

Tuition Ordering and Payment Policy and Procedures



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Overview

This presentation is designed to provide an overview of the requirements and roles in placing and administering scholarship tuition and tutoring services for midshipmen attending on scholarship.

NSTCINST 4205.1 Service and Supply Contracts is the command instruction for the tuition “buying” process.

Further in-depth process guidance is provided in the NSTC Tuition Ordering and Payment Policy and Procedures located at:

<https://www.netc.navy.mil/Commands/Naval-Service-Training-Command/NROTC/Supply-Binder/>



Educational Service Agreements (ESA)

- Legal Binding Agreement between the Government and a SPECIFIC University
- Establishes the rules of placing and processing tuition orders
 - Defines “What we can Buy”, “What we can Pay for” and how “To Buy”
- This is the **only legal instrument** in which the Government can pay scholarship tuition, tutoring and allowable fees directly to the university.
- Tied directly to the NROTC unit’s primary mission of developing and commissioning Navy and Marine Corps Officers
- Requires Team Effort
- Failure to comply with the tuition policy and procedures will most likely result in delays in commissioning of midshipman



Task Orders

- Tuition and tutoring orders are called Task Orders
 - The actual “Buying” process

- Contractual Instruments and are governed by
 - Federal Law
 - Acquisition and Finance Regulations
 - NAVSUP Instructions

- Ordering process and regulatory compliance is implemented by:
 - NSTCINST 4205.1 Service and Supply Contracts
 - NSTC Tuition Ordering and Payment Policy and Procedures

- Following services are ordered under the ESA
 - Tuition
 - Mandatory and non-waiverable Fees
 - Advance Placement Exams
 - University Tutoring Services

- Room and Board Option is explicitly prohibited under this program



Roles

➤ **Fleet Logistics Center (FLC)**

- Legal authority to enter into and modify the ESA
- Delegates legal authority to appoint an Ordering Officer
- Compliance audits (Procurement Performance Measurement and Assessment Program (PPMAP))

➤ **NSTC N416**

- Program Manager
- Issues Ordering and Payment Policies and Procedures
- Compliance Assessment Requirements

➤ **NSTC N8**

- Financial processes owner

➤ **NSTC N9**

- Scholarship Requirements
- Qualifying degree programs
- Out of term Retroactive Payment determinations and authorizations

➤ **NETPDC N8**

- Processes Unit Accepted Invoices for Payment



Roles

➤ NROTC Commanding Officer

- Appoints a Unit Ordering Officer(s)
- Appoints a Unit Quality Control Officer(s)
- Ensures command roles are performed by Government Employees Only
(Inherently Governmental Functions)
- Ensures a different Government employee is assigned to each role
(Separation of Duty Requirements)
 - Initiator
 - Ordering Officer
 - Quality Control
- Establishes internal controls and processes to comply with policy requirements



Roles

- **NROTC Requirements Initiator (typically HRA and the Advisors)**
 - Determines who meets scholarship eligibility IAW NSTCINST M-1533.2
 - Ensures all courses are required for MIDN degree plans.
 - Determines tutoring requirements
 - Provides the Ordering Officer
 - Tutoring
 - Number of needed hours per subject and term
 - Listing of scholarship attendees by category
 - Total, Eligible, MLOA, DoDMERBS, Pending Removal
 - MLOA/DoDMERBs reinstatements/status
 - Coordinate with Ordering Officer and revise requirements as needed
 - Enters all Government paid tuition and fee amounts in the Midshipmen's Service Records



Roles

- **NROTC Unit Ordering Officer (typically the Supply Tech)**
 - Exercises **Sole Legal Authority** to Place Orders and Obligate the Government
 - Authority is limited by
 - FLC Letter of Delegation to Appoint an Ordering Officer
 - ESA
 - Certificate of Appointment (SF1402)
 - Issues all Official Ordering Communications to the University
 - Task Order DD Form 1155
 - Modification Form SF 30
 - Tuition Request for Services – Regular Terms Only
 - Who is anticipated to be on scholarship
 - “Voice of the Government” with the university on all aspects of the ordering process
 - Forwards all approved itemized tuition invoices and liquidated reimbursement request to the HRA for inclusion the Midshipmen's Service Records



Roles

- **NROTC Quality Control Officer (typically the Executive Officer)**
 - Must be familiar with the terms and conditions of the ESA and Contract Cost Principles
 - Verifies all Invoices for
 - Properness
 - All charges are allowable and required per the ESA
 - Charges are allocable to a specific Midshipman
 - Credits are properly applied
 - Proper supporting documentation
 - Accepts the Invoice on Behalf of the Government
 - Ensures the Government is “Getting What We Paid For”

Note: NEVER accept invoices greater than the Order Amount or contain charges for services that are not specifically allowed by the ESA



Important Contract Systems

- *Electronic Document Access (EDA) – Official DoD Contract File repository. All orders and modifications must be entered into.
- *Federal Procurement Data System – Next Gen (FPDS-NG) – A contract reporting tool to Congress. Also known as a Contract Action Report (CAR).
- System of Award Management (SAM) – A system that combines five other federal systems into one
 - Indicates if the Ordering Officer can do business with the contractor
 - IRS Tax delinquencies
 - Barment List
- *Wide Area Work Flow (WAWF) – DoD Electronic Invoicing and Payment System.
 - Only manner in which invoices can be submitted

** Ordering Officers are required to log into these systems every 30-days to keep the accounts active*



Mandatory Due By Dates

- **MUST** be completed prior to the Mandatory Due Date/Times
 - Scholarship Tuition Option anticipated eligibility listing (Regular terms only) – Prior to term start date
 - Tuition Order Issuance, Regular terms ----- On or before 46th day of term (Scholarship eligibility effective date)
 - Tutoring Order Issuance ----- Prior to service start
 - Tuition Order Issuance , Condensed Classes ----- Before 1st day of class
 - Reinstatement Orders Issuance ----- Upon Receipt
 - WAWF Invoice Processing ----- Within 7-days upon receipt
 - SAM Verification ----- 15 days prior to term and 24-hours prior to signing contract documents
 - FPDS-NG Reporting ----- Within 3-days of awarding order/modification
 - EDA Uploading ----- Within 3-days of awarding order/modifications



Contract Files

- Legal records and shall be sufficient to “tell the entire story”
- Must contain all required documentation
- The ESA and EACH Task Order has its own separate contract file
- Files shall be properly safeguarded
- Must be maintained for 10-years after the order is closed-out
- Crucial for audits and assessment



University Provided Tutoring Services

- Required to obtain tutoring services through the university*
 - If university does not nor cannot offer the services requirements
 - Obtain documentation or other proof from the university
 - Required new letter start of each school year
 - Summit with GCPC (or Convenience Check if authorized) request
 - File in the ESA folder
- Orders for tutoring services are for “best approximation” hours/sessions and calculated cost requirement
- Issued PRIOR TO tutoring service(s) start date.
- Tutoring services shall be done in the most cost effective manner.
- When tutoring is offered at the different class levels (100, 200, 300, etc. level classes), then services should be ordered for the appropriate class levels.

** If listed in paragraph 1(b) of the ESA*



Condensed Courses

- Shorter in duration than the standard academic terms (typically less than 45 days). Includes summer school and winter courses
- No 45-day rule. Eligibility is determined by MIDN scholarship eligibility status and option election of previous regular term.
- Command authorization IAW NSTCINST M-1533.2 and NSTCINST 4205.1
- Attendance through host institute resident and on-line classes should be encouraged to the maximum extent reasonably possible.
- Course is at any ESA or Cross-Town School
 - Follow the tuition ordering policy
 - Order on Task Order
 - Issue prior to convening date



Condensed Courses - Continued

- Courses taken at a non-ESA university
 - The course will be ordered by the Government Commercial Purchase Card (GCPC) Card Holder (CH) utilizing the SF182 process if in limitation of GCPC program.
 - If course is not within limitations of GCPC program:
 - PRIOR to convening date
 - Command must approve the course
 - Submit funding request to NSTC Comptroller
 - Scholarship student shall pay for the courses
 - Submit a claim for reimbursement
- All courses taken must be fully transferable to degree program requirements



Failure to Maintain Eligibility

- Includes
 - Medical (MLOA/DoDMERB)
 - Academic requirements
 - Participation requirements
 - Student withdraws

- Occurs before 45-day requirement
 - Not included on the task order
 - Student is liable to pay the university for all tuition and fees
 - Medical – work with school to defer invoicing

- Occurs after 45-day requirement
 - Ordering Officer issues a Modification to remove the recipient from the program
 - Government has to pay the tuition and fees to the University
 - Follow the procedures of the current revision of NSTCINST M-1533.2 to pursue any student indebtedness to the government



Medical Leave of Absence Reinstatement

- Medical retroactive is anytime the MIDN did not meet requirements before the 46th day of the term. Requires a Retroactive Authorization Letter.
 - Previous term – N9 is signature authority
 - Current term – NROTCU CO is signature authority

- Payments are not approved to be made nor an order issued unless NSTC Comptroller's Officer certifies that funds are available.

- Once Retroactive Payments are authorized and funds are certified
 - Midshipman did not pay the university
 - Ordering Officer shall
 - Current term in progress – issue a order modification
 - Past term – issue a task order
 - Midshipman paid the university
 - Midshipman must file a claim (OF 1164)

At no time is it legally allowable to issue a tuition payment to the University for the University to refund the payment to the Scholarship Recipient.



Government At-Fault Retroactive

- Government At-Fault retroactive is anytime the Ordering Officer did not issue the contract by the mandatory due date of 46th day of regular term and before first day of class for condensed classes. Requires a Retroactive Authorization Letter.
 - Previous term – N9 is signature authority
 - Current term – NROTCU CO is signature authority
- Units are required to implement corrected actions to ensure no further occurrences.
- Payments are not approved to be made nor an order issued unless NSTC Comptroller's Officer certifies that funds are available.
- Once Retroactive Payments are authorized and funds are certified
 - Midshipman did not pay the university
 - Ordering Officer shall
 - Current term in progress – issue a order modification
 - Past term – issue a task order
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Self-Assessment/External Audits

- Failing PPMAP audits can result in revocation of ordering authority resulting in not being able to order/pay for MIDN tuition and fees
- Ordering Policy Appendix B-9 is a detailed Self-assessment check-list
- Program success and ensuring all MIDN are included in the tuition orders is dependent on all command team members working together



Room and Board Option

- SECNAV has authorized that on a case by case basis that MIDN may elect Room and Board in lieu of Tuition, Lab, Fees and Books
 - Current limited to \$11,500 per year or university charged rate, whichever is less.
- Program Office for Room and Board Option is N93
- Ordering Officer has no legal authority to procure Room and Board under the ESA
- MIDN election is entered into OPMIS
- Set-up as a Stipend
 - MIDN must meet scholarship requirements
 - Payments made on or around the 45th day of term.
 - Direct Deposited in MIDN Account



Support

➤ **AUDIT, TRAINING AND CUSTOMER SUPPORT**

- Contact NSTC N416
- Support may include, but not limited to:
 - Technical Assistance
 - Pre-Audit Assessments and Assistance
 - FLC audit rebuttals
 - Virtual or on-site program reviews*
 - Virtual or on-site training*

**Contact N4 Logistic Director for all on-site requests*