



# Pension and Fiduciary (P&F) Service

## Fiduciary Quality Call

Date: April 16, 2020

TMS: # VA XXXXXXX

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### AGENDA TOPICS

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[ITEM 1: Reconciliation of Discrepancies on Director's Dashboard/STAR Location](#)

[ITEM 2: First Quarter Quality Analysis](#)

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[CLOSING, QUESTIONS, NEXT QUALITY CALL](#)

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### AGENDA ITEMS

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**Agenda item:** Reconciliation of Discrepancies on Director's Dashboard/STAR Location **Presenter:** Kelly Wante, Chief

#### Target Audience:

Quality Review Specialists (QRS) and Quality Review Team (QRT) Coaches/Assistant Coaches

#### Discussion:

- **Question from Salt Lake City:** How does the Hub reconcile the discrepancies and confirm the calculations on the Director's Dashboard are correct? In order to improve the hubs ability to keep management informed of STAR quality, is there a single location to view the progress of STAR Reviews?
- **Response:** P&F Service is working to publish Fiduciary Hub error reports to the [STAR Reports](#) intranet page, similar to those published for Compensation Service and Pension. This will allow for improved visibility for the Hubs into how accuracy rates are calculated and the progress of monthly STAR reviews. Any concerns related to discrepancies in accuracy calculations should be forwarded to the P&F Service Training, Quality, and Oversight [mailbox](#). P&F Service will then work with PA&I should any adjustments be needed

## References/Contacts

- ✓ [STAR Reports – FY 2020](#)
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**Agenda item:** First Quarter Quality Analysis

**Presenter:** John Herron, Analyst

### Target Audience:

Quality Review Specialists (QRS) and Quality Review Team (QRT) Coaches/Assistant Coaches

### Discussion:

- **Errors:** From October 1, 2019 to December 31, 2019, 221 reviews were conducted, and 41 errors were cited. Of these, 23 were substantive errors and 18 were non-substantive errors.
  - **Accountings:** Five errors were related to question E1 (Were VA date stamps on all documents to support the credit taken for the work item?). An additional two errors were on question B2 (Was all known income managed by the fiduciary accounted for, or was the fiduciary requested to account for it?).
  - **Field Examinations:** Eight errors were called for question E3 (Does the field examination report document the beneficiary's current income, expenses, and assets?). Another two errors were called regarding question F2 (Did the field examination report reflect an assessment of how the credit report was used in evaluating the proposed fiduciary's qualifications, when necessary?).
  - **Non-Substantive Errors:** The most frequent comment continues to be M5 (Was a field examination scheduled for appropriate follow-up based on the date of the face-to-face contact with the beneficiary?).
  - **Reconsiderations:** During this period, five errors were reconsidered, and one was overturned.

## References/Contacts

- ✓ [M21-4 8.3.b General Guidelines for Quality Reviews](#)
  - ✓ [Appendix A, Accounting Quality Checklist](#)
  - ✓ [Appendix B, Field Examination Quality Checklist](#)
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**Agenda item:** Changes to Quality Checklists

**Presenter:** John Herron, Analyst

### Target Audience:

Quality Review Specialists (QRS) and Quality Review Team (QRT) Coaches/Assistant Coaches

### Discussion:

- **Checklists:** In preparation of the migration of national STAR reviews from BFFS to QMS, all STAR checklists are being reviewed. Major changes are not expected. Also, a new misuse checklist is in development.

- **Changes:** As of February 21, 2020, question P1 (Was Loan Guaranty notified that the beneficiary who is unable to manage his/her funds has a VA home loan?) will no longer be reviewed.

## References/Contacts

- ✓ [Appendix A, Accounting Quality Checklist](#)
- ✓ [Appendix B, Field Examination Quality Checklist](#)

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**Agenda item:** Waivers of Due Process

**Presenter:** Felecia Roberts,  
Analyst

## Target Audience:

Quality Review Specialists (QRS) and Quality Review Team (QRT) Coaches/Assistant Coaches

## Discussion:

- **Question from Columbia:** Can VA accept a waiver of due process signed by someone other than the beneficiary?
- **Response:** VA can accept waiver of due process from an authorized representative of the beneficiary as stated in FPM 7.B.2.h. Written notice from the authorized representative or beneficiary should be complete to include any necessary signatures. If it is determined that the waiver is inadequate, then the guidelines set out in FPM 7.B.2.e must be followed. 38 USC 14.631 provides a list of authorized representatives for a beneficiary who has not been rated.

## References/Contacts

- ✓ [FPM 7.B.2.h., Waivers of Due Process](#)

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**Agenda item:** Fees

**Presenter:** Tom Visser, Analyst

## Target Audience:

Quality Review Specialists (QRS) and Quality Review Team (QRT) Coaches/Assistant Coaches

## Discussion:

- **Question from Milwaukee:** If there is no VA approved fee, only court approved fees for guardian of estate, can we allow any reasonable court fees to be taken from a partially derived VA asset, as long as the source/mix of the asset justifies fees above the 4% VA benefit rule to be from non-VA / "Other FUM"?
- **Response:** As provided in FPM 3.D.4.b, beginning August 13, 2018, whether the fiduciary is court-appointed or not, VA will not allow more than a four percent fiduciary fee to be taken from the beneficiary's VA funds for an accounting period. Fees are not computed by any other source other than VA benefit payments (see FPM 2.D.7.a).

Fees for fiduciary services would be limited to no more than four percent of the monetary benefits paid by VA on behalf of the beneficiary to the fiduciary during a year. For all cases in which VA previously allowed a fee greater than four percent due to a court authorization, VA must notify the fiduciary and the court of jurisdiction that a fee more than four percent of the VA benefits is not authorized (see FPM 3.D.4.d).

## References/Contacts

- ✓ [FPM 2.D.7.a., Policy on Authorizing Fiduciary Fees](#)
- ✓ [FPM 3.D.4.b., Guardianship Fees for VA-appointed Fiduciaries Also Court-Appointed](#)

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**Agenda item:** Telephone Visits During COVID-19 Pandemic **Presenter:** David Gunnell, Analyst

## Target Audience:

Quality Review Specialists (QRS) and Quality Review Team (QRT) Coaches/Assistant Coaches

## Discussion:

- **Question from Columbia:** During the COVID-19 restrictions on FE visitation of beneficiaries, fiduciaries, dependents, etc., will there be an exception given to Hubs due to the telephone visits being conducted by FEs? Per FPM 2.D.1 there are specific requirements for when face to face visits are required for beneficiaries, dependents, and fiduciaries. There are specific exceptions noted for when a telephone call is allowed and the current COVID-19 situation is outside of these exceptions.
- **Response:** Recent manual changes to FPM 2.D.1.b and FPM 2.D.1.e outlined scenarios where a face-to-face field examination is no longer required and a telephone call is appropriate in lieu of face-to-face visit. Hubs shall continue to conduct interviews telephonically when the situation meets these criteria.

On March 19, 2020, P&F Service released the Expansion of Temporary Field Examination Protocols Memorandum. In all instances where the FPM outlines that a face-to-face field examination, field examiners shall prepare for a VVC contact in lieu of a personal visit. In all instances where the FPM outlines that a telephone contact is the appropriate method, field examiners shall continue to make contact via telephone.

## References/Contacts

- ✓ [FPM 2.D.1.b., Contact with the Beneficiary](#)
- ✓ [FPM 2.D.1.e., When a Face-to-Face Interview with the Fiduciary will not be Conducted](#)
- ✓ Expansion of Temporary Field Examination Protocols Memorandum, dated March 19, 2020

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**Agenda item:** Seriously Delinquent Accounting (SDA) to Misuse - Special Focused Review

**Presenter:** Sandy Lundquist, Analyst

**Target Audience:**

Quality Review Specialists (QRS) and Quality Review Team (QRT) Coaches/Assistant Coaches

**Discussion:**

- Background. On August 22, 2019, Section 3.C.4. of the FPM changed eliminating when a fiduciary failed to submit an approvable accounting within 125 days it was treated as prima-facie evidence and a misuse allegation was automatically created. A Special Focused Review (SFR) was conducted to ensure compliance with FPM 3.C.4.
- A sample of 59 misuse determinations were reviewed with the following results:
  - ✓ Correct Cases: 28 of the cases were processed correctly (i.e., no misuse was found, or misuse was found for reasons other than failing to account).
  - ✓ Written notification: 5 cases were missing the one written notification requirement.
  - ✓ Telephone Contact: 12 cases were missing the required one telephone contact.
- Additional notes. There were a few required missing items.
  - ✓ Memorandum to Finance: 8 cases were missing a notification to Finance to establish debt.
  - ✓ Referral to Office of Inspector General (OIG): 2 cases were missing a referral to OIG in the eFolder.
  - ✓ Missing Allegation or Determination: 10 cases were missing a copy of the misuse allegation or misuse determination in the eFolder.

**References/Contacts**

- ✓ Fid Hubs SFR Findings Report

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***Closing Comments***

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**P&F Quality Mailbox:**

We will solicit for agenda topic(s) for each future Quality Call. If you have a specific topic suggestion, please feel free to email it to the Pension and Fiduciary (P&F) Quality mailbox at [PFTNGQUALOVRST.VBACO@va.gov](mailto:PFTNGQUALOVRST.VBACO@va.gov). Topics may be submitted at any time.

## **Quality Call Bulletins**

Quality Call Bulletins can be found in the following locations:

[https://vbaw.vba.va.gov/PENSIONANDFIDUCIARY/Quality\\_Call\\_Bulletins.asp](https://vbaw.vba.va.gov/PENSIONANDFIDUCIARY/Quality_Call_Bulletins.asp)

The next Quality Call is tentatively scheduled for June 2020 (date TBD).

## **TMS Courses:**

All Fiduciary Quality Calls and bulletins will be available in TMS. Once the monthly bulletin is finalized, information will be sent to the Fiduciary Hubs which will include the TMS #.