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## IV VA AND OIG MISSION, ORGANIZATION AND RESOURCES

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### VA Establishment

VA was established as an independent agency by Executive Order 5398 on July 21, 1930, in accordance with Public Law 71-536, Activities for War Veterans, Consolidation and Coordination (Act of July 30, 1930). This Act authorized the President to consolidate and coordinate Federal agencies especially created for or concerned with the administration of laws providing benefits to veterans. Under this Act, the Veterans' Bureau, the Bureau of Pensions, and the National Home for Disabled Volunteer Soldiers were consolidated in VA. Effective March 15, 1989, Public Law 100-527 elevated VA to Cabinet-level status as the Department of Veterans Affairs.

### VA Resources

The Department's budget authority for FY 1997 is \$39.4 billion. Full-time equivalent (FTE) employment for the year is 215,432. VA operates medical facilities or regional offices in every State, the District of Columbia, Puerto Rico, Guam, and the Philippines.

### VA Mission and Organization

VA's mission is to serve America's veterans and their families as their principal advocate in ensuring that they receive the care, support, and recognition they have earned in service to the Nation. The Department includes 3 administrations that provide for the delivery of services and benefits; 5 assistant secretaries and 13 deputy assistant secretaries who advise and support the Secretary and the administrations; and 6 Department staff offices that provide specific assistance to the Secretary. Highlights of the services and benefits provided by the 3 administrations follow.

#### **VETERANS BENEFITS ADMINISTRATION (VBA)**

To provide benefits, VBA maintains 58 regional offices and 2 insurance centers.

#### **Compensation for service-connected disabilities and death**

2.5 million veterans and survivors receive continuing benefits valued at about \$16.1 billion.

#### **Pensions for income maintenance of veterans and survivors**

.7 million veterans and survivors receive continuing benefits valued at about \$3.1 billion.

#### **Education and training assistance**

Approximately 515,000 trainees receive education and training assistance payments valued at about \$1.4 billion.

#### **Housing and other credit assistance**

In FY 1996, VA granted 291,635 home loans valued at \$28.7 billion.

#### **Veterans' and servicemens' life insurance**

The 5 million policies in force in VA life insurance programs have a total face value of about \$560.4 billion.

**VETERANS HEALTH ADMINISTRATION (VHA)**

To provide medical care, VHA maintains 173 hospitals, 398 outpatient clinics (includes independent, satellite, community-based, and rural outreach clinics), 40 domiciliaries, and 133 nursing home units.

**Hospitals, medical, dental, and outpatient care**

The average daily census for inpatient VA and non-VA-provided care in FY 1996 was estimated at 74,635. The locations of the patients are shown in this table. About 30.5 million outpatient visits were provided in FY 1996.

LOCATIONS	PATIENTS
VA Hospitals	32,202
VA Nursing Home Care Units and Domiciliaries	19,146
Non-VA Facilities	23,287
<b>TOTAL</b>	<b>74,635</b>

**Medical and prosthetic research**

Research funding for FY 1997 is \$262 million.

**NATIONAL CEMETERY SYSTEM (NCS)**

To provide interment services, the NCS operates 114 cemeteries and 34 other miscellaneous sites.

There were 71,786 interments in national cemeteries in FY 1996, and 327,284 headstones or markers were provided.

**VA OIG Establishment**

VA's OIG was administratively established on January 1, 1978, to consolidate audit, investigation, and related operations into a cohesive, independent organization. In October 1978, the Inspector General Act of 1978 (P.L.95-452) was enacted and established a statutory Inspector General (IG) in VA.

**Role and Authority**

The Inspector General Act of 1978 states that the IG is responsible for: (1) conducting and supervising audits and investigations, (2) recommending policies designed to promote economy and efficiency in the administration of, and to prevent and detect fraud and abuse in, the programs and operations of the Department, and (3) keeping the Secretary and the Congress fully informed about problems and deficiencies in VA programs and operations and the need for corrective action.

The Inspector General Act Amendments of 1988 were enacted in October 1988. The major effect of these amendments was to provide the OIG with a separate appropriation account and a revised and expanded procedure for reporting semiannual workload to Congress.

The IG has authority to inquire into all VA programs and activities as well as the related activities of persons or parties performing under grants, contracts, or other agreements. The inquiries may be in the form of audits, investigations, contract reviews, inspections, or other appropriate actions. The responsibility for program integrity rests with VA administration heads and staff offices.

**Funding**

Fiscal Year 1997 funding for OIG operations is \$31.9 million. Approximately 85 percent of the total funding is for personnel salaries and benefits, 5 percent for travel, and 10 percent for all other (contractual services, rents, supplies, equipment, etc.).

**Staffing**

The OIG's estimated employment level for FY 1997 is 349. Employees on board as of March 31, 1997, were distributed as follows:

<b>OFFICE</b>	<b>PERSONS EMPLOYED</b>
Inspector General's Office	2
Office of Counselor to IG	4
Office of Investigations	76
Office of Audit	184
Office of Departmental Reviews and Management Support	55
Office of Healthcare Inspections	20
<b>TOTAL</b>	<b>341</b>

The OIG organization chart is presented on the next page.

**DEPARTMENT OF VETERANS AFFAIRS  
OFFICE OF INSPECTOR GENERAL**

