



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

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

JUNE 2010

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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 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. 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. Because VA mass mailings had minimal impact on incoming telephone call volume, VA did not require the contract call center (previously estimated to be approximately \$5 million) to handle the \$250 one-time payment telephone inquiries. Existing VA telephone call agents handled the 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 was necessary. VA used its existing payment records to determine eligibility for the \$250 payment.

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

These efforts correspond with Integrated Objective 1: Make it easier for Veterans and their families to receive the right benefits, meeting their expectations for quality, timeliness, and responsiveness. In addition, these efforts correspond with Integrated Strategy B: Develop a range of effective delivery methods that are convenient to Veterans and their families.

3. Activities

In addition to disbursing the payments, VA will continue to conduct necessary administrative activities. Prior to payments going out, VA issued letters advising beneficiaries of the impending one-time \$250 payments. VA also modified existing information technology systems to accommodate the new Treasury account established to hold funds for the payments. A matching process was 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 did not receive a payment, VA took the appropriate action to ensure proper payments are issued. VA performed a full risk assessment for economic recovery payments, which was discussed in the 2009 Performance and Accountability Report. The chart below breaks out funding for these administrative activities.

American Recovery and Reinvestment Act Funding Administrative Costs for One-time \$250 Payments* (dollars in thousands)			
	2009	2010	Total Obligations
Total FTE Levels	3	3	
Obligations			
Payroll	\$162	\$168	\$330
Non-Payroll	\$767	\$0	\$767
Total Obligation	\$929	\$168	\$1,097

* Reflects reduction of previously estimated costs for a call center and a reduced level of administrative work hours than previously expected.

American Recovery and Reinvestment Act Funding Information Technology Costs for One-time \$250 Payments (VETSNET) Q3 FY 2009 (dollars in thousands)		
Funding Requirement	Cost	Description
Modifications to existing C&P payment application	\$100	Modifications to existing application in the Veterans Service Network (VETSNET), VA's primary Compensation and Pension (C&P) payment system.
VETSNET Subtotal	\$100*	

*\$100k is the ARRA appropriation amount. Actual funds spent in 2009 were \$243K (\$100K ARRA, \$143K OI&T).

4. Characteristics

The financial award is \$250 in direct payment to eligible Veterans, their survivors, and dependents. Since the inception of the recovery payment program in June 2009 through April 2010, VA released to beneficiaries more than 1.888 million payments, totaling more than \$472 million. VA anticipates making an additional 31,000 payments, totaling approximately \$7.75 million.

\$1.2 million is estimated for Federal in-house activities, including \$1.1 million to administer payments and \$100,000 to modify IT systems to generate payments.

5. Delivery Schedule

VA issued the initial one-time \$250 payments and completed all necessary IT modifications by June 2009. Disbursement of initial payments was 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

This performance table depicts the percent of economic recovery payments made in each year against the total projected number of payments.

Results	Targets
2009	2010
% of Total Estimated ARRA Payments Made	Remaining % of ARRA Payments to be Made
98%	2%

Other Required Information

New or Existing Measure	Results Data Collection Frequency	Public Accessibility Modality	Results Calculation	Results Data Source	Integrated Objective Link	Integrated Strategy Link
New	Monthly	PAR and/or http://www.va.gov/recovery	The number of ARRA checks issued to Veterans/the number of eligible payees	FMS/ Finance	IO 1: Make it easier for Veterans and their families to receive the right benefits, meeting their expectations for quality, timeliness, and responsiveness	IS B: Develop a range of effective delivery methods that are convenient to Veterans and their families

Impact of ARRA on Performance

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

8. Monitoring/Evaluation

Since the one-time \$250 payments were made in June 2009, there has been continuous auditing performed to ensure proper payment in the event there were any returned payments or beneficiaries who did not receive a payment. VA performed a full risk assessment for economic recovery payments, which was discussed in the 2009 Performance and Accountability Report.

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 certified entitlement to and receipt of one-time \$250 payments and will continue to do so for reissued payments. An audit and full risk assessment was and will continue to 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 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)**

Obligations and Gross Outlays, Actuals Through April 2010 (\$000s)													
Funding Type	Funding Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Obligation	2009				27	794	27	27	27	27	14	14	14
Gross Outlay	2009				0	96	18	51	0	0	716	19	19
Obligation	2010	14	14	14	14	14	14	14	14	14			
Gross Outlay	2010	19	19	19	19	19	19	19	19	27			

Note: Table 1B reflects planned obligations/gross outlays totaling \$1.1 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 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 2009 through December 2010

Cumulative Obligations and Gross Outlays, Actuals Through April 2010 (\$000s)													
Funding Type	Funding Year	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Obligation	2009						466,288	461,310	461,449	464,812	465,092	465,231	465,168
Gross Outlay	2009						466,487	466,487	467,427	471,020	471,260	471,403	471,403
Obligation	2010	465,221	465,293	465,331	465,364	465,414	465,464	465,514	465,764	465,839	471,889	472,089	472,239
Gross Outlay	2010	471,403	471,476	471,476	471,476	471,526	471,576	471,626	471,876	471,951	478,001	478,201	478,351

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 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

**\$100k is the ARRA appropriation amount. Actual funds spent in 2009 were \$243K (\$100K ARRA, \$143K OI&T).*