

**Assistant Secretary for Management
Action Item**

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

Vol.	Ch.	Title
III	1	<i>Transit Benefit Program</i>
III	5	<i>Payroll Operations and Accounting</i>
VI	6	<i>Liabilities for Loan Guarantees</i>
VI	13	<i>Unredeemed Coupons - Veterans Canteen Service</i>
VI	19	<i>Accounts Payable in Closed Appropriation Accounts</i>
XVI	1	<i>Government Purchase Card</i>

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

- Volume III, Chapter 1, Transit Benefit Program, discusses how the TBP subsidy amount authorized to qualified VA employees is based on an employee's monthly public transit commuting costs.
- Volume III, Chapter 5, Payroll Operations and Accounting, discusses how VA will establish payroll policies in accordance with Title 5 U.S.C. Part III, Employees, Subparts A through H and Title 38 U.S.C. Part V, Boards, Administrations and Services.
- Volume VI, Chapter 6, Liabilities for Loan Guarantees, discusses how VA's Loan Guaranty (LGY) Program eliminates need for any down payment from the Veteran, which protects the lender against loss up to the amount VA guarantees in the event of default by the Veteran borrower.
- Volume VI, Chapter 13, Unredeemed Coupons - Veterans Canteen Service, discusses how VA establishes, maintains and operates Veteran canteens. Merchandise may be acquired using coupon books sold by the VCS, which sells coupon books to Veterans and other interested parties to purchase merchandise and services at VCS canteens.
- Volume VI, Chapter 19, Accounts Payable in Closed Appropriations, discusses how, prior to closing an appropriation account, VA must identify and validate accounts payable in the closing appropriation accounts and determine what resources are available for the payments.
- Volume XVI, Chapter 1, Government Purchase Card, discusses how VA intends to streamline payment procedures and improve cash management practices, such as consolidating payments and reducing imprest funds, and provide procedural checks and feedback to improve management control.

Recommendation: Approve the six new policy chapters by signing below.

Approved:

_____/ s /_____
W. Todd Grams
Acting Assistant Secretary for Management

10/8/2010
Date