

**STATEMENT FOR THE RECORD
CODEUP, INC
FOR THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
CONCERNING VETERAN EMPLOYMENT AMID THE COVID-19 PANDEMIC
JANUARY 31, 2022**

Chairman Levin, Ranking Member Moore, and members of the Subcommittee, Codeup, Inc. would like to thank you for the opportunity to submit our views on COVID's continued impact on veteran employment. Codeup is proud of our outcomes and refund policy but the policy rarely gets used because of the strength of the IT hiring climate, quality and students/staff and the shared accountability for all involved. That said, our outcomes require good faith efforts from students to match our own. Students are informed during admissions and throughout our program how important their engagement/interest in employment is. Without both, employment outcomes are nearly impossible to deliver.

For VA and non-VA funded students, we monitor/document student engagement during training and interviewing activities to make sure that is the case. We provide extra time/effort, resources and escalations to assist when student engagement is not sufficient to complete the course or secure a job. Our completion and employment rates are high because of this mutual investment.

Our program is outcomes focused and reliant on mutual commitments to seeking employment from students and staff. For non-VA funded students, lack of engagement can result in removal from our program and/or warranty ineligibility. In those cases, Codeup refunds only the tuition unearned up to that point (again, this is rare).

I'm concerned about the interpretation of the VET TEC program that requires full refunds regardless of student engagement/job seeking status. Under this interpretation, a student can complete our training and simply stop seeking employment and Codeup is required to provide a full refund. We believe this provides an unintended loophole that wastes VA money, provides free/no risk education and (in the case of VET TEC students) living expenses during the course of the training.

As one example, providing education to someone who decides at the very end to pursue more education (rather than get a job) creates a dangerous scenario where the student receives free education without impacting the benefits used by simply changing their mind after they graduate.

No company acting in good faith can survive providing a service and extra support/outreach only to pay 100% of it back for students that are not engaged or those that have changed their mind after the service is rendered. We believe if there is a programmatic opportunity to formally review these exception cases, it would allow the VA to review our efforts, investigate the student's intent and (where approved) at least recoup the cost to train the students. With or without VA's approval to fund, the students retain and can use these skills we provide for future employment.

Given our strong partnership and the relatively new nature of VET TEC, we ask for an opportunity to escalate issues of concern that would punish us in spite of our best efforts and documented history of no/waning student engagement. Without this, it creates an opportunity for wasted VA funds and is financially punitive/dangerous to companies doing all the right things.