

Pension and Fiduciary (P&F) Service

Fiduciary Quality Call

Date: August 30, 2022

TMS: # VA 4633660

AGENDA TOPICS

[ITEM 1: FIDUCIARY STAR QUALITY ANALYSIS](#)

[ITEM 2: CLEARING OR CANCELING EPs](#)

[ITEM 3: DESELECTION OVERVIEW](#)

[ITEM 4: CREDIT REPORTS DURING ACCOUNTING AUDIT](#)

[ITEM 5: INTERACTIVE DISCUSSION](#)

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

AGENDA ITEMS

Agenda item: Fiduciary STAR Quality Analysis

Presenter: Alvin Hill, Analyst

Target Audience:

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

Discussion:

The most cited critical accounting errors were NFAQR10A, NFAQR21A and NFAQR21C.

Error Name	Error Description
NFAQR10A	The account balance was not appropriately reconciled prior to accounting approval.
NFAQR21A	The Hub did not receive all financial institution statements for the previous three-month FUR period.
NFAQR21C	The Hub did not follow the guidance to request additional or corrected FUR information.

References/Contacts

- ✓ QMS Reports

Agenda item: Clearing or Canceling an EP

Presenter: David Gunnell,
Analyst

Target Audience:

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

Discussion:

P&F Service has noted several QMS Quality STAR reviews where the EP has been cleared and not canceled. If an EP should be canceled but is cleared, the EP is available for a quality review.

[M21-4, Appendix B.1.b., Establishing and Maintaining EP Control](#)

Important: If it is discovered that EP credit is not warranted during claims processing, the EP should be canceled, not cleared. A note must be added in the Veterans Benefits Management System (VBMS) when an EP is canceled to explain the cancellation.

References/Contacts

✓ [M21-4, Appendix B.1.B., Establishing and Maintaining EP Control](#)

Agenda item: Deselection Overview

Presenter: David Gunnell,
Analyst

Target Audience:

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

Discussion:

P&F Service will only deselect cases by policy in M21-4, 8.3.e:

Deselect the case if any of the following conditions are met:

- There is no basis for the established EP. **Example:** No documentation to support the existence of the EP.
- The hub credited for the completion of an EP did not complete the EP.
- The employee that conducted the EP under review did not belong to the hub credited for the EP when it was completed.

Do not deselect the case if any of the following conditions are met:

- The competency determination is not decided prior to fiduciary actions.
Example: Prior to final competency determination the initial fiduciary field exam conducted.
- The EP under review is wrong or was prematurely cleared but decided.
Example: In this instance, the fiduciary analyst updates the system to reflect the discrepancy as a comment when reviewing the EP.

- The beneficiary is deceased.
Example: Beneficiary passes away prior to VA notification and hub actions are needed/completed.
- There is a pending appeal or an Office of Inspector General (OIG) investigation.
Example: There is evidence of record of a pending appeal or OIG investigation.

References/Contacts

- ✓ [M21-4, 8.3.e., Deselection](#)

Agenda item: Credit Reports During Accounting Audit

Presenter: Tom Visser, Analyst

Target Audience:

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

Discussion:

Question from Indianapolis Fiduciary Hub: Per FPM I.3.A.3.o., “LIEs must obtain a credit report for all fiduciaries during the accounting audit unless listed as an exception in FPM, Part I, 2.C.6.d or for a final accounting as specified in FPM, Part I, 3.B.3.o.” It also states that, “The results of a credit report do not affect whether an accounting is approvable.”

Please clarify if a credit report is ran at the time of audit and the accounting is disapproved, does the credit report need to be ran again when new documents come in since the LIE would conduct another audit with the new documents?

Response: As stated in FPM I.3.A.3.o., fiduciary hubs (hubs) must obtain a credit report during each accounting audit, unless an exception applies or for a final accounting. Credit reports are not required for an entity, such as a trust department in a bank that provides trust services, a beneficiary appointed as SDP, or a fiduciary appointed under the EIA process outlined in FPM I.2.C.7. An additional credit report is not needed when the fiduciary submits documents following an accounting disapproval. When additional documents are received following an accounting disapproval, hubs must follow the guidance in FPM, I.3.D.2.e.

References/Contacts

- ✓ [FPM I.2.C.7.a., Overview of EIAs](#)
- ✓ [FPM I.3.A.3.o., Review of Credit Reports During Accountings](#)
- ✓ [FPM I.3.D.2.e., Follow Up Actions After the First Accounting Disapproval](#)

Agenda item: Interactive Discussion Schedule

Presenter: Sandy Lundquist,
Analyst

Target Audience:

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

Discussion:

In an effort to engage the hubs in determining some best practices and quick tips while performing local quality reviews, P&F Service will host and facilitate an Interactive Discussion at the end of each quality call. Hubs should be prepared to discuss the noted topic.

FY 2023 Fiduciary Quality Call – Interactive Discussion Schedule

August 2022	Field Examinations
October 2022	Promulgation
December 2022	Customer Service/Phones
February 2023	Misuse
April 2023	Action Mail
June 2023	Accounting
August 2023	Field Examinations

Closing Comments

P&F Service 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 P&F Service Training, Quality, and Oversight mailbox at PFTNGQUALOVRST.VBACO@va.gov. For specific policy and procedures related topics, please email to the Policy and Procedures mailbox at PFPOLPROC.VBACO@va.gov.

Quality Call Bulletins

Quality Call Bulletins can be found in the following location: https://vbaw.vba.va.gov/PENSIONANDFIDUCIARY/Quality_Call_Bulletins.asp. The next Quality Call is tentatively scheduled for October 2022.

TMS Courses

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

Post-Call Follow Up

Quality Call Recording:

A recording of the August 2022 Fiduciary Quality Call can be found here (open in Chrome): [Watch 'Fiduciary Quality Call-August 2022 Recording' | Microsoft Stream](#)

TMS Course:

Available content from the Quality Call (bulletin, recording, etc.) will be available in TMS. The TMS # for the August 2022 Pension and Fiduciary Quality Call is VA 4633660 (Pension and Fiduciary Service Quality Call – Fiduciary August 2022)

The link to TMS is [HERE](#). It is recommended to use Google Chrome when viewing the TMS information.



The screenshot shows the TMS Learning System interface. At the top, there is a navigation bar with a home icon, 'Learning' dropdown, and the TMS logo. Below the navigation bar, there are links for 'My Learning' and 'Spotlight'. The main content area features a 'Back' link and the course title 'Pension & Fiduciary Service Quality Call - Fiduciary August 2022'. A video thumbnail shows a person at a computer. To the right of the thumbnail, there is a description: 'This is the video recording to the Fiduciary August 2022 quality call. To begin the training, select 'Start Course'. Within the Online Content Structure screen: Launch and watch the video. Must be opened behind the firewall on the VA network. Launch and complete the self certification for course credit.' Below the description, the duration is listed as '0.75 HOUR(S)' and 'CONTACT'.

Q&A:

Question 1: Louisville Fiduciary Hub

We have been unable to update the Workforce Information Tool (WIT) to expand Individual Quality Reviews (IQR) for employees on a PIP. Can P&F provide instructions on how to do this?

P&F Service Response:

At this time PIP reviews are not supported by the PA&I QMS IQR pull process. There is an expanded review process that is based on an employee WIT record having a concern communicated for Quality. However, due to the various different PIP processes created across the individuals Offices a national PIP process has not been created at this time. OFO can provide more details.

Question 2: Columbia Fiduciary Hub

The FSRs have noticed authorizing a case and the Annual Letter Date normally automatically populates. Recently, it is not functioning resulting in the FSRs having to manually update the diary date. Is this on the horizon for a resolution?

P&F Service Response:

VBMS-Fiduciary will automatically populate the "Annual Letter Date" as the cleared date + 1 year on the Beneficiary Profile when an EP 590 with one of the following claim labels is cleared:

- Initial Appointment (IA) Field Exam
- Expedited Initial Appointment (EIA) Field Exam
- Successor Initial Appointment (SIA) Field Exam

Please confirm your cases meet the criteria above (IA, EIA, SIA). If the correct exams were cleared in VBMS and the Annual Letter Date did not automatically populate, reply back to the Business Management mailbox at [VAVBAWAS/CO/P&F BUS MGMT](mailto:VAVBAWAS/CO/P&F_BUS_MGMT) with the following information:

- The [YourIT](#) Incident number and the date it was established
- The claim numbers and claim labels for those incidences in which the Annual Letter Date failed to automatically populate
- Confirm that the claims were cleared in VBMS

Question 3: Columbia Fiduciary Hub

We had an incident with the Georgia court not releasing certified copies of accountings because the clerk of court said the Judge sealed them. The FPM I.3.B.2.a does not address this situation and the Hub is interested how P&F suggests we handle these types of situations. Interim guidance was given to the LIE indicating they document the conversation with the clerk of court on an 0820 and update the beneficiary profile notes section stating court documents are sealed and then to close the administrative task. Please advise how to handle these unique accountings in the future.

P&F Service Response:

To ensure good faith effort is accomplished in the oversight of the fiduciary, P&F Service recommends taking one additional step for these situations prior to closing the administrative task. In the event the court seals the certified court accounting, the hub should request assistance from District Counsel to obtain the sealed documentation from the court. Per [FPM, Part I, 1.A.3.b](#), District Counsel is responsible for all legal matters involving court-appointed fiduciaries.

If District Counsel advises the hub of the court's refusal to release the document(s) following their request, the hub should:

- request from the fiduciary any financial information determined to be needed by the Fiduciary Hub Manager (FHM) per 38 CFR 13.280(a)(4) and the note in FPM, Part I, 3.A.2.a
- upload all evidence to the appropriate eFolder, and
- review the entire case for any red flag indicators of misuse, fraud, or improper use per FPM, Part I, 3.C.6.

If the hub determines the fiduciary is still satisfactorily performing their duties as VA-appointed fiduciary, the continued appointment is acceptable.

Please note that per [FPM, Part I, 3.A.2.a](#) and [38 CFR 13.280\(a\)\(4\)](#), the FHM may (but is not required to) determine the need for a VA accounting when necessary to ensure the fiduciary has properly managed the beneficiary's funds.

Question 4: Louisville Fiduciary Hub

Does P&F have any recommendations or best practices on how to conduct In-Process Reviews (IPR)?

P&F Service Response:

In process reviews (IPR) conducted at the hub level are not governed by national Quality Assurance. Hubs may complete IPRs for any reason the hub may find beneficial and are not expected to conform to the standards outlined at M21-4, 8.12.c. The local quality team should develop a checklist specific to what is being reviewed prior to conducting IPRs.

IPRs are designed to be a review with emphasis on specific error trends and not a full review of the entire claim. The quality review specialists (QRS) should limit the review to the basic information needed to determine whether the action completed by the employee under review was complete and correct under the appropriate IPR checklist. Errors not within the scope of the specific IPR checklist noted during the review should be identified and corrected per local quality error correction procedures. There is no formal national rebuttal process for errors cited on IPR and any disagreements should be handled by the reviewed employee's quality review team (QRT) Coach.

Hubs may record the results of IPRs using a method that the hub decides such as a SharePoint site or an Excel file. Employee feedback should be in the form of a direct discussion to explain the deficiency in detail and provide citations and training to reinforce the correct action.

Additional information related to IPRs can be referenced in [M21-4, Chapter 6. Quality Review Team](#) and [M21-4, Chapter 7, Topic 13 In-Process Reviews \(IPRs\)](#).

Question 5: Louisville Fiduciary Hub

If the VA Form 21P-555 is of record for the current fiduciary; but documents the fiduciary appointment as Legal Custodian instead of VA-Appointed Fiduciary, are Hubs required to generate and upload a new 21P-555 documenting the fiduciary appointment as VA-appointed?

P&F Service Response:

Legal Custodian is no longer a recognized fiduciary type and must be replaced with VA-appointed fiduciary. Per FPM II.1.B.2.d., hub personnel must issue an updated VA Form 21P-555 signed by the Fiduciary Hub Manager to document the new fiduciary appointment type

As a reminder, under FPM I.2.C.5.a., VA now only recognizes the following appointment types:

- Supervised Direct Pay (SDP)
- VA-appointed fiduciary
- Spouse fiduciary, or
- Temporary

A VA-appointed fiduciary is a person or legal entity appointed by VA to serve as fiduciary for VA benefits for a beneficiary who is unable to manage their VA funds. The following legacy fiduciary types are no longer recognized and will be appointed as VA-appointed fiduciary:

- Court Appointed Fiduciary (VA Recognized)
- Consolidated Payment Fiduciary
- Court Appointed Co-conservator
- Court Appointed Co-guardian
- Court Appointed Committee
- Court Appointed Conservator
- Court Appointed Guardian
- Court Appointed Trustee
- Custodian In Fact, Guardian
- INST Care & MAINT Fiduciary
- Institutional Award of Fiduciary
- Legal Custodian
- Proposed Dual Exam
- Trustee
- VAMC Institutional Custodian

Per FPM I.2.C.5.a., hubs must update the fiduciary type to the appropriate category as described.

Question 6: Columbia Fiduciary Hub

Per FPM I.3.B.2.a. ***Certified Copy of a Court Accounting***, in cases where the VA-Appointed Fiduciary is also court-appointed and there is no requirement for the fiduciary to account to VA (court accounting is required), Hub personnel may need to request the fiduciary submit their certified copy of the court accounting to VA. There is no letter for requesting the certified copy of the court accounting; therefore, we are currently using and editing the *Court Accounting Due Letter* to request the information.

We ask that a *Court Appointed Review Due Letter* be created for use in the Letter Repository to simplify the request, as there is unnecessary information provided in the *Court Accounting Due Letter*.

FPM I.3.B.2.a. states, “Per [38 CFR 13.140\(d\)\(1\)](#), a fiduciary who is also appointed by a court must annually provide to VA a certified copy of the court accounting or facilitate VA’s receipt of the accounting. Even if a VA-appointed fiduciary who is also court-appointed does not meet one of the accounting criteria in [FPM, Part I, 3.A.2](#), they are still required to provide VA with a certified copy of the court accounting per [38 CFR 13.140\(d\)\(1\)](#).”

Note: A certified copy of the court accounting refers to the document(s) that have been verified by the court clerk to be a true and exact copy of the original accounting filed with the court. A notarized copy of the accounting does not satisfy the requirement of court certification.”

Many courts are now e-Filing. VA was notified by a fiduciary (State of Maine) that they no longer receive a certified copy of the court accounting to submit to VA and only receive an electronic approval letter one year later. Please advise as to what documentation is required in these cases. Is there an email verification, receipt, or court document that can be printed by the fiduciary to submit to VA? What is the e-filing version of the certified court accounting that is required to be submitted to VA?

In summary, can a *Court Appointed Review Due Letter* be created and advise on the documentation requirements for a “certified copy of the court accounting” in cases where the court accounting was e-filed?

P&F Service Response:

Thank you for your inquiry concerning the creation of a new fiduciary letter to address the usage of the court appointed due letter.

The Policy & Procedures Team is working on reviewing the manual reference and will provide a response to address the fiduciary hubs’ concerns.

Question 7: Louisville Fiduciary Hub

Are the beneficiaries receiving an apportionment now in the fiduciary program? If so, who prepares the 592?

P&F Service Response:

Yes. [M21-1, Part VII, Subpart iii, 1.A.1.d](#) provides: “If an incompetent beneficiary’s minor child(ren) is entitled to an apportionment of the beneficiary’s benefits, request the appointment of a fiduciary for the minor child(ren) by submitting [VA Form 21-592, Request for Appointment of a Fiduciary, Custodian or Guardian](#), to the fiduciary hub of jurisdiction, and do not pay the apportionment until the fiduciary hub appoints the child(ren) a fiduciary.”

Minor beneficiaries would need a fiduciary appointed on their behalf. [M21-1, Part VII, Subpart iii, 1.B.6.a](#) also provides that “a surviving child that is not in the custody of the surviving spouse whose benefits VA is apportioning for the child” would have a fiduciary.

[M21-1, Part VII, Subpart, iii, 1.A.1.d](#) directs the regional office (RO) to prepare the [VA Form 21-592](#) and submit the form to the fiduciary hub of proper jurisdiction.

Question 8: Louisville Fiduciary Hub

The [VA Form 21P-555](#) needs to be changed from legal custodian to VA appointed fiduciary. Do we need to complete an SIA field examination if the Legal Custodian did not complete a fund usage review as a legal custodian but does now as a VA-appointed fiduciary?

P&F Service Response:

When the [VA Form 21P-555, Certificate of Legal Capacity to Receive and Disburse Benefits and Fee Authorization](#) is changed administratively it is not necessary to perform an SIA. Changing the fiduciary type from legal custodian to VA appointed fiduciary does not impose different requirements regarding qualification of the fiduciary. The hub must update the fiduciary type and ensure the diaries for fiduciary oversight are updated correctly. The DATE OF APPOINTMENT field should reflect the date when the fiduciary was first appointed. The date

of appointment should not change due to an administrative updating of the fiduciary type. The hub may indicate in the remarks section of the VA Form 21P-555, "administrative update to the fiduciary type only."

