#### Department of Veterans Affairs M21-1, Part III, Subpart vi

**Veterans Benefits Administration June 19, 2015**

**Washington, DC 20420**

#### Transmittal Sheet

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| Changes Included in This Revision | The table below describes the changes included in this revision of Veterans Benefits Manual M21-1, Part III, “General Claims Process,” Subpart vi, “Special Authorization Issues”.  ***Notes***:   * The term “regional office” (RO) also includes pension management center (PMC), where appropriate. * Unless otherwise noted, the term “claims folder” refers to the official, numbered, Department of Veterans Affairs (VA) repository – whether paper or electronic – for all documentation relating to claims that a Veteran and/or his/her dependent(s) file with VA. * Minor editorial changes have also been made to * update incorrect or obsolete references and terminology, where appropriate * renumber each topic based on the standard that the first topic in each section is Topic 1 * reassign alphabetical designations to individual blocks, where necessary, to account for new and/or deleted blocks within a topic * update section and topic titles to more accurately reflect their content * clarify block labels and/or block text, and * bring the document into conformance with M21-1 standards. |

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| Reason(s) for the Change | Citation |
| To change the term fiscal authorization (FISA) to fiscal adjustment, to distinguish situations which require action from the finance activity prior to authorization of an award, from the FISA command used by the authorization activity in the Benefits Delivery Network (BDN). | M21-1, Part III, Subpart vi, Chapter 2, Section B  (III.vi.2.B) |
| * To clarify how an accounts receivable (A/R) is created, and when a FISA is required by the finance activity. * To explain the difference processing a FISA in BDN and Veterans Service Network (VETSNET) and the Veterans Benefits Management System-Awards (VBMS-A). * To calrify that FISA is required when processing attorney fee cases and award adjustments based on audit error worksheets (AEW) showing an amount previously paid by the Defense Finance and Accounting Service (DFAS). | III.vi.2.B.1.a |
| To clarify that Senior Veterans Service Representatives (SVSRs) and Certified Veterans Service Representatives (CVSRs) are responsible for ensuring that award adjustments for Department of Veterans Affairs (VA) beneficiaries is accurate. | III.vi.2.B.1.b |
| To explain that Veterans Service Representatives (VSRs) or SVSRs must verify the existence of indebtedness anytime an award for compensation or pension is processed, and clarify where A/R data is displayed. | III.vi.2.B.1.c |
| To clarify that if a debt exists and no collection action is ongoing, the VSR or SVRS must review the case to determine whether the finance activity should be notified. | III.vi.2.B.1.d |
| To remove old Block e in III.vi.2.B.1 referring to the use of the FISA command, which does not apply in VETSNET or VBMS. | -- |
| To remove the If/Then table which referred to the course of action to take under BDN, and replace it with a sentence to indicate where the A/R balance can be found in Share. | III.vi.2.B.2.a |
| * To remove the Step/Action table on handling of debts in BDN. * To explain that the finance activity at each regional office (RO) manages issues of indebtness. * To clarify that the Debt Management Center (DMC), located in St. Paul, MN, is responsible for VA’s debt collection, and for processing requests for waiver of overpayments. | III.vi.2.B.2.b |
| To remove the obsolete Topic 7 regarding types of receivables used in FISA. | -- |
| To remove the obsolete Topic 8 regarding due process for collecting a debt. | -- |
| To remove the obsolete Topic 9 regarding collecting a debt from retrozctive, current, and future benefits. | -- |
| To remove the obsolete Topic 10 on using FISA command to offset a debt. | -- |
| To explain that a two-step award action is necessary when a partial withholding of retroactive benefits is warranted but cannot be accomplished through the input of any of the collection codes. | III.vi.2.B.3.a |
| To clarify that the VSR must use the two-step award action when a partial withholding of retroactive benefits is warranted but cannot be accomplished through the input of any of the collection codes. | III.vi.2.B.3.b |
| To explain that an award cannot be authorized until after FISA is completed and the finance activity confirms that the withholding for attorney fee has been successfully coded. | III.vi.2.B.3.c |
| To remove old Block d in III.vi.2.B.3 since 63C-type receivables no longer have to go to finance before authorization action. | -- |
| To add a new Block d regarding AEW processing when previous payments have been made by DFAS. | III.vi.2.B.3.d |
| To add a new Block e on handling administrative errors in VETSNET or VBMS-A. | III.vi.2.B.3.e |
| To replace the graphic in Exhibit 2, from the BDN M01 screen to the Share AWARD INFORMATION screen. | III.vi.2.B.5.a |

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| Rescissions | None |

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| Authority | By Direction of the Under Secretary for Benefits |

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| Signature | Thomas J. Murphy, Director  Compensation Service |

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