## Chapter 7. Regional Loan Center (RLC) Site Visit

#### Overview

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| In this Chapter | This chapter contains the following topics:   |  |  |  | | --- | --- | --- | | Topic | Topic Name | See  Page | | 1 | Definition and Objective of Site Visits | 7-2 | | 2 | Components of a Site Visit | 7-3 | |
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#### 1. Definition and Objective of Site Visits

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| Change Date | January 25, 2016, Change 1   * This entire section has been updated. |

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| a. Definition of Site Visit | Quality Assurance (QA) section in Loan Guaranty Service Central Office (LGYCO) conducts periodic Regional Loan Center (RLC) site-visits to evaluate program performance towards measureable targets. QA ensures compliance with all applicable LGY program policies and procedures. The site visits are clearly structured and address all of the required elements found in the [Site Visit Protocol](http://vbaw.vba.va.gov/bl/26/docs/site_visit_protocol.pdf). Site visit audits are conducted in accordance with Generally Accepted Government Auditing Standards (GAGAS). GAGAS provides a framework for conducting high quality government audits with competence, integrity, objectivity, and independence. The site visit is designed to provide insight into the operation of LGY business lines, including management, as it relates to the goals and objectives of the VA Home Loan Guaranty program and the program’s progress towards achieving those goals and objectives at each RLC. The QA team collects data, performs testing, and completes analysis across all LGY business lines to measure performance, helping to identify risks and opportunities to include recommending internal controls to maximize the effectiveness and efficiency of the program. Communicating the results of the site visit assists LGY management in making data-driven policy decisions. |

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| b. Objective of Site Visits | The main objectives of the site visits are to:   * Apply uniform and objective standards * Determine the effectiveness of policies, procedures, standards, and control systems in relation to operating needs and changing conditions * Monitor program efficiency and effectiveness, and progress towards achieving policy goals within acceptable risk thresholds * Inform the Under Secretary for Benefits, District Director, Regional Office (RO) Director, and Loan Guaranty Officer about the accuracy, timeliness, effectiveness, and efficiency of RLC operations * Provide information for improving activities within the RLC * Identify actual or potential areas of operational weakness * Formulate and recommend instructions, directives, guidelines, policies, plans or procedures to administer or carry out functions identified as inefficient * Encourage and give recognition to effective and creative management |

#### 2. Components of a Site Visit

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| a. RLC Selection and Notification | In the third quarter of the fiscal year, QA provides the Office of Field Operations (OFO) a tentative site visit schedule for the upcoming fiscal year. QA will conduct either a physical or virtual site visit for each RLC every fiscal year. Exceptions are made based on RLC performance and/or previous site visit findings. |

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| b. Site Visit Protocol | The [Site Visit Protocol](http://vbaw.vba.va.gov/bl/26/docs/site_visit_protocol.pdf) is a clearly structured tool that addresses required elements to evaluate RLC operations; the protocol is not all inclusive. Items in this document can be edited, deleted, and added on an ongoing basis to accommodate emergent issues identified by LGYCO to include changes in programs, systems and legislation, even if they are not explicitly spelled out in this protocol. The Site Visit Protocol is actively published in the LGY intranet home page as updates are completed.  The protocol consists of the following:   * QA actions before, during, and after the site visit * Definitions * Areas of review * Citation reference hyperlinks |

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| c. Pre-Site Visit Analysis | The following review is conducted prior to the site visit:   * Review and analyze appropriate reports and data including the previous site visit report(s) * Review accuracy (LoanSTAR), and non-accuracy (timeliness) results * Review of third party performance audits such as Department of Veterans Affairs Office of Inspector General (OIG), U.S. Government Accountability Office (GAO), and any other available audit reports * Review of RLC-provided documents such as the Systematic Analysis of Operations (SAO), Statement of Written Assurance (SWA), Standard Operating Procedures (SOPs), and Workload Management Plan * Review of RLC annual training requirements * Status of current budget allocation and use per business line * Conduct discussion with LGYCO policy management to identify any RLC-specific issues |

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2. Components of a Site Visit, Continued

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| d. Evaluation and Briefings for On-Site Visits | On-site functions include, but are not limited to:   * Participation in entrance and exit briefings with RLC, RO, and District Office management * Execution of the Site Visit Protocol * Engage in discussions with management and staff * Conduct briefings with RLC management to discuss any action items (open or closed), appropriate corrective action plans, follow-up plans, commendable findings, and best practices, if applicable * Observe workflows and processes * Ensure work performed and the results obtained have been adequately documented to support findings * Summarize findings and gather RLC feedback regarding specific issues and challenges * Provide QA recommendations for remediation of any findings * Obtain management’s response to all findings and QA recommendations for remediation * Advise RLC to develop a remediation strategy and/or corrective action plan for specific finding(s) |

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| e. Evaluation and Briefings for Virtual Site Visits | Virtual site visit functions include, but are not limited to:   * Participation in entrance and exit briefings with RLC, RO, and District Office management * Execution of the Site Visit Protocol * Discussions with management and staff via telephone, email, and online meetings * Conduct briefings with RLC management to discuss any action items (open or closed), appropriate corrective action plans, follow-up plans, commendable findings, and best practices, if applicable * Virtually observe workflows and processes using online meetings * Ensure work performed and the results obtained have been adequately documented to support findings * Summarize findings and gather RLC feedback regarding specific issues and challenges * Provide QA recommendation for remediation of any findings * Obtain management’s response to all findings and QA recommendations for remediation * Advise RLC to develop a remediation strategy and/or corrective action plan for specific finding(s) |

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2. Components of a Site Visit, Continued

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| f. Post-Site Visit Reporting | After completing the site visit, QA will summarize the results of all the reviews, the findings and any recommendations. If applicable, QA will identify commendable findings and best practices. QA will work with each policy section to complete the reporting process described below:   * Follow-up discussions with policy management to address site visit issues and/or concerns * Make recommendations for improved planning, control, and management * Documentation of action items and supporting evidence * Site Visit briefing points and other “situational awareness” items of note * Submission of the final report for concurrence by the Director of Loan Guaranty Service * Final reports posted on the [LGY site visit intranet website](http://vbaw.vba.va.gov/bl/26/sitevisit.htm) |

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| g. Follow-Up | As part of QA’s routine follow-up on action items, a minimum of one follow-up will be performed within the first 60-calendar days from the conclusion of the site visit. Additional follow-up will be performed until QA determines that there is reasonable assurance the RLC will remain compliant with the requirements. |