

VBA Advanced Finance Operations (Audits) Virtual-Instructor Led Training Frequently Asked Questions Resource Guide August 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 Advanced Finance Operations (Audits) Virtual Instructor Led-Training (VILT) delivered by Office of Resource Management (ORM/ALAC) on August 22-23, 2017. The questions are listed in the order they were asked during the training.

VBA Advanced Finance Operations (Audits) Questions and Answers (Q&A)

Advanced Finance Question	Advanced Finance Answer
For the RFL, do we calculate 10 months? According to training material it states 11 months?	We issue the RFL and it is collected in ten equal installments however, if you accidentally under calculate the time frame, it will stop collecting so a good rule of thumb is to put the end date out longer so that we fully recoup the debt. See Procedure Guides for RO, CH.5 Benefit Programs VBA Guide, B-2.14 Revolving Fund Loan Advances and M28R, Part V, Section B, Chapter 9 for more information.
Our station has a payment to process; it has been approved by the USB to pay out a dental payment using VRE funds, is this valid? It is an X0137 Readjustment benefit?	The issue is the 06A can only be used to pay the Veteran and not a vendor. You can use CWINRS, however the dental office must be vendorized. You will need access to the M28 VRE manual Please review: https://vaww.vashare.vba.va.gov/sites/VRWKM/M28/Forms/M28%20Main.aspx
Suggestions to make corrections to slides: Virtual VA No longer exists. It is now Legacy Content Manager Documents. VBMS-A does awards too. Ch31 has converted to VETSNET (SAMS). PACER is no longer a valid acronym	Suggestion will be reviewed for validity and action taken to correct if slides are in error.
What is the procedure for a RFL 30B debt?	RFL debts are 10B. See Procedure Guides for RO, CH.5 Benefit Programs VBA Guide, B-2.14 Revolving Fund Loan Advances.
Can we have a sample letter regarding a check which cannot be issued after 6 years	Appendix A to this document contains the requested sample letter.
Question on proceeds and whether VSC will be getting time/credit for it, and then working them with us?	This is handled at a local station level. If you are having difficulty getting assistance from the VSC clearing proceeds please bring to your leaderships attention.
Will the LP form be updated to indicate we	No

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cannot issue after 6 years?	Note: if we are able to go beyond 6 yrs then we will.
Is there a cap on RFL?	Yes. \$1,210 if there are no outstanding balances from prior RFLs. See VBA RO Procedure Guide, Chapter 5. B-2.14 Revolving Fund Loan Advances.
Is child support a debt or obligation?	It is a garnishment (court mandated order); a offset.
What do we do if we receive a garnishment request for a VA employee who isn't at our station?	You need to send it to the appropriate station for action. Payroll will handle employee garnishments. See Procedure Guides for RO, CH.5 Benefit Programs VBA Guide E. PROCESSING GARNISHMENT ORDERS FOR CHILD SUPPORT AND/OR ALIMONY.
Vet is receiving CRSC/CRDP in lieu of retired pay. Can this be garnished like retired pay?	Yes. Potentially. Garnishment is based on a waiver of retirement pay so the amount of retirement pay waived is potentially subject to garnishment. See Procedure Guides for RO, CH.5 Benefit Programs VBA Guide E. PROCESSING GARNISHMENT ORDERS FOR CHILD SUPPORT AND/OR ALIMONY.
With concurrent receipt now, are any funds issued by VA considered waiver retired pay anymore?	Only if the Veteran has waived a portion of his/her military retired/retainer pay in order to receive disability compensation from VA, the portion of the VA benefit received in lieu of retired/retainer pay is subject to garnishment. See Procedure Guides for RO, CH.5 Benefit Programs VBA Guide E. PROCESSING GARNISHMENT ORDERS FOR CHILD SUPPORT AND/OR ALIMONY
If they waived retirement pay, then the benefit is eligible to be garnished?	<i>See above</i>
On the waiver retired pay only the portion of VA payment that is waived retired pay can be garnished or is it the entire amount of VA benefit?	Only the portion of the VA benefit received in lieu of retired/retainer pay is subject to garnishment. See Procedure Guides for RO, CH.5 Benefit Programs VBA Guide E. PROCESSING GARNISHMENT ORDERS FOR CHILD SUPPORT AND/OR ALIMONY.
With sensitive levels involved, how do we	If a sensitive level is involved this may be an

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check on this if a vet is an employee?	indicator that the Veteran is an employee, use outlook and verify through payroll.
How does payroll set up garnishments for employee?	This is out of scope for SSD
What's VIS?	Veteran Information System
I would like further information on concurrent receipts.	<p>Information is at http://www.google.com/url?sa=t&rct=j&q=&e_src=s&source=web&cd=1&ved=0ahUKEwIjsK3gucDWAhUJOiYKHe_dBQoQFgggMAA&url=http%3A%2F%2Fwww.benefits.va.gov%2Fwarms%2Fdocs%2Fadmin21%2Fm21_1%2Fmr%2Fpart3%2Fsubptv%2Fch05%2Fch05_seca.doc&usq=AFQjCNGX1Xuo0JbBuhf73WuYhTOIk1XfOA</p>
I would like further information on garnishments.	<p>https://www.knowva.ebenefits.va.gov/system/templates/selfservice/va_ssnew/help/customer/locale/en-US/portal/55440000001018/content/55440000020136/M21-1-Part-III-Subpart-v-Chapter-3-Section-D-Garnishment-of-Disability-Compensation-in-Lieu-of-Military-Retired-Pay-to-Pay-Alimony-or-Child-Support?query=garnishment#2</p> <p>Also, see Procedure Guides for RO, CH.5 Benefit Programs VBA Guide E. PROCESSING GARNISHMENT ORDERS FOR CHILD SUPPORT AND/OR ALIMONY)</p>
How are garnishments distributed? Do the courts send to RO's in that state only?	See Procedure Guides for RO, CH.5 Benefit Programs VBA Guide E. PROCESSING GARNISHMENT ORDERS FOR CHILD SUPPORT AND/OR ALIMONY.
Do you have a sample where the spousal support is paid out through a garnishment	Unable to provide sample however procedures are the same as with a child. See M21-1, Part III, Subpart v, Chapter 3, Section D—Garnishment of Disability Compensation in Lieu of Military Retired Pay to Pay Alimony or Child Support.

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Do we process a 06A to the attorney and 04e on payee with those that failed to withhold because the only selections are hardship and waiver?	06B is processed when the 31J attorney fee withholding failed.
Does the veteran get due process on the attorney fee if it wasn't withheld from the award?	Yes. See M21-1 I.3.C.7.e. Action to Take if Claimant Does Not Return the Funds.
Are we to remove debts if we receive results from a COWC waiver?	DMC now has jurisdiction so they are responsible for Waiver Grant processing.
Could you clarify the debt in SHARE and not in CAROLS? We receive checks from vets trying to pay a debt, we send it to DMC and they return the check because they cannot see it, due to it not being in CAROLS. What should be our action?	It's considered a local 'station debt' for Finance.
Can I process an RFL when they do not have an award in FAS?	They should have an award M28R
Is there a general time frame for COWC to make a decision on waiver requests?	The case should be completed within 120 days from the date received by the committee. See VA Financial Policy, Volume XI, Chapter 6, Para 060507A.5.
Out of System VRE retro reimbursement, the post 9/11 paid the veteran his subsistence allowance during the same time veteran is requesting retro reimbursement with CH31. Veteran received \$6000 from CH33 but would of received \$13,000 from CH31 had he been certified. Now veteran is owed \$7000 for retro payment under CH31. What needs to be done?	A 06A would be processed in FAS to make the claimant whole See Circular 28-15-01 for Vocational Rehabilitation Retroactive Reimbursement for a Period Previously Paid Under Chapter 33.
What distinguishes an audit from a paid & due?	A 'paid and due' is essentially an 'audit' to prove accuracy payments or debts. Paid and Due Audit Requests: processing should be handled by the original receiving station regardless of where the Veteran resides (must be completed within 5 days from receipt of the audit request).
What about audits that go back past check	Our responsibility is 6 years.

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availability in TCIS?	
What is the DMC phone number specifically for employees?	612-970-5737/5732 (for VA employees).
Can you define readjustment pay?	<p>See M21-1, Part III, Subpart v, Chapter 4, Section B—Recoupment of Separation Benefits:</p> <ul style="list-style-type: none"> • readjustment pay under former <ul style="list-style-type: none"> ○ 10 U.S.C. 3814a, and ○ 10 U.S.C. 687 • Effect of Public Law (PL) 87-509 on readjustment pay.
What is the best number for veterans to use in order to reach DMC regarding their debts?	DMC -1-800-827-0648; DFAS -1-800-321-1080
I am working on an audit from VSC for separate recoup, it goes pretty far back and there is no documentation in VBMS, what's the rule of thumb for confirmation of repayment?	TCIS provides documentation back to 10/01/97; prior to this, we need to review the awards as we are confirming that the funds were withheld.

APPENDIX A: Sample 6yrs Audit Letter

DEPARTMENT OF VETERANS AFFAIRS
Regional Office

September 27, 2017

Veteran's Name
Address
City, State

In Reply Refer To:XXX
C- file number
Veteran's Name

Dear Mr. XXXX:

Why We Are Writing

We recently discovered your request for an audit (paid and due statement) received by VA on XXXX X, 20XX. We apologize for the delay in our response. In an effort to provide you with the actual service you require we ask that you read the following paragraphs to determine the actions you wish to request at this time. In accordance with the law VA maintains certain payment records for only six years. As a result, we cannot provide paid and due information on any payment more than six years old from the current date.

What You Should Do

Please read the paragraphs below and determine if you wish to request one of the actions described at this time. No further action will be taken on your request for an audit unless you provide a clarifying response to this letter. Please note you will need to re-submit your request for some of the actions identified below to the appropriate agency or division as described in each paragraph. (If you re-submit your request for one of the claim actions below, please submit a copy of this letter and a copy of the attached first page of your original request within 30 days of the date of this letter in order to protect the possibility of an earlier date of claim if applicable.)

Services You May Need and How to Request Each

- ❑ If you did not receive a regular monthly VA check for a specific month and after requesting a tracer for that specific check you did not receive a response from VA indicating the check had been cashed or you did not receive a replacement check - it would be appropriate to request an audit (paid and due statement) from the VA Regional office where your claim folder is located.
- ❑ If you believe your monthly payment rate is wrong because you believe VA is not paying you for the correct number of dependents (if you have a combined evaluation of 30% or more) you may submit a claim to add a dependent. In order to add a dependent spouse or child under the age of 18 you would submit a completed VA Form 21-686c. In order to add a dependent child 18 years of age or older you would submit a completed VA Form 21-674. You may download these forms from the Internet at www.va.gov. Look for the link to "forms." You may also obtain these forms by calling toll free 1-800-827-1000.

If you wish to add a spouse – please make sure you complete all the blocks on the form including the city and county of any former marriages and/or divorces and the month and year of any prior marriages and/or divorces. If you wish to report a divorce to remove a spouse from dependency status with VA, you may use a VA Form 21-4138, VA Form 21-686c, or a letter to report the name of the spouse, the date the divorce became final and the city and state where the divorce occurred.

- ❑ If you received a **retroactive payment check** following the grant of new benefits (or an increase in previous benefits) and you believe the amount was wrong – an audit (paid and due statement) will normally NOT benefit you. **Please read the following:** When monthly VA disability benefits are granted retroactively no payment is made for the first partial month. The effective date for payment purposes is the first of the month following the entitlement date. VA normally then pays at the beginning of the *following* month for that first previous full month. For example a payment on June 1st pays for the month of May when an entitlement began in mid April. The effective date and monthly rate information are described in your VA award notification letter.

To calculate your appropriate retroactive payment you would calculate the difference between the monthly amounts you were previously paid and the new higher amount. (For example: If your old rate was \$500 per month and your new rate is \$700 per month your retro would be calculated on the amount of increase of \$200 per month for the months you were already paid.) Then count the number of whole months from the payment entitlement date to the date you receive your VA award notice. Then multiply the amount of increase by the number of whole months. Note: Again if you receive an increased evaluation with an entitlement date of October 4th the increase for payment purposes is effective the first of the following month – or November 1st. This means the first payment that would be for the higher amount would be the December 1st payment.

Please note: If you had any VA debt outstanding when the retroactive award was processed, the debt would be paid (subtracted) from the retroactive payment and any remaining amount would be issued to you. If you believe an amount withheld from your retroactive payment to pay a debt was wrong you would need to contact the VA Debt Management Center at 1(800) 827-0648 to make an inquiry or request an audit of the debt.

- ❑ If you receive VA service-connected disability compensation and you believe your service-connected disabilities are now significantly worse than when you were granted disability compensation you may submit a claim for increase on a VA Form 21-4138. You may obtain this form on the Internet at va.gov or you may call toll free 1-800-827-1000 to ask for a form. (Note: If you receive VA nonservice-connected disability pension, your monthly rate is based on your countable income not on a specific combined evaluation of disabilities.)
- ❑ If you believe you were paid the wrong amount because you do not believe the combined evaluation was correct, you may submit a request to the VA Regional Office, Attention: Veterans Service Center to re-check the combined evaluation of your rating. (This is not a paid and due statement, nor is it an audit.) **Please note:** These calculations are done by computer and are almost always correct. Individual

percentages of each condition *are not added* to determine a veteran's combined rating. We are mandated by law to use a combined rating table that considers the effect from the most serious to the least serious condition to determine the combined evaluation. For example, a veteran with three service-connected disabilities (one at 50%, one at 30% and one at 20%) would have a combined evaluation of 70%.

Please provide a copy of this letter along with any response. If you have other general questions you may contact 1-800-827-1000 or write to the VA Regional Office nearest you “Attention: General Correspondence.”

Sincerely yours,

Chief, Support Services Division