**Financial Audits Training**

**VILT**

**Question & Answer**

**Resource Guide**

**August 13-15, 2019**

**Sponsored by:**

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

This resource guide provides answers to questions asked during the VBA Financial Audits Virtual Training by VBA Administrative Loan and Accounting Center (ALAC) on August 13-15, 2019. The questions are listed in the order they were asked during the training.

| **Financial Audits**  **Question** | **Financial Audits**  **Answers** |
| --- | --- |
| Will we cover returned proceeds reason code 10 cases? | Not on this Financial Audits training but they are proceeds for beneficiaries that may be ‘reportedly deceased’. |
| How can we gain access to SharePoint? | SharePoint access can be requested as you access the SharePoint site. Access request will go to SharePoint administrator for approval. |
| How do we get access to TCIS? | Contact your SSD Chief or submit a Salesforce inquiry to OFM. |
| What do we do for payments that are over one year old and missing? | Check to see if it is cashed or uncashed. If cashed, send a letter to the payee, as Treasury will not investigate forgery. IF Uncashed, the check should be in ‘limited pay ability’ status and the payee may be eligible for reissuance. |
| When there is a hardship and a payment is released. Should a debt be created? | New process when tracing a payment in FAS is to use a stop code D with a hardship payment (06AC). If the payee cashed both the original check and the replacement hardship payment, a debt needs to be established. |
| Should we reissue check if it was applied to debt when a payment plan is in place already? | This is under DMC’s jurisdiction. |
| When you click hardship, a one-time payment is released. Is this a freebie to the Veteran or should we create a debt? | New process when tracing a payment in FAS is to use a stop code D with a hardship payment (06AC). If the payee cashed both the original check and the replacement hardship payment, a debt needs to be established. |
| What about when the veteran brings back year old paper checks? | Veteran must submit a signed request for reissuance. Review/audit record to see if a 06A one-time payment can be issued to the veteran to replace the uncashed limited pay ability check that is over 1 year old. |
| Can you clarify difference between proceeds and unassociated? | When the returned payment pertains to an appropriation or fund other than 36X0102, an ‘unassociated’ account is established. |
| How do we put notes in FAS in the transaction notes? | Before completing the transaction in FAS, click the “Transaction Notes” button in FAS and enter your notes. |
| Will we review the docs and system examples to look at when VSC sends a special pay over to us? | This will depend on your local VSC procedures, they will/should provide the necessary documentation needed to back up their request. If not provided directly the documents should be available in VBMS. If not request them before processing. |
| Do you ever use TCIS to do check tracers? | This process is done in FAS. |
| What is A type receivable? | 31B = Ch 31 VR&E debt. 30B = Compensation/pension debt. 81B – Medical/hospital debt. |
| What if he does receive original payment? | If the original payment was traced, then a Chargeback debt will be created if the original payment is cashed. |
| Would we need a completed 5655 to document hardship? | 5655 forms are typically for waiver requests and station debts. |
| If the debt is not necessary, what happens? After the money is paid? | TBD. |
| Even if MC says 0, the Veteran still getting paid for Minor child? | If “MC” says 0, the payee should not be receiving additional monies for a minor child. |
| What about the provision of 38 CFR 3.31? | 3.31 Commencement of the period of payment. Regardless of VA regulations concerning effective dates of awards, and except as provided in paragraph c of this section, payment of monetary benefits based on the original, reopened, or increased awards of compensation, pension, dependency and indemnity compensation, or a monetary allowance under 38 U.S.C. chapter 18 for an individual who is a child of a Vietnam Veteran or a child of a veteran with covered service in Korea may not be made for any period prior to the first day of the calendar month following the month in which the award became effective. However, beneficiaries will be deemed to be in receipt of monetary benefits during the period between the effective date of the award and the date payment commences for the purpose of all laws administered by the Department of Veterans Affairs except that nothing in this section will be construed as preventing the receipt of retired or retirement pay prior to the effective date of waiver of such pay in accordance with 38 U.S.C. 5305. |
| Please explain the Pay and Due Audit Response? | An Audit response should provide a description of the results of the Paid and Due Audit and explain how the audit answers the veterans request/question. See example audit response letter provided. |
| What information can you get from a FAS tracer that you would not get from TCIS? | TCIS can be used to see what bank a direct deposit went to and if a check is cashed. The check number and trace number are obtained from TCIS to input in a FAS tracer transaction. |
| Can VR&E CWINRS Bene Travel and Direct Reimbursements be traced in FAS? | No, requests to trace those payments must be faxed to DVA Finance Center (0473B2A), Fax # 512-460-5431. |
| We get a lot of payments that are authorized and canceled on the same day. Should these be forwarded to our VSC for review? | Yes, have them instruct you what to do with the funds |
| 06G if we make this payment, what is the process, if the debt is not necessary? | A 06G transaction is used to make an advanced payment when there is a problem processing an award for benefits due. They may also be used when a payee reports non-receipt and substantiates financial hardship. A 06G transaction makes a payment and establishes a debt for the same amount. The debt will be recouped from the next available payment(s) without allowing for due process. Station directors must approve 06G payments in writing. 06G payments are limited to $2,500.00 in FAS. |
| VRE Substance Allowance payment canceled due to code 86P in FAS. Reason for this code? | TBD |
| Are there any VEAP debts still being collected on? | 331 St. Louis is servicing Ch32 VEAP debts. |
| If Ch32 is a VEAP debt, why would the RO be processing the debts, how would we even have access. | RO would not process CH32. |
| What records does DMC have access to? | DMC can access PEGA, CAROLS, VBMS & VVA (LCM), TCIS, and Synergy. |
| Why do CAROLS records disappear out of the system? | Sometimes they can be archived after a period of time and also, once a debt is recouped in full, the records get archived an removed from CAROLS, should another debt be created. Only the last debt of each type will show in CAROLs, old debts will no longer be available to view if a new debt of the same type is created after the previous debt has been collected in full. Old debts are available from Synergy, must contact DMC to request copies. |
| How can SSD know what can be fixed by an award? What system can we use to see that? | Award history and VBMS. |
| Where do you see award generations from? | Award history and VBMS. |
| If I look into SHARE, I will see an award generation attempt? | No, the VSC must provide the Admin Error |
| Is DMC the only one that have ACCESS to Carols? | No. Regional Offices can contact DMC to request access. |
| Who has historical records on VRAP debts? | All the VRAP records are still in the CH30 system but if they are looking for details about debts that have been cleared, we'd need to work with DMC or PA&I for historical info. |
| Does it show if the letters are returned? | It should show in VBMS as returned mail. |
| What is REPS debts? | The REPS debt is handled by the St. Louis regional office. |
| Doesn't the agent cashier send those checks to DMC? | If this is a DMC collection, in most cases they would send it to the agent cashier to give over to the DMC. We don't want to accept those payments. That is a DMC collection. Is not going to show as a payment for that debt. Yes the payment needs to get over to the DMC. We don't want to accept that check. |
| Can we communicate with the DMC to avoid harm to the Vet? | Regional Offices can contact DMC for debt questions. |
| What do you do when your VSC resurrects a debt that DMC previously wrote off? | You should collect them because they now have the means to collect them. |
| Can these issues be fixed by award action by the VSC? | TBD. |
| What is meant by the phrase “when it has matured”? | TBD |
| Chapter 31 Admin Error Cases can they be written off? | It recommended to contact OFM via Salesforce inquiries when being asked to ‘write-off’ a debt. |
| Doesn't VOC REHAB take care of this issue? | Voc-Rehab should correct the issue by award action, if that is not available. |
| Is a policy going into effect that will require all ROs to perform audits? | All stations perform these 'paid and due' audits. |
| Are the PAID amounts coming from SHARE and the Amount Due coming from FAS? | Paid comes from the payment history screen or FAS, the DUE amount is the amount that is shown on the award action that is being audited. |
| Can you show us how an audit comes to us and then show us step by step where you go first, where second and how it all connects? | “Paid and Due” audit requests can come via telephone (0820) , 4138, correspondence. Typically, ‘paid and due’ audits prove retro payments and debt amounts. Many time claimants confuse ‘audit’ with ‘please have my award reviewed to see if it was adjudicated properly’. |
| Is a 1047 generated for Attorney Fees? Is there a FAS transaction to pay an attorney? | A manual 1047 is completed in SSD and given to the appropriate personnel in SSD to release the funds to the attorney. FAS transactions do no release funds to the attorney. |
| What does the atty fee assessment fees fund? | TBD. |
| Why would a Veteran waive a portion of their retirement? | VA disability compensation is non-taxable whereas Retirement pay is taxable income, so it financially advantageous for the veteran to receive less taxable income and a greater amount of non-taxable compensation. |
| Would we use the most current amount waived? | Yes. |
| The amount Veteran waives can go towards child support? | The amount of waived retired pay is the only amount of the disability compensation that is eligible for garnishment. |
| Are we still processing garnishments that are already in play? | Yes. |
| Do we process garnishment orders? Do they go to the VSC now? | If in receipt of waived retired pay and not currently being paid for the dependent/s listed on the garnishment request. If the dependent is on their award, then it will be sent to the VSC to be worked as an apportionment. |
| Please provide us with the reference for the new garnishment | <https://vbaw.vba.va.gov/VBAORM/fin/ro_guides.asp> |
| What is DIC? | Dependency and Indemnity Compensation (DIC) is a benefit for widows of veterans. |
| Do we create a debt if the VSR asks us to prior to the original accrual being awarded? | Typically, no. |
| What are the new guidelines for SBP? | Finance will input a SBP deduction when the VSC/PMC is processing an original DIC award. After the person's original DIC award is authorized, and VA is informed of a SBP O/P, we do not have to take fiscal action. |
| Do we create a debt if the VSR asks us to prior to the original accrual being awarded, correct? | TBD. |
| 10B is an offset for an outstanding balance for a RFL? | Yes, 10B is the Revolving Fund Loan (RFL) debt. |
| Do station needed to take any action for 63C? or DMC will take care of it? | DMC inputs offsets/deductions from recurring payments to be applied to compensation & pension debts. |
| Are we calculating atty fee through date of decision? | You should receive a MEMO from VSC/PMC advising what date to use. Please refer to:  M21-1 I.3.C.5.c. |
| When finance does the payments Generally we verify the calculation are you suggesting that we input our audit excel on the payment side? | TBD |
| Share only went to Year 2000 for one that I was working on last week. Are you normally only going to be able to see back 18 or 19 Fiscal Years? | You can see more payments on the SHARE Payment History screen by clicking on the “Historical Payment Information” tab on the upper right of the screen. Payment history over 7 years old is available from the Treasury back to October of 1997. |
| if I do audit - do I always have to use all awards in the period I am checking for? What do I use if I can’t find award in VBMS , VBMS -A? | Use the award that issued the retro/created the debt in question as the “due”. And then for the “paid” portion, use the most recent awards that cover the time for the award that issued the retro payment/created the debt. All awards should be in VBMS, C&P awards, LCM (VVA), or in a hard file. |
| What is VVA? | Virtual VA. A legacy storage system for claims documents of benefit recipients (veterans, widows, etc.). |
| For Carol access who do we request the access? | Contact Debt Management Center (DMC). |
| How far back can DMC go to see if there was a debt? | TBD. |
| Does anyone have a legend of what the abbreviations mean in CAROLS field notes? | TBD. |
| Can you provide us all with a copy of VAOPGCPREC 19-95? | Added as a job aid on VBA Finance training website and provided as attachment to VILT students. Also at <https://www.va.gov/ogc/opinions/1995precedentopinions.asp> |
| Are we going to be talking about when we actually complete an audit in finance? For example, if there is a debt it goes to DMC, I don’t know when we send it to the RO's etc. | Follow the following as a reference for audits, if the veteran is questioning the actual award or something such as drill pay and the calculation of days for the withholding that would be done by award action then it goes to the VSC or PMC for a pension case. If debt related and I can answer with information available I will audit, if unable to complete audit due to debt issue then I would refer to DMC for assistance or to complete the audit as needed if they are the servicer of that type of debt. According to the Finance Playbook, audits are to be complete within 5 days of receipt by the office that receives the request. There is confusion on this as the VSC guidelines say it is to be worked by the office that was assigned the file at the time of receipt so there are cases where the VSC will route to your office to complete instead of their SSD as the file has been rerouted since the audit request was received. |
| How can you tell if an audit is truly an audit request? | Typically, ‘paid and due’ audit requests prove retroactive payments that were issued, and debt amounts that are created, or how much separation pay has been recouped or when it was recouped in full. |
| If any request mentions MRP withholdings is the VSC issue?" | Cases involving Military Retired Pay withholdings can be audited as the information on the withholding is available on the award screen in Share, if the veteran is claiming that the wrong amount was withheld or wrong rate then that would need to be referred to the VSC. |
| How can we audit before the award adjustments? | If award adjustments are pending you should wait for those to be completed before proceeding with your audit, using the Claims/Denials tab in Share you can see who may currently be working on the file in the VSC. You can always do your audit as long as it is based on the information in Share, just be aware that if award action is pending it may effect what actions are needed as a result of the audit. |
| No specific VA Form to fill out to request an audit? | Correct |
| Does finance provide a detailed financial statement breakdown of SMC benefits being paid? | In cases of Special Monthly Compensation, the rates are available in the VSC rate tables. The VSC should be able to assist with these types of requests or understanding of the SMC rate tables. |
| How do you handle a case that was not converted from BDN to VETSNET incorrectly? | Contact OFM via Salesforce inquiry. |
| Constance...what is IVAP? | IVAP = Income for VA Purposes. It’s used to determine the amount of non-service connected pension or death pension benefits that a person is entitled to. |
| Does the SHARE screen show the spouse? | Yes. Click the “Corporate” record in SHARE and then the “Persons” tab. Or, you can click the “Corporate” record and then click the “Awards/Ratings” tab, and then the “Award Info” tab. |
| Where is the IVAP column located on the award print? | I don’t believe it’s on VBMS award prints. |
| What is PCGL letter? | Personal Computer Generated Letters (PCGL) system, it is the “old” system VA used to generate letters. Due to compatibility issues it is only available through Citrix now. |
| What is the difference between pension and retirement pay? | Pension benefits paid by VA are needs-based and your "countable" family income must fall below the yearly limit set by law. There is a net worth limitation that must be met. Military Retirement Pay is for service members who remain on active duty or serve in the Reserves or Guard for periods of time (usually a minimum of 20 years) may **retire** and receive **retired** pay. Members who become disabled while on duty may be medically **retired** and receive a disability **retirement** paid through DFAS. |
| What is MAPR? | MAPR = Maximum Annual Pension Rate (the maximum amount of VA non-service connected pension or death pension benefits that a person can receive in a year). |
| What is the "All Relationship" tab? | It shows dependents that are or were on the veteran’s record. |
| Would 5 business days be against policy for audits? | No. |
| Is finance creating a debt (04E) so that when VSC amends the award it will take off that amount before paying out what is remaining? Kind of like creating a paper trail so to speak in SHARE? | TBD |
| Can you please briefly cover what an IVM is? | IVM = Income Verification Match. The VA had a matching system to verify if beneficiaries on non-service connected pension or death pension benefits were receiving income from sources that wasn’t reported to the VA. |
| Is the EP 150 an original award issue? | 150 EP is most commonly used by Pension Management Centers (PMC) for an income/medical expense adjustment or a re-open claim on a terminated record without a rating decision. |
| Is the EP 150 an indicator of an original pension claim? | 150 EP is most commonly used by Pension Management Centers (PMC) for an income/medical expense adjustment or a re-open claim on a terminated record without a rating decision. |
| What EP are original pension claims worked under now? | 180 for veterans, 190 for survivors’ pension. Could also be under 010 or 110 if they are a joint pension and comp claim. |
| Is there a way to tell in VETSNET that an award is in authorization pending status? | TBD |
| Is a Report of General Information the same as Report of Non-Receipt of Payment? | They are both Reports of General information. However, the Report of Non-receipt is specifically for reporting missing payments. |
| Payments over one year old that are reported as missing what do you do? | Trace every payment that is received a report of non-receipt on if the payment in question is not showing retuned in Share or TCIS. The treasury will not take any action on a payment over one year old so once the trace has been submitted you will have to research and process any action according to the results of your research. For example, if the payment paid to the payment address on file at the time the payment was made and not returned and showing reconciled or processed in TCIS I would send a letter to the veteran to explain where the funds were sent according to the payment information we had on file at the time. |
| We don't have tracer capability, what do we do? | Tracers are done in FAS for most Regional Offices. Contact OFM via Salesforce inquiry if you do not have access to FAS (Financial and Accounting System). |
| Can we re-issue payments that are older than 6 years old? | TBD. |
| If SHARE went back further, we could use the payment history screen? | TBD. |
| Is 31J the only transaction used for atty fees, i have seen a 63C used? | In the past it was 63c, now it is 31J. |
| 31J t is not effective in FAS unless the veteran is receiving benefits for the first time. If the veteran is receiving an increase, then the 63c will be the only option available to select? | A 31J will work if there is no current running record of benefits if the VSC/PMC has an award action pending authorization. |
| can you repeat who does the audits and is required to sign? | One audit by PMC/VSC and one independent audit by the SSD individual. |
| A dependency was mentioned in the audit supporting docs. Is this not needed for this audit request? Do we just ignore that part? | That dependency issue affected the rate amounts used within the audit. |
| The audit will take place on payments or the 18A when setting up the Attorney Fee or all transaction of Atty Fee that Atty Fee coordinator submits to Finance? | TBD. |
| If any request mentions MRP withholdings is the VSC issue?" | TBD. |
| Does VSC audit this first and then we do the second audit? | TBD. |
| How do you handle a case that was converted from BDN to VETSNET incorrectly | TBD. |