



DEPARTMENT OF VETERANS AFFAIRS
Veterans Benefits Administration
Washington DC 20420

Ms. Heather L. Ansley
Vice President of Veterans Policy
VetsFirst, United Spinal Association
1660 L Street N.W., Suite 504
Washington, D.C. 20036

FEB 25 2013

Dear Ms. Ansley:

This responds to your August 31, 2012, letter, in which you voice several concerns pertaining to VA Form 21-4703, *Fiduciary Agreement*.

VA recently made several improvements to VA Form 21-4703 after the April 19, 2012, release of Fast Letter 12-13, *Pre-approval of Single Expenditures by a Fiduciary*. Modifications to the form included removing the requirement of a fiduciary to seek prior VA approval for expenditures over \$1,000, as well as language implying that fiduciaries lack authority to act independently in determining whether an expenditure is in the beneficiary's interest.

Further, we plan on modifying the form based upon regulation amendments under review within VA. These changes will clearly enumerate the fiduciary's responsibility to the beneficiary and define the oversight VA will provide, if any, to this relationship. Additionally, modifications will include clarification on accounting requirements and instruction on providing the beneficiary with VA-approved annual accountings as required by Fast Letter 12-09, *Instructing Fiduciaries to Provide Copies of Accountings*. We believe these changes will further address your concerns with this form as outlined in your letter.

We are aware that VA Form 21-4703 is not located on VA's form website. We intend for this form to be used only if solicited by VA personnel. VA Form 21-4703 is available to the public, however, just not through VA channels. Public access is found on the Office of Information and Regulatory Affairs, Office of Management and Budget website.

Thank you for your suggestions for improving VA's fiduciary program.

Sincerely,

A handwritten signature in blue ink that reads "David R. McLenachen".

David R. McLenachen
Director
Pension and Fiduciary Service