



Pension and Fiduciary Service (P&F)

Fiduciary Quality Call

Date: February 21, 2024
TMS: # VA 4654814

AGENDA TOPICS

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

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AGENDA ITEMS

Agenda item: FIDUCIARY STAR QUARTERLY ANALYSIS **Presenter:** Alvin Hill, Analyst

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

ROLLING 12-MONTH QUALITY ANALYSIS

This review included the national accuracy results of October 2023, November 2023, December 2023 and January 2024 from transactions completed in September 2023, October 2023, November 2023 and December 2023.

National fiduciary accuracy remained above the Outstanding target of 94 percent.

	October 2023 Rolling Accuracy	November 2023 Rolling Accuracy	December 2023 Rolling Accuracy	January 2024 Rolling Accuracy
National Fiduciary Accuracy	95.89%	96.17%	96.08%	95.44%

FIELD EXAMINATION

There were a total of 13 field examination errors cited on nine unique cases with three cases having critical errors:

- Two instances of not addressing liquid assets during the exam and,
- One instance of failing to obtain a credit report prior to the field examination.

The leading administrative errors were:

- Not properly updating the system of record, and
- Not addressing all income and expenses in the field examination.

Overall, field examination accuracy continues to demonstrate fiduciary hub proficiency with completing field examinations during the review period.

The field examination errors cited during the review period were as follows:

Error Title	Error Description	Instances
NFFEQR2b (Critical)	The credit report for the proposed fiduciary was not completed prior to the field examination.	1
NFFEQR4a	The appointed fiduciary is currently serving as fiduciary and the Hub did not verify the fiduciary was meeting their current responsibilities as a fiduciary.	1
NFFEQR10a (Critical)	The liquid assets were not addressed in the field examination.	2
NFFEQR10b	The non-liquid assets were not addressed in the field examination.	1
NFFEQR11a	Recurring income was not addressed in the field examination.	2
NFFEQR12d	The limitations and responsibilities applicable to temporary fiduciaries were not followed.	1
NFFEQR17c	The Hub did not establish all appropriate diary dates.	1
NFFEQR17e	All documentation was not complete and uploaded to the eFolder.	4

ACCOUNTING and FUND USAGE REVIEWS

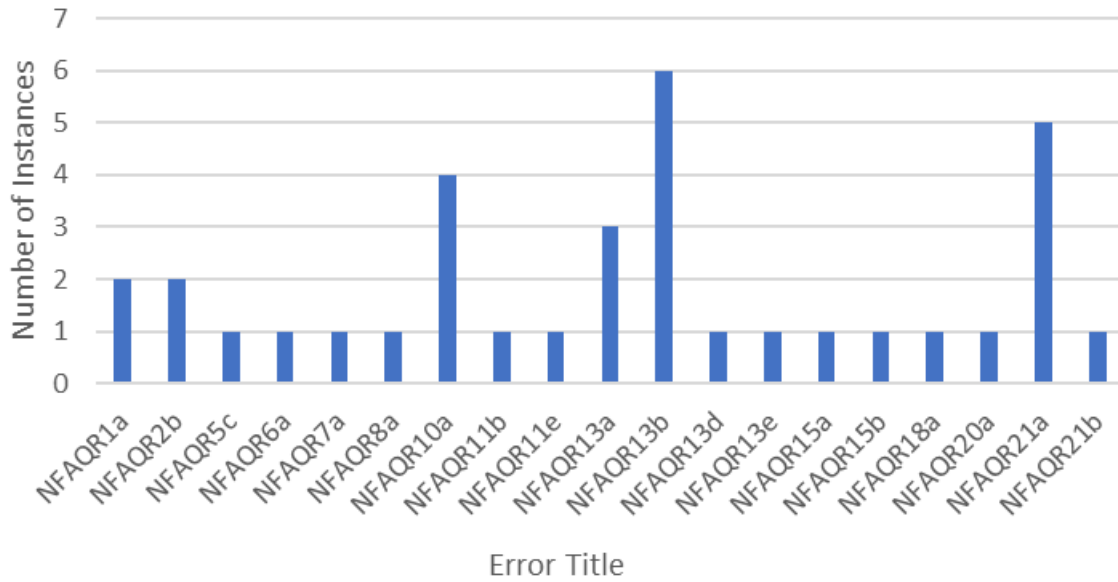
There were a combined 121 combined errors this review period with 35 being critical errors. The most cited non-critical error types were NFAQR22a, NFAQR22b, NFAQR22c, NFAQR22d, and NFAQR22e and the most cited critical error types were NFAQR10a, NFAQR13b, and NFAQR21a.

The critical Accounting and FUR errors resulted from:

- Missing required accounting forms, financial statements, and credit reports
- Failure to complete required follow-up actions, and
- Failure to request required additional or corrected information.

The following chart illustrated the number of each of the critical errors cited:

Critical Error Totals

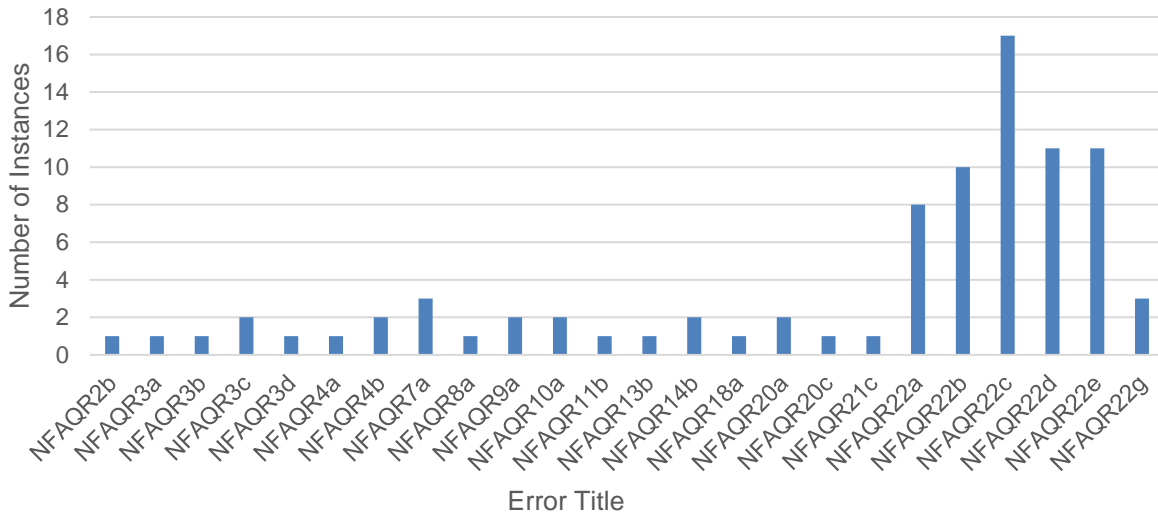


The most common non-critical errors were cited because:

- Not uploading documentation to the eFolder, and
- Failure to update the beneficiary and/or fiduciary profile.

The following chart illustrated the number of each of the non-critical errors cited:

Non-Critical Error Totals



Conclusion:

Field examination quality remained consistent with very limited critical errors being found in national reviews.

Accounting and Fund Usage reviews continued to be the primary area for critical errors but did not create any additional concerns with this review period as no new error trends were identified.

References:

[M21-4 Chapter 8. Fiduciary Hub \(Hub\) National Quality Reviews](#)

[FPM I.2. Field Examinations](#)

[FPM I.3. Accounting](#)

[FPM I.6. Fund Usage Oversight](#)

[Quality Management System](#)

Agenda item: REQUEST FOR LIE/FAR TRAINING GUIDES **Presenter:** Alvin Hill, Analyst

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

Discussion:

Actions generated by the Fiduciary Contact Center (FCC) that may require Fiduciary Hub (Hub) processing will be routed to the Hubs through existing fiduciary end products (EP) and/or administrative tasks using the Veterans Benefits Management System (VBMS). Since the FCC is routing Hub actions using existing EPs and administrative tasks currently available in VBMS, Hubs should process the actions using current Workload Management Plans.

References

[M21-4 Appendix F. Fiduciary Workflow Stage Indicators and Administrative Tasks](#)

Agenda item: MISUSE SPECIAL FOCUS REVIEW (SFR) **Presenter:** David Gunnell, Analyst

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

Discussion:

In December 2023, P&F conducted a misuse determination SFR to determine the accuracy of the misuse determination, following establishment of the EP290 - FID-Negligence Determination and whether additional action is required by the Hub prior to completion of a negligence determination (ND).

Preliminary Findings:

Of 59 cases reviewed, 41 required an AAM (69.5%). Of those 41 requiring an AAM, 34 cases held up completion of an ND (83%), which required a corrected misuse determination.

Reasons found:

- Not all evidence of record considered (expenses allowed, fund transfers)
- Misuse Amount incorrect (transposed numbers, missing all income, incorrect VA and Other FUM)
- Misuse Investigation Report missing required text conclusion statement and elements.

- Corrected misuse determinations resulted in a reduction of the original misuse determined by 48.6 percent.

Q&A

Question 1: FIT Inquiry: FAR/LIE calculation of FUM using the Accounting Audit Tool (AAT) during the accounting audit protocol with VA funds in a separate VA custodial account from non-VA funds (SSA, DFAS or other non-VA funds).

- A. Provide direction from P&F regarding calculating the FUM and Other FUM sections of the VBMS-Fid beneficiary record where the evidence indicates VA FUM and Other FUM remain in separate financial accounts.
- B. Must we use the AAT during the accounting or depend on the ending balances on the bank statements to update FUM and Other FUM sections of the VBMS-Fid beneficiary record?

P&F Response to A: This statement is answered by the chart in FPM I.3.C.3.d. which outlines how and what calculates VA FUM and other FUM. This outlines the income type, what the LIE must document and what the AAT will total income inputs and list appropriately.

P&F Response to B: This question is answered by FPM I.3.C.1.d. as it says, “The hub must use the VBMS Accounting Audit Tool to document all accounting audits prior to the approval or disapproval of an accounting.”

Question 2: Will QRT move to a National Work Queue? If so, when is the anticipated date of rollout? And please provide guides and rules of reviews for the microtransactions that will be pulled through QMS.

P&F Response: There are no plans to move QRT to a national work queue.

Question 3: Are there additional bank requirements for apportionment receipts?

P&F Response: No, please see FPM I.4.A.2.

Question 4: Will P&F call an error if the Criminal Background Investigation (CBI) is obtained the same day as the interview?

P&F Response: No. P&F will not cite this as an error as long as the information is reviewed before the interview is conducted.

Question 5: Will an error be called if the credit report and CBI are not uploaded into the VBMS eFolder?

P&F Response: Yes. FPM I.2.C.5.d. states that the credit report must be uploaded into the eFolder regardless of whether the subject of the report is appointed as fiduciary. P&F must have documentation to support that the action was taken and the documentation must be in the VBMS eFolder before the exam is closed.

Question 6a: The SIA letter no longer gives specific instructions for the final accounting. Does the field need to send the accounting request letter out that specifies what to do with the final accounting or is there another letter being developed to handle this void for the current letter?

P&F Response: The Successor Initial Appointment (SIA) letter and the Accounting Due letter serve two different purposes. Therefore, when an SIA letter is sent and the employee determines a final accounting is also due, they must also send the Accounting Due letter. There are no plans to develop another letter combining information from the SIA letter and the Accounting Due letter.

The purpose of the SIA letter is to inform the outgoing fiduciary of a successor appointment. The accounting information included in the SIA letter is not meant to fulfill the regulatory requirements of the accounting notification letter, but to inform the fiduciary they will receive another letter if a final accounting is needed. The SIA letter is not meant to serve as an accounting notification letter and should not be used as such. The purpose of the Accounting Due Letter is to notify a fiduciary of their obligation to submit an accounting and contains all necessary accounting due information required by regulation and statute.

Question 6b: Can the field free-hand/free-style the specifics of the final accounting instructions since the current letter is not giving the field/fiduciaries what they need to continue the process successfully?

P&F Response: No, the SIA letter and Accounting Due Letter contain the necessary information required. The letters are to be used exclusively for their intended purposes.

***** Please note that the responses indicated below do not apply to the upcoming batch of end product (EP) 590 Expedited Initial Appointments (EIAs). P&F will release specific guidance for addressing these cases when the EPs are released. *****

Question 7a: If the field comes across an apportionment case that does not have a VAF 592, will they be required to complete one or would they need to send it back to VSC in order for them to create the VAF 592?

P&F Response: If the station of jurisdiction (SOJ) fails to complete the *VA Form 21-592* when completing the steps outlined in [M21-1, Part VII, Subpart iii, 1.A.1.d](#), it is appropriate for the fiduciary hub to request that the SOJ complete the required form.

If a hub employee discovers a case in which a minor was granted an apportionment prior to the January 7, 2023, clarification made to [M21-1, Part VII, Subpart iii, 1.A.1.d](#), the employee should complete and upload the *VA Form 21-592*.

Question 7b: If the Fiduciary Call Center is speaking with someone (a parent of a minor child receiving an apportionment) and the child has not been placed into the Fiduciary program, who would be responsible for creating the VAF 592?

- i. Should the VAF 592 be created and uploaded before the field exam, which would usually be an expedited exam?
- ii. Should the lack of a VAF 592, before an exam, cause the Field Examiner (FE) to change the exam from expedited to a normal exam since all the paperwork is not in the system?

P&F Response i: Yes. The Fiduciary Call Center employe should create the *VA Form 21-592*, and establish the EP 290, *FID-Fiduciary Adjustment* for automatic routing of the EP to the fiduciary hub of jurisdiction. If a manual change is implemented, you will be notified via the Compensation Service Calendar email blast. To subscribe to this email blast, visit the [Calendar Subscriptions](#) website.

P&F Response ii: No. An expedited initial appointment should be completed when the case meets the criteria outlined in FPM, Part I, 2.C.6.a. FPM, Part I, 2.C.6.b provides situations in which an EIA is not appropriate. The lack of a *VA Form 21-592* is not cited as one of the reasons.

Closing Comments

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

For specific policy and procedures related topics, please send inquiries through the [P&F Service Field Inquiry Tool \(FIT\)](#).

TMS Courses and Quality Call Bulletins:

Available content from the Quality Call (bulletin, recording, etc.) will be available in TMS. The TMS # for the February 2024 Fiduciary Quality Call is VA 4654814.

The next Quality Call will be presented in April 2024