**VBA Accounts Receivables Webinar Training**

**Frequently Asked Questions**

**Resource Guide**

**November 2017**

**Sponsored by:**

* Veterans Benefits Administration (VBA)
* Office of Resource Management (ORM)
* VBA Administrative and Loan Accounting Center (ALAC)

This resource guide provides answers to questions asked during the Accounts Receivables Webinar Training delivered by Administrative Accounting Division (AAD) from VBA Administrative and Loan Accounting Center (ALAC) on November 30, 2017. The questions are listed in the asked in on the whiteboard during the training.

## VBA Questions and Answers (Q&A)

| **Accounts Receivables Question** | **Accounts Receivables Answer** |
| --- | --- |
| **1.** How do we determine the FUND? | The appropriation used to establish the debt (BD) in CAATS will be the same as the appropriation that was used to make the payment. For example, if a payment was processed from an obligation, the BD will be established with the same accounting string as the obligation. |
| **2.** Will there be a document with description for each type of A/R debt we input into CAATS? | All debts successfully established in CAATS will interface with FMS and result in a BD transaction. The ‘reason’ field in the CAATS AR module populates the description field on the FMS ARLT table. |
| **3.** If we are not a Fiduciary hub, but we are establishing a debt on Fiduciary, we do not check “yes”? | ROs may use the Benefit Debt module to establish non-fiduciary benefit debts. However, [Fiduciary Hubs](https://vbaw.vba.va.gov/bl/20/cfo/Fin/Fin241C/MP4%20PartIV/Chapter%2013%20-%20Fiduciary%20Misuse%20Debt%20December%202016.docx) provide oversight of fiduciary conduct. Upon a misuse of funds determination, the Fiduciary Hub’s Station Finance will initiate collection and establish the debt in CAATS. |
| **4.** Is DFAS the one that lets us know how much as employee owe for being absent for an extended period of time | DFAS establishes refund receivables (BD transaction in FMS) due from the employee for FEHBLWOP. These receivables increase bi-weekly for the duration of time the employee is on LWOP. These amounts appear as Advanced Premiums on FMS RSD payroll report, Prepaid FEHB Premium Collections Report from DFAS/DCPS (FEPH).  *See RSD report examples provided in webinar attachments.*  |
| **5.** Does either one of the tables describe how the debt was paid off. IE check EFT Top? | The ARHT provides summary information of all outstanding and recently closed accounts receivable documents. The ARLT table gives a detailed disposition of the receivable. DXRF (Document Cross – Reference Table) provides historical view of every transaction (CR/TR/WR/etc.) associated with the BD (receivable) in FMS. The combined use of all tables can assist in determining how the debt was resolved. |
| **6.** If a school says they did not receive a payment can I check in FMS under one of these Codes - ARHT or ARLT? | The ARHT/ARLT tables will not provide information on whether a school received a payment. A [check tracer](file:///%5C%5CVBAMLAFPC2.vba.va.gov%5CSHARED%5CTraining%20Division%5CPresentations%5CAAD%5CFY18%5CDocuments%5CForms%5COF%2041%20%28Check%20Tracer%20Form%29.doc) maybe required to determine the status of a vendor payment. |
| **7.** In FMS, is it possible to tell if the BD was already referred to TOP? | TOP is a centralized offset program externally administered by the US Treasury’ Debt Management Center, used by all federal and some state agencies to collect delinquent debts. There is no interface relationship between FMS and the DMC. It is the RO’s responsibility to maintain a debt log that tracks the age, current status, debt letter submissions and/or Treasury Offset disposition for all outstanding debt.  |
| **8.** How can we know if the BD has been sent to TOPS, Generally if its sent to TOPS then why the station has not received th [Question truncated ] | The RO should utilize a debt log to tracking the age, status and disposition of all outstanding debt, and determine when debt letters should be sent to the debtor or referred to TOP. TOP pursues collection action debt if the debtor receives a payment through the Treasury that may be eligible for offset. |
| **9.** DMC maintains almost all control of veterans debts are you giving us this information in advance of stations taking back some ownership of debts? | DMC manages collections for debts that have been referred to TOP. It’s the RO’s responsibility to send debt letters, refer debts to TOP, apply collections to the debt, determine if the debt can be written off, etc. |
| **10.** I receive checks from employees for jury duty. Do I create a jury fee debt then apply the proceeds to the debt? | Correct. Establish the receivable (BD) in CAATS / Accounts Receivable / Jury Fees sub modules, then offset the BD with the check received (CR). |
| **11.** For an Updated Top Referral where a Debt has been repaid. Are we just updating the Current A/R column? | Correct. In such instances, update ***only*** the Current A/R field on the TOP Referral spreadsheet if the debtor has repaid part or all of their debt. Submit the updated TOP Referral Spreadsheet to your ALAC Accountant; ALC will notify DMC of the change. |
| **10.** Per the EOM Recon Report, if I have established that an obligation has been referred to TOP, why is still on my EOM Report or better yet how do i get it resolved. | Referring a debt to TOP does not clear it from FMS or remove from the list of outstanding items on the CAATS EOM Reconciliation. Debts referred to TOP are still in active collection status and remain in FMS and on the EOM Reconciliation until completely collected or written off. |
| **11.** Where can we see a listing of TOPS referred cases? | ALAC does not maintain a published listing of all debts referred to TOP, because of PII and other sensitive data. Submit an email to the VBA ALAC Admin Accounting mailbox to inquire whether debt was previously referred to TOP. Include the debtor’s name, SSN/TIN, and BD Number and we will coordinate research with DMC. |
| **12.** What do we do with current employee FEHB debts that are not being collected by DFAS? I need a guidance on how to write off debt of FEHB | DFAS is responsible for collecting FEHB debt for all current employees. In the event that an employee returned to duty and DFAS has not collected funds. The station is responsible to contact DFAS via Remedy Ticket regarding collecting debt from that employee. |
| **13.** Can you leaf To/From other tables when viewing ARHT? Do you have a cheat sheet of A/R Tables for reference? | In FMS, you may only leaf between related tables. When using ARHT/ARLT tables, you may leaf to the DXRF table to see which transactions were processed to affect the debt, i.e. collections, write-offs, mods, etc.  |
| **14.** Who generates the FEHB debts? | FEHB debts are established by DFAS. |
| **15.** Is it up to the Station to decide whether to grant a waiver or payment plan?  Does a waiver request need to be sent to the Waivers Committee or can it be decided locally?   How long does the debtor have to return the Financial Status form?   | [IAW VA Policy Volume XII, Chapter 1B, 0102](https://www.va.gov/finance/docs/VA-FinancialPolicyVolumeXIIChapter01B.pdf) – VA will ensure the request is reviewed by the proper official and advise the debtor of the acceptance or rejection of the request. The COWC is the authority to accept or reject a waiver. Forward request for waiver to the regional COWC. If the COWC deny the waiver request, ensure debtor informed of COWC decision and establish payment plan. The Financial Status Form is included in the initial NOI, therefore the Debtor has 30 days to return the Financial Status Form with the request for Waiver. |
| **16.** We have some FEHB debts that employees are disability retired for years but we never collect money from ex-employee.  I was told by someone long time ago that we can write if off but some said no.   | [IAW VA Policy, Volume XII, Chapter 1, 0105](https://www.va.gov/finance/docs/VA-FinancialPolicyVolumeXIIChapter01.pdf) - the station will aggressively pursue the collection of all debts while ensuring that debtor is advised of his or her due process rights regarding the nature and amount of the debt through the issuance of the proper NOI. If debtor fails to respond to the demand letters – refer debt to TOP for collection. Once an employee has been approved for disability retirement – DFAS will not be able to collect from the employee payroll. The station is responsible for informing the employee of any debt owe to the government prior to the employee’s approved disability retirement.  |
| **17.** Do I need to record an account receivable for an overpayment to a vendor when our station agrees to have the vendor apply the overpayment to the next vendor invoice? | Yes. VA financial policy requires:1. A receivable to be recorded in the accounting period when the debt to the VA is determined (e.g., overpayment).
2. Implement standard collection procedures to resolve the debt, including promptly notifying vendors of any debts owed and advise them of their due process rights and remedies relating to the debt.
3. A timely recorded account receivable for erroneous and improper payments to serve as an audit trail to demonstrate the improper payment was recovered.

Without an accounts receivable in the accounting records, the VA may not be able to demonstrate to auditors, the Congress, and other interested parties, compliance with VA finance policy and the effectiveness of the VA Improper Payment Recovery Program. |