



**DEPARTMENT OF VETERANS AFFAIRS  
RECOVERY ACT PROGRAM-SPECIFIC PLAN**

**VETERANS BENEFITS ADMINISTRATION  
SUPPORT OF VETERANS ECONOMIC  
RECOVERY PAYMENTS**

**MAY 2009**

## TABLE OF CONTENTS

<b>1. Funding Table.....</b>	<b>3</b>
<b>2. Objectives .....</b>	<b>3</b>
<b>3. Activities .....</b>	<b>4</b>
<b>4. Characteristics .....</b>	<b>5</b>
<b>5. Delivery Schedule .....</b>	<b>5</b>
<b>6. Environmental Review Compliance.....</b>	<b>5</b>
<b>7. Measures.....</b>	<b>5</b>
<b>8. Monitoring/Evaluation.....</b>	<b>6</b>
<b>9. Transparency.....</b>	<b>6</b>
<b>10. Accountability.....</b>	<b>6</b>
<b>11. Barriers to Effective Implementation.....</b>	<b>6</b>
<b>12. Federal Infrastructure Investments .....</b>	<b>6</b>
<b>Appendix.....</b>	<b>7</b>
<b>General Operating Expenses – Support of Veteran Economic Recovery</b>	
<b>Payments Funding Table .....</b>	<b>7</b>
<b>Table 1A – Account Summary .....</b>	<b>7</b>
<b>Table 1B – Obligations/Gross Outlays – January 2009 through December 2010 (\$000).....</b>	<b>7</b>
<b>Compensation and Pensions Recovery Act Funding Table .....</b>	
<b>Table 2A – Account Summary .....</b>	<b>8</b>
<b>Table 2B – Obligations/Gross Outlays – January through December 2009 .....</b>	<b>8</b>
<b>Information Technology – Support of Veteran Economic Recovery Payments</b>	
<b>Funding Table .....</b>	<b>9</b>
<b>Table 3A – Account Summary .....</b>	<b>9</b>
<b>Table 3B – Obligations/Gross Outlays – January 2009 through December 2010 (\$000).....</b>	<b>9</b>

## **1. Funding Table**

A full funding description is provided in the Appendix.

## **2. Objectives**

The American Recovery and Reinvestment Act of 2009 (ARRA or Recovery Act) provides for an estimated \$700 million for one-time \$250 economic recovery payments to eligible Veterans, their survivors, and dependents to help mitigate the effects of the current economy. Based on the latest data matches, the VA anticipates paying approximately 2.0 million Veterans with expected obligations of \$507 million. The original estimate of 2.8 million Veterans has been reduced as approximately 800,000 Veterans are expected to receive the economic recovery payment from the Social Security Administration (SSA) or the Railroad Retirement Board (RRB). These payments will be issued in June 2009. The ARRA also provides \$7.1 million to fund administrative costs, plus an additional \$100,000 in information technology costs, associated with the one-time benefit payments. Recent VA mass mailings have had minimal impact on incoming telephone call volume. As such, VA no longer anticipates the previously estimated cost for a contract call center (approximately \$5 million) to handle the \$250 one-time payment telephone inquiries. Existing VA telephone call agents will handle any increased telephone call volume.

To be eligible for the \$250 payment, VA beneficiaries must have received compensation, pension, dependency and indemnity compensation (DIC), or spina bifida benefits at any time between November 2008 and January 2009. Also, beneficiaries must reside within the United States or Puerto Rico, Guam, Northern Mariana Islands, American Samoa, or the U.S. Virgin Islands. No application is necessary. VA will use its existing payment records to determine eligibility for the \$250 payment.

Beneficiaries will receive their payments the same way they receive their monthly VA benefits (either by direct deposit or mail). VA will inform beneficiaries and the public when releasing the payments. This payment is not countable in determining eligibility for VA pension or Parents' DIC. The law allows one \$250 payment per individual. The payment is tax-free. VA beneficiaries who also receive benefits from the Social Security Administration or Railroad Retirement Board will be paid through those agencies and will therefore not receive the payment from VA.

These efforts correspond with Departmental Strategic Goal 4: Contribute to the public health, emergency management, socioeconomic well-being, and history of the Nation. In addition, these efforts correspond with Departmental Strategic Objective 4.4: Enhance the socioeconomic well-being of Veterans, and thereby the Nation and local communities, through Veterans benefits; assistance programs for small, disadvantaged, and Veteran-owned businesses; and other community initiatives.

### 3. Activities

In addition to disbursing the payments, VA will conduct necessary administrative activities. Prior to payments going out, VA will issue letters advising beneficiaries of the impending one-time \$250 payments. VA will also modify existing information technology systems to accommodate the new Treasury account established to hold funds for the payments. A matching process will be conducted with other paying agencies to identify recipients to be paid by VA specifically. In the event of returned or disputed payments, or if a beneficiary does not receive a payment, VA will take the appropriate action to ensure proper payments are issued. VA will be performing a full risk assessment for improper payment reporting in this year's Performance and Accountability Report. The chart below breaks out funding for these administrative activities.

<b>American Recovery and Reinvestment Act Funding Administrative Costs for One-time \$250 Payments*</b> (dollars in thousands)
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	2009	2010	Total Obligations
<b>Total FTE Levels</b>	6	6	
<b>Obligations</b>			
Payroll	\$635	\$601	<b>\$1,236</b>
Non-Payroll	\$635	\$601	<b>\$1,236</b>
<b>Total Obligation</b>	<b>\$1,399</b>	<b>\$601</b>	<b>\$2,000</b>

*\* Reflects reduction of previously estimated costs for a call center.  
Note: Dollars may not add due to rounding.*

**American Recovery and Reinvestment Act Funding  
Information Technology Costs for One-time \$250 Payments (VETSNET)  
Q3 FY 2009**

Funding Requirement	Cost	Description
Modifications to existing C&P payment application	\$100,000	Modifications to existing application in the Veterans Service Network (VETSNET), VA's primary Compensation and Pension (C&P) payment system.
<b>VETSNET Subtotal</b>	<b>\$100,000</b>	

#### 4. Characteristics

The financial award will be \$250 direct payments to eligible Veterans, their survivors, and dependents. VA estimates \$507 million in direct payments will be made.

\$2.1 million will go toward Federal in-house activities, including \$2.0 million to administer payments and \$100,000 to modify IT systems to generate payments.

#### 5. Delivery Schedule

VA will issue the one-time \$250 payments in June 2009, and all necessary IT modifications will be completed by the beginning of June. Disbursement of payments will be followed by auditing and risk assessment for improper payments. Any returned or disputed payments will be resolved as quickly as possible with all activity completed by December 2010.

#### 6. Environmental Review Compliance

Not applicable

#### 7. Measures

VBA will use the following performance measure to assess the impact of the ARRA funding.

##### **Measure #1**

The percent of eligible payees (Veterans, survivors, and other eligible beneficiaries) that were issued payments

##### **Performance Table**

Targets	Targets
2009	2010
ARRA	ARRA
100%	Completion planned for 2009.

##### **Other Required Information**

New or Existing Measure	Results Data Collection Frequency	Public Accessibility Modality	Results Calculation	Results Data Source	Strategic Goal Link	Strategic Objective Link
New	Monthly	PAR and/or <a href="http://www.va.gov/recovery">www.va.gov/recovery</a>	The number of ARRA checks issued to Veterans/the number of eligible payees	FMS/ Finance	SG 4: Contributing to the Nation's Well-Being	SO 4: Socio-economic Well-Being of Veterans

### ***Impact of ARRA on Performance***

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Payment of the one-time \$250 stimulus payment will not impact the delivery of compensation, pension and survivor benefits.

### **8. Monitoring/Evaluation**

After the one-time \$250 payments are made in June, there will be an audit performed to ensure proper payment in the event there are any returned payments or beneficiaries that did not receive a payment. VA will be performing a full risk assessment for improper payment reporting in this year's Performance and Accountability Report. Relevant aspects of this assessment will be conducted jointly with other paying agencies.

### **9. Transparency**

Veterans may call VA's toll-free telephone number, visit and submit inquiries to VA's Web site, or visit a regional office to inquire about the one-time payments.

### **10. Accountability**

VA will certify entitlement to and receipt of one-time \$250 payments. An audit and full risk assessment will also be performed for improper payments.

### **11. Barriers to Effective Implementation**

There are no anticipated barriers to making the one-time \$250 payments.

### **12. Federal Infrastructure Investments**

Not applicable

**General Operating Expenses – Support of Veteran Economic Recovery Payments  
Funding Table**

**Table 1A – Account Summary**

	TAFS (pick from dropdown)	Appropriated to TAFS (\$000s)	Program Allocations BA Allocation (\$000s)	Program Allocations Program Name
One account funding one program	General Operating Expenses (36- 0150 2009 \\ 2010)	7,100	7,100	GOE Recovery Act

**Table 1B – Obligations/Gross Outlays – January 2009 through December 2010  
(\$000)**

Planned Obligations and Gross Outlays (\$000s)													
Funding Type	Funding Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Obligation	2009				47	809	47	70	159	268	283	80	39
Gross Outlay	2009					45	783	45	68	154	259	274	77
Obligation	2010	37	31	31	23	19	20	15	10	12			
Gross Outlay	2010	107	36	29	29	22	18	19	14	10	11		

Note: Table 1B reflects planned obligations/gross outlays totaling \$2.0 million.

## Compensation and Pensions Recovery Act Funding Table

**Table 2A – Account Summary**

	TAFS (pick from dropdown)	Appropriated to TAFS (\$000s)	Program Allocations BA Allocation (\$000s)	Program Allocations Program Name
One account funding one program	Compensation and Pensions (36-0101 2009 \ 2011)	700,000	700,000	Compensation and Pensions Recovery Act

**Table 2B – Obligations/Gross Outlays – January through December 2009**

Planned Obligations and Gross Outlays (\$000s)													
Funding Type	Funding Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Obligation	2009						507,000						
Gross Outlay	2009						507,000						



## Information Technology – Support of Veteran Economic Recovery Payments Funding Table

**Table 3A – Account Summary**

	TAFS (pick from dropdown)	Appropriated to TAFS (\$000s)	Program Allocations BA Allocation (\$000s)	Program Allocations Program Name
One account funding one program	Information Technology – Support of Veterans Economic Recovery Payments (36- 0168 2009/2011)	100	100	VETSNET

**Table 3B – Obligations/Gross Outlays – January 2009 through December 2010  
(\$000)**

Funding Type	Funding Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Obligation	2009						100						
Gross Outlay	2009							5	5	5	5	5	5
Obligation	2010												
Gross Outlay	2010	6	5	5	5	6	6	6	6	6	6	6	7