computer match is in error, VA will request verification from the applicable DoD component before taking the proposed adverse action. If the accuracy of the adverse data is verified, VA will take the proposed action immediately.

4. If the service is found to be incorrect, VA will initiate contact with DoD. The DoD component will notify VA of the correct data and undertake immediate record correction procedures. VA will defer adverse action upon receipt of this data, pending correction of the automated record. In the absence of a response from the DoD component or a correction in the eligibility record VA will, after 30 days from the verification request, take the proposed adverse action.

5. Upon completion of the adverse action, VA will notify the individual of appellate rights, amount of overpayment, if any, and procedures for requesting waiver of the overpayment.

Article VIII. Disposition of Records

The VA will maintain all records in accordance with VA Directive 6300 and manage all records in accordance with the VA records control schedule enumerated in the directive. Service records and benefit records will be retained for the duration of this agreement and any subsequent extension, and for a period not less than an individual's period of eligibility, the duration of the benefit program, the termination of debt collection efforts, or any period necessary for resolution of adverse action procedures.
Article IX. Security Procedures

A. Both VA and DMDC will safeguard individual records as required by the Privacy Act of 1974 and the OMB Computer Matching Guidelines. Access to working spaces and claims folder storage areas in VA regional offices is restricted to VA employees on a need-to-know basis. File areas are locked after normal duty hours and the offices are protected from outside access by the Federal Protective Service or other security personnel.

B. Access to the automated records by both VA and DoD personnel requires clearance by the site security officer, whose responsibilities include control of password and badge distribution.

C. The Montgomery GI Bill — Active Duty, Montgomery GI Bill — Selected Reserve and, Reserve Educational Assistance Program data transferred to VA from DMDC are retained in the VA/DoD Identity Repository (VADIR) which resides at the Austin Information Technology Center (AITC) in Austin, Texas. Access to the data processing center is restricted to center employees, custodial personnel, and security personnel. Access to computer rooms is restricted to authorized operational personnel through electronic locking devices. All other personnel gaining access must be escorted.

The Post-9/11 GI Bill data transferred to VA from DMDC are retained at the Terremark Center in Culpepper Virginia. Access to the data processing center is restricted to center employees, custodial personnel, and security personnel. Access to computer rooms is restricted to authorized operational personnel through electronic locking devices. All other personnel gaining access must be escorted.

D. VA OIG and DMDC will safeguard each other’s information as follows:

1. Each agency shall establish appropriate administrative, technical, and physical safeguards to insure the security and confidentiality of the records and to protect against any anticipated threats or hazards to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on whom information is maintained. These safeguards include both DMDC and VA agreeing to comply with the requirements of Federal Information Security Management Act (FISMA), 44 U.S.C. Sec 3541 at seq.; related Office of Management and Budget (OMB) circulars and memorandums, such as Circular A-130, Management of Federal Information resources (Nov. 28, 2000), and Memorandum M-06-16, Protection of Sensitive Agency Information (June 23, 2006), and National Institute of Science and Technology (NIST) directives. These laws, directives, and regulations include requirements for safeguarding Federal information systems and personally identifiable information
(PII) used in Federal agency business processes, as well as related reporting requirements. Both agencies recognize that laws, regulations, NIST standards, and OMB directives relating to the subject of this agreement and published subsequent to the effective date must also be implemented if mandated;

2. Access to the records matched and to any records created by the match will be restricted only to those authorized employees and officials who require it to perform their official duties in connection with the uses of the information authorized in this agreement;

3. The records matched and any records created by the match will be encrypted and stored in any area that is physically safe from retrieval of any such records by means of computer, remote terminal or other means by unauthorized persons during duty hours as well as non-duty hours or when not in use;

4. The records matched and any records created by the match will be processed under the immediate supervision and control of authorized personnel in a manner which will protect the confidentiality of the records, and in such a manner that unauthorized persons cannot retrieve any such encrypted records by means of computer, remote terminal or other means; and

5. That all personnel who will have access to the records matched and to any records created by the match will be advised of the confidential nature of the information and civil and criminal sanctions for noncompliance contained in the applicable Federal laws.

E. VA and DMDC may make on-site inspections or make other provisions to ensure that adequate safeguards are being maintained by both agencies.

F. VA and DMDC will also adopt policies and procedures to ensure that information contained in their respective records and obtained from each other shall be maintained and disclosed solely as provided in the Privacy Act, as amended, and the Freedom of Information Act, as amended (5 U.S.C. § 552), and the respective regulations promulgated there under.

G. Breach Notification: If an agency experiences a loss, theft, or other unauthorized access of PII received from the other party under the terms of this agreement, the agency must promptly notify the other party. Within 1 hour of discovering the incident, the agency must also notify the United States Computer Emergency Readiness Team (US-CERT).
H. DMDC shall fully cooperate with any investigation or analysis of the incident. Failure to cooperate may be deemed a material breach and ground for termination of this agreement.

Article X. Records Accuracy Assessment

A. Service data used in this matching program are derived from the DMDC record system maintained by the DoD. This system is subject to standard internal control methodology to insure record accuracy. Each service that inputs to the system has a review process which includes an opportunity for the individual to review the data elements contained in the personnel file.

B. Use of data from these files in a number of financial and eligibility system applications indicates that the data pertaining to Uniformed Services are maintained with acceptable levels of accuracy using internal control processes.

C. In the case of Reserve and Guard members, the utilization of data from these personnel systems shows a somewhat lower, but still quite acceptable level of accuracy obtained in these files.

D. DoD component records and those records accessed by VA regional offices for payment purposes are subject to standard internal controls for data accuracy. The internal control processes ensure that data accuracy will stay within acceptable levels.

Article XI. Records Usage, Duplication, and Re-disclosure Restrictions

A. VA, as the recipient matching agency, will use the records submitted by DMDC solely for the computer match outlined in this agreement. VA will not duplicate or re-disclose records provided by DMDC within or outside VA without the written authority of DoD, unless required by law or when such duplication or re-disclosure is essential to the conduct of the matching program.

B. The data provided by each agency will not be used to extract data concerning individuals therein for any purpose not specified in this agreement.

C. Data resulting from the matching program may be disclosed for follow-up and verification or for civil or criminal law enforcement investigation or prosecution if the match uncovers activity that warrants such action.

D. Both parties will keep an accurate accounting of disclosure of an individual’s record as required by subsection (c) of the Privacy Act so as to permit the individual to know how his or her personal data are being used; to enable the agency to inform past recipients of disputed or corrected data; and to provide an audit trail for any subsequent reviews of agency compliance with subsection (b) of the Privacy Act pertaining to conditions of disclosure.
Article XII. Comptroller General Access

The Comptroller General of the United States may have access to all records stored at VA that the Comptroller General deems necessary in order to monitor or verify compliance with this agreement.

Article XIII. Reimbursement

Expenses incurred by this data exchange will not involve any payments or reimbursements between DOD and VA.

Article XIV. Points of Contact

A. The DMDC points of contact for program issues are:

   Mr. Vincent Suich
   Defense Manpower Data Center
   DoD Center Monterey Bay
   400 Gigiing Road
   Seaside, CA 93955-6771
   (831) 583-2400 DSN 878-2951

B. The VA point of contact for program issues is:

   Mr. Eric Patterson
   Strategy & Legislative Development Leader
   Education Service
   Veterans Benefits Administration, Department of Veterans Affairs
   810 Vermont Avenue NW
   Washington, DC 20420
   (202) 461-9830
Article XV. Department of Veterans Affairs Approvals

A. The authorized program officials, whose signatures appear below, agree to the terms and conditions as set forth herein, affirm that no verbal agreements of any kind shall be binding or recognized, and hereby commit their respective organizations to the provisions of this agreement.

Worley, Robert
Robert M. Worley II
Director, Education Service
Department of Veterans Affairs
810 Vermont Avenue, NW
Washington, D.C. 20420

July 6, 2015
Date

B. The respective Data Integrity Boards having reviewed this agreement and finding that it complies with applicable statutory and regulatory guidelines signify their respective approval thereof by the signatures of the officials appearing below.

Iashaunne.da
vid@va.gov
Stephen W. Warren, Chair
Data Integrity Board
Department of Veterans Affairs

July 1, 2015
Date
Article XV. Department of Defense Approvals

A. The authorized program officials, whose signatures appear below, agree to the terms and conditions as set forth herein, affirm that no verbal agreements of any kind shall be binding or recognized, and hereby commit their respective organizations to the provisions of this agreement.

Mary Snively-Dixon
Director
4800 Mark Center Drive
Suite 04E25
Alexandria, VA 22350

Date

B. The respective Data Integrity Boards having reviewed this agreement and finding that it complies with applicable statutory and regulatory guidelines signify their respective approval thereof by the signatures of the officials appearing below.

Peter Lewin
Chairperson
Defense Data Integrity Board
Department of Defense

8/11/2015
Date
May 21, 2015

Attachment 1

Cost-Benefit Analysis
Computer Matching Agreement for Determination of Eligibility
for Montgomery GI Bill, Post-9/11 GI Bill, and Reserve Educational Assistance Program Benefits

For
Department of Veterans Affairs

From
Department of Defense

I. Objective: This agreement establishes the conditions under which the Department of Defense (DoD) agrees to disclose information regarding eligibility to education benefits under the Montgomery GI Bill—Active Duty, Montgomery GI Bill—Selected Reserve, Post-9/11 GI Bill, and Reserve Educational Assistance Program to the Department of Veterans Affairs (VA). The purpose of this computer matching program between VA and DoD is to verify that individuals meet the conditions of military service and eligibility criteria for payment of benefits determined by VA under four enacted programs.

II. Program Level Matching: VA establishes records for all individuals who have applied for benefits and must verify their eligibility under the Montgomery GI Bill—Active Duty, Montgomery GI Bill—Selected Reserve, Post-9/11 GI Bill, and the Reserve Educational Assistance Program. Defense Manpower Data Center (DMDC), as the source agency, will provide to VA the eligibility records on DoD individuals consisting of various data elements set forth in Attachment 2 which contains specific data relating to the requirements for eligibility including data on member contribution amounts, service periods, and transfer of entitlement. VA will match on several attributes, including SSN, Date-of-Birth, Last Name, and File Identification Number.

Service submissions showing new eligibility records and changes in chapter 30 eligibility statuses are processed daily/weekly/monthly at DMDC and transmitted electronically to VA weekly, while chapter 33 service submissions are transmitted electronically to VA nightly via database replication in VA/DoD Identity Repository (VADIR). These files are loaded on VA computers and matched with VA benefit records to determine any adjustments to benefits that are necessary as a result of changed eligibility status. VA processes applications from claimants for educational benefits at four (4) Regional Processing Offices located throughout the country. The data are accessed through VA's Benefits Delivery Network, and entered into the VA automated claims processing system to establish or change a benefit record for the claimant. VA benefit records are established on an ongoing real-time basis. For the Montgomery GI Bill—Active Duty, Montgomery GI Bill—Selected Reserve, Post-9/11 GI Bill, and Reserve Educational Assistance Program, a match is accomplished between the application data entered in the benefit record and the enrollment and/or eligibility record submitted by DMDC. After an initial benefit record is established in the VA system, any changes in the enrollment and/or eligibility record provided by DMDC will result in a notification to VA by means of a computer match. On a monthly basis, a copy of all VA benefit records is provided to DMDC so that DoD is aware of the payment status of recipients.
III. Percentage and Number of Potential Hits: Over 14.4 million record changes (additions, deletions, and amendments) are processed annually. Computer matching eliminates the need for the DoD to use hard-copy notification of eligibility data to VA and for VA to manually input this data into the VA benefit payment system. Instituting a manual procedure would clearly impose a greater administrative burden and seriously delay the administrative process. Matching will be conducted, when the review/publication requirements have been satisfied and thereafter become effective, on a daily, weekly, or monthly basis.

When a reported change in eligibility has been received by VA from DMDC and the affected veteran or service member has an existing VA benefit record, VA will notify the individual of any potentially adverse effect of the change and provide instructions for notifying VA of disagreement with the data within 30 days of the date of the receipt of the notice. The notification will include information on how to have erroneous data corrected. This notification will be accomplished before any adverse action is taken. In the absence of a correction to the eligibility record or correspondence from the individual contesting the adverse data, VA will, after the 10 day period specified in 38 U.S.C. §3684A, from the date of notification to the individual, reduce, terminate, or deny additional benefits, in accordance with the previous notification to the individual.

The DoD components will, upon request by VA or the claimant, review the eligibility data or determination and correct the data through the appropriate Service personnel system or via the DMDC Educational Benefits (DEB) Web Application.

If, after a potentially adverse change in eligibility status, VA receives a correction to the eligibility record which restores eligibility, VA will act on that correction without additional verification. If an individual veteran or service member submits correspondence indicating that the data from the computer match is in error, VA will request verification from the applicable DoD component before taking the proposed adverse action. If the accuracy of the adverse data is verified, VA will take the proposed action immediately.

If the service is found to be incorrect, VA will initiate contact with DoD. The DoD component will notify VA of the correct data and undertake immediate record correction procedures. VA will defer adverse action upon receipt of this data, pending correction of the automated record. In the absence of a response from the DoD component or a correction in the eligibility record VA will, after 30 days from the verification request, take the proposed adverse action.

Upon completion of the adverse action, VA will notify the individual of appellate rights, amount of overpayment, if any, and procedures for requesting waiver of the overpayment.

IV. Dollar Value of Potential Loss Avoidance: N/A

V. Description of Any “Non-Dollar” Factors Regarding the Match: N/A

VI. Costs For Conducting This Computer Matching Activity: The cost for conducting the computer match is estimated to be $190,740. Using computer matching to furnish eligibility information rather than a non-computer matching alternative is expected to result in over 27 million dollars in savings. These savings will continue in proportion to the number of record
transactions processed each year. Without this agreement, it would be necessary to use a more costly method of matching and the timely delivery of benefits would be greatly impacted.

VII. **Total Cash Collected as a Result of the Computer Matching Activity:** N/A

VIII. **Conclusion:** The computer match will be a more cost effective method to exchange data between DoD and VA. The FTE counts and cost savings cited will benefit both departments in time and efficiency and is expected to result in over 27 million dollars in savings. Based on 5,182,884 transactions requiring review at a work-rate standard of 1 minute each, 33 FTE will be required. Based on 7,774,326 transactions requiring review and computer input at a work-rate standard of 5 minutes each, 247 FTE are required. Therefore, a total of 280 FTE are required for FY 2016. Using computer matching to furnish eligibility information rather than a non-computer matching alternative is clear evidence of the continuing advantage of this computer matching agreement.

**Signatory Authority**

Robert M. Worley II  
Director, Education Service  
Department of Veterans Affairs  
Program Manager

**Approve/Disapprove**

James E. Manker, Jr.  
Director, Office of Resource Management  
Department of Veterans Affairs  
Chief Financial Officer (CFO)
DMDC DATA ELEMENTS

A. Following are the individual data elements received by computer match from DMDC which are used by the VA in administering the Montgomery GI Bill — Active Duty (Chapter 30):

<p>| | |</p>
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<td>Branch of Service</td>
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<tr>
<td>7</td>
<td>Date Entered Service</td>
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<td>8</td>
<td>Date Separated from Service</td>
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<td>9</td>
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<td>11</td>
<td>MGIB AD Initial Obligation Years Code</td>
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<tr>
<td>12</td>
<td>MGIB Additional Contribution Date</td>
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<tr>
<td>13</td>
<td>MGIB Additional Cumulative Contribution Amount</td>
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<td>Enrollment Basis</td>
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<td>24</td>
<td>Enrollment Action</td>
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B. Following are the individual data elements received by computer match from DMDC which are used by the VA in administering the Montgomery GI Bill — Selected Reserve (Chapter 1606):

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<tr>
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<tr>
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