

**Assistant Secretary for Management
Action Item**

Subject: Approval of six policy chapters in accordance with the Financial Policy Improvement Initiative (FPII).

Vol.	Ch.	Title
III	8	<i>RSSI: Human Capital Investments</i>
III	11	<i>Reimbursements to Judgment Fund</i>
VI	20	<i>Judgment Fund Liabilities</i>
VIII	2	<i>Electronic Funds Transfer Requirement</i>
XII	6	<i>Benefit Debts</i>
XIII	3	<i>Managerial Cost Accounting</i>

Discussion: The Financial Policy Steering Committee voted, approved, and recommended CFO approval of the following six new policy chapters:

- Volume III, Chapter 8, *RSSI: Human Capital Investments*, discusses how VA will include its Veterans and dependents education and health professions education stewardship information as part of its Required Supplemental Stewardship Information (RSSI) in the Performance and Accountability Report (PAR).
- Volume III, Chapter 11, *Reimbursements to Judgment Fund*, discusses how VA will promptly reimburse Treasury for Contract Disputes Act and No FEAR Act claims payments made from the Judgment Fund when notification has been received from Treasury.
- Volume VI, Chapter 20, *Judgment Fund Liabilities*, discusses how VA will account for and report legal claims submitted to Treasury for payment by the Judgment Fund as contingent liabilities if the claim is probable to end in a loss and the amount is estimable.
- Volume VIII, Chapter 2, *Electronic Funds Transfer Requirement*, discusses how VA will use a variety of EFT collection and disbursement mechanisms, including Treasury's IPAC system for interagency transactions, *vendor* and *expense* reimbursements and benefit payments.
- Volume XII, Chapter 6, *Benefit Debts*, discusses how VA will deduct the amount of indebtedness from any future payments made to a claimant or compromise, waive, suspend, offset, refer or terminate a benefit debt, if it is not able to recover the debt from either lump sum or installment payments.
- Volume XIII, Chapter 3, *Managerial Cost Accounting*, discusses how VA will comply with the Managerial Cost Accounting standards requiring Federal reporting entities to accumulate and report the costs of their activities on a regular basis.

Recommendation: Approve the six new policy chapters and sign the attached documents.

Approved:

_____/s/
Assistant Secretary for Management

7/29/2010
Date