

# Department of Veterans Affairs

# Memorandum

**Date:** December 23, 2014

**From:** Director, Financial Integrity Division (52BA)

**Subj:** Review of Alleged Misappropriation of Funds in Wounded Care and Coordination Task Force - 2014-04307-BA-0196

**To:** Assistant Inspector General for Audits and Evaluations (52)

**Thru:** Deputy Assistant Inspector General for Audit and Evaluations (52B)

1. On July 9, 2014, the VA OIG Hotline received a complaint that \$18.0 million in Joint Incentive Funds were going to be wasted due to a lack of progress in developing an Interagency Comprehensive Plan, which includes a customer relationship management tool designed to enhance the patient experience of care by improving coordination across Department of Defense and VA thus streamlining the member's transition between the two Departments. Improving the transition from active duty status to Veteran status will improve patient satisfaction, patient safety, and the quality of care and services provided. The complainant alleged that project delays and mismanagement resulted in thousands of dollars and man-hours being wasted with little progress and that the funds awarded in February 2013, will expire if not spent within two years.
2. We did not substantiate the complainant's allegations. Although, we did confirm that approximately \$18.0 million was awarded for the project in January 2013 and that there have been project delays. This initiative is overseen by the Department of Defense / Veterans Affairs Joint Executive Committee. Our review of meeting notes and contact with the project manager showed that project development delays were due to the complexity of the technical requirements and the need for resolution of the interoperability strategy going forward by senior leadership. We found that in Joint Executive Committee meeting minutes from October 14, 2014 that this strategy was resolved, which allowed the project to move forward.
3. The Department of Defense / Veterans Affairs Joint Incentive Fund Guide states that Joint Incentive Fund appropriations are "no year" funds with no expiration date. Joint Incentive Funds provide seed money for joint initiatives for the coordination of health care resources with the goal of improving access to, and quality and cost effectiveness of health care provided to beneficiaries. VA had only obligated \$114,995 of approximately \$18.0 million of these funds for this customer relationship management project as of November 2014.
4. In conclusion, the Interagency Comprehensive Plan is a complex project requiring coordination of Defense/VA personnel and information technology systems. These complexities resulted in delays in funding execution, but as these were no-year funds, they were not at risk of expiring. Accordingly, we have no findings and are recommending closing this review without further action. If you have questions or wish to discuss these issues, please contact me at (b) (6) [REDACTED].

Murray Leigh  
Director—Financial Integrity Division (52 BA)