



# Pension and Fiduciary (P&F) Service

## Fiduciary Quality Call

Date: June 18, 2020

TMS: # VA XXXXXXX

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### AGENDA TOPICS

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[ITEM 1: Changes to Quality Call Solicitations](#)

[ITEM 2: Quality Analysis – Year to Date Error Call](#)

[ITEM 3: STAR Deselection Process and Additional STAR Review](#)

[ITEM 4: Acceptable Methods of Verifying VA FUM When Auditing an Accounting](#)

[ITEM 5: Liability Insurance or Blanket Bond When Verifying VA FUM](#)

[ITEM 6: Streamline Oversight](#)

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

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### AGENDA ITEMS

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**Agenda item:** Changes to Quality Call Solicitations

**Presenter:** Kelly Wante, Chief  
Rob Pomarico, Analyst

#### Target Audience:

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

#### Discussion:

- Due to the high number of solicitations we receive that are more related to policy and procedure, please ensure these topics are sent directly to the Policy and Procedures mailbox at [FPOLPROC.VBACO@va.gov](mailto:FPOLPROC.VBACO@va.gov). The quality calls will no longer address topics of a policy nature, as we want to ensure that procedure is issued consistently to all Hubs. We will continue to address any quality-related questions such as error citation reference support, categorization of errors, and clarifications of checklist questions.

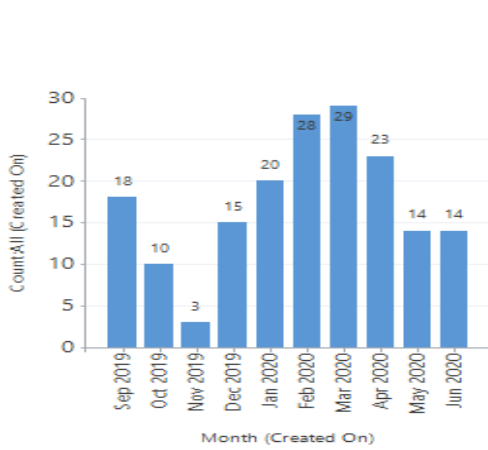
#### References/Contacts

- ✓ Quality/Oversight related questions: [PFTNGQUALOVRST.VBACO@va.gov](mailto:PFTNGQUALOVRST.VBACO@va.gov)
- ✓ Policy/Procedure related questions: [FPOLPROC.VBACO@va.gov](mailto:FPOLPROC.VBACO@va.gov)

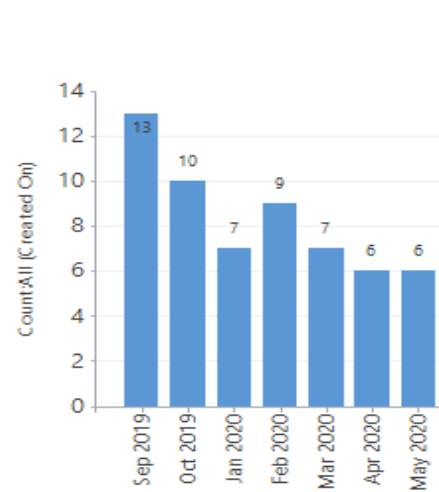
Target Audience:

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

Discussion:



Field Examination Errors FYTD



Accounting Errors FYTD

- We are pleased to announce that National Quality is at 91.8% which is very close to our goal of 92%. The above graph depicts the number of errors that we have cited for each month of the year. As you can see there has been a significant improvement from March 2020. For the month of March there was an increase in errors called on field examinations (29) however, the error calls for accountings have steadily decreased.
- During the month of May 2020 there was a total of 20 errors called, 14 errors were cited on field examinations while six errors were cited on accountings. All errors have been on a constant decline since March of 2020 which shows the peak of our errors for this year to date. It is notable that there was an increase in the Q2 (Was the system of record properly updated upon completion of the work item?) administrative errors. As many reports are dependent upon the information that we enter the field should be diligent in updating this information collectively.
- The highest category of substantive errors in field examinations for the month of May was M5 (Was a field examination scheduled for appropriate follow-up based on the date of the face-to-face contact with the beneficiary?). The second highest error call was the E3 error (Does the field examination report document the beneficiary’s current income, expenses and assets?).
- Of the six accounting errors four of the errors were classified as administrative in which the system was not updated properly.

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**Agenda item:** STAR Deselection Process and Additional STAR Reviews

**Presenter:** Felecia Roberts, Analyst

**Target Audience:**

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

**Discussion:**

- In the month of April, the Beneficiary Field Fiduciary System experienced a defect which caused STAR reviews which were completed previously to be selected again. This resulted in 28 cases which had to be replaced. We apologize for any inconvenience that this may have caused in accessing your reviews pulled for April of 2020. All of the affected cases have been replaced and reviewed with the exception of one case.

**References/Contacts**

- ✓ Email dated May 20, 2020

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**Agenda item:** Acceptable Methods of Verifying VA FUM when Auditing an Accounting

**Presenter:** Alvin Hill, Analyst

**Target Audience:**

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

**Discussion:**

- **Question from Lincoln:** What are the acceptable methods of verifying VA FUM when auditing an accounting?
- **Response:** When auditing an accounting, FPM 3.D.5.b provides the steps required when verifying all known accounts and funds under management. The first step requires verification of receipt of all original, photocopied, or computer-generated bank statements. Receipt of these documents assist in verifying funds under management.

**References/Contacts**

- ✓ [FPM 3.D.5.b., Verification of Accounts and FUM](#)

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**Agenda item:** Liability Insurance or Blanket Bond When Verifying VA FUM

**Presenter:** David Gunnell, Analyst

**Target Audience:**

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

## Discussion:

- **Question from Lincoln:** In April 2019, we sent a question to P&F about State and Federal agencies being exempt from obtaining a corporate surety bond. P&F responded that they are not exempt per 3.D.5.c., but because they use pooled accounts, we would be unable to verify the VA FUM because they use ledgers and residential trust accounts (RTA) and therefore be unable to require a surety bond.

In situations where VA FUM is able to be verified, and the VA FUM is above \$25,000, a bond is required. Is the guidance received in April 2019 still valid? Explanation – State and Federal agencies are not required to obtain a surety bond if the VA is unable to verify FUM. Because State and Federal agencies are not required to obtain a properly titled account (PTA) and they use locally maintained ledgers and RTAs, we are unable to verify VA FUM.

- **Response:** Unfortunately, we are unsure of what specific guidance the Hub is referring to; however, prior guidance received by your hub indicated that State and Federal agencies are not required to obtain a surety bond if the VA is unable to verify funds under management. VA may accept liability insurance, or a state blanket bond in lieu of a corporate surety bond from State agencies that are serving as a VA fiduciary. As a result, verification of funds under management for the purpose of obtaining a surety bond from a State or local agency is not required when the agency has liability insurance or a blanket bond and verification of this is obtained by VA.

## References/Contacts

- ✓ [FPM 3.D.5.c., Determining if a Corporate Surety Bond is Required](#)

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**Agenda item:** Streamline Oversight

**Presenter:** Tom Visser, Analyst

## Target Audience:

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

## Discussion:

- **Question from Indianapolis:** Has there has been discussion about revamping, or possibly even doing away with the Streamlined process before the changes that are taking place with Fiduciary Modernization? Could the field move forward with all Streamline cases being completed as 521s rather than 531s since all field exams are completed virtually? Should the field set FB diary dates instead of Streamline diary dates to prepare for Fiduciary Modernization?
- **Response:** Currently, there are no planned changes to the streamlined field examination process prior to the transition into VBMS. Due to the differences between streamlined and virtual field examinations, please continue using the appropriate work item for each specific field examination. Only change the work item to 521 in the situations listed in FPM 2.G.2.h-i. This will allow for accurate data collection of each type of field examination. Lastly, please continue to utilize streamlined diary dates for situations meeting the criteria listed in FPM 2.D.9.d.

## References/Contacts

- ✓ [FPM 2.D.9., Follow-Up Actions for Adult Beneficiaries](#)

## *Closing Comments*

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### **P&F Quality Mailbox:**

We will solicit for agenda topic(s) for each future Quality Call. If you have a specific quality related topic suggestion, please feel free to email it to the Pension and Fiduciary (P&F) Quality mailbox at [PFTNGQUALOVRST.VBACO@va.gov](mailto:PFTNGQUALOVRST.VBACO@va.gov). For specific policy and procedures related topics, please email it to the Policy and Procedures mailbox at [PFPOLPROC.VBACO@va.gov](mailto:PFPOLPROC.VBACO@va.gov).

### **Quality Call Bulletins**

Quality Call Bulletins can be found in the following locations:

[https://vbaw.vba.va.gov/PENSIONANDFIDUCIARY/Quality\\_Call\\_Bulletins.asp](https://vbaw.vba.va.gov/PENSIONANDFIDUCIARY/Quality_Call_Bulletins.asp)

The next Quality Call is tentatively scheduled for August 2020 (date TBD).

### **TMS Courses:**

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