

DEPARTMENT OF VETERANS AFFAIRS

VETERANS HEALTH ADMINISTRATION

Federal Funds

MEDICAL SERVICES

For necessary expenses for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs and veterans described in section 1705(a) of title 38, United States Code, including care and treatment in facilities not under the jurisdiction of the Department, and including medical supplies and equipment, *bioengineering services*, food services, and salaries and expenses of health care employees hired under title 38, United States Code, aid to State homes as authorized by section 1741 of title 38, United States Code, assistance and support services for caregivers as authorized by section 1720G of title 38, United States Code, and loan repayments authorized by section 604 of the Caregivers and Veterans Omnibus Health Services Act of 2010 (Public Law 111-163; 124 Stat. 1174; 38 U.S.C. 7681 note); **[\$41,354,000,000] \$165,000,000, which shall be in addition to funds previously appropriated under this heading that became available on October 1, 2012; and, in addition, \$43,557,000,000, plus reimbursements, shall become available on October 1, [2012] 2013, and shall remain available until September 30, [2013] 2014: Provided, That, of the amount made available on October 1, 2013, under this heading, \$1,400,000,000 shall remain available until September 30, 2015: Provided further, That notwithstanding any other provision of law, the Secretary of Veterans Affairs shall establish a priority for the provision of medical treatment for veterans who have service-connected disabilities, lower income, or have special needs: Provided further, That notwithstanding any other provision of law, the Secretary of Veterans Affairs shall give priority funding for the provision of basic medical benefits to veterans in enrollment priority groups 1 through 6: Provided further, That notwithstanding any other provision of law, the Secretary of Veterans Affairs may authorize the dispensing of prescription drugs from Veterans Health Administration facilities to enrolled veterans with privately written prescriptions based on requirements established by the Secretary: Provided further, That the implementation of the program described in the previous proviso shall incur no additional cost to the Department of Veterans Affairs. (Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.)**

Special and Trust Fund Receipts (in millions of dollars)

Identification code 36-0160-0-1-703	2011 actual	2012 est.	2013 est.
0100 Balance, start of year	236	233	233
Receipts:			
0220 Pharmaceutical Co-payments, MCCF	730	696	759
0221 Medical Care Collections Fund, Third Party Prescription Claims	33	33	33
0222 Enhanced-use Lease Proceeds, MCCF	1	2	2
0223 First Party Collections, MCCF	178	177	188
0224 Third Party Collections, MCCF	1,767	1,792	1,917
0225 Parking Fees, MCCF	4	4	4
0226 Compensated Work Therapy, MCCF	55	57	57
0227 MCCF, Long-term Care Copayments	3	4	4
0240 Payments from Compensation and Pension, MCCF	1	2	2
0299 Total receipts and collections	2,772	2,767	2,966
0400 Total: Balances and collections	3,008	3,000	3,199
Appropriations:			
0500 Medical Care Collections Fund	-2,775	-2,767	-2,966
0799 Balance, end of year	233	233	233

Program and Financing (in millions of dollars)

Identification code 36-0160-0-1-703	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Acute hospital care	7,664	7,210	7,286
0002 Rehabilitative care	555	426	446
0003 Psychiatric care	3,726	4,479	4,988
0004 Nursing home care	3,638	3,889	4,144
0005 Subacute care	55	72	77
0006 State home domiciliary	59	54	57
0007 Outpatient care	21,860	24,126	25,095

0008 CHAMPVA	1,138	1,188	1,291
0091 Total operating expenses	38,695	41,444	43,384
0101 Acute hospital care	289	329	354
0102 Rehabilitative care	25	29	31
0103 Psychiatric care	162	184	198
0104 Nursing home care	103	116	125
0105 Subacute care	2	3	3
0107 Outpatient care	634	723	775
0191 Total capital investment	1,215	1,384	1,486
0293 Total direct program	39,910	42,828	44,870
0799 Total direct obligations	39,910	42,828	44,870
0801 Reimbursable program	294	281	287
0900 Total new obligations	40,204 ¹	43,109	45,157

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1,208	1,015	398
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,000	1,400	1,565
1120 Appropriations transferred to other accts [36-0169]	-49	-173	.....
1120 Appropriations transferred to other accts [36-0165]	-65	-15	-15
1121 Transferred from other accounts [36-5287]	2,771	2,749	2,966
1130 Appropriations permanently reduced	-2	.....	.....
1160 Appropriation, discretionary (total)	3,655	3,961	4,516
Advance appropriations, discretionary:			
1170 Advance appropriation	36,136	39,650	41,354
1173 Advance appropriations permanently reduced	-72	-1,400	-1,400
1180 Advanced appropriation, discretionary (total)	36,064	38,250	39,954
Spending authority from offsetting collections, discretionary:			
1700 Collected	285	281	289
1701 Change in uncollected payments, Federal sources	8	.....	.....
1750 Spending auth from offsetting collections, disc (total)	293	281	289
1900 Budget authority (total)	40,012	42,492	44,759
1930 Total budgetary resources available	41,220	43,507	45,157
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1	.....	.....
1941 Unexpired unobligated balance, end of year	1,015	398	.....

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	4,916	5,151	6,697
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-11	-12	-12
3020 Obligated balance, start of year (net)	4,905	5,139	6,685
3030 Obligations incurred, unexpired accounts	40,204	43,109	45,157
3031 Obligations incurred, expired accounts	-91	.....	.....
3040 Outlays (gross)	-39,878	-41,563	-43,829
3050 Change in uncollected pymts, Fed sources, unexpired	-8	.....	.....
3051 Change in uncollected pymts, Fed sources, expired	7	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	5,151	6,697	8,025
3091 Uncollected pymts, Fed sources, end of year	-12	-12	-12
3100 Obligated balance, end of year (net)	5,139	6,685	8,013

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	40,012	42,492	44,759
Outlays, gross:			
4010 Outlays from new discretionary authority	34,508	36,641	38,543
4011 Outlays from discretionary balances	5,370	4,922	5,286
4020 Outlays, gross (total)	39,878	41,563	43,829
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-107	-63	-63
4033 Non-Federal sources	-187	-218	-226
4040 Offsets against gross budget authority and outlays (total)	-294	-281	-289
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-8	.....	.....
4052 Offsetting collections credited to expired accounts	9	.....	.....
4060 Additional offsets against budget authority only (total)	1	.....	.....
4070 Budget authority, net (discretionary)	39,719	42,211	44,470
4080 Outlays, net (discretionary)	39,584	41,282	43,540
4180 Budget authority, net (total)	39,719	42,211	44,470

MEDICAL SERVICES—Continued
Program and Financing—Continued

Identification code 36-0160-0-1-703	2011 actual	2012 est.	2013 est.
4190 Outlays, net (total)	39,584	41,282	43,540

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

For 2014, the Budget is requesting \$54.5 billion in advance appropriations for the three medical care appropriations: Medical Services, Medical Support and Compliance, and Medical Facilities. This request for advance appropriations fulfills the Administration's commitment to provide reliable and timely resources to support the delivery of accessible and high-quality medical services for veterans. Advance appropriations require a multi-year approach to budget planning whereby one year builds off the previous year. This funding enables timely and predictable funding for VA's medical care to prevent our Nation's veterans from being adversely affected by budget delays, and provides opportunities to more effectively use resources in a constrained fiscal environment. For example, estimated savings from management improvements to be achieved in 2012 will be carried forward into 2013 to reduce the appropriations needed. Without the carryover of these resources from 2012, currently estimated at \$500 million, VA would need a higher level of appropriations in 2013.

For 2013, Medical Care appropriations are increased by \$165 million over the enacted 2013 advance appropriations of \$52.5 billion. Each year, VA updates its budget estimates to incorporate the most recent data on health care utilization rates, actual program experience, and other factors, such as economic trends in unemployment and inflation. As a result, in 2012 and 2013 VA was able to reinvest funding in high priority medical programs.

With the resources requested for 2013 and 2014, VA will provide the highest quality health care services for veterans. VA estimates it will treat 6.3 million patients in 2013 and 6.4 million patients in 2014. Operation Enduring Freedom, Operation Iraqi Freedom and Operation New Dawn (OEF/OIF/OND) veterans are expected to reach 610,416 in 2013 (9.7 percent of the total) and 654,480 in 2014 (10.3 percent of the total).

Medical Services.—For Medical Services, the Budget reflects the following appropriation funding: the 2012 enacted advance appropriations of \$39.6 billion; the 2013 appropriation request of \$41.5 billion; and the 2014 advance appropriations request of \$43.6 billion. This appropriation provides for a comprehensive, integrated health care delivery system that addresses the needs of eligible veterans and beneficiaries in VA medical centers, outpatient clinic facilities, contract hospitals, State homes, and outpatient programs on a fee basis. Hospital and outpatient care is also provided by the private sector for certain dependents and survivors of veterans under the Civilian Health and Medical Programs for the Department of Veterans Affairs (CHAMPVA).

Medical Care Collections Fund (MCCF).—VA estimates collections of \$3.0 billion in 2013 and nearly \$3.1 billion in 2014, representing five percent of available resources in both years. VA has the authority to collect inpatient and outpatient co-payments, medication co-payments, and nursing home co-payments; authority for certain income verification; authority to recover third-party insurance payments from veterans for nonservice-connected conditions; and authority to collect revenue from enhanced use leases. These collections also include those collected from the Compensated Work Therapy Program, Compensation and Living Expenses Program, and the Parking Program.

WORKLOAD

Acute hospital care.—Costs for 2013 are estimated to be \$7,640 million for operating medical, neurological, surgical, contract and State home hospital beds.

Estimated operating levels are:

	2011 actual	2012 est.	2013 est.
Patients treated	627,242	641,657	653,863
Average daily census	8,921	9,009	9,112
Average employment	42,308	42,805	43,835

Rehabilitative care.—Costs for 2013 are estimated to be \$477 million for the provision of rehabilitative care, including spinal cord injury care.

Estimated operating levels are:

	2011 actual	2012 est.	2013 est.
Patients treated	15,910	16,280	16,712
Average daily census	1,133	1,140	1,148
Average employment	4,333	4,383	4,488

Psychiatric care.—Costs for 2013 are estimated to be \$5,186 million for the inpatient, residential, and outpatient care of veterans with problems related to mental illness, including alcohol and drug problems.

Estimated operating levels are:

	2011 actual	2012 est.	2013 est.
Patients treated	153,648	156,257	159,942
Average daily census	9,999	10,130	10,230
Average employment	28,690	29,026	29,725

Nursing home care.—Costs for 2013 are estimated to be \$4,269 million for the care of residents in VA community living centers, contract nursing homes, and State nursing homes.

Estimated operating levels are:

	2011 actual	2012 est.	2013 est.
Patients treated	97,221	98,967	100,028
Average daily census	36,573	36,673	36,923
Average employment	19,988	20,222	20,709

Noninstitutional extended care.—Costs for 2013 are estimated to be \$1,477 million for noninstitutional extended care programs such as adult day care; home based primary care, skilled nursing and rehabilitation care; and home health aids.

Estimated operating levels are:

	2011 actual	2012 est.	2013 est.
Average daily census	95,092	113,254	120,118

Subacute care.—Costs for 2013 are estimated to be \$80 million for the treatment of veterans who require a level of care between acute and long-term care, as provided in VA hospital intermediate bed sections.

Estimated operating levels are:

	2011 actual	2012 est.	2013 est.
Patients treated	3,000	2,287	1,715
Average daily census	107	87	69
Average employment	510	516	529

State home domiciliary care.—Costs for 2013 are estimated to be \$57 million for the care of veterans in locations other than their own homes, such as domiciliary care programs.

Estimated operating levels are:

	2011 actual	2012 est.	2013 est.
Patients treated	4,162	4,039	3,941
Average daily census	3,662	3,712	3,762

Outpatient care.—Costs for 2013 are estimated to be \$24,695 million for outpatient medical and dental care provided by staff, physicians, and dentists participating under a fee basis arrangement for certain eligible veterans.

Estimated operating levels are:

NUMBER OF MEDICAL VISITS AND DENTAL WORKLOADS

	2011 actual	2012 est.	2013 est.
Medical visits (in thousands):			

Staff visits	70,896	73,487	76,215
Fee visits	12,231	12,823	13,379
Readjustment counseling	1,377	1,444	1,508
Total	84,504	87,754	91,102
Dental procedures:	4,120,152	4,274,083	4,394,018
Average employment	89,235	90,903	93,091

Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA).—Costs for 2013 are estimated to be \$1,291 million for private hospital and outpatient care for dependents and survivors of certain veterans.

Estimated operating levels are:

	2011 actual	2012 est.	2013 est.
Outpatient (in thousands)	11,019	11,312	11,862

PERFORMANCE MEASURES

Provide high-quality health care.—Use of clinical practice guidelines in treating patients results in improved health of veterans and reduced use of services. The prevention index spotlights and summarizes a variety of evidence-based measures for high-quality preventive health care. VHA's strategy to monitor satisfaction through patient surveys will identify areas of improvement in all medical services.

	2011 actual	2012 est.	2013 est.
Clinical Practice Guidelines Index III/IV (2011 - results are CPGI III and 2012 and 2013 are CPGI IV)	91%	92%	92%
Prevention Index IV/V (2011 - results are PI IV and 2012 and 2013 are PI V)	92%	93%	93%

Access to medical care.—VA's strategy is to improve access and timeliness of service by reducing waiting times in specialty and primary care clinics for new patient appointments in medical centers nationwide and by relying more extensively on non-institutional forms of long-term care. In 2012, VHA will begin measuring the four appointment performance measures using a 14-day standard, as noted in the chart below. VA strives to improve timely access to the delivery of primary and specialty care which is critical to providing high-quality care to veterans.

	2011 actual	2012 est.	2013 est.
New appointment performance measures are provided below:			
Percentage of new primary care appointments completed within 14 days of the desired date	N/Av	83%	84%
Percentage of established primary care appointments completed within 14 days of the desired date	N/Av	94%	95%
Percentage of new specialty care appointments completed within 14 days of the desired date	N/Av	84%	85%
Percentage of established specialty care appointments completed within 14 days of the desired date	N/Av	95%	96%
Non-institutional long-term care average daily census	95,092	113,254	120,118

VA /DoD sharing.—VA's strategy is to improve collaboration and exchange with the Department of Defense (DoD).

	2011 actual	2012 est.	2013 est.
Amount billed for health care services provided to DoD beneficiaries at VA facilities (\$ in millions)	\$184	\$187	\$191

Revenue cycle improvement.—VHA is seeking to improve its performance in the area of medical care collections. The revenue cycle improvement plan includes initiatives that will improve efficiency and accuracy.

	2011 actual	2012 est.	2013 est.
Gross days of revenue outstanding third-party collections	48	46	40

Object Classification (in millions of dollars)

Identification code 36-0160-0-1-703	2011 actual	2012 est.	2013 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	13,565	13,943	14,405
11.3 Other than full-time permanent	274	283	292

11.5 Other personnel compensation	1,570	1,613	1,666
11.9 Total personnel compensation	15,409	15,839	16,363
12.1 Civilian personnel benefits	4,478	4,456	4,681
13.0 Benefits for former personnel	15	15	15
21.0 Employee travel	85	81	78
21.0 Beneficiary travel	824	919	966
21.0 Interagency motor pool payments	18	18	19
21.0 All other	2	2	2
22.0 Transportation of things	12	14	16
23.2 Rental payments to others	3		
23.3 Communications, utilities, and miscellaneous charges	277	308	343
24.0 Printing and reproduction	18	22	28
25.2 Other contractual services	4,210	5,320	4,813
25.6 Outpatient dental fees	102	109	116
25.6 Medical and nursing fees	1,526	1,788	2,094
25.6 Community nursing homes	573	610	667
25.6 Contract hospitalization	1,451	1,669	1,920
25.6 Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA)	848	899	973
26.0 Medical supplies and materials	7,818	8,352	9,027
31.0 Equipment	1,209	1,384	1,486
32.0 Land and structures	6		
41.0 Medical grants, subsidies, and contributions	822	733	765
41.0 Medical grants to private organizations	204	290	498
99.0 Direct obligations	39,910	42,828	44,870
99.0 Reimbursable obligations	294	281	287
99.9 Total new obligations	40,204	43,109	45,157

Employment Summary

Identification code 36-0160-0-1-703	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment	183,268	186,073	190,505
2001 Reimbursable civilian full-time equivalent employment	1,796	1,782	1,872

MEDICAL SUPPORT AND COMPLIANCE

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of capital policy activities; and administrative and legal expenses of the Department for collecting and recovering amounts owed the Department as authorized under chapter 17 of title 38, United States Code, and the Federal Medical Care Recovery Act (42 U.S.C. 2651 et seq.); **[\$5,746,000,000]** \$6,033,000,000, plus reimbursements, shall become available on October 1, **[2012]** 2013, and shall remain available until September 30, **[2013]** 2014: *Provided, That, of the amount available under this heading, \$100,000,000 shall remain available until September 30, 2015. (Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.)*

Program and Financing (in millions of dollars)

Identification code 36-0152-0-1-703	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Acute hospital care	1,087	1,184	1,220
0002 Rehabilitative care	104	84	88
0003 Psychiatric care	694	894	985
0004 Nursing home care	472	486	503
0005 Subacute care	9	11	12
0006 Outpatient care	2,756	2,723	2,713
0007 CHAMPVA	78	82	89
0091 Total operating expenses	5,200	5,464	5,610
0101 Acute hospital care	17	27	33
0102 Rehabilitative care	1	2	2
0103 Psychiatric care	14	22	26
0104 Nursing home care	9	15	18
0105 Outpatient care	39	64	77
0191 Total capital investment	80	130	156
0293 Total direct program	5,280	5,594	5,766
0799 Total direct obligations	5,280	5,594	5,766
0801 Reimbursable program activity	71	77	78
0900 Total new obligations	5,351 ¹	5,671	5,844

MEDICAL SUPPORT AND COMPLIANCE—Continued
Program and Financing—Continued

Identification code 36-0152-0-1-703	2011 actual	2012 est.	2013 est.	
Budgetary Resources:				
Unobligated balance:				
1000				
	Unobligated balance brought forward, Oct 1	132	104	21
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	100	100	100
1120	Transferred to other accounts [36-0169]	-10	-24	
1160	Appropriation, discretionary (total)	90	76	100
Advance appropriations, discretionary:				
1170	Advance appropriation	5,207	5,535	5,746
1173	Advance appropriations permanently reduced	-44	-100	-100
1180	Advanced appropriation, discretionary (total)	5,163	5,435	5,646
Spending authority from offsetting collections, discretionary:				
1700	Collected	68	77	78
1701	Change in uncollected payments, Federal sources	3		
1750	Spending auth from offsetting collections, disc (total)	71	77	78
1900	Budget authority (total)	5,324	5,588	5,824
1930	Total budgetary resources available	5,456	5,692	5,845
Memorandum (non-add) entries:				
1940	Unobligated balance expiring	-1		
1941	Unexpired unobligated balance, end of year	104	21	1
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	1,042	896	1,087
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-1	-3	-3
3020	Obligated balance, start of year (net)	1,041	893	1,084
3030	Obligations incurred, unexpired accounts	5,351	5,671	5,844
3031	Obligations incurred, expired accounts	-83		
3040	Outlays (gross)	-5,414	-5,480	-5,715
3050	Change in uncollected pymts, Fed sources, unexpired	-3		
3051	Change in uncollected pymts, Fed sources, expired	1		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	896	1,087	1,216
3091	Uncollected pymts, Fed sources, end of year	-3	-3	-3
3100	Obligated balance, end of year (net)	893	1,084	1,213
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	5,324	5,588	5,824
Outlays, gross:				
4010	Outlays from new discretionary authority	4,571	4,962	5,172
4011	Outlays from discretionary balances	843	518	543
4020	Outlays, gross (total)	5,414	5,480	5,715
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-67	-77	-78
4033	Non-Federal sources	-3		
4040	Offsets against gross budget authority and outlays (total)	-70	-77	-78
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	-3		
4052	Offsetting collections credited to expired accounts	2		
4060	Additional offsets against budget authority only (total)	-1		
4070	Budget authority, net (discretionary)	5,253	5,511	5,746
4080	Outlays, net (discretionary)	5,344	5,403	5,637
4180	Budget authority, net (total)	5,253	5,511	5,746
4190	Outlays, net (total)	5,344	5,403	5,637

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

For 2014, the Budget is requesting \$6.0 billion in advance appropriations for Medical Support and Compliance. This request for advance appropriations fulfills the Administration's commitment to provide reliable and timely resources to support the delivery of accessible and high-quality medical services for veterans.

For Medical Support and Compliance, the Budget reflects the following appropriation funding: the 2012 enacted advance appropriations of \$5.5 billion; the 2013 appropriations request of \$5.7 billion; and the 2014 advance appropriations request of \$6.0 billion. The Medical Support and Compliance appropriation fin-

ances the expenses of management, security, and administration of the VA health care system through the operation of VA medical centers, other facilities, Veterans Integrated Service Network offices and facility director offices, chief of staff operations, quality of care oversight, legal services, billing and coding activities, procurement, financial management, and human resource management.

Object Classification (in millions of dollars)

Identification code 36-0152-0-1-703	2011 actual	2012 est.	2013 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	2,554	2,612	2,632
11.3	Other than full-time permanent	49	49	50
11.5	Other personnel compensation	297	304	306
11.9	Total personnel compensation	2,900	2,965	2,988
12.1	Civilian personnel benefits	879	838	893
13.0	Benefits for former personnel	5	5	5
21.0	Employee travel	86	81	79
21.0	All other	4	4	4
22.0	Transportation of things	12	13	15
23.3	Communications, utilities, and miscellaneous charges	107	114	123
24.0	Printing and reproduction	64	25	32
25.2	Other contractual services	1,035	1,290	1,322
25.6	Medical and nursing fees	5	5	6
26.0	Medical supplies and materials	99	124	143
26.0	Provisions	3		
31.0	Equipment	80	130	156
32.0	Land and structures	1		
99.0	Direct obligations	5,280	5,594	5,766
99.0	Reimbursable obligations	71	77	78
99.9	Total new obligations	5,351	5,671	5,844

Employment Summary

Identification code 36-0152-0-1-703	2011 actual	2012 est.	2013 est.	
1001	Direct civilian full-time equivalent employment	44,430	44,470	44,945
2001	Reimbursable civilian full-time equivalent employment	828	831	869

DOD-VA HEALTH CARE SHARING INCENTIVE FUND

Program and Financing (in millions of dollars)

Identification code 36-0165-0-1-703	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
0001	DOD-VA health care sharing incentive fund	69	79	70
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	126	189	140
1021	Recoveries of prior year unpaid obligations	2		
1050	Unobligated balance (total)	128	189	140
Budget authority:				
Appropriations, discretionary:				
1121	Transferred from VA account [36-0160]	65	15	15
1121	Transferred from DOD account [97-0130]	65	15	15
1160	Appropriation, discretionary (total)	130	30	30
1930	Total budgetary resources available	258	219	170
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	189	140	100
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	64	42	28
3030	Obligations incurred, unexpired accounts	69	79	70
3040	Outlays (gross)	-89	-93	-80
3080	Recoveries of prior year unpaid obligations, unexpired	-2		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	42	28	18
3100	Obligated balance, end of year (net)	42	28	18

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	130	30	30
Outlays, gross:				
4011	Outlays from discretionary balances	89	93	80
4180	Budget authority, net (total)	130	30	30
4190	Outlays, net (total)	89	93	80

The purpose of the Department of Defense-Veterans Affairs Health Care Sharing Incentive Fund, often referred to as the Joint Incentive Fund (JIF), is to enable the Departments to carry out a program to identify and provide incentives to implement creative sharing initiatives at the facility, intra-regional and nationwide levels. The JIF promotes collaboration and new approaches to problem solving to enable the Departments to improve the coordination of health care services. The Departments have established the fund and developed processes and criteria to solicit and select projects. Section 721 of the 2003 National Defense Authorization Act, Public Law 107-314, established the fund and requires VA and Department of Defense to establish a joint incentive program. In 2013, each Secretary shall contribute a minimum of \$15 million to the fund after the appropriation is enacted.

Object Classification (in millions of dollars)

Identification code 36-0165-0-1-703	2011 actual	2012 est.	2013 est.	
Direct obligations:				
11.1	Personnel compensation: Full-time permanent	11	11	11
12.1	Civilian personnel benefits	2	2	2
25.1	Advisory and assistance services	38	42	40
26.0	Supplies and materials	6	8	6
31.0	Equipment	11	15	10
32.0	Land and structures	1	1	1
99.9	Total new obligations	69	79	70

Employment Summary

Identification code 36-0165-0-1-703	2011 actual	2012 est.	2013 est.	
1001	Direct civilian full-time equivalent employment	132	151	140

MEDICAL FACILITIES

For necessary expenses for the maintenance and operation of hospitals, nursing homes, domiciliary facilities, and other necessary facilities of the Veterans Health Administration; for administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction, and renovation of any facility under the jurisdiction or for the use of the Department; for oversight, engineering, and architectural activities not charged to project costs; for repairing, altering, improving, or providing facilities in the several hospitals and homes under the jurisdiction of the Department, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; for leases of facilities; and for laundry services, **[\$5,441,000,000]** \$4,872,000,000, plus reimbursements, shall become available on October 1, **[2012]** 2013, and shall remain available until September 30, **[2013]** 2014: *Provided, That, of the amount made available under this heading, \$250,000,000 shall remain available until September 30, 2015. (Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.)*

Program and Financing (in millions of dollars)

Identification code 36-0162-0-1-703	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
0001	Acute hospital care	762	874	877
0002	Rehabilitative care	76	53	59
0003	Psychiatric care	502	802	833
0004	Nursing home care	348	479	512
0005	Subacute care	8	9	9

0007	Outpatient care	1,863	1,958	2,152
0008	CHAMPVA	5	5	6
0091	Total operating expenses	3,564	4,180	4,448
0101	Acute hospital care	503	267	245
0102	Rehabilitative care	50	26	24
0103	Psychiatric care	325	173	159
0104	Nursing home care	231	123	113
0105	Subacute care	4	2	2
0107	Outpatient care	1,091	581	530
0191	Total capital investment	2,204	1,172	1,073
0293	Total direct program	5,768	5,352	5,521
0799	Total direct obligations	5,768	5,352	5,521
0801	Reimbursable program	34	42	43
0900	Total new obligations	5,802 ¹	5,394	5,564

Budgetary Resources:

Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	109	44	81
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	100	250	250
1120	Appropriations transferred to other accts [36-0169]	-10	-37	.....
1160	Appropriation, discretionary (total)	90	213	250
Advance appropriations, discretionary:				
1170	Advance appropriation	5,640	5,426	5,441
1173	Advance appropriations permanently reduced	-26	-250	-250
1180	Advanced appropriation, discretionary (total)	5,614	5,176	5,191
Spending authority from offsetting collections, discretionary:				
1700	Collected	33	42	43
1750	Spending auth from offsetting collections, disc (total)	33	42	43
1900	Budget authority (total)	5,737	5,431	5,484
1930	Total budgetary resources available	5,846	5,475	5,565
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	44	81	1

Change in obligated balance:

Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	3,030	3,319	3,239
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-1	.....	.....
3020	Obligated balance, start of year (net)	3,029	3,319	3,239
3030	Obligations incurred, unexpired accounts	5,802	5,394	5,564
3031	Obligations incurred, expired accounts	1	.....	.....
3040	Outlays (gross)	-5,514	-5,474	-5,325
3051	Change in uncollected pymts, Fed sources, expired	1	.....	.....
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	3,319	3,239	3,478
3100	Obligated balance, end of year (net)	3,319	3,239	3,478

Budget authority and outlays, net:

Discretionary:				
4000	Budget authority, gross	5,737	5,431	5,484
Outlays, gross:				
4010	Outlays from new discretionary authority	3,401	4,075	4,116
4011	Outlays from discretionary balances	2,113	1,399	1,209
4020	Outlays, gross (total)	5,514	5,474	5,325
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-22	-16	-16
4033	Non-Federal sources	-13	-26	-27
4040	Offsets against gross budget authority and outlays (total)	-35	-42	-43
Additional offsets against gross budget authority only:				
4052	Offsetting collections credited to expired accounts	2	.....	.....
4070	Budget authority, net (discretionary)	5,704	5,389	5,441
4080	Outlays, net (discretionary)	5,479	5,432	5,282
4180	Budget authority, net (total)	5,704	5,389	5,441
4190	Outlays, net (total)	5,479	5,432	5,282

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

For 2014, the Budget is requesting advance appropriations of \$4.9 billion for 2014 for Medical Facilities. This request for advance appropriations fulfills the Administration's commitment to provide reliable and timely resources to support the delivery of accessible and high-quality medical services for veterans.

MEDICAL FACILITIES—Continued

For Medical Facilities, the Budget reflects the following appropriation funding: the 2012 enacted advance appropriations of \$5.4 billion; the 2013 appropriations request of \$5.4 billion; and the 2014 advance appropriations request of \$4.9 billion. Medical Facilities provides for the operations and maintenance of the capital infrastructure required to provide health care to the Nation's veterans. These costs include utilities, engineering, capital planning, leases, laundry services, grounds maintenance, trash removal, housekeeping, fire protection, pest management, facility repair, and property disposition and acquisition. In 2014, VA is proposing to move Biomedical Engineering Services from Medical Facilities to Medical Services in order to properly align funding with the nature of the services provided.

Object Classification (in millions of dollars)

Identification code 36-0162-0-1-703	2011 actual	2012 est.	2013 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	1,064	1,095	1,131
11.3 Other than full-time permanent	21	21	22
11.5 Other personnel compensation	124	128	132
11.9 Total personnel compensation	1,209	1,244	1,285
12.1 Civilian personnel benefits	383	368	389
13.0 Benefits for former personnel	2	2	2
21.0 Employee travel	9	9	8
21.0 All other	24	25	26
22.0 Transportation of things	16	16	17
23.1 Rental payments to GSA	21	23	26
23.2 Rental payments to others	339	492	534
23.3 Communications, utilities, and miscellaneous charges	543	558	573
25.2 Other contractual services	714	1,111	1,216
26.0 Medical supplies and materials	304	333	372
31.0 Equipment	122	162	175
32.0 Medical land and structures	2,082	1,009	898
99.0 Direct obligations	5,768	5,352	5,521
99.0 Reimbursable obligations	34	42	43
99.9 Total new obligations	5,802	5,394	5,564

Employment Summary

Identification code 36-0162-0-1-703	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment	23,430	23,583	24,231
2001 Reimbursable civilian full-time equivalent employment	478	478	490

MEDICAL AND PROSTHETIC RESEARCH

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by chapter 73 of title 38, United States Code, [\$581,000,000] \$582,674,000, plus reimbursements, shall remain available until September 30, [2013] 2014. (Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 36-0161-0-1-703	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Bio-medical laboratory science research	252	268	262
0002 Rehabilitation research	105	106	104
0003 Health services research	93	97	94
0004 Clinical science research	113	116	112
0091 Total operating expenses	563	587	572
0101 Bio-medical laboratory science research	17	14	14
0102 Rehabilitation research	28	3	3
0103 Health services research	1	1	1
0104 Clinical science research	4	3	3
0191 Total capital investment	50	21	21

0192 Total direct program	613	608	593
0799 Total direct obligations	613	608	593
0801 Reimbursable program	36	35	35
0900 Total new obligations	649 ¹	643	628

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	106	72	45
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	581	581	583
1130 Appropriations permanently reduced	-1		
1160 Appropriation, discretionary (total)	580	581	583
Spending authority from offsetting collections, discretionary:			
1700 Collected	36	35	35
1750 Spending auth from offsetting collections, disc (total)	36	35	35
1900 Budget authority (total)	616	616	618
1930 Total budgetary resources available	722	688	663
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1		
1941 Unexpired unobligated balance, end of year	72	45	35

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	204	253	289
3030 Obligations incurred, unexpired accounts	649	643	628
3031 Obligations incurred, expired accounts	-5		
3040 Outlays (gross)	-595	-607	-608
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	253	289	309
3100 Obligated balance, end of year (net)	253	289	309

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	616	616	618
Outlays, gross:			
4010 Outlays from new discretionary authority	350	439	440
4011 Outlays from discretionary balances	245	168	168
4020 Outlays, gross (total)	595	607	608
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-23	-35	-35
4033 Non-Federal sources	-13		
4040 Offsets against gross budget authority and outlays (total) ...	-36	-35	-35
4070 Budget authority, net (discretionary)	580	581	583
4080 Outlays, net (discretionary)	559	572	573
4180 Budget authority, net (total)	580	581	583
4190 Outlays, net (total)	559	572	573

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

For 2013, the total budgetary resources of \$1.9 billion is comprised of \$583 million in direct appropriations, \$583 million in medical care support, and \$710 million in Federal and private sector grants. The research program will support 3,526 full time equivalents through direct appropriation and a total of over 15,000 research staff through all funding sources.

This account is an intramural program that has had significant success developing research leading to clinical achievements that improve the health and quality of life for veterans and the Nation. VA is at the forefront of producing new transformational approaches and technologies for preventing, diagnosing, and treating disease. VA research transforms medicine by uniquely engaging veterans both as clinical patients and as research volunteers. Through technology, advancements, and information, research helps transform VA's health care into a leading example of medicine in the 21st Century.

High priority research programs in 2013 will provide Operation Enduring Freedom (OEF), Operation Iraqi Freedom (OIF) and Operation New Dawn (OND) veterans and rural veterans with critical needs research activity. VA will focus on key areas affecting OEF/OIF/OND veterans including Homelessness/Access to

Care and Rural Health, Personalized Medicine and Military Exposure-Related Illnesses. Homelessness is a top priority for VA, and research will focus on interventions, risk factors and health care usage patterns in an effort to eliminate homelessness. With regard to Access to Care, one of the critical missions of VA research is to identify system-wide gaps in care to veterans. This includes assessing specific barriers to care for vulnerable populations, including rural veterans. VA research has demonstrated an explicit focus on access as a component of validating the quality of care in all VA health care services, organizational structures, and mechanisms for delivering care. Current studies address new telemedicine and telehealth initiatives, community based outpatient clinics (CBOCs), collaborative care models, access for OEF/OIF/OND veterans, and access to specialized care such as VA rehabilitation services. The development, evaluation, and implementation of new telemedicine technologies represent an important focus of research to improve access to VA health care, particularly for rural veterans. Emphasis will also be placed on personalized medicine where using information on a patients' genetic make-up can lead to a more tailored, precise and effective level of care. The Million Veteran Program, with the goal of collecting one million genetic samples, will continue to be a significant undertaking in 2013 as VA investigates whether genetic influences in disease and/or responses to medications can be used to further advance personalized care with the ultimate goal to develop an evidence base for treatments that are optimized to each veteran's genetic makeup.

VA core research priorities in 2013 will include Mental Health, Gulf War Veterans' Illnesses and Exposures, Prosthetics, Traumatic Brain Injury, Spinal Cord Injury, Women Veterans, and a special initiative on Researching Pain.

VA scientists who partner with colleagues from other Federal agencies, academic medical centers, nonprofit organizations, and commercial entities nationwide further expand the reach and scope of VA research. Through VA's academic affiliations as well as collaborations with other Federal agencies, it is fully integrated with the larger biomedical research community.

Veterans' health issues are addressed comprehensively in the following four program divisions and the medical care research support required for these programs:

Biomedical laboratory.—Supports preclinical research to understand life processes from a molecular, genomic, and physiological level in regard to diseases affecting veterans.

Clinical science.—Administers investigations (i.e., human subject research such as drug, surgical, single subject, pilot and multi-center cooperative studies as well as feasibility trials) aimed at instituting new, more effective clinical care.

Health services.—Supports studies to identify and promote effective and efficient strategies to improve the delivery of health care to veterans.

Rehabilitation.—Develops novel approaches to restoring veterans with traumatic amputation, central nervous system injuries, loss of sight and/or hearing, or other physical and cognitive impairments to full and productive lives.

VA's Medical and Prosthetic Research programs are included in the Federal Research and Development (R&D) budget.

Performance Measure	2011 Actual			2012 est.			2013 est.		
	2011 Actual	2012 est.	2013 est.	2011 Actual	2012 est.	2013 est.	2011 Actual	2012 est.	2013 est.
Progress toward researching, developing, and implementing innovations in clinical practice that ensure improved access to health care for Veterans, especially in rural areas	42%	63%	84%						
Percent of milestones completed leading to the use of genomic testing to inform the course of care of patients with mental illness	35%	45%	55%						
Percent of milestones completed towards development of one new objective method to diagnose mild Traumatic Brain Injury	22%	55%	66%						

SUMMARY OF PROGRAM RESOURCES

[in millions of dollars]

	2011 actual	2012 est.	2013 est.
Medical and prosthetic research appropriation	580	581	583
Federal resources (includes VA Medical Care support funding)	1,017	1,096	1,098
Other non-federal resources	173	195	195
Total program resources	1,770	1,872	1,876

Object Classification (in millions of dollars)

Identification code 36-0161-0-1-703	2011 actual	2012 est.	2013 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	171	173	177
11.3 Other than full-time permanent	7	7	8
11.5 Other personnel compensation	46	46	47
11.9 Total personnel compensation	224	226	232
12.1 Civilian personnel benefits	78	80	83
21.0 Employee travel	4	6	4
23.1 Rental payments to GSA	3	3	3
23.3 Communications, utilities, and miscellaneous charges	1	1	1
24.0 Printing and reproduction	1	1	1
25.2 Other services from non-Federal sources	202	191	172
26.0 Supplies and materials	40	40	39
31.0 Equipment	60	60	58
99.0 Direct obligations	613	608	593
99.0 Reimbursable obligations	36	35	35
99.9 Total new obligations	649	643	628

Employment Summary

Identification code 36-0161-0-1-703	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment	3,045	3,045	3,045
2001 Reimbursable civilian full-time equivalent employment	481	481	481

JOINT DEPARTMENT OF DEFENSE-DEPARTMENT OF VETERANS AFFAIRS MEDICAL FACILITY DEMONSTRATION FUND

Program and Financing (in millions of dollars)

Identification code 36-0169-0-1-703	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Direct program activity	102	253	.....
0801 Reimbursable program activity	1	6	.....
0900 Total new obligations	103 ¹	259	.....
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1		1	1
Budget authority:			
Appropriations, discretionary:			
1121 Appropriations transferred from other accts [36-0162]	10	37	.....
1121 Appropriations transferred from other accts [36-0152]	10	24	.....
1121 Appropriations transferred from other accts [36-0160]	49	173	.....
1121 Appropriations transferred from other accts [36-0167]	2	7	.....
1121 Appropriations transferred from other accts [97-0130]	28	.....	.....
1121 Appropriations transferred from other accts [36-5287]	4	18	.....
1160 Appropriation, discretionary (total)	103	259	.....
Spending authority from offsetting collections, discretionary:			
1700 Collected	1	.....	.....
1750 Spending auth from offsetting collections, disc (total)	1	.....	.....
1900 Budget authority (total)	104	259	.....
1930 Total budgetary resources available	104	260	1
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	1

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)		38	55
3030 Obligations incurred, unexpired accounts	103	259	.....
3040 Outlays (gross)	-65	-242	-24

JOINT DEPARTMENT OF DEFENSE-DEPARTMENT OF VETERANS AFFAIRS MEDICAL FACILITY DEMONSTRATION FUND—Continued

Program and Financing—Continued

Identification code 36-0169-0-1-703	2011 actual	2012 est.	2013 est.
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	38	55	31
3100 Obligated balance, end of year (net)	38	55	31
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	104	259	.....
Outlays, gross:			
4010 Outlays from new discretionary authority	65	233	.....
4011 Outlays from discretionary balances .....	.....	9	24
4020 Outlays, gross (total)	65	242	24
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-1	.....	.....
4180 Budget authority, net (total)	103	259	.....
4190 Outlays, net (total)	64	242	24

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

The Department of Veterans Affairs and the Department of Defense will each contribute funding to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund, established by section 1704 of Public Law 111-84, the National Defense Authorization Act for Fiscal Year 2010. The 2013 Budget includes anticipated transfers of \$247.4 million from VA and \$139.5 million from DoD, totaling \$386.9 million. VA will make transfers to the Fund from Medical Services, Medical Support and Compliance, Medical Facilities, and Information Technology. These funds will support the Captain James A. Lovell Federal Health Care Center (FHCC), which opened on December 20, 2010. The Fund will support 2,685 full time equivalents in 2013, comprised of 1,961 civilian and 724 uniformed military employees.

Object Classification (in millions of dollars)

Identification code 36-0169-0-1-703	2011 actual	2012 est.	2013 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	50	144	.....
12.1 Civilian personnel benefits	1	10	.....
25.1 Advisory and assistance services	29	35	.....
26.0 Supplies and materials	10	20	.....
31.0 Equipment	3	15	.....
32.0 Land and structures	9	29	.....
99.0 Direct obligations	102	253	.....
99.0 Reimbursable obligations	1	6	.....
99.9 Total new obligations	103	259	.....

Employment Summary

Identification code 36-0169-0-1-703	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment	479	1,961	.....

MEDICAL CARE COLLECTIONS FUND

Program and Financing (in millions of dollars)

Identification code 36-5287-0-2-703	2011 actual	2012 est.	2013 est.
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1101 Appropriation (special or trust fund)	2,775	2,767	2,966
1120 Transferred to other accounts [36-0160]	-2,771	-2,749	-2,966

1120 Appropriations transferred to other accts [36-0169]	-4	-18
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VA has the authority to collect co-payments which are deposited into the Medical Care Collections Fund (MCCF) receipt account. As allowed by the provisions of the appropriations Act, these receipts are transferred to the Medical Services appropriation and the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund (Joint Demonstration Fund) where they remain available until expended for the purposes of this account. In 2011, \$2.8 billion was collected in the MCCF receipt account and transferred to the Medical Services appropriation and Joint Demonstration Fund to provide health care to our veterans. These collections consist of co-payments from veterans for inpatient, outpatient, and nursing home care, and prescribed medications; third-party insurance payments from veterans for nonservice-connected conditions; and collections from enhanced-use leases, the Compensated Work Therapy Program, Compensation and Living Expensed Program, and the Parking Program.

CANTEEN SERVICE REVOLVING FUND

Program and Financing (in millions of dollars)

Identification code 36-4014-0-3-705	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0801 Reimbursable operating expenses	223	245	249
0802 Reimbursable direct operations	148	163	166
0810 Reimbursable capital investment: Sales program: Purchase of equipment and leasehold	16	18	19
0900 Total new obligations	387 ¹	426	434
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2	1	3
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	385	428	434
1801 Change in uncollected payments, Federal sources	1	.....	.....
1850 Spending auth from offsetting collections, mand (total)	386	428	434
1930 Total budgetary resources available	388	429	437
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	3	3
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	11	5	.....
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-2	-3	-3
3020 Obligated balance, start of year (net)	9	2	-3
3030 Obligations incurred, unexpired accounts	387	426	434
3040 Outlays (gross)	-393	-431	-434
3050 Change in uncollected pymts, Fed sources, unexpired	-1	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	5	.....	.....
3091 Uncollected pymts, Fed sources, end of year	-3	-3	-3
3100 Obligated balance, end of year (net)	2	-3	-3
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	386	428	434
Outlays, gross:			
4100 Outlays from new mandatory authority	380	423	429
4101 Outlays from mandatory balances	13	8	5
4110 Outlays, gross (total)	393	431	434
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources .....	.....	-2	.....
4123 Non-Federal sources	-385	-426	-434
4130 Offsets against gross budget authority and outlays (total)	-385	-428	-434
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	-1
4170 Outlays, net (mandatory)	8	3

4190 Outlays, net (total)	8	3
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¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

The Veterans Canteen Service was established to furnish, at reasonable prices, meals, merchandise, and services necessary for the comfort and well-being of veterans in VA medical facilities.
Financing.— Operations will be financed from current revenues.

Object Classification (in millions of dollars)

Identification code 36-4014-0-3-705	2011 actual	2012 est.	2013 est.
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	133	133	133
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	134	134	134
12.1 Civilian personnel benefits	1	3	4
21.0 Travel and transportation of persons	3	4	5
25.2 Other services from non-Federal sources	6	6	6
26.0 Supplies and materials	243	268	272
31.0 Equipment .....	.....	11	13
99.9 Total new obligations	387	426	434

Employment Summary

Identification code 36-4014-0-3-705	2011 actual	2012 est.	2013 est.
2001 Reimbursable civilian full-time equivalent employment	3,274	3,400	3,450

MEDICAL CENTER RESEARCH ORGANIZATIONS

Program and Financing (in millions of dollars)

Identification code 36-4026-0-3-703	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0801 Operating expenses	251	269	279
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1 .....	.....	10	10
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	261	269	279
1850 Spending auth from offsetting collections, mand (total)	261	269	279
1930 Total budgetary resources available	261	279	289
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	10	10	10
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	10	.....	.....
3030 Obligations incurred, unexpired accounts	251	269	279
3040 Outlays (gross)	-261	-269	-279
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	261	269	279
Outlays, gross:			
4100 Outlays from new mandatory authority	251	269	279
4101 Outlays from mandatory balances	10	.....	.....
4110 Outlays, gross (total)	261	269	279
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-261	-269	-279

These nonprofit corporations provide a flexible funding mechanism for the conduct of approved research at Department of Veterans Affairs medical centers. These organizations will derive funds to operate various research activities from Federal and non-Federal sources. No appropriation is required to support these activities.

Object Classification (in millions of dollars)

Identification code 36-4026-0-3-703	2011 actual	2012 est.	2013 est.
Reimbursable obligations:			
21.0 Travel and transportation of persons	8	8	8
25.2 Other services from non-Federal sources	210	228	238
26.0 Supplies and materials	24	24	24
31.0 Equipment	9	9	9
99.9 Total new obligations	251	269	279

Trust Funds

GENERAL POST FUND, NATIONAL HOMES

Special and Trust Fund Receipts (in millions of dollars)

Identification code 36-8180-0-7-705	2011 actual	2012 est.	2013 est.
0100 Balance, start of year .....	.....	.....	.....
Receipts:			
0220 General Post Fund, National Homes, Deposits	27	27	28
0240 General Post Fund, National Homes, Interest on Investments	1	2	2
0299 Total receipts and collections	28	29	30
0400 Total: Balances and collections	28	29	30
Appropriations:			
0500 General Post Fund, National Homes	-28	-29	-30
0799 Balance, end of year .....	.....	.....	.....

Program and Financing (in millions of dollars)

Identification code 36-8180-0-7-705	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Religious, recreational, and entertainment activities	25	25	26
0003 Therapeutic residence maintenance .....	.....	1	1
0900 Total new obligations	25 ¹	26	27
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	77	80	83
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special or trust fund)	28	29	30
1260 Appropriations, mandatory (total)	28	29	30
1930 Total budgetary resources available	105	109	113
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	80	83	86
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	5	4	3
3030 Obligations incurred, unexpired accounts	25	26	27
3040 Outlays (gross)	-26	-27	-28
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	4	3	2
3100 Obligated balance, end of year (net)	4	3	2
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	28	29	30
Outlays, gross:			
4100 Outlays from new mandatory authority .....	.....	25	27
4101 Outlays from mandatory balances	26	2	1
4110 Outlays, gross (total)	26	27	28
4180 Budget authority, net (total)	28	29	30
4190 Outlays, net (total)	26	27	28
Memorandum (non-add) entries:			
5000 Total investments, SOY: Federal securities: Par value	79	81	87
5001 Total investments, EOY: Federal securities: Par value	81	87	89

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

GENERAL POST FUND, NATIONAL HOMES—Continued

This fund consists of gifts, bequests, and proceeds from the sale of property left in the care of the facilities by former beneficiaries; patients' fund balances; and proceeds from the sale of effects of beneficiaries who die leaving no heirs or without having otherwise disposed of their estate. Such funds are used to promote the comfort and welfare of veterans at hospitals, nursing homes, and domiciliaries where no general appropriation is available. Public Law 102-54 authorizes compensation work therapy and therapeutic transitional housing and loan programs to be funded from the General Post Fund. (38 U.S.C. chs. 83 and 85.)

Object Classification (in millions of dollars)

Identification code 36-8180-0-7-705	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.2 Other services from non-Federal sources	10	10	10
26.0 Supplies and materials	12	13	13
31.0 Equipment	3	3	3
32.0 Land and structures			1
99.9 Total new obligations	25	26	27

BENEFITS PROGRAMS

Federal Funds

COMPENSATION AND PENSIONS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation benefits to or on behalf of veterans and a pilot program for disability examinations as authorized by section 107 and chapters 11, 13, 18, 51, 53, 55, and 61 of title 38, United States Code; pension benefits to or on behalf of veterans as authorized by chapters 15, 51, 53, 55, and 61 of title 38, United States Code; and burial benefits, the Reinstated Entitlement Program for Survivors, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of title IV of the Servicemembers Civil Relief Act (50 U.S.C. App. 541 et seq.) and for other benefits as authorized by sections 107, 1312, 1977, and 2106, and chapters 23, 51, 53, 55, and 61 of title 38, United States Code, **[\$51,237,567,000] \$61,741,232,000**, to remain available until expended: *Provided*, That not to exceed **[\$32,187,000] \$9,204,000** of the amount appropriated under this heading shall be reimbursed to "General operating expenses, Veterans Benefits Administration", "Medical support and compliance", and "Information technology systems" for necessary expenses in implementing the provisions of chapters 51, 53, and 55 of title 38, United States Code, the funding source for which is specifically provided as the "Compensation and pensions" appropriation: *Provided further*, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical care collections fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized. (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 36-0102-0-1-701	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0101 Veterans	43,862	50,209	53,085
0102 Survivors	5,307	5,802	6,114
0191 Compensation sub-total	49,169	56,011	59,199
0200 Other compensation expenses	49,169	56,011	59,199
0201 Chapter 18	20	21	21
0202 Clothing allowance	84	95	102
0203 Misc assistance (EAI, SAFD)	13	13	13
0204 Medical exam pilot program	169	236	248
0205 OBRA payment to VBA and IT	1	2	2
0206 Reinstated entitlement program for survivors	6	6	6

0291 Total other compensation expenses	293	373	392
0293 Total compensation	49,462	56,384	59,591
0302 Veterans	3,033	3,100	3,235
0303 Survivors	1,261	1,454	1,686
0391 Pensions sub total	4,294	4,554	4,921
0401 Reimbursements to GOE, ITand VHA	24	27	10
0492 Total pensions	4,318	4,581	4,931
0502 Burial allowance	19	34	35
0503 Burial plots	7	23	25
0504 Service-connected deaths	33	34	35
0505 Burial flags	19	18	19
0506 Headstones and markers	59	70	75
0507 Graveliners/Pre-placed crypts	15	21	32
0591 Total burial program	152	200	221
0900 Total new obligations (object class 42.0)	53,932 ¹	61,165	64,743

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	14,056	12,929	3,002
1010 Unobligated balance transfer to other accts [36-0137]	-939		
1050 Unobligated balance (total)	13,117	12,929	3,002
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	53,978	51,238	61,741
1260 Appropriations, mandatory (total)	53,978	51,238	61,741
1930 Total budgetary resources available	67,095	64,167	64,743
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-234		
1941 Unexpired unobligated balance, end of year	12,929	3,002	

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	3,923	277	5,249
3030 Obligations incurred, unexpired accounts	53,932	61,165	64,743
3040 Outlays (gross)	-57,578	-56,193	-64,521
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	277	5,249	5,471
3100 Obligated balance, end of year (net)	277	5,249	5,471

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	53,978	51,238	61,741
Outlays, gross:			
4100 Outlays from new mandatory authority	39,831	42,984	56,268
4101 Outlays from mandatory balances	17,747	13,209	8,253
4110 Outlays, gross (total)	57,578	56,193	64,521
4180 Budget authority, net (total)	53,978	51,238	61,741
4190 Outlays, net (total)	57,578	56,193	64,521

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

WORKLOAD

	2011 actual	2012 est.	2013 est.
Compensation:			
Rating-Related Actions	1,202,149	1,337,992	1,489,185
Non Rating Actions	356,367	396,637	441,457
Pension:			
Rating-Related Actions	108,942	121,252	134,954
Non Rating Actions	317,329	353,187	393,097

This appropriation provides for the payment of compensation, pension, and burial benefits to veterans and survivors.

Compensation is paid to veterans for disabilities incurred in or aggravated during active military service. Dependency and Indemnity Compensation is paid to survivors of servicepersons or veterans whose death occurred while on active duty or as a result of service-connected disabilities. Compensation and vocational rehabilitation is provided to the children of Vietnam veterans who were born with certain birth defects. The Secretary may pay a clothing allowance to each veteran who uses a prescribed medication for a service-connected skin condition or wears a prosthetic or orthopedic appliance (including a wheelchair) which, in the judgment of the Secretary, tends to damage or tear the clothing of such veteran.

Miscellaneous benefits provided for are:

(a) payments for claims made pursuant to the provision of the World War Adjusted Compensation Act of 1924, as amended;

(b) a special allowance (38 U.S.C. 1312) to dependents of certain Veterans who died after December 31, 1956, but who were not fully and currently insured under the Social Security Act; and

(c) payments authorized by the Equal Access to Justice Act.

The appropriation also provides for a program to allow VA to perform income matches for certain compensation recipients.

In accordance with Public Law 97-377, the Reinstated Entitlement Program for Survivors (REPS) program restores Social Security benefits to certain surviving spouses or children of veterans who died of service-connected causes.

Legislation is proposed to provide a cost-of-living adjustment comparable to the annual social security increase to recipients of disability compensation, dependency and indemnity compensation, and clothing allowances. The increase, effective with payments made on January 1, 2013, is expected to be 1.9 percent.

AVERAGE NUMBER OF COMPENSATION CASES AND PAYMENTS

	2011 actual	2012 est.	2013 est.
Veterans:			
Cases	3,284,356	3,452,172	3,626,468
Average payment per case, per year	\$13,355	\$14,544	\$14,638
Total obligations (in millions)	\$43,862	\$50,209	\$53,086
Survivors:			
Cases	341,776	348,494	356,796
Average payment per case, per year	\$15,529	\$16,649	\$17,136
Total obligations (in millions)	\$5,307	\$5,802	\$6,114
Chapter 18:			
Children	1,173	1,162	1,151
Average payment per case, per year	\$17,177	\$17,796	\$18,134
Total obligations (in millions)	\$20	\$21	\$21
Clothing allowance:			
Number of veterans	117,388	123,379	129,607
Average payment per case, per year	\$716	\$771	\$784
Total obligations (in millions)	\$84	\$95	\$102
Other compensation caseload:			
Special allowance dependents	50	50	50
Equal Access to Justice payments	2,375	2,375	2,375
REPS:			
Cases	228	233	241
Average benefit	\$24,228	\$24,014	\$24,859
Obligations (in millions)	\$6	\$6	\$6

Pension benefits may be paid to veterans or their survivors. A veteran's entitlement is based on active duty service of a specific length (normally 90 days or more) during a designated war period, disabilities considered permanent and total, and countable income below established levels. There is no disability requirement for survivor cases or veterans age 65 or older. Income support is provided at established benefit levels.

An automatic annual cost-of-living increase comparable to the annual social security increase is provided for those pensioners in the improved program and to parents receiving dependency and indemnity compensation. The increase, effective with payments made on January 1, 2013, is expected to be 1.9 percent.

AVERAGE NUMBER OF PENSION CASES AND PAYMENTS

	2011 actual	2012 est.	2013 est.
Veterans:			
Cases	313,674	313,926	314,154
Average payment per case, per year	\$9,669	\$9,874	\$10,299
Total obligations (in millions)	\$3,033	\$3,100	\$3,236

Survivors:	203,046	203,878	205,797
Cases	203,046	203,878	205,797
Average payment per case, per year	\$6,209	\$7,132	\$8,191
Total obligations (in millions)	\$1,261	\$1,454	\$1,686

Burial benefits provide for: (a) the payment of an allowance of \$700 (plus transportation charges where death occurs under VA care) to reimburse, in part, the burial and funeral expense of an eligible deceased veteran; (b) the payment of \$700 for a plot allowance where an eligible veteran is not buried in a national cemetery or other cemetery under the jurisdiction of the United States; (c) the payment of a burial allowance up to \$2,000 when a veteran dies as a result of a service-connected disability; (d) furnishing a flag to drape the casket of each deceased veteran entitled thereto; (e) furnishing a headstone or marker for the grave of a veteran and, in certain cases, eligible dependents; and (f) authority to provide outer burial receptacles in the National Cemetery Administration.

NUMBER OF BURIAL BENEFITS

	2011 actual	2012 est.	2013 est.
Burial allowance	40,956	45,727	47,605
Burial plot	22,530	33,212	34,254
Service-connected deaths	17,560	16,842	17,680
Burial flags	489,428	500,002	500,002
Headstones and markers	372,659	353,533	350,027
Graveliners	26,403	28,211	27,814
Preplaced crypts	56,045	34,583	63,500

COMPENSATION AND PENSIONS

(Legislative proposal, subject to PAYGO)

Legislation will be proposed to extend the Rounding-Down of the Compensation and Dependency and Indemnification Compensation (DIC) Cost of Living Adjustment, expand eligibility for Veterans Medallion for Headstones, and allow for Government Furnished Headstones.

READJUSTMENT BENEFITS

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by chapters 21, 30, 31, 33, 34, 35, 36, 39, 41, 51, 53, 55, and 61 of title 38, United States Code, **[\$12,108,488,000]** and for the payment of benefits under the Veterans Retraining Assistance Program, \$12,607,476,000, to remain available until expended: *Provided*, That expenses for rehabilitation program services and assistance which the Secretary is authorized to provide under subsection (a) of section 3104 of title 38, United States Code, other than under paragraphs (1), (2), (5), and (11) of that subsection, shall be charged to this account. (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 36-0137-0-1-702	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0101 Sons and daughters	394	381	416
0102 Spouses	69	63	65
0191 Total education and training	463	444	481
0201 Vocational rehabilitation training	472	516	564
0202 Subsistence allowance	287	433	492
0203 Automobiles and adaptive equipment	78	98	100
0204 Housing grants	58	58	63
0205 Housing Technology Grants .....	.....	1	1
0291 Total special assistance to disabled veterans	895	1,106	1,220
0301 Work study	32	37	39
0302 Payments to States	18	19	19
0303 All-volunteer assistance: Basic benefits and all other	8,961	10,405	10,815
0304 Veterans Retraining Assistance Program	12	199	1,101
0305 Tuition Assistance	2	11	10
0306 Licensing and Certification	6	1	1
0307 Reporting fees .....	.....	12	13

READJUSTMENT BENEFITS—Continued
Program and Financing—Continued

Identification code 36-0137-0-1-702	2011 actual	2012 est.	2013 est.
0308 Reimbursement to GOE		3	1
0391 Total All-volunteer assistance and other	9,031	10,687	11,999
0393 Total Readjustment benefits direct program	10,389	12,237	13,700
0799 Total direct obligations	10,389	12,237	13,700
0801 Veterans and servicepersons basic benefits	2	3	2
0802 Veterans and servicepersons supplementary benefits	80	104	123
0803 Chapter 1606 reservists benefits	108	108	110
0804 Chapter 1606 reservists supplementary benefits	95	96	97
0805 Chapter 1607 reservists benefits	95	101	96
0809 Reimbursable program activities, subtotal	380	412	428
0899 Total reimbursable obligations	380	412	428
0900 Total new obligations	10,769 ¹	12,649	14,128
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	276	1,222	1,093
1011 Unobligated balance transfer from other accts [36-0102]	939		
1050 Unobligated balance (total)	1,215	1,222	1,093
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	10,396	12,108	12,607
1260 Appropriations, mandatory (total)	10,396	12,108	12,607
Spending authority from offsetting collections, mandatory:			
1800 Collected	380	412	428
1850 Spending auth from offsetting collections, mand (total)	380	412	428
1900 Budget authority (total)	10,776	12,520	13,035
1930 Total budgetary resources available	11,991	13,742	14,128
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1,222	1,093	
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	417	101	223
3030 Obligations incurred, unexpired accounts	10,769	12,649	14,128
3040 Outlays (gross)	-11,085	-12,527	-14,128
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	101	223	223
3100 Obligated balance, end of year (net)	101	223	223
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	10,776	12,520	13,035
Outlays, gross:			
4100 Outlays from new mandatory authority	10,393	11,205	12,813
4101 Outlays from mandatory balances	692	1,322	1,315
4110 Outlays, gross (total)	11,085	12,527	14,128
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-380	-412	-428
4180 Budget authority, net (total)	10,396	12,108	12,607
4190 Outlays, net (total)	10,705	12,115	13,700

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Summary of Budget Authority and Outlays (in millions of dollars)

	2011 actual	2012 est.	2013 est.
Enacted/requested:			
Budget Authority	10,396	12,108	12,607
Outlays	10,705	12,115	13,700
Legislative proposal, subject to PAYGO:			
Budget Authority			16
Outlays			16
Total:			
Budget Authority	10,396	12,108	12,623
Outlays	10,705	12,115	13,716

WORKLOAD - Vocational Rehabilitation and Employment

	2011 actual	2012 est.	2013 est.
Evaluation and planning	70,612	71,318	72,031
Extended Evaluation	8,272	8,355	8,438
Rehabilitation services	74,933	75,682	76,439
Employment services status	18,662	18,849	19,037
Vocational/educational counseling	17,100	17,271	17,444

WORKLOAD - Education

	2011 actual	2012 est.	2013 est.
Original claims	565,316	576,000	603,000
Adjustments/supplemental claims	2,799,660	3,264,000	3,417,000

This appropriation finances educational assistance allowances for certain service persons, veterans, and for eligible dependents of those: (a) veterans who died from service-connected causes or have a total and permanent rated service-connected disability; and (b) servicepersons who were captured or missing in action. In addition, certain disabled veterans are provided with vocational rehabilitation, specially adapted housing grants, and automobile grants with the associated approved adaptive equipment. Voluntary contributions by eligible servicepersons and matching contributions provided by the Department of Defense are included in the Post-Vietnam Era Veterans Education Account.

The Post 9-11 GI Bill (Chapter 33).—Public Law 110-252, greatly expanded education benefits beginning on August 1, 2009. Based on length of active duty service and training rate, trainees may be entitled to benefits including: tuition and fees, housing allowance, books and supplies stipend, kickers, and Yellow Ribbon matching payments. Certain active duty members of the Armed Forces may transfer benefits to a spouse or children.

All volunteer force educational assistance (Montgomery GI Bill).—Public Law 98-525, enacted October 19, 1984, established two new educational programs: an assistance program for veterans who enter active duty during the period beginning July 1, 1985; and an assistance program for certain members of the Selected Reserve. Public Law 108-375 established a program to provide educational assistance to members of the reserve components called or ordered to active service in response to a war or national emergency declared by the President or the Congress, in recognition of the sacrifices that those members make in answering the call to duty. The Readjustment Benefit appropriation pays the basic benefit allowance for veterans, except for certain Post-Vietnam Era Veterans Education participants who transferred to the Montgomery GI Bill program. Supplementary educational assistance, Post-Vietnam Era Veterans Education converters, reservists, and the National Call to Service Program are financed by payments from Department of Defense.

Survivors and Dependents Educational Assistance (Chapter 35).—Benefits are provided to children and spouses of veterans who died of a service-connected disability or whose service-connected disability is rated permanent and total. In addition, dependents of servicepersons missing in action or interned by a hostile foreign government for more than 90 days are also eligible. The following table provides a comparison of trainees and costs for the Dependents Educational Assistance program.

The Veterans Retraining Assistance Program, established under Public Law 112-56, is a program that, beginning on July 1, 2012, will provide up to 12 months of retraining assistance to veterans at least 35 years of age but not more than 60 years of age, who are unemployed, received an honorable discharge and have no eligibility remaining for other education benefits. Veterans participating in this program would receive monthly payments equal to the three-year payment rate under the Montgomery GI Bill (MGIB) chapter 30 program.

The following table shows a caseload and cost comparison for these beneficiaries under existing legislation.

CASELOAD AND AVERAGE COST DATA

	2011 actual	2012 est.	2013 est.
Chapter 33:			
Number of trainees	555,329	594,490	606,318
Average cost per trainee	\$13,871	\$15,736	\$16,314
Total cost (in millions)	\$7,703	\$9,355	\$9,891
Chapter 30:			
Number of trainees	185,220	157,478	133,897
Average cost per trainee	\$7,483	\$7,195	\$7,717
Total cost (in millions)	\$1,386	\$1,133	\$1,033
Chapter 1606:			
Number of trainees	65,216	64,337	62,506
Average cost per trainee	\$3,089	\$3,151	\$3,274
Total cost (in millions)	\$201	\$203	\$205
Chapter 1607:			
Number of trainees	27,302	28,238	26,033
Average cost per trainee	\$3,491	\$3,561	\$3,700
Total cost (in millions)	\$95	\$101	\$96
Chapter 35 Sons and Daughters:			
Number of trainees	75,753	79,714	83,889
Average cost per trainee (in dollars)	\$5,205	\$4,777	\$4,962
Total cost (in millions)	\$394	\$381	\$416
Chapter 35 Wives and Widow(ers):			
Number of trainees	14,904	14,904	14,904
Average cost per trainee (in dollars)	\$4,599	\$4,222	\$4,387
Total cost (in millions)	\$69	\$63	\$65
Veterans Retraining Assistance Program			
Number of trainees	—	45,000	99,000
Average cost per trainee	—	\$4,419	\$11,118
Total cost (in millions)	—	\$199	\$1,101

Vocational Rehabilitation and Employment (Chapter 31).—Servicemembers and veterans with service-connected disabilities receive the assistance necessary to help them prepare for, obtain, and maintain suitable employment. Comprehensive assessments may include interest and aptitude testing as well as specialized assessments such as functional capacity examinations. During the training phase of the program, eligible servicemembers and veterans are provided assistance for necessary training such as tuition, fees, books and supplies at colleges, technical schools and other training programs. A veteran enrolled in training receives a monthly subsistence allowance. Eligible veterans may also receive specialized or adaptive equipment to help them overcome a disability or enable them to compete with non-disabled individuals. At the completion of training, veterans are provided with employment and placement services, including supplies and equipment needed to enter employment, adaptive equipment and workplace accommodations, incentives to employers to reimburse them for hiring and training veterans with disabilities, and two final months of subsistence allowance.

CASELOAD AND AVERAGE COST DATA

	2011 actual	2012 est.	2013 est.
Chapter 31:			
Rehabilitation, Evaluation, Planning and Service cases	20,235	21,247	22,309
Number of trainees	83,332	87,499	91,874
Average cost per trainee (in dollars)	\$9,114	\$10,848	\$11,495
Total cost (in millions)	\$759	\$949	\$1,056

Specially Adapted Housing Grants.—Specially adapted housing grants, up to a maximum of \$63,780, are provided to certain severely disabled veterans. In 2011, the maximum grant amount was \$63,870 and is projected to increase, based on a cost of construction index, to \$65,757 in 2013. Veterans who suffer service-

connected blindness or who have lost the use of both upper extremities can receive up to \$12,756 in 2011. The maximum grant amount is projected to increase to \$13,151 in 2013.

Specially Adapted Housing Assistive Technology Grants.—Under the Veterans Benefits Act of 2010, (Public Law 111–275), VA may provide grants of up to \$200,000 per fiscal year to individuals or entities for the development of specially adapted housing assistive technologies and limits to \$1 million the aggregate amount of such grants VA may award in any fiscal year.

Automobile Grants and Adaptive Equipment.—Certain disabled veterans are provided with automobile grants with the associated approved adaptive equipment. An allowance is provided to certain service-disabled veterans and servicepersons toward the purchase price of an automobile. The maximum allowance was \$11,000 in 2011, but will increase to \$18,900 in 2012, under The Veterans Benefits Act of 2010, (Public Law 111–275) and will continue to increase based on the CPI-U. Adaptive equipment and the maintenance and replacement of such equipment is also provided.

CASELOAD AND AVERAGE COST DATA

	2011 actual	2012 est.	2013 est.
Housing grants:			
Number of housing grants	1,354	1,354	1,407
Average cost per grant	\$43,131	\$43,131	\$44,859
Total cost (in millions)	\$58	\$58	\$63
Housing Technology Grants			
Number of housing technology grants	—	5	5
Average cost per grant	—	\$200,000	\$200,000
Total cost (in millions)	—	\$1	\$1
Automobiles or other conveyances:			
Number of conveyances	1,577	1,892	1,892
Average benefit	\$10,918	\$18,900	\$19,202
Obligations (in millions)	\$17	\$36	\$36
Adaptive equipment (including maintenance, repair, and installation for automobiles):			
Number of items	7,786	7,786	7,786
Average benefit	\$7,782	\$7,997	\$8,218
Obligations (in millions)	\$61	\$62	\$64

Tuition Assistance.—Public Law 106–398, enacted October 30, 2000, allows the military services to pay up to 100 percent of tuition and expenses charged by a school for service members. If a service department pays less than 100 percent, a service member eligible for the Montgomery GI Bill Active-duty (MGIB) or the Post 9–11 GI Bill (Chapter 33) can elect to receive VA benefits for all or a portion of the remaining expenses. Public Law 108–454 established a program that provides availability of education benefits for payment for national admissions exams and national exams for credit at institutions of higher education.

The National Exams.—The benefit allows VA to reimburse for the fee charged for national tests for admission to institutions of higher learning and national tests providing an opportunity for course credit at institutions of higher learning.

Licensing and Certification Test Payments.—Under Public Law 106–419, veterans and other eligible persons may receive up to \$2,000 to pay fees required for civilian occupational licensing and certification examinations needed to enter, maintain, or advance in employment in a vocation or profession, effective March 1, 2001.

National Call to Service.—The 2003 National Defense Authorization Act directs the Department of Defense to offer an active duty enlistment option of 15 months plus training time to facilitate interest in National Service. Program participants will be given the opportunity to select one of the following incentives: a

READJUSTMENT BENEFITS—Continued

\$5,000 enlistment bonus, repayment of student loans up to \$18,000, or one of two education allowances.

Work-Study.—Certain veterans, reservists, and dependents pursuing a program of rehabilitation, education or training, who are enrolled as full-time students, can work up to 250 hours per semester, receiving the Federal (\$7.25 as of July 24, 2009) or state minimum wage rate, whichever is higher.

Payments to States.—State approving agencies are reimbursed for the costs of inspecting, approving, and supervising programs of education and training offered by educational institutions and training establishments in which veterans, dependents, and reservists are enrolled or are about to enter.

Reporting Fees.—Reporting fees are paid to education and training institutions to help defray the costs of certifying education enrollment for veterans enrolled in training during a calendar year.

Object Classification (in millions of dollars)

Identification code 36-0137-0-1-702	2011 actual	2012 est.	2013 est.
41.0 Direct obligations: Grants, subsidies, and contributions	10,389	12,237	13,700
99.0 Reimbursable obligations	380	412	428
99.9 Total new obligations	10,769	12,649	14,128

READJUSTMENT BENEFITS
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 36-0137-4-1-702	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0201 Vocational rehabilitation training			1
0204 Housing grants			15
0393 Total Readjustment benefits direct program			16
0900 Total new obligations (object class 41.0)			16
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			16
1260 Appropriations, mandatory (total)			16
1900 Budget authority (total)			16
1930 Total budgetary resources available			16
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			16
3040 Outlays (gross)			-16
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			16
Outlays, gross:			
4100 Outlays from new mandatory authority			16
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4180 Budget authority, net (total)			16
4190 Outlays, net (total)			16

Legislation will be proposed to: extend Rounding-Down of Education COLA Through 2018; make permanent the Pilot Expansion of Certain Work-Study Activities; increase Cap on Contract Counseling; exclude temporary Residence Adaptations (TRA) Grants from the Three Specially Adapted Housing (SAH) Grants Limit; replace the SAH Program's Grant Limit; amend the Visual Impairment Standard For SAH Grants; restore Eligibility

for Housing Adaptation; and provide SAH Grants to Veterans Living with Family.

VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by chapters 19 and 21, title 38, United States Code, [\$100,252,000] \$104,600,000, to remain available until expended. (Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.)

Program and Financing (in millions of dollars)

Identification code 36-0120-0-1-701	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0010 VMLI death claims	14	20	20
0012 Payment to service-disabled veterans insurance	64	81	85
0100 Total direct expenses	78	101	105
0799 Total direct obligations	78	101	105
0801 Reimbursable program activity - VMLI Death Claims	2	5	5
0809 Reimbursable program activities, subtotal	2	5	5
0900 Total new obligations	80 ¹	106	110
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1	2	1
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation	78	100	105
1260 Appropriations, mandatory (total)	78	100	105
Spending authority from offsetting collections, mandatory:			
1800 Collected	3	5	5
1850 Spending auth from offsetting collections, mand (total)	3	5	5
1900 Budget authority (total)	81	105	110
1930 Total budgetary resources available	82	107	111
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	2	1	1
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	5		1
3030 Obligations incurred, unexpired accounts	80	106	110
3040 Outlays (gross)	-85	-105	-110
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)		1	1
3100 Obligated balance, end of year (net)		1	1
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	81	105	110
Outlays, gross:			
4100 Outlays from new mandatory authority	78	105	110
4101 Outlays from mandatory balances	7		
4110 Outlays, gross (total)	85	105	110
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-3	-5	-5
4180 Budget authority, net (total)	78	100	105
4190 Outlays, net (total)	82	100	105

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

WORKLOAD

	2011 actual	2012 est.	2013 est.
Policy service actions	938,398	951,920	928,043
Collections	1,026,210	941,600	863,800
Disability claims	45,922	51,980	42,650
Insurance awards	253,555	247,070	245,070

Note.—Department of Veterans Affairs insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

The insurance business line administers six life insurance programs, including two trust funds, two public enterprise funds, a trust revolving fund, and Veterans' Mortgage Life Insurance (VMLI), and supervises four additional programs for the benefit of servicepersons, veterans, and their beneficiaries through contracts with a commercial company. All programs are operated on a commercial basis, to the extent possible, consistent with all applicable statutes. The insurance appropriation is the supplemental funding mechanism for the following Government life insurance activities: National Service Life Insurance (NSLI); Service-Disabled Veterans Insurance Fund (S-DVI); and Veterans' Mortgage Life Insurance.

National Service Life Insurance.—Payments are made to the NSLI fund for certain World War II veterans for: (a) extra hazards of service; (b) gratuitous insurance granted to certain persons unable to apply for National Service Life Insurance; and (c) death claims on policies under the waiver of a premium while the insured was on active duty.

Payment to Service-Disabled Veterans Insurance Fund.—Payments are made to the S-DVI fund to supplement the premiums and other receipts of the fund in amounts necessary to pay claims on insurance policies issued to veterans with service-connected disabilities.

Veterans' Mortgage Life Insurance.—Payments are made to mortgage holders under this program, which provides mortgage protection life insurance to veterans who have received a grant for specially adapted housing due to severe disabilities. The trend in the number and amount of insurance policies in force appears in the following table.

POLICIES AND INSURANCE IN FORCE

VMLI Policies	2011 actual	2012 est.	2013 est.
Number of Policies	2,395	2,400	2,390
Amount of Insurance (dollars in millions)	\$179	\$315	\$330

Object Classification (in millions of dollars)

Identification code 36-0120-0-1-701	2011 actual	2012 est.	2013 est.
42.0 Direct obligations: Insurance claims and indemnities	78	101	105
99.0 Reimbursable obligations	2	5	5
99.9 Total new obligations	80	106	110

FILIPINO VETERANS EQUITY COMPENSATION FUND

Program and Financing (in millions of dollars)

Identification code 36-1121-0-1-701	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Filipino veterans equity compensation fund	10	10	10
0900 Total new obligations (object class 42.0)	10 ¹	10	10
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	69	59	49
1930 Total budgetary resources available	69	59	49
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	59	49	39
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	10	10	10
3040 Outlays (gross)	-10	-10	-10
Budget authority and outlays, net:			
Discretionary:			
Outlays, gross:			
4011 Outlays from discretionary balances	10	10	10

4190 Outlays, net (total)	10	10	10
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¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

This fund was established under the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act of 2009 (PL 110-329), to make payments to eligible persons who served in the Philippines during World War II. Payments were subsequently authorized by Congress in the American Recovery and Reinvestment Act of 2009 (PL 111-5). Original funding of \$198,000,000 was supplemented by a transfer of \$67,000,000 authorized by PL 111-212 that remains available until expended. Payments to citizens of the United States are \$15,000. Payments to non-U.S. citizens are \$9,000.

SERVICE-DISABLED VETERANS INSURANCE FUND

Program and Financing (in millions of dollars)

Identification code 36-4012-0-3-701	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0801 Capital investment	19	21	23
0802 Death claims	85	125	127
0803 All other	6	7	7
0804 Payments to GOE and IT	8	9	9
0900 Total new obligations	118 ¹	162	166
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	9	20	10
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	129	152	162
1850 Spending auth from offsetting collections, mand (total)	129	152	162
1900 Budget authority (total)	129	152	162
1930 Total budgetary resources available	138	172	172
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	20	10	6
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	8	13	13
3030 Obligations incurred, unexpired accounts	118	162	166
3040 Outlays (gross)	-113	-162	-166
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	13	13	13
3100 Obligated balance, end of year (net)	13	13	13
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	129	152	162
Outlays, gross:			
4100 Outlays from new mandatory authority	104	152	162
4101 Outlays from mandatory balances	9	10	4
4110 Outlays, gross (total)	113	162	166
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-64	-81	-85
4123 Non-Federal sources	-65	-71	-77
4130 Offsets against gross budget authority and outlays (total)	-129	-152	-162
4170 Outlays, net (mandatory)	-16	10	4
4190 Outlays, net (total)	-16	10	4

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

The Insurance Act of 1951 established the Service-Disabled Veterans Insurance (S-DVI) program for veterans with service-connected disabilities. S-DVI is open to veterans who separated from the service on or after April 25, 1951. This fund finances the payment of claims on existing life insurance policies and remains open for new issues at standard rates to veterans having service-connected disabilities.

SERVICE-DISABLED VETERANS INSURANCE FUND—Continued

OPERATING COSTS

Death claims.—Represents payments to designated beneficiaries.

All other.—Represents payments to policyholders who surrender their policies for their cash value and hold endowment policies which have matured.

Capital investment.—A policyholder may borrow up to 94 percent of the value of his or her policy.

Payments to General Operating Expenses (GOE), Veterans Benefits Administration.—Represents the administrative costs of claims processing and account maintenance.

The trend in the number and amount of policies in force is indicated in the following table.

POLICIES AND INSURANCE IN FORCE

	2011 actual	2012 est.	2013 est.
Number of policies (EOY)	227,887	245,480	259,453
Insurance in force (dollars in millions) (EOY)	\$2,340	\$2,667	\$2,812

Financing.—Operations are financed from premiums and other receipts. Additional funds are received by transfer from the Veterans Insurance and Indemnities appropriation, instead of direct appropriations to this fund.

Operating results and financial condition.—Since premium and other receipts are insufficient to cover operations, the fund continues to project liabilities in excess of assets. The deficit is expected to reach an estimated \$1,230 million by September 30, 2013.

Object Classification (in millions of dollars)

Identification code 36-4012-0-3-701	2011 actual	2012 est.	2013 est.
Reimbursable obligations:			
33.0 Investments and loans	19	21	22
42.0 Insurance claims and indemnities	99	141	144
99.9 Total new obligations	118	162	166

VETERANS REOPENED INSURANCE FUND

Program and Financing (in millions of dollars)

Identification code 36-4010-0-3-701	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0801 Death claims	34	32	31
0802 Dividends	6	5	4
0803 All other	5	6	5
0804 Capital investment: policy loans	2	1	1
0900 Total new obligations	47 ¹	44	41

Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	262	237	212
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	23	19	17
1801 Change in uncollected payments, Federal sources	-1		
1850 Spending auth from offsetting collections, mand (total)	22	19	17
1930 Total budgetary resources available	284	256	229
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	237	212	188

Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	51	48	45
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-4	-3	-3
3020 Obligated balance, start of year (net)	47	45	42
3030 Obligations incurred, unexpired accounts	47	44	41
3040 Outlays (gross)	-50	-47	-45

3050 Change in uncollected pymts, Fed sources, unexpired	1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	48	45	41
3091 Uncollected pymts, Fed sources, end of year	-3	-3	-3
3100 Obligated balance, end of year (net)	45	42	38

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	22	19	17
Outlays, gross:			
4100 Outlays from new mandatory authority	22	19	17
4101 Outlays from mandatory balances	28	28	28
4110 Outlays, gross (total)	50	47	45
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4121 Interest on Federal securities	-16	-13	-12
4123 Non-Federal sources	-7	-6	-5
4130 Offsets against gross budget authority and outlays (total)	-23	-19	-17
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	1		
4170 Outlays, net (mandatory)	27	28	28
4190 Outlays, net (total)	27	28	28

Memorandum (non-add) entries:

5000 Total investments, SOY: Federal securities: Par value	308	281	253
5001 Total investments, EOY: Federal securities: Par value	281	253	225

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Note.—Department of Veterans Affairs insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund pays claims and administrative costs on participating life insurance policies issued during the period May 1, 1965, through May 2, 1966, under three life insurance programs: (1) service-disabled standard insurance; (2) service-disabled rated insurance; and (3) nonservice-disabled insurance availing disabled World War II and Korean conflict veterans an opportunity to acquire life insurance coverage who were no longer eligible for other government insurance.

Budget program:

Death claims.—Represents payments to designated beneficiaries.

Dividends.—Policyholders participate in the distribution of annual dividends.

All other.—This represents resources for the administrative costs of processing claims and maintaining the accounts, and to those policyholders who: (a) surrender their policies for cash value; (b) hold endowment policies which have matured; and (c) have purchased total disability income coverage and subsequently become disabled.

Policy loans made.—A policyholder may borrow up to 94 percent of the cash value of his policy at an interest rate adjusted to reflect private sector borrowing costs.

The following table reflects the decrease in the number of policies and the amount of insurance in force:

POLICIES AND INSURANCE IN FORCE

	2011 actual	2012 est.	2013 est.
Number of policies	27,605	24,055	20,725
Insurance in force (dollars in millions)	\$282	\$250	\$220

Financing.—Operations are financed from premiums collected from policyholders and interest on investments. Excess earnings of the fund are distributed to the policyholders in the form of an annual dividend.

Object Classification (in millions of dollars)

Identification code 36-4010-0-3-701	2011 actual	2012 est.	2013 est.
Reimbursable obligations:			
33.0 Investments and loans	2	1	1

42.0	Insurance claims and indemnities	37	36	34
43.0	Interest and dividends	8	7	6
99.9	Total new obligations	47	44	41

SERVICEMEMBERS' GROUP LIFE INSURANCE FUND

Program and Financing (in millions of dollars)

Identification code 36-4009-0-3-701	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
0801	Premium payments	805	814	812
0802	Payments to carrier	265	266	.....
0803	Payment to GOE	3	3	3
0900	Total new obligations (object class 41.0)	1,073 ¹	1,083	815
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1	1	1
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected	1,073	1,083	815
1850	Spending auth from offsetting collections, mand (total)	1,073	1,083	815
1930	Total budgetary resources available	1,074	1,084	816
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	1	1	1
Change in obligated balance:				
3030	Obligations incurred, unexpired accounts	1,073	1,083	815
3040	Outlays (gross)	-1,073	-1,083	-815
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	1,073	1,083	815
Outlays, gross:				
4100	Outlays from new mandatory authority	1,073	1,083	815
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Non-Federal sources	-1,073	-1,083	-815
Memorandum (non-add) entries:				
5000	Total investments, SOY: Federal securities: Par value	1	1	1
5001	Total investments, EOY: Federal securities: Par value	1	1	1

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

This fund finances the payment of group life insurance premiums to private insurance companies under the Servicemembers' Group Life Insurance (SGLI) Act of 1965, as amended. SGLI is a program for Servicemembers on active duty, ready reservists, members of the National Guard, members of the Commissioned Corps of the National Oceanic and Atmospheric Administration and the Public Health Service, cadets and midshipmen of the four service academies, and members of the Reserve Officer Training Corps. SGLI coverage is available in \$50,000 increments up to the maximum of \$400,000. Veterans' Group Life Insurance (VGLI) is a program of post-separation insurance which allows Servicemembers to convert their SGLI coverage to renewable term insurance. Family Servicemembers' Group Life Insurance (FSGLI) is a program extended to the spouses and dependent children of members insured under the SGLI program. FSGLI provides up to a maximum of \$100,000 of insurance coverage for spouses, not to exceed the amount of SGLI the insured member has in force, and \$10,000 of free coverage for dependent children. Spousal coverage is issued in increments of \$10,000.

The Servicemembers' Group Life Insurance Traumatic Injury Protection Program (TSGLI) became effective December 1, 2005. TSGLI provides for payment between \$25,000 and \$100,000 (depending on the type of injury) to any member of the uniformed

services covered by SGLI who sustains a traumatic injury that results in certain serious losses.

Object Classification (in millions of dollars)

Identification code 36-4009-0-3-701	2011 actual	2012 est.	2013 est.	
Reimbursable obligations:				
41.0	Grants, subsidies, and contributions	1,073	1,083	815
99.0	Reimbursable obligations	1,073	1,083	815

VETERANS HOUSING BENEFIT PROGRAM FUND

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by subchapters I through III of chapter 37 of title 38, United States Code: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That during fiscal year [2012] 2013, within the resources available, not to exceed \$500,000 in gross obligations for direct loans are authorized for specially adapted housing loans.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, **[\$154,698,000] \$157,814,000**. (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 36-1119-0-1-704	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
Credit program obligations:				
0701	Direct loan subsidy .....	.....	2	.....
0702	Loan guarantee subsidy	4	147	185
0705	Reestimates of direct loan subsidy	53	402	.....
0706	Interest on reestimates of direct loan subsidy	35	327	.....
0707	Reestimates of loan guarantee subsidy	1,091	689	.....
0708	Interest on reestimates of loan guarantee subsidy	205	91	.....
0709	Administrative expenses	141	155	158
0900	Total new obligations	1,529 ¹	1,813	343
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	43	59	43
1020	Adjustment of unobligated bal brought forward, Oct 1 .....	.....	-16	.....
1050	Unobligated balance (total)	43	43	43
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	165	155	158
1160	Appropriation, discretionary (total)	165	155	158
Appropriations, mandatory:				
1200	Appropriation	1,387	1,658	185
1260	Appropriations, mandatory (total)	1,387	1,658	185
1900	Budget authority (total)	1,552	1,813	343
1930	Total budgetary resources available	1,595	1,856	386
Memorandum (non-add) entries:				
1940	Unobligated balance expiring	-7	.....	.....
1941	Unexpired unobligated balance, end of year	59	43	43
Change in obligated balance:				
3030	Obligations incurred, unexpired accounts	1,529	1,813	343
3040	Outlays (gross)	-1,529	-1,813	-343
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	165	155	158
Outlays, gross:				
4010	Outlays from new discretionary authority	142	155	158
Mandatory:				
4090	Budget authority, gross	1,387	1,658	185
Outlays, gross:				
4100	Outlays from new mandatory authority	1,387	1,658	185
4180	Budget authority, net (total)	1,552	1,813	343

VETERANS HOUSING BENEFIT PROGRAM FUND—Continued
Program and Financing—Continued

Identification code 36-1119-0-1-704	2011 actual	2012 est.	2013 est.
4190 Outlays, net (total)	1,529	1,813	343

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Summary of Budget Authority and Outlays (in millions of dollars)

	2011 actual	2012 est.	2013 est.
Enacted/requested:			
Budget Authority	1,552	1,813	343
Outlays	1,529	1,813	343
Legislative proposal, subject to PAYGO:			
Budget Authority			1
Outlays			1
Total:			
Budget Authority	1,552	1,813	344
Outlays	1,529	1,813	344

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 36-1119-0-1-704	2011 actual	2012 est.	2013 est.
Direct loan levels supportable by subsidy budget authority:			
115001 Acquired Direct Loans	10	51	63
115004 Vendee Direct Loans	253	1,090	1,263
115999 Total direct loan levels	263	1,141	1,326
Direct loan subsidy (in percent):			
132001 Acquired Direct Loans	-0.13	4.09	-2.29
132004 Vendee Direct Loans	-2.42	-2.12	-2.55
132999 Weighted average subsidy rate	-2.33	-1.84	-2.54
Direct loan subsidy budget authority:			
133001 Acquired Direct Loans		2	-1
133004 Vendee Direct Loans	-6	-23	-32
133999 Total subsidy budget authority	-6	-21	-33
Direct loan subsidy outlays:			
134001 Acquired Direct Loans		2	-1
134004 Vendee Direct Loans	-6	-23	-32
134999 Total subsidy outlays	-6	-21	-33
Direct loan upward reestimates:			
135001 Acquired Direct Loans	7		
135004 Vendee Direct Loans	5	13	
135005 Acquired and Vendee Loan Reestimates	76	717	
135999 Total upward reestimate budget authority	88	730	
Direct loan downward reestimates:			
137001 Acquired Direct Loans	-2	-12	
137004 Vendee Direct Loans	-8	-2	
137005 Acquired and Vendee Loan Reestimates	-2		
137999 Total downward reestimate budget authority	-12	-14	
Guaranteed loan levels supportable by subsidy budget authority:			
215001 Housing Guaranteed Loans	71,931	63,941	49,640
215002 Guaranteed Loan Sale Securities—Vendee	186	1,119	1,181
215999 Total loan guarantee levels	72,117	65,060	50,821
Guaranteed loan subsidy (in percent):			
232001 Housing Guaranteed Loans	-0.31	-0.13	-0.10
232002 Guaranteed Loan Sale Securities—Vendee	2.00	10.75	15.65
232999 Weighted average subsidy rate	-0.30	0.06	0.27
Guaranteed loan subsidy budget authority:			
233001 Housing Guaranteed Loans	-223	-83	-50
233002 Guaranteed Loan Sale Securities—Vendee	4	120	185
233999 Total subsidy budget authority	-219	37	135
Guaranteed loan subsidy outlays:			
234001 Housing Guaranteed Loans	-223	-83	-50
234002 Guaranteed Loan Sale Securities—Vendee	4	120	185
234999 Total subsidy outlays	-219	37	135
Guaranteed loan upward reestimates:			
235001 Housing Guaranteed Loans	1,264	707	
235002 Guaranteed Loan Sale Securities—Vendee	33	74	
235999 Total upward reestimate budget authority	1,297	781	
Guaranteed loan downward reestimates:			
237001 Housing Guaranteed Loans	-17	-78	

237002 Guaranteed Loan Sale Securities—Vendee	-1		
237999 Total downward reestimate subsidy budget authority	-18	-78	
Administrative expense data:			
3510 Budget authority	165	155	158
3590 Outlays from new authority	142	155	158

As required by the Federal Credit Reform Act of 1990, this account records, for these programs, the subsidy costs associated with the direct loans obligated and loan guarantees committed in 1992 and beyond, (including modifications of direct loans or loan guarantees that resulted from obligations or commitments in any year), as well as for the administrative expenses of these programs. The subsidy amounts are estimated on a net present value basis.

Veterans Affairs (VA) housing program account.—The housing program helps eligible veterans, active duty personnel, surviving spouses, and members of the Reserves and National Guard purchase, retain, and adapt homes in recognition of their service to the Nation. When a borrower purchases a home, the program operates by substituting the Federal Government's guaranty for a down payment that might otherwise be required. Under 38 U.S.C. 3703, the guaranty amount for a borrower with full entitlement is as follows:

- (a) 50 percent for loans of \$45,000 or less;
- (b) \$22,500 for loans greater than \$45,000, but no more than \$56,250;
- (c) The lesser of \$36,000 or 40 percent of the loan amount for loans greater than \$56,250, but not more than \$144,000;
- (d) 25 percent of the loan amount for loans of \$144,001 to \$417,000; or
- (e) For certain loans in excess of \$417,000, the guaranty will be the lesser of: 25 percent of the county loan limit, or 25 percent of the loan.

This appropriation provides for the corporate leadership and operational support to VA's housing business line.

The housing program facilitates the extension of private capital, on more liberal terms than generally available to nonveterans, to assist veterans and servicepersons in obtaining housing credit, and assist veterans in retaining their homes during periods of temporary economic difficulty through intensive supplemental mortgage loan servicing.

Guaranteed transitional housing loans for homeless veterans.—Established as a pilot project by the Veterans Benefits Improvement Act of 1998, Public Law 105-368, this program will not execute any new loans. The existing loan will continue to be serviced within the financing account and no further funds will be required from the program account.

WORKLOAD

(In thousands)

	2011 actual	2012 est.	2013 est.
Construction and valuation	331	282	212
Loan processing	756	645	483
Loan service and claims	113	100	100

Object Classification (in millions of dollars)

Identification code 36-1119-0-1-704	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.2 Other services from non-Federal sources	141	155	158
41.0 Grants, subsidies, and contributions	1,388	1,658	185

99.9	Total new obligations	1,529	1,813	343
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VETERANS HOUSING BENEFIT PROGRAM FUND
(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 36-1119-4-1-704	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Direct program activity			1
0900 Total new obligations (object class 41.0)			1
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1200 Appropriation			1
1260 Appropriations, mandatory (total)			1
1930 Total budgetary resources available			1
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			1
3040 Outlays (gross)			-1
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			1
Outlays, gross:			
4100 Outlays from new mandatory authority			1
4180 Budget authority, net (total)			1
4190 Outlays, net (total)			1

Legislation will be proposed to permit a servicemember's dependent children to satisfy the occupancy requirement in 38 U.S.C. 3704 in those cases where the servicemember is unable to personally occupy the property due to his or her military service.

HOUSING DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 36-4127-0-3-704	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0003 Property sales expense	1		2
0004 Property management/other expense	4	7	5
0091 Subtotal	5	7	7
Credit program obligations:			
0710 Direct loan obligations	263	1,140	1,325
0713 Payment of interest to Treasury	130	94	99
0740 Negative subsidy obligations	6	23	34
0742 Downward reestimate paid to receipt account	8	13	
0743 Interest on downward reestimates	4	1	
0791 Direct program activities, subtotal	411	1,271	1,458
0900 Total new obligations	416 ¹	1,278	1,465
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	153	170	
1021 Recoveries of prior year unpaid obligations	12		
1023 Unobligated balances applied to repay debt	-115	-170	
1050 Unobligated balance (total)	50		
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	336	1,278	1,466
1421 Borrowing authority applied to repay debt	-208		
1440 Borrowing authority, mandatory (total)	128	1,278	1,466
Spending authority from offsetting collections, mandatory:			
1800 Collected	408	1,930	1,279
1825 Spending authority from offsetting collections applied to repay debt		-1,930	-1,279
1850 Spending auth from offsetting collections, mand (total)	408		
1900 Financing authority (total)	536	1,278	1,466

1930 Total budgetary resources available	586	1,278	1,466
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	170		1

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	15	7	20
3030 Obligations incurred, unexpired accounts	416	1,278	1,465
3040 Financing disbursements (gross)	-412	-1,265	-1,462
3080 Recoveries of prior year unpaid obligations, unexpired	-12		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	7	20	23
3100 Obligated balance, end of year (net)	7	20	23

Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross	536	1,278	1,466
Financing disbursements:			
4110 Financing disbursements, gross	412	1,265	1,462
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4120 Federal sources: Payments from program account	-87	-731	
4120 Reimbursements from DLFA	-3	-1	-2
4120 Transfer of loan sales from loan sale security	-186	-1,124	-1,187
4122 Interest on uninvested funds	-58		
4123 Repayments of principal	-34	-26	-29
4123 Interest received on loans	-27	-34	-35
4123 Fees	-4	-10	-12
4123 Cash sale of properties	-9	-4	-14
4130 Offsets against gross financing auth and disbursements (total)	-408	-1,930	-1,279
4160 Financing authority, net (mandatory)	128	-652	187
4170 Financing disbursements, net (mandatory)	4	-665	183
4180 Financing authority, net (total)	128	-652	187
4190 Financing disbursements, net (total)	4	-665	183

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Status of Direct Loans (in millions of dollars)

Identification code 36-4127-0-3-704	2011 actual	2012 est.	2013 est.
Position with respect to appropriations act limitation on obligations:			
1131 Direct loan obligations exempt from limitation	263	1,140	1,325
1150 Total direct loan obligations	263	1,140	1,325
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	639	670	645
1231 Disbursements: Direct loan disbursements	258	1,140	1,325
Repayments:			
1251 Repayments and prepayments	-34	-25	-29
1253 Proceeds from loan asset sales to the public with recourse	-186	-1,124	-1,187
Write-offs for default:			
1263 Direct loans	-5	-16	-11
1264 Other adjustments, Data Reconciliation	-2		
1290 Outstanding, end of year	670	645	743

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 36-4127-0-3-704	2010 actual	2011 actual
ASSETS:		
Federal assets:		
1101 Fund balances with Treasury	168	177
Investments in US securities:		
1106 Receivables, net	63	761
Net value of assets related to post-1991 direct loans receivable:		
1401 Direct loans receivable, gross	639	670
1402 Interest receivable	8	12
1404 Foreclosed property	22	8
1405 Allowance for subsidy cost	714	-6

HOUSING DIRECT LOAN FINANCING ACCOUNT—Continued
Balance Sheet—Continued

Identification code 36-4127-0-3-704		2010 actual	2011 actual
1499	Net present value of assets related to direct loans	1,383	684
1999	Total assets	1,614	1,622
LIABILITIES:			
Federal liabilities:			
2103	Debt	1,587	1,599
2105	Other	19	17
2207	Non-Federal liabilities: Other	8	6
2999	Total liabilities	1,614	1,622
4999	Total upward reestimate subsidy BA [36-1119]	1,614	1,622

HOUSING GUARANTEED LOAN FINANCING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 36-4129-0-3-704		2011 actual	2012 est.	2013 est.
Obligations by program activity:				
0002	Losses on defaulted loans	900	706	599
0004	Reimburse DLFA for loan sales	186	1,124	1,187
0005	Payment to trustee reserve	26	7	7
0006	Reimburse liquidating for subordination certificate	1		1
0009	Property sales expense	113	98	115
0010	Property management expense	154	81	94
0011	Property improvement expense	3	14	17
0012	Loans acquired	9	63	70
0091	Subtotal	1,392	2,093	2,090
Credit program obligations:				
0711	Default claim payments on principal	1,348	1,307	1,507
0713	Payment of interest to Treasury	8		
0740	Negative subsidy obligations	223	109	50
0742	Downward reestimate paid to receipt account	7	35	
0743	Interest on downward reestimates	11	43	
0791	Direct program activities, subtotal	1,597	1,494	1,557
0900	Total new obligations	2,989 ¹	3,587	3,647
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	2,213	3,247	3,879
Financing authority:				
Borrowing authority, mandatory:				
1400	Borrowing authority	212	109	50
1421	Borrowing authority applied to repay debt	-212		
1440	Borrowing authority, mandatory (total)		109	50
Spending authority from offsetting collections, mandatory:				
1800	Collected	4,024	4,219	3,733
1801	Change in uncollected payments, Federal sources	-1		
1825	Spending authority from offsetting collections applied to repay debt		-109	-50
1850	Spending auth from offsetting collections, mand (total)	4,023	4,110	3,683
1900	Financing authority (total)	4,023	4,219	3,733
1930	Total budgetary resources available	6,236	7,466	7,612
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	3,247	3,879	3,965
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	269	284	51
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-6	-5	-5
3020	Obligated balance, start of year (net)	263	279	46
3030	Obligations incurred, unexpired accounts	2,989	3,587	3,647
3040	Financing disbursements (gross)	-2,974	-3,820	-3,643
3050	Change in uncollected pymts, Fed sources, unexpired	1		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	284	51	55
3091	Uncollected pymts, Fed sources, end of year	-5	-5	-5
3100	Obligated balance, end of year (net)	279	46	50
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	4,023	4,219	3,733

Financing disbursements:				
4110	Financing disbursements, gross	2,974	3,820	3,643
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Payments from program account	-1,300	-927	-185
4120	Recoveries from DLFA	-255	-851	-983
4122	Interest on uninvested funds	-138	-65	-68
4123	Funding fees	-913	-814	-825
4123	Cash sale of properties	-1,229	-525	-609
4123	Redemption of properties and other	-3		
4123	Loan sale proceeds	-186	-1,037	-1,063
4130	Offsets against gross financing auth and disbursements (total)	-4,024	-4,219	-3,733
Additional offsets against financing authority only (total):				
4140	Change in uncollected pymts, Fed sources, unexpired	1		
4170	Financing disbursements, net (mandatory)	-1,050	-399	-90
4190	Financing disbursements, net (total)	-1,050	-399	-90

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Status of Guaranteed Loans (in millions of dollars)

Identification code 36-4129-0-3-704		2011 actual	2012 est.	2013 est.
Position with respect to appropriations act limitation on commitments:				
2131	Guaranteed loan commitments exempt from limitation	71,931	63,941	49,640
2132	Guaranteed loan commitments for loan asset sales with recourse	186	1,119	1,181
2150	Total guaranteed loan commitments	72,117	65,060	50,821
2199	Guaranteed amount of guaranteed loan commitments	20,039	18,766	14,882
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	224,306	257,727	314,071
2231	Disbursements of new guaranteed loans	71,931	63,941	49,640
2232	Guarantees of loans sold to the public with recourse	186	1,119	1,181
2251	Repayments and prepayments	-33,182	-6,634	-7,882
Adjustments:				
2262	Terminations for default that result in acquisition of property	-1,348	-1,307	-1,507
2263	Terminations for default that result in claim payments	-935	-775	-676
2264	Other adjustments, net	-3,231		
2290	Outstanding, end of year	257,727	314,071	354,827
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	76,290	91,866	103,284

As required by the Federal Credit Reform Act of 1990, this non-budgetary account records all cash flows to and from the Government resulting from loan guarantees committed in 1992 and beyond, including modifications of guaranteed loans that resulted from commitments in any year, and from the guarantee of loans sold through the securitization programs. The amounts in this account are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 36-4129-0-3-704		2010 actual	2011 actual
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	2,477	3,527
Investments in US securities:			
1106	Receivables, net	1,483	969
Net value of assets related to post-1991 acquired defaulted guaranteed loans receivable:			
1504	Accounts receivable from foreclosed property		11
1504	Foreclosed property	1,200	852
1599	Net present value of assets related to defaulted guaranteed loans	1,200	863
1999	Total assets	5,160	5,359
LIABILITIES:			
Federal liabilities: Other liabilities			
2105	Non-Federal liabilities:	10	15
Accounts payable			
2201	Accounts payable	15	286
Debt			
2203	Debt	254	
Non-federal liabilities for loan guarantees			
2204	Non-federal liabilities for loan guarantees	4,881	5,058
2999	Total liabilities	5,160	5,359

4999	Total liabilities and net position	5,160	5,359
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HOUSING LIQUIDATING ACCOUNT
Program and Financing (in millions of dollars)

Identification code 36-4025-0-3-704	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
0104	Claims processed and repaid default claims	1	1	1
0105	Other operating expenses	2	2	2
0191	Total operating expenses	3	3	3
Credit program obligations:				
0711	Default claim payments on principal	4	3	2
0900	Total new obligations	7 ¹	6	5
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	2	1	
1022	Capital transfer of unobligated balances to general fund		-1	
1050	Unobligated balance (total)	2		
Budget authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected	15	13	11
1820	Capital transfer of spending authority from offsetting collections to general fund	-9	-7	-6
1850	Spending auth from offsetting collections, mand (total)	6	6	5
1930	Total budgetary resources available	8	6	5
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	1		
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	2	3	
3030	Obligations incurred, unexpired accounts	7	6	5
3040	Outlays (gross)	-6	-9	-5
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	3		
3100	Obligated balance, end of year (net)	3		
Budget authority and outlays, net:				
Mandatory:				
4090	Budget authority, gross	6	6	5
Outlays, gross:				
4100	Outlays from new mandatory authority	4	6	5
4101	Outlays from mandatory balances	2	3	
4110	Outlays, gross (total)	6	9	5
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4123	Loan repayments and prepayments	-2	-2	-2
4123	Sale of homes, cash	-4	-3	-3
4123	Interest on loans	-1	-1	-1
4123	Interest on subordinate certificates	-1	-1	-1
4123	Interest collection on Veteran liability debts	-2	-2	-2
4123	Principal collection on Veteran liability debts	-3	-4	-2
4123	Other revenues (including adjustments)	-2		
4130	Offsets against gross budget authority and outlays (total)	-15	-13	-11
4160	Budget authority, net (mandatory)	-9	-7	-6
4170	Outlays, net (mandatory)	-9	-4	-6
4180	Budget authority, net (total)	-9	-7	-6
4190	Outlays, net (total)	-9	-4	-6
Memorandum (non-add) entries:				
5010	Total investments, SOY: non-Fed securities: Market value	140	140	140
5011	Total investments, EOY: non-Fed securities: Market value	140	140	140

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Status of Direct Loans (in millions of dollars)

Identification code 36-4025-0-3-704	2011 actual	2012 est.	2013 est.	
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	17	14	12

1251	Repayments: Repayments and prepayments	-3	-2	-1
1290	Outstanding, end of year	14	12	11

Status of Guaranteed Loans (in millions of dollars)

Identification code 36-4025-0-3-704	2011 actual	2012 est.	2013 est.	
Cumulative balance of guaranteed loans outstanding:				
2210	Outstanding, start of year	696	587	497
2251	Repayments and prepayments	-104	-87	-74
Adjustments:				
2261	Terminations for default that result in loans receivable	-1		
2262	Terminations for default that result in acquisition of property	-4	-3	-2
2290	Outstanding, end of year	587	497	421
Memorandum:				
2299	Guaranteed amount of guaranteed loans outstanding, end of year	248	211	211
Addendum:				
Cumulative balance of defaulted guaranteed loans that result in loans receivable:				
2310	Outstanding, start of year	21	15	11
2331	Disbursements for guaranteed loan claims		1	
2351	Repayments of loans receivable	-2	-2	-1
2361	Write-offs of loans receivable	-4	-3	-2
2390	Outstanding, end of year	15	11	8

As required by the Federal Credit Reform Act of 1990, this account records all cash flows to and from the Government resulting from direct loans obligated and loan guarantees committed prior to 1992. All new activity in this program in 1992 and beyond is recorded in the corresponding program and financing accounts.

Balance Sheet (in millions of dollars)

Identification code 36-4025-0-3-704	2010 actual	2011 actual	
ASSETS:			
1101	Federal assets: Fund balances with Treasury	5	4
1201	Non-Federal assets: Investments in non-Federal securities, net	140	140
1601	Direct loans, gross	17	14
1603	Allowance for estimated uncollectible loans and interest (-)	-2	-2
1604	Direct loans and interest receivable, net	15	12
1606	Foreclosed property direct loans	9	10
1699	Value of assets related to direct loans	24	22
1701	Defaulted guaranteed loans, gross	21	15
1703	Allowance for estimated uncollectible loans and interest (-)	-18	-14
1704	Defaulted guaranteed loans and interest receivable, net	3	1
1706	Foreclosed property	7	4
1799	Value of assets related to loan guarantees	10	5
1999	Total assets	179	171
LIABILITIES:			
2103	Federal liabilities: Debt	177	169
2207	Non-Federal liabilities: Other	2	2
2999	Total liabilities	179	171
4999	Total liabilities and net position	179	171

Object Classification (in millions of dollars)

Identification code 36-4025-0-3-704	2011 actual	2012 est.	2013 est.	
Direct obligations:				
32.0	Land and structures	4	3	2
33.0	Investments and loans	3	3	3
99.9	Total new obligations	7	6	5

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACCOUNT

For administrative expenses to carry out the direct loan program authorized by subchapter V of chapter 37 of title 38, United States Code, **[\$1,116,000] \$1,089,000.**

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT

For the cost of direct loans, \$19,000, as authorized by chapter 31 of title 38, United States Code: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That funds made available under this heading are available to subsidize gross obligations for the principal amount of direct loans not to exceed **[\$3,019,000] \$2,729,000.**

In addition, for administrative expenses necessary to carry out the direct loan program, **[\$343,000] \$346,000**, which may be paid to the appropriation for "General operating expenses, Veterans Benefits Administration". (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 36-1120-0-1-704	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0705 Reestimates of direct loan subsidy	5	10	.....
0706 Interest on reestimates of direct loan subsidy .....	.....	3	.....
0709 Administrative expenses	1	1	1
0900 Total new obligations	6 ¹	14	1
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2	2	2
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1	1	1
1160 Appropriation, discretionary (total)	1	1	1
Appropriations, mandatory:			
1200 Appropriation	5	13	.....
1260 Appropriations, mandatory (total)	5	13	.....
1900 Budget authority (total)	6	14	1
1930 Total budgetary resources available	8	16	3
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	2	2	2
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts	6	14	1
3040 Outlays (gross)	-6	-14	-1

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	1	1	1
Outlays, gross:			
4010 Outlays from new discretionary authority	1	1	1
Mandatory:			
4090 Budget authority, gross	5	13	.....
Outlays, gross:			
4100 Outlays from new mandatory authority	5	13	.....
4180 Budget authority, net (total)	6	14	1
4190 Outlays, net (total)	6	14	1

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Summary of Loan Levels, Subsidy Budget Authority and Outlays by Program (in millions of dollars)

Identification code 36-1120-0-1-704	2011 actual	2012 est.	2013 est.
Direct loan levels supportable by subsidy budget authority:			
115002 Native American Direct Loans	7	11	11
115003 Vocational Rehabilitation	2	3	3
115999 Total direct loan levels	9	14	14
Direct loan subsidy (in percent):			
132002 Native American Direct Loans	-13.65	-11.97	-17.84
132003 Vocational Rehabilitation	1.57	0.63	0.68
132999 Weighted average subsidy rate	-10.27	-9.27	-13.87
Direct loan subsidy budget authority:			
133002 Native American Direct Loans	-1	-1	-2

133999 Total subsidy budget authority	-1	-1	-2
Direct loan subsidy outlays:			
134002 Native American Direct Loans	-1	-1	-2
134999 Total subsidy outlays	-1	-1	-2
Direct loan upward reestimates:			
135002 Native American Direct Loans	5	13	.....
135999 Total upward reestimate budget authority	5	13	.....
Direct loan downward reestimates:			
137002 Native American Direct Loans	-3	-5	.....
137999 Total downward reestimate budget authority	-3	-5	.....
Administrative expense data:			
3510 Budget authority	1	.....	.....
3590 Outlays from new authority	1	.....	.....

The Native American Veterans Housing Loan program provides direct loans to veterans living on trust lands under 38 U.S.C. chapter 37, section 3761. These loans are available to purchase, construct, or improve homes to be occupied as the veteran's residence. This program began as a pilot in 1993 and was made permanent on June 15, 2006 through Public Law 109-233.

The Vocational Rehabilitation Loan Program provides additional funding assistance to cover the costs of subsistence, tuition, books, supplies, and equipment in conjunction with service connected disability benefits provided to Veterans participating in VA's Vocational Rehabilitation and Counseling Program as authorized by chapter 31 of title 38, United States Code. Repayment of these loans is made in monthly installments, without interest, through deductions from future payments of compensation, pension, subsistence allowance, educational assistance allowance, or retired pay.

Object Classification (in millions of dollars)

Identification code 36-1120-0-1-704	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.2 Other services from non-Federal sources	6	1	1
41.0 Grants, subsidies, and contributions .....	.....	13	.....
99.9 Total new obligations	6	14	1

NATIVE AMERICAN DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 36-4130-0-3-704	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations	7	11	11
0713 Payment of interest to Treasury	4	2	2
0740 Negative subsidy obligations	1	1	2
0742 Downward reestimate paid to receipt account	3	4	.....
0743 Interest on downward reestimates	1	1	.....
0900 Total new obligations	16 ¹	19	15
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2	7	.....
1023 Unobligated balances applied to repay debt .....	.....	-7	.....
1050 Unobligated balance (total)	2	.....	.....
Financing authority:			
Borrowing authority, mandatory:			
1400 Borrowing authority	16	19	15
1421 Borrowing authority applied to repay debt	-5	.....	.....
1440 Borrowing authority, mandatory (total)	11	19	15
Spending authority from offsetting collections, mandatory:			
1800 Collected	10	25	12
1825 Spending authority from offsetting collections applied to repay debt .....	.....	-25	-12
1850 Spending auth from offsetting collections, mand (total)	10	.....	.....
1900 Financing authority (total)	21	19	15

1930	Total budgetary resources available	23	19	15
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	7		
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	2	2	2
3030	Obligations incurred, unexpired accounts	16	19	15
3040	Financing disbursements (gross)	-16	-19	-15
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	2	2	2
3100	Obligated balance, end of year (net)	2	2	2
Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	21	19	15
Financing disbursements:				
4110	Financing disbursements, gross	16	19	15
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4120	Federal sources	-5	-13	
4122	Interest on uninvested funds	-1		
4123	Non-federal sources - Repayments and prepayments of principal	-2	-9	-9
4123	Non-Federal sources - Interest received on loans	-2	-3	-3
4130	Offsets against gross financing auth and disbursements (total)	-10	-25	-12
4160	Financing authority, net (mandatory)	11	-6	3
4170	Financing disbursements, net (mandatory)	6	-6	3
4180	Financing authority, net (total)	11	-6	3
4190	Financing disbursements, net (total)	6	-6	3

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Status of Direct Loans (in millions of dollars)

Identification code 36-4130-0-3-704		2011 actual	2012 est.	2013 est.
Position with respect to appropriations act limitation on obligations:				
1131	Direct loan obligations exempt from limitation	7	11	11
1150	Total direct loan obligations	7	11	11
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	58	61	64
1231	Disbursements: Direct loan disbursements	8	11	11
1251	Repayments: Repayments and prepayments	-2	-8	-8
1264	Write-offs for default: Adjustments other	-3		
1290	Outstanding, end of year	61	64	67

The account preceding this section contains information on the Native American Veterans Housing Loan program, and the account following this section contains information on the Guaranteed Transitional Housing Loans for Homeless Veterans program. The Transitional Housing loans are 100% guaranteed and use the Federal Financing Bank (FFB) as the lending institution. For budget purposes, all FFB loans shall be treated as direct loans.

As required by the Federal Credit Reform Act of 1990, these non-budgetary accounts record all cash flows to and from the Government resulting from direct loans obligated in 1992 and beyond (including modifications of direct loans that resulted from obligations in any year). The amounts in the accounts are a means of financing and are not included in the budget totals.

Balance Sheet (in millions of dollars)

Identification code 36-4130-0-3-704		2010 actual	2011 actual
ASSETS:			
Federal assets:			
1101	Fund balances with Treasury	3	9
Investments in US securities:			
1106	Receivables, net		3
Net value of assets related to post-1991 direct loans receivable:			
1401	Direct loans receivable, gross	58	61
1402	Interest receivable	1	1

1499	Net present value of assets related to direct loans	59	62
1901	Other Federal assets: Other assets	2	
1999	Total assets	64	74
LIABILITIES:			
Federal liabilities:			
2103	Federal liabilities debt	63	73
2105	Other liabilities	1	1
2999	Total liabilities	64	74
4999	Total liabilities and net position	64	74

TRANSITIONAL HOUSING DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 36-4258-0-3-704		2011 actual	2012 est.	2013 est.
Obligations by program activity:				
0005	Transitional housing direct loan financing account	1		
0900	Total new obligations	1 ¹		
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	5	5	5
Financing authority:				
Spending authority from offsetting collections, mandatory:				
1800	Collected	1		
1850	Spending auth from offsetting collections, mand (total)	1		
1930	Total budgetary resources available	6	5	5
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	5	5	5

Change in obligated balance:				
3030	Obligations incurred, unexpired accounts	1		
3040	Financing disbursements (gross)	-1		

Financing authority and disbursements, net:				
Mandatory:				
4090	Financing authority, gross	1		
Financing disbursements:				
4110	Financing disbursements, gross	1		
Offsets against gross financing authority and disbursements:				
Offsetting collections (collected) from:				
4123	Non-Federal sources	-1		

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Status of Direct Loans (in millions of dollars)

Identification code 36-4258-0-3-704		2011 actual	2012 est.	2013 est.
Position with respect to appropriations act limitation on obligations:				
1121	Limitation available from carry-forward	95	95	95
1143	Unobligated limitation carried forward	-95	-95	-95
1150	Total direct loan obligations			
Cumulative balance of direct loans outstanding:				
1210	Outstanding, start of year	5	5	
1263	Write-offs for default: Direct loans		-5	
1290	Outstanding, end of year	5		

Balance Sheet (in millions of dollars)

Identification code 36-4258-0-3-704		2010 actual	2011 actual
ASSETS:			
Federal assets: Fund balances with Treasury			
1101	Net value of assets related to post-1991 direct loans receivable:	5	5
1401	Direct loans receivable, gross	5	5
1405	Allowance for subsidy cost (-)	-5	-5
1499	Net present value of assets related to direct loans		
1999	Total assets	5	5
LIABILITIES:			
2103	Federal liabilities: Debt	5	5

TRANSITIONAL HOUSING DIRECT LOAN FINANCING ACCOUNT—Continued
Balance Sheet—Continued

Identification code 36-4258-0-3-704	2010 actual	2011 actual
4999 Total liabilities and net position	5	5

VOCATIONAL REHABILITATION DIRECT LOAN FINANCING ACCOUNT

Program and Financing (in millions of dollars)

Identification code 36-4112-0-3-702	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
Credit program obligations:			
0710 Direct loan obligations	2	3	3
0900 Total new obligations	2 ¹	3	3

Budgetary Resources:

Identification code 36-4112-0-3-702	2011 actual	2012 est.	2013 est.
Financing authority:			
Borrowing authority, mandatory:			
1400 Authority to borrow (indefinite)	2	3	3
1421 Borrowing authority applied to repay debt	-2		
1440 Borrowing authority, mandatory (total)		3	3
Spending authority from offsetting collections, mandatory:			
1800 Collected	2	3	3
1825 Spending authority from offsetting collections applied to repay debt		-3	-3
1850 Spending auth from offsetting collections, mand (total)	2		
1900 Financing authority (total)	2	3	3
1930 Total budgetary resources available	2	3	3

Change in obligated balance:

3030 Obligations incurred, unexpired accounts	2	3	3
3040 Financing disbursements (gross)	-2	-3	-3

Financing authority and disbursements, net:

Mandatory:			
4090 Financing authority, gross	2	3	3
Financing disbursements:			
4110 Financing disbursements, gross	2	3	3
Offsets against gross financing authority and disbursements:			
Offsetting collections (collected) from:			
4123 Repayments and prepayments of principal	-2	-3	-3

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Status of Direct Loans (in millions of dollars)

Identification code 36-4112-0-3-702	2011 actual	2012 est.	2013 est.
Position with respect to appropriations act limitation on obligations:			
1111 Limitation on direct loans	2	3	3
1150 Total direct loan obligations	2	3	3
Cumulative balance of direct loans outstanding:			
1210 Outstanding, start of year	1	1	1
1231 Disbursements: Direct loan disbursements	2	3	3
1251 Repayments: Repayments and prepayments	-2	-3	-3
1290 Outstanding, end of year	1	1	1

Balance Sheet (in millions of dollars)

Identification code 36-4112-0-3-702	2010 actual	2011 actual
ASSETS:		
Federal assets: Investments in US securities:		
1104 Investments US Securities		1
1401 Net value of assets related to post-1991 direct loans receivable: Direct loans receivable, gross	1	1
1999 Total assets	1	2
LIABILITIES:		
2103 Federal liabilities: Debt	1	2

4999 Total liabilities and net position	1	2
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Trust Funds

POST-VIETNAM ERA VETERANS EDUCATION ACCOUNT

Special and Trust Fund Receipts (in millions of dollars)

Identification code 36-8133-0-7-702	2011 actual	2012 est.	2013 est.
0100 Balance, start of year			
Receipts:			
0240 Contributions, Post-Vietnam Era Veterans Education Account	1	1	1
0400 Total: Balances and collections	1	1	1
Appropriations:			
0500 Post-Vietnam Era Veterans Education Account	-1	-1	-1
0799 Balance, end of year			

Program and Financing (in millions of dollars)

Identification code 36-8133-0-7-702	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Payment to post-Vietnam era trainees	1		1
0003 Participant disenrollments		1	
0900 Total new obligations	1 ¹	1	1

Budgetary Resources:

Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	65	65	65
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special or trust fund)	1	1	1
1260 Appropriations, mandatory (total)	1	1	1
1930 Total budgetary resources available	66	66	66
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	65	65	65

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1	1	1
3030 Obligations incurred, unexpired accounts	1	1	1
3040 Outlays (gross)	-1	-1	-1
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1	1	1
3100 Obligated balance, end of year (net)	1	1	1

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	1	1	1
Outlays, gross:			
4101 Outlays from mandatory balances	1	1	1
4180 Budget authority, net (total)	1	1	1
4190 Outlays, net (total)	1	1	1

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

This account consists of voluntary contributions by eligible servicepersons and matching contributions provided by the Department of Defense. The fund provides educational assistance payments to participants who entered the service after December 31, 1976, and are pursuing training under chapter 32, title 38, U.S.C. Section 901 is a non-contributory program with educational assistance provided by the Department of Defense. Public Law 99-576, enacted October 28, 1986, closed the program permanently for new enrollments effective March 31, 1987. Public Law 106-419, enacted November 1, 2000, provides qualified participants in this program another opportunity (through October 31, 2001) to convert to the All-Volunteer Force Educational Assistance program (Montgomery GI Bill). The estimated activity in the fund follows:

CONTRIBUTIONS, PARTICIPANTS, DISENROLLMENTS, REFUNDS AND TRAINEES

[dollars in millions]

	2011 actual	2012 est.	2013 est.
Total budget authority	\$1	\$1	\$1
Servicepersons contributions	\$0	\$0	\$0
Transferred from Department of Defense (bonus)	\$0	\$0	\$0
Transferred from Department of Defense (matching)	\$0	\$0	\$0
Transferred from Department of Defense (section 901)	\$0	\$0	\$0
Total participants (end of year)	193,291	192,725	192,214
Number of disenrollments	523	473	423
Total refunds	\$1	\$1	\$1
Total trainees	112	106	101
Total trainee cost	\$1	\$1	\$1
Average cost per trainee (actual dollars)	\$1,144	\$1,144	\$1,144
Section 901 trainees	35	33	32

Object Classification (in millions of dollars)

Identification code 36-8132-0-7-702	2011 actual	2012 est.	2013 est.
Direct obligations:			
41.0 Grants, subsidies, and contributions		1	1
44.0 Refunds	1		
99.9 Total new obligations	1	1	1

NATIONAL SERVICE LIFE INSURANCE FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 36-8132-0-7-701	2011 actual	2012 est.	2013 est.
0100 Balance, start of year	6,901	6,367	5,762
Receipts:			
0220 NSLI Fund, Premium and Other Receipts	92	80	69
0240 NSLI Fund, Interest	417	362	317
0299 Total receipts and collections	509	442	386
0400 Total: Balances and collections	7,410	6,809	6,148
Appropriations:			
0500 National Service Life Insurance Fund	-510	-442	-385
0501 National Service Life Insurance Fund	-533	-605	-612
0599 Total appropriations	-1,043	-1,047	-997
0799 Balance, end of year	6,367	5,762	5,151

Program and Financing (in millions of dollars)

Identification code 36-8132-0-7-701	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Death claims	723	743	714
0002 Disability claims	6	5	4
0003 Matured endowments	33	40	49
0004 Cash surrenders	29	30	30
0005 Dividends	154	126	106
0006 Interest paid on dividend credits and deposits	43	44	37
0007 Payment to insurance account	19	23	23
0091 Total operating expenses	1,007	1,011	963
0201 Capital investment: Policy loans	35	35	34
0799 Total direct obligations	1,042	1,046	997
0801 Death claims	140	122	109
0802 Disability claims	1	1	1
0803 Matured endowments	7	7	7
0804 Cash surrenders	6	5	5
0805 Dividends	30	21	16
0806 Interest paid on dividend credits and deposits	8	7	6
0807 Payment to insurance account	4	4	3
0899 Total reimbursable obligations	196	167	147
0900 Total new obligations	1,238 ¹	1,213	1,144

Budgetary Resources:

1000 Unobligated balance brought forward, Oct 1		1	1
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Budget authority:

1201 Appropriations, mandatory:			
Appropriation (special or trust fund)	510	442	385
1203 Appropriation (previously unavailable)	533	605	612
1260 Appropriations, mandatory (total)	1,043	1,047	997
Spending authority from offsetting collections, mandatory:			
Collected	196	166	147
1850 Spending auth from offsetting collections, mand (total)	196	166	147
1900 Budget authority (total)	1,239	1,213	1,144
1930 Total budgetary resources available	1,239	1,214	1,145
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1	1	1
Change in obligated balance:			
Obligated balance, start of year (net):			
Unpaid obligations, brought forward, Oct 1 (gross)	1,269	1,181	1,098
Obligations incurred, unexpired accounts	1,238	1,213	1,144
Outlays (gross)	-1,326	-1,296	-1,228
Obligated balance, end of year (net):			
Unpaid obligations, end of year (gross)	1,181	1,098	1,014
3100 Obligated balance, end of year (net)	1,181	1,098	1,014

Budget authority and outlays, net:

4090 Mandatory:			
Budget authority, gross	1,239	1,213	1,144
Outlays, gross:			
4100 Outlays from new mandatory authority	608	532	
4101 Outlays from mandatory balances	1,326	688	696
4110 Outlays, gross (total)	1,326	1,296	1,228
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-196	-166	-147
4180 Budget authority, net (total)	1,043	1,047	997
4190 Outlays, net (total)	1,130	1,130	1,081

Memorandum (non-add) entries:

5000 Total investments, SOY: Federal securities: Par value	8,161	7,541	6,853
5001 Total investments, EOY: Federal securities: Par value	7,541	6,853	6,158

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Note.—Department of Veterans Affairs insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund was established in 1940. It is for the World War II servicemen's and veterans' insurance program. Over 22 million policies were issued under this program. Activity of the fund reflects a declining claim workload. The trend in the number and amount of policies in force is shown as follows:

POLICIES AND INSURANCE IN FORCE

	2011 actual	2012 est.	2013 est.
Number of policies	665,394	586,154	510,444
Insurance in force (dollars in millions)	\$8,040	\$7,172	\$6,321

This fund is operated on a commercial basis to the extent possible. The income of the fund is derived from premium receipts, interest on investments, and payments which are made to the fund from the Veterans Insurance and Indemnities appropriation.

Assets of the fund, which are largely invested in special interest-bearing Treasury securities and in policy loans, are expected to decrease from an estimated \$6,862 million as of September 30, 2012 to \$6,167 million as of September 30, 2013. The actuarial estimate of policy obligations as of September 30, 2013, totals \$6,221 million, leaving a balance of \$289 million for contingency reserves.

Status of Funds (in millions of dollars)

Identification code 36-8132-0-7-701	2011 actual	2012 est.	2013 est.
Unexpended balance, start of year:			
0100 Balance, start of year	8,170	7,549	6,861
0199 Total balance, start of year	8,170	7,549	6,861

NATIONAL SERVICE LIFE INSURANCE FUND—Continued
Status of Funds—Continued

Identification code 36-8132-0-7-701	2011 actual	2012 est.	2013 est.
Cash income during the year:			
Current law:			
Offsetting receipts (proprietary):			
1220 NSLI Fund, Premium and Other Receipts	92	80	69
Offsetting receipts (intragovernmental):			
1240 NSLI Fund, Interest	417	362	317
Offsetting collections:			
1280 National Service Life Insurance Fund	196	166	147
1299 Income under present law	705	608	533
3299 Total cash income	705	608	533
Cash outgo during year:			
Current law:			
4500 National Service Life Insurance Fund	-1,326	-1,296	-1,228
4599 Outgo under current law (-)	-1,326	-1,296	-1,228
6599 Total cash outgo (-)	-1,326	-1,296	-1,228
Unexpended balance, end of year:			
8700 Uninvested balance (net), end of year	8	8	8
8701 National Service Life Insurance Fund	7,541	6,853	6,158
8799 Total balance, end of year	7,549	6,861	6,166

Object Classification (in millions of dollars)

Identification code 36-8132-0-7-701	2011 actual	2012 est.	2013 est.
Direct obligations:			
33.0 Investments and loans	35	35	34
42.0 Insurance claims and indemnities	791	818	797
43.0 Interest and dividends	216	194	166
99.0 Direct obligations	1,042	1,047	997
99.0 Reimbursable obligations	196	166	147
99.9 Total new obligations	1,238	1,213	1,144

UNITED STATES GOVERNMENT LIFE INSURANCE FUND

Special and Trust Fund Receipts (in millions of dollars)

Identification code 36-8150-0-7-701	2011 actual	2012 est.	2013 est.
0100 Balance, start of year	13	10	8
Receipts:			
0240 Interest and Profits on Investments in Public Debt Securities, USGLI	1	1	1
0400 Total: Balances and collections	14	11	9
Appropriations:			
0500 United States Government Life Insurance Fund	-1	-1	-1
0501 United States Government Life Insurance Fund	-3	-2	-2
0599 Total appropriations	-4	-3	-3
0799 Balance, end of year	10	8	6

Program and Financing (in millions of dollars)

Identification code 36-8150-0-7-701	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Death claims	3	2	1
0007 Other costs	1	1	1
0900 Total new obligations	4 ¹	3	2
Budgetary Resources:			
Budget authority:			
Appropriations, mandatory:			
1201 Appropriation (special or trust fund)	1	1	1
1203 Appropriation (previously unavailable)	3	2	2
1260 Appropriations, mandatory (total)	4	3	3
1930 Total budgetary resources available	4	3	3
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year			1

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	8	7	4
3030 Obligations incurred, unexpired accounts	4	3	2
3040 Outlays (gross)	-5	-6	-2
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	7	4	4
3100 Obligated balance, end of year (net)	7	4	4

Budget authority and outlays, net:

Mandatory:			
4090 Budget authority, gross	4	3	3
Outlays, gross:			
4100 Outlays from new mandatory authority		2	
4101 Outlays from mandatory balances	5	4	2
4110 Outlays, gross (total)	5	6	2
4180 Budget authority, net (total)	4	3	3
4190 Outlays, net (total)	5	6	2

Memorandum (non-add) entries:

5000 Total investments, SOY: Federal securities: Par value	21	17	13
5001 Total investments, EOY: Federal securities: Par value	17	13	10

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Note.—Department of Veterans Affairs insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund was established in 1919 to receive premiums and pay claims on insurance issued under the provisions of the War Risk Insurance Act. The general decline in the activity of the fund is indicated in the following table:

POLICIES AND INSURANCE IN FORCE

	2011 actual	2012 est.	2013 est.
Number of policies	2,958	2,241	1,646
Insurance in force (dollars in millions)	\$8	\$5	\$4

The fund is operated on a commercial basis to the extent possible. The income of the fund is derived from interest on investments. Effective January 1, 1983, premiums were discontinued because reserves held in the fund were adequate to meet future liabilities of the program.

Assets of the fund, which are largely invested in interest-bearing securities and policy loans, are estimated to decrease from \$13.5 million as of September 30, 2012, to \$9.9 million as of September 30, 2013, as an increasing number of policies mature through death or disability. The actuarial evaluation of policy obligations as of September 30, 2013, totals \$9.4 million, leaving a balance of \$0.5 million for contingency reserves.

Status of Funds (in millions of dollars)

Identification code 36-8150-0-7-701	2011 actual	2012 est.	2013 est.
Unexpended balance, start of year:			
0100 Balance, start of year	21	17	12
0199 Total balance, start of year	21	17	12
Cash income during the year:			
Current law:			
Offsetting receipts (intragovernmental):			
1240 Interest and Profits on Investments in Public Debt Securities, USGLI	1	1	1
1299 Income under present law	1	1	1
3299 Total cash income	1	1	1
Cash outgo during year:			
Current law:			
4500 United States Government Life Insurance Fund	-5	-6	-2
4599 Outgo under current law (-)	-5	-6	-2
6599 Total cash outgo (-)	-5	-6	-2
Unexpended balance, end of year:			
8700 Uninvested balance (net), end of year		-1	1
8701 United States Government Life Insurance Fund	17	13	10
8799 Total balance, end of year	17	12	11

Object Classification (in millions of dollars)

Identification code 36-8150-0-7-701	2011 actual	2012 est.	2013 est.
Direct obligations:			
42.0 Insurance claims and indemnities	3	2	1
43.0 Interest and dividends	1	1	1
99.9 Total new obligations	4	3	2

VETERANS SPECIAL LIFE INSURANCE FUND

Program and Financing (in millions of dollars)

Identification code 36-8455-0-8-701	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0801 Death claims	98	107	113
0802 Cash surrenders	5	5	5
0803 Dividends	59	54	48
0804 All other	25	27	24
0805 Payments to insurance account	6	8	8
0806 Capital investment	11	10	10
0900 Total new obligations	204 ¹	211	208
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1,571	1,550	1,510
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	184	171	160
1801 Change in uncollected payments, Federal sources	-1		
1850 Spending auth from offsetting collections, mand (total)	183	171	160
1930 Total budgetary resources available	1,754	1,721	1,670
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	1,550	1,510	1,462
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	457	462	453
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-30	-29	-29
3020 Obligated balance, start of year (net)	427	433	424
3030 Obligations incurred, unexpired accounts	204	211	208
3040 Outlays (gross)	-199	-220	-213
3050 Change in uncollected pymts, Fed sources, unexpired	1		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	462	453	448
3091 Uncollected pymts, Fed sources, end of year	-29	-29	-29
3100 Obligated balance, end of year (net)	433	424	419
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	183	171	160
Outlays, gross:			
4100 Outlays from new mandatory authority		171	160
4101 Outlays from mandatory balances	199	49	53
4110 Outlays, gross (total)	199	220	213
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4121 Interest on Federal securities	-120	-111	-104
4123 Non-Federal sources	-64	-60	-56
4130 Offsets against gross budget authority and outlays (total)	-184	-171	-160
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	1		
4170 Outlays, net (mandatory)	15	49	53
4190 Outlays, net (total)	15	49	53
Memorandum (non-add) entries:			
5000 Total investments, SOY: Federal securities: Par value	1,997	1,981	1,932
5001 Total investments, EOY: Federal securities: Par value	1,981	1,932	1,879

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Note.—Department of Veterans Affairs insurance policy loans are not an extension of Federal credit. Credit schedules previously shown for this account have been discontinued.

This fund finances the payment of claims on life insurance policies issued before January 3, 1957, to veterans who served in the Armed Forces subsequent to April 1, 1951. No new policies can be issued. Policyholders may elect to purchase total disability income coverage with the payment of additional premiums.

Benefit program:

Death claims.—Represents payments to designated beneficiaries.

Cash surrenders.—A policyholder may terminate his or her insurance by cashing in the policy for its cash value.

Dividends.—Policyholders participate in the distribution of annual dividends.

All other.—Classified in this category are payments to policyholders who: (a) hold endowment policies which have matured; (b) have purchased total disability income coverage and subsequently become disabled; and (c) are paid interest on dividend credits and deposits.

The following table reflects the decrease in the number of policies and the amounts of insurance in force:

POLICIES AND INSURANCE IN FORCE

	2011 actual	2012 est.	2013 est.
Number of policies	158,765	149,844	140,593
Insurance in force (dollars in millions)	\$2,141	\$2,053	\$1,955

Financing.—Payments from this fund are financed primarily from premium receipts and interest on investments.

Object Classification (in millions of dollars)

Identification code 36-8455-0-8-701	2011 actual	2012 est.	2013 est.
Reimbursable obligations:			
33.0 Investments and loans	12	10	10
42.0 Insurance claims and indemnities	112	123	129
43.0 Interest and dividends	80	78	69
99.9 Total new obligations	204	211	208

DEPARTMENTAL ADMINISTRATION

Federal Funds

CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending, and improving any of the facilities, including parking projects, under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, [8102, 8103, 8106, 8108, 8109, 8110, and 8122] and chapter 81 of title 38, United States Code, *not otherwise provided for*, including planning, architectural and engineering services, construction management services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is more than the amount set forth in section 8104(a)(3)(A) of title 38, United States Code, or where funds for a project were made available in a previous major project appropriation, [589,604,000] \$532,470,000, to remain available until expended, of which \$5,000,000 shall be to make reimbursements as provided in section 13 of the Contract Disputes Act of 1978 (41 U.S.C. 612) for claims paid for contract disputes: *Provided*, That except for advance planning activities, including needs assessments which may or may not lead to capital investments, and other capital asset management related activities, including portfolio development and management activities, and investment strategy studies funded through the advance planning fund and the planning and design activities funded through the design fund, including needs assessments which may or may not lead to capital investments, and salaries and associated costs of the resident engineers who oversee those capital investments funded through this account, and funds provided for the purchase of land for the National Cemetery Administration through the land acquisition line item, none of the funds made available under this heading shall be used for any

CONSTRUCTION, MAJOR PROJECTS—Continued

project which has not been approved by the Congress in the budgetary process: *Provided further*, That funds made available under this heading for fiscal year [2012] 2013, for each approved project shall be obligated: (1) by the awarding of a construction documents contract by September 30, [2012] 2013; and (2) by the awarding of a construction contract by September 30, [2013] 2014: *Provided further*, That the Secretary of Veterans Affairs shall promptly submit to the Committees on Appropriations of both Houses of Congress a written report on any approved major construction project for which obligations are not incurred within the time limitations established above. (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 36-0110-0-1-703	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Medical programs	851	681	517
0002 National cemeteries		38	10
0005 Staff offices		6	5
0900 Total new obligations	851 ¹	725	532
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2,812	3,035	3,036
1021 Recoveries of prior year unpaid obligations		136	
1050 Unobligated balance (total)	2,812	3,171	3,036
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	1,151	590	532
1130 Appropriations permanently reduced	-77		
1160 Appropriation, discretionary (total)	1,074	590	532
1900 Budget authority (total)	1,074	590	532
1930 Total budgetary resources available	3,886	3,761	3,568
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	3,035	3,036	3,036
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1,379	1,218	804
3030 Obligations incurred, unexpired accounts	851	725	532
3040 Outlays (gross)	-1,012	-1,003	-945
3080 Recoveries of prior year unpaid obligations, unexpired		-136	
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1,218	804	391
3100 Obligated balance, end of year (net)	1,218	804	391
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	1,074	590	532
Outlays, gross:			
4010 Outlays from new discretionary authority	6	4	4
4011 Outlays from discretionary balances	1,006	999	941
4020 Outlays, gross (total)	1,012	1,003	945
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4180 Budget authority, net (total)	1,074	590	532
4190 Outlays, net (total)	1,012	1,003	945

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

The Construction, Major Projects appropriation funds construction projects costing more than \$10 million. Funding is included for the next phases of a combined cemetery expansion/medical facilities improvement project in St. Louis, MO; a polytrauma/ambulatory care project in Palo Alto, CA; and medical facility projects at Seattle, WA, and Dallas, TX. Additional funds are provided to reimburse the Judgment Fund, improve facility security at Department-owned buildings, purchase land for future cemetery expansions, fund salaries and associated costs of resident engineers who oversee the Department's capital investments, and support advance planning and design activities.

Object Classification (in millions of dollars)

Identification code 36-0110-0-1-703	2011 actual	2012 est.	2013 est.
Direct obligations:			
25.2 Other services from non-Federal sources	2	6	6
25.3 Other goods and services from Federal sources	44	24	24
26.0 Supplies and materials		3	3
31.0 Equipment	2	3	3
32.0 Land and structures	803	689	496
99.9 Total new obligations	851	725	532

CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities, including parking projects, under the jurisdiction or for the use of the Department of Veterans Affairs, including planning and assessments of needs which may lead to capital investments, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, [8102, 8103, 8106, 8108, 8109, 8110, 8122, and 8162] and chapter 81 of title 38, United States Code, not otherwise provided for, where the estimated cost of a project is equal to or less than the amount set forth in section 8104(a)(3)(A) of title 38, United States Code, [\$482,386,000] \$607,530,000, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is equal to or less than the amount set forth in such section: *Provided*, That funds made available under this heading shall be for: (1) repairs to any of the nonmedical facilities under the jurisdiction or for the use of the Department which are necessary because of loss or damage caused by any natural disaster or catastrophe; and (2) temporary measures necessary to prevent or to minimize further loss by such causes. (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 36-0111-0-1-703	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Medical programs	683	405	506
0002 National cemeteries		36	58
0003 Regional offices		21	30
0004 Staff offices		20	13
0900 Total new obligations	683 ¹	482	607
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	493	277	277
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	468	482	607
1130 Appropriations permanently reduced	-1		
1160 Appropriation, discretionary (total)	467	482	607
1900 Budget authority (total)	467	482	607
1930 Total budgetary resources available	960	759	884
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	277	277	277
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	820	924	655
3030 Obligations incurred, unexpired accounts	683	482	607
3040 Outlays (gross)	-579	-751	-421
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	924	655	841
3100 Obligated balance, end of year (net)	924	655	841
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	467	482	607

Outlays, gross:				
4010	Outlays from new discretionary authority	22	87	110
4011	Outlays from discretionary balances	557	664	311
4020	Outlays, gross (total)	579	751	421
4180	Budget authority, net (total)	467	482	607
4190	Outlays, net (total)	579	751	421

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

The Construction, Minor Projects appropriation, which funds construction projects costing equal to or less than \$10 million, is used to improve the infrastructure of medical facilities and other Department-owned facilities to reduce the risk to patient life and safety, correct code deficiencies, and improve national cemeteries and regional and staff offices.

Object Classification (in millions of dollars)

Identification code 36-0111-0-1-703				
Direct obligations:				
25.2	Other services from non-Federal sources	5	37	37
26.0	Supplies and materials	14	5	5
31.0	Equipment	2	3	3
32.0	Land and structures	662	437	562
99.9	Total new obligations	683	482	607

GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify, or alter existing hospital, nursing home, and domiciliary facilities in State homes, for furnishing care to veterans as authorized by sections 8131 through 8137 of title 38, United States Code, \$85,000,000, to remain available until expended. (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 36-0181-0-1-703				
Obligations by program activity:				
0001	Grants for construction of state extended care facilities	5	169	105
0900	Total new obligations (object class 41.0)	5 ¹	169	105

Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	34	114	30
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	85	85	85
1160	Appropriation, discretionary (total)	85	85	85
1930	Total budgetary resources available	119	199	115
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	114	30	10

Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	433	314	222
3030	Obligations incurred, unexpired accounts	5	169	105
3040	Outlays (gross)	-124	-261	-74
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	314	222	253
3100	Obligated balance, end of year (net)	314	222	253

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	85	85	85
Outlays, gross:				
4010	Outlays from new discretionary authority		2	2
4011	Outlays from discretionary balances	124	259	72
4020	Outlays, gross (total)	124	261	74
4180	Budget authority, net (total)	85	85	85

4190	Outlays, net (total)	124	261	74
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¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

GRANTS FOR CONSTRUCTION OF VETERANS CEMETERIES

For grants to assist States and tribal governments in establishing, expanding, or improving veterans cemeteries as authorized by section 2408 of title 38, United States Code, \$46,000,000, to remain available until expended. (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 36-0183-0-1-705				
Obligations by program activity:				
0001	Grants for construction of state veterans cemeteries	44	52	46
0900	Total new obligations (object class 41.0)	44 ¹	52	46

Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	4	6	
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	46	46	46
1160	Appropriation, discretionary (total)	46	46	46
1930	Total budgetary resources available	50	52	46
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	6		

Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	73	67	86
3030	Obligations incurred, unexpired accounts	44	52	46
3040	Outlays (gross)	-50	-33	-33
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	67	86	99
3100	Obligated balance, end of year (net)	67	86	99

Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	46	46	46
Outlays, gross:				
4010	Outlays from new discretionary authority		25	25
4011	Outlays from discretionary balances	50	8	8
4020	Outlays, gross (total)	50	33	33
4180	Budget authority, net (total)	46	46	46
4190	Outlays, net (total)	50	33	33

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

VETERANS EMPLOYMENT AND INFRASTRUCTURE ENHANCEMENT TRANSFER FUND

(Legislative proposal, subject to PAYGO)

Program and Financing (in millions of dollars)

Identification code 36-0157-4-1-702				
Obligations by program activity:				
0001	Direct program activity			75
0100	Direct program activities, subtotal			75

Budgetary Resources:				
Budget authority:				
Appropriations, mandatory:				
1200	Appropriation			1,000
1260	Appropriations, mandatory (total)			1,000
1930	Total budgetary resources available			1,000

VETERANS EMPLOYMENT AND INFRASTRUCTURE ENHANCEMENT TRANSFER FUND—Continued

Program and Financing—Continued

Identification code 36-0157-4-1-702	2011 actual	2012 est.	2013 est.
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year			925
Change in obligated balance:			
3030 Obligations incurred, unexpired accounts			75
3040 Outlays (gross)			-50
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)			25
3100 Obligated balance, end of year (net)			25
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross			1,000
Outlays, gross:			
4100 Outlays from new mandatory authority			50
4180 Budget authority, net (total)			1,000
4190 Outlays, net (total)			50

This legislative proposal provides funding to the Department of Veterans Affairs to coordinate an interagency process and transfer up to \$1 billion in mandatory funding over five years to relevant agencies to create jobs for veterans on conservation, energy, and infrastructure projects in national and state parks and forests, and other public lands.

Object Classification (in millions of dollars)

Identification code 36-0157-4-1-702	2011 actual	2012 est.	2013 est.
11.1 Direct obligations: Personnel compensation: Full-time permanent			1
Allocation Account - direct:			
11.1 Personnel compensation: Full-time permanent			4
12.1 Civilian personnel benefits			1
25.2 Other services from non-Federal sources			59
31.0 Equipment			10
99.0 Allocation account - direct			74
99.9 Total new obligations			75

Employment Summary

Identification code 36-0157-4-1-702	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment			5

GENERAL ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including administrative expenses in support of Department-Wide capital planning, management and policy activities, uniforms, or allowances therefor; not to exceed \$25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, \$416,737,000, of which not to exceed \$20,837,000 shall remain available until September 30, [2013] 2014: *Provided*, That funds provided under this heading may be transferred to "General operating expenses, Veterans Benefits Administration".

GENERAL OPERATING EXPENSES, VETERANS BENEFITS ADMINISTRATION

For necessary operating expenses of the Veterans Benefits Administration, not otherwise provided for, including hire of passenger motor vehicles, reimbursement of the General Services Administration for security guard services, and reimbursement of the Department of Defense for the cost of overseas employee mail, [\$2,018,764,000] \$2,164,074,000: *Provided*, That expenses for services and assistance authorized under paragraphs (1), (2), (5), and (11) of section 3104(a) of title 38, United

States Code, that the Secretary of Veterans Affairs determines are necessary to enable entitled veterans: (1) to the maximum extent feasible, to become employable and to obtain and maintain suitable employment; or (2) to achieve maximum independence in daily living, shall be charged to this account: *Provided further*, That of the funds made available under this heading, not to exceed [\$105,000,000] \$113,000,000 shall remain available until September 30, [2013] 2014: *Provided further*, That from the funds made available under this heading, the Veterans Benefits Administration may purchase (on a one-for-one replacement basis only) up to two passenger motor vehicles for use in operations of that Administration in Manila, Philippines. (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 36-0142-0-1-705	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0010 Compensation and pensions	1,751	1,635	1,749
0011 Education	208	178	180
0012 Vocational rehabilitation and counseling	205	205	234
0013 Insurance	1	1	1
0014 General administration	397	431	417
0799 Total direct obligations	2,562	2,450	2,581
0801 Compensation and pensions	180	217	261
0802 Education		1	1
0804 Insurance	31	35	34
0805 Housing	117	137	138
0806 General administration	409	433	479
0899 Total reimbursable obligations	737	823	913
0900 Total new obligations	3,299 ¹	3,273	3,494
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	38	14	
1012 Unobligated balance transfers between expired and unexpired accounts	31		
1050 Unobligated balance (total)	69	14	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	2,534	2,436	2,581
1130 Appropriations permanently reduced	-5		
1160 Appropriation, discretionary (total)	2,529	2,436	2,581
Spending authority from offsetting collections, discretionary:			
1700 Collected	737	823	913
1701 Change in uncollected payments, Federal sources	1		
1750 Spending auth from offsetting collections, disc (total)	738	823	913
1900 Budget authority (total)	3,267	3,259	3,494
1930 Total budgetary resources available	3,336	3,273	3,494
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-23		
1941 Unexpired unobligated balance, end of year	14		
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	653	544	599
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-3	-2	-2
3020 Obligated balance, start of year (net)	650	542	597
3030 Obligations incurred, unexpired accounts	3,299	3,273	3,494
3031 Obligations incurred, expired accounts	-30		
3040 Outlays (gross)	-3,375	-3,218	-3,414
3050 Change in uncollected pymts, Fed sources, unexpired	-1		
3051 Change in uncollected pymts, Fed sources, expired	2		
3081 Recoveries of prior year unpaid obligations, expired	-3		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	544	599	679
3091 Uncollected pymts, Fed sources, end of year	-2	-2	-2
3100 Obligated balance, end of year (net)	542	597	677
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	3,267	3,259	3,494
Outlays, gross:			
4010 Outlays from new discretionary authority	2,816	2,777	2,985
4011 Outlays from discretionary balances	559	441	429
4020 Outlays, gross (total)	3,375	3,218	3,414

Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-737	-823	-913
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	-1		
4070	Budget authority, net (discretionary)	2,529	2,436	2,581
4080	Outlays, net (discretionary)	2,638	2,395	2,501
4180	Budget authority, net (total)	2,529	2,436	2,581
4190	Outlays, net (total)	2,638	2,395	2,501

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

General Administration.—Includes departmental executive direction, departmental support offices, the General Counsel, and the Board of Veterans' Appeals. The Pershing Hall Revolving Fund was created to operate and manage Pershing Hall, an asset of the United States, located in Paris, France. All operating expenses for Pershing Hall are borne by the revolving fund and all receipts generated by the operation of Pershing Hall are deposited in the revolving fund.

General Operating Expenses, Veterans Benefits Administration.—The total cost of administering veterans insurance programs is funded through direct appropriations to this account and through reimbursements from the insurance trust fund. This appropriation provides for the Department's top management direction and administrative support, including fiscal, personnel, and legal services, as well as for the administration of veteran benefits.

Note.—Reflects FTE treated as reimbursements in all years and the effects of Credit Reform, per P.L. 101-508.

Object Classification (in millions of dollars)

Identification code 36-0142-0-1-705	2011 actual	2012 est.	2013 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	1,379	1,383	1,456
11.5	Other personnel compensation	94	94	99
11.9	Total personnel compensation	1,473	1,477	1,555
12.1	Civilian personnel benefits	435	436	459
13.0	Benefits for former personnel	8	8	8
21.0	Travel and transportation of persons	59	39	42
22.0	Transportation of things	2	3	2
23.1	Rent	133	139	145
23.2	Rental payments to others	20	21	22
23.3	Communications, utilities, and miscellaneous charges	36	38	39
24.0	Printing and reproduction	3	6	6
25.2	Other services from non-Federal sources	331	233	254
26.0	Supplies and materials	23	18	18
31.0	Equipment	29	22	21
41.0	Grants, subsidies, and contributions	9	9	9
42.0	Insurance claims and indemnities	1	1	1
99.0	Direct obligations	2,562	2,450	2,581
99.0	Reimbursable obligations	737	823	913
99.9	Total new obligations	3,299	3,273	3,494

Employment Summary

Identification code 36-0142-0-1-705	2011 actual	2012 est.	2013 est.	
1001	Direct civilian full-time equivalent employment	20,984	21,488	21,667
2001	Reimbursable civilian full-time equivalent employment	1,947	2,463	2,470

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, to include information technology, in carrying out the provisions of the Inspector General Act of 1978 (5 U.S.C. App.), **[\$112,391,000] \$113,000,000**, of which \$6,000,000 shall remain available until September 30, **[2013] 2014.** (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)

Program and Financing (in millions of dollars)

Identification code 36-0170-0-1-705	2011 actual	2012 est.	2013 est.	
Obligations by program activity:				
0101	Direct program	109	112	113
0192	Total direct program	109	112	113
0801	Reimbursable program	4	5	5
0900	Total new obligations	113 ¹	117	118
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	1	1	1
Budget authority:				
Appropriations, discretionary:				
1100	Appropriation	109	112	113
1160	Appropriation, discretionary (total)	109	112	113
Spending authority from offsetting collections, discretionary:				
1700	Collected	4	5	5
1750	Spending auth from offsetting collections, disc (total)	4	5	5
1900	Budget authority (total)	113	117	118
1930	Total budgetary resources available	114	118	119
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	1	1	1
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	31	29	25
3030	Obligations incurred, unexpired accounts	113	117	118
3031	Obligations incurred, expired accounts	-2		
3040	Outlays (gross)	-113	-121	-115
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	29	25	28
3100	Obligated balance, end of year (net)	29	25	28
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	113	117	118
Outlays, gross:				
4010	Outlays from new discretionary authority	94	93	93
4011	Outlays from discretionary balances	19	28	22
4020	Outlays, gross (total)	113	121	115
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-4	-5	-5
4180	Budget authority, net (total)	109	112	113
4190	Outlays, net (total)	109	116	110

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

This appropriation provides for carrying out the independent oversight responsibilities of the *Inspector General Act of 1978*. This oversight includes VA-wide audit, investigation, health care inspection, and management support functions to identify and report weaknesses and deficiencies that create conditions for actual or potential fraud and other criminal activity, mismanagement, and waste in VA programs and operations. The audit function plans and conducts internal programmatic and financial audits and evaluations of all facets of VA operations. The health care inspection function performs legislatively mandated medical care quality assurance reviews and oversight of VA health care programs. The investigative function performs criminal and administrative investigations of improper and illegal activities involving VA operations, personnel, beneficiaries, and other parties.

Object Classification (in millions of dollars)

Identification code 36-0170-0-1-705	2011 actual	2012 est.	2013 est.	
Direct obligations:				
Personnel compensation:				
11.1	Full-time permanent	61	62	64
11.5	Other personnel compensation	5	1	1
11.9	Total personnel compensation	66	63	65
12.1	Civilian personnel benefits	21	25	25

OFFICE OF INSPECTOR GENERAL—Continued
Object Classification—Continued

Identification code 36-0170-0-1-705	2011 actual	2012 est.	2013 est.
21.0 Employee Travel	6	6	6
23.1 Rental payments to GSA	4	5	5
23.3 Communications, utilities, and miscellaneous charges	1	1	1
25.2 Other services from non-Federal sources	9	10	10
26.0 Supplies and materials	1	1	.....
31.0 Equipment	1	1	1
99.0 Direct obligations	109	112	113
99.0 Reimbursable obligations	4	5	5
99.9 Total new obligations	113	117	118

Employment Summary

Identification code 36-0170-0-1-705	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment	609	620	615
2001 Reimbursable civilian full-time equivalent employment	24	29	29

INFORMATION TECHNOLOGY SYSTEMS

For necessary expenses for information technology systems and telecommunications support, including developmental information systems and operational information systems; for pay and associated costs; and for the capital asset acquisition of information technology systems, including management and related contractual costs of said acquisitions, including contractual costs associated with operations authorized by section 3109 of title 5, United States Code, **[\$3,111,376,000]** **\$3,327,444,000**, plus reimbursements: *Provided*, That **[\$915,000,000]** **\$1,021,000,000** shall be for pay and associated costs, of which not to exceed **[\$25,000,000]** **five percent of this amount** shall remain available until September 30, **[2013]** **2014: Provided further**, That **[\$1,616,018,000]** **\$1,812,045,000** shall be for operations and maintenance, of which not to exceed **[\$110,000,000]** **ten percent of this amount** shall remain available until September 30, **[2013]** **2014: Provided further**, That **[\$580,358,000]** **\$494,399,000** shall be for information technology systems development, modernization, and enhancement, and shall remain available until September 30, **[2013: Provided further**, That none of the funds made available under this heading may be obligated until the Department of Veterans Affairs submits to the Committees on Appropriations of both Houses of Congress, and such Committees approve, a plan for expenditure that: (1) meets the capital planning and investment control review requirements established by the Office of Management and Budget; (2) complies with the Department of Veterans Affairs enterprise architecture; (3) conforms with an established enterprise life cycle methodology; and (4) complies with the acquisition rules, requirements, guidelines, and systems acquisition management practices of the Federal Government: *Provided further*, That amounts made available for information technology systems development, modernization, and enhancement may not be obligated or expended until the Secretary of Veterans Affairs or the Chief Information Officer of the Department of Veterans Affairs submits to the Committees on Appropriations of both Houses of Congress a certification of the amounts, in parts or in full, to be obligated and expended for each development project] **2014: Provided further**, That amounts made available for salaries and expenses, operations and maintenance, and information technology systems development, modernization, and enhancement may be transferred among the three subaccounts after the Secretary of Veterans Affairs [requests from the Committees on Appropriations of both Houses of Congress the authority to make the transfer and an approval is issued: *Provided further*, That the funds made available under this heading for information technology systems development, modernization, and enhancement, shall be for the projects, and in the amounts, specified under this heading in the Joint Explanatory Statement of the Committee of Conference] *submits notice thereof to the Committees on Appropriations of both Houses of Congress. (Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.)*

Program and Financing (in millions of dollars)

Identification code 36-0167-0-1-705	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0001 Development	887	605	494
0002 Operations and maintenance	1,782	1,652	1,810
0003 Administrative and salaries	894	960	1,021
0799 Total direct obligations	3,563	3,217	3,325
0801 Development	9	8	8
0802 Operations and maintenance	23	20	20
0803 Administrative and salaries	15	22	19
0899 Total reimbursable obligations	47	50	47
0900 Total new obligations	3,610 ¹	3,267	3,372
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	680	113	.....
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	3,147	3,111	3,327
1120 Appropriations transferred to other accts [36-0169]	-2	-7	.....
1130 Appropriations permanently reduced	-6	.....	.....
1131 Unobligated balance of appropriations permanently reduced	-147	.....	.....
1160 Appropriation, discretionary (total)	2,992	3,104	3,327
Spending authority from offsetting collections, discretionary:			
1700 Collected	47	50	47
1701 Change in uncollected payments, Federal sources	5	.....	.....
1750 Spending auth from offsetting collections, disc (total)	52	50	47
1900 Budget authority (total)	3,044	3,154	3,374
1930 Total budgetary resources available	3,724	3,267	3,374
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-1	.....	.....
1941 Unexpired unobligated balance, end of year	113	.....	2
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	1,608	1,790	1,444
3010 Uncollected pymts, Fed sources, brought forward, Oct 1 .....	.....	-5	-5
3020 Obligated balance, start of year (net)	1,608	1,785	1,439
3030 Obligations incurred, unexpired accounts	3,610	3,267	3,372
3031 Obligations incurred, expired accounts	-26	.....	.....
3040 Outlays (gross)	-3,402	-3,613	-3,763
3050 Change in uncollected pymts, Fed sources, unexpired	-5	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	1,790	1,444	1,053
3091 Uncollected pymts, Fed sources, end of year	-5	-5	-5
3100 Obligated balance, end of year (net)	1,785	1,439	1,048
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	3,044	3,154	3,374
Outlays, gross:			
4010 Outlays from new discretionary authority	1,819	2,451	2,637
4011 Outlays from discretionary balances	1,583	1,162	1,126
4020 Outlays, gross (total)	3,402	3,613	3,763
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-47	-50	-47
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	-5	.....	.....
4070 Budget authority, net (discretionary)	2,992	3,104	3,327
4080 Outlays, net (discretionary)	3,355	3,563	3,716
4180 Budget authority, net (total)	2,992	3,104	3,327
4190 Outlays, net (total)	3,355	3,563	3,716

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

The Information Technology (IT) Systems appropriation funds IT services such as systems development and performance, operations and maintenance, information protection, and customer support. This appropriation enables the effective and efficient delivery of services to the nation's largest healthcare network as well as the veterans benefits and corporate business lines within the Department of Veterans Affairs (VA).

Development.—The Office of Information & Technology invests in projects designed to improve the delivery of VA services and benefits for veterans and their families. The Veterans Benefits Management System's development continues to progress and has seen successes in the early phase deliverables to date. This account also supports improvements to VA's financial and management systems as well as inter-agency efforts such as the development of the Virtual Lifetime Electronic Record and the Integrated Electronic Health Record with the Department of Defense.

Operations and Maintenance.—The Office of Information & Technology purchases, maintains, manages, and supports all the computer, phone, telecommunication, and data systems equipment for all VA facilities.

Object Classification (in millions of dollars)

Identification code 36-0167-0-1-705	2011 actual	2012 est.	2013 est.
Direct obligations:			
11.1 Personnel compensation: Full-time permanent	603	654	687
12.1 Civilian personnel benefits	164	160	196
13.0 Benefits for former personnel	1	1	1
21.0 Travel and transportation of persons	18	21	21
23.3 Communications, utilities, and miscellaneous charges	449	463	381
25.2 Other services from non-Federal sources	1,930	1,640	1,699
25.3 Other goods and services from Federal sources	1	1	1
26.0 Supplies and materials	12	10	10
31.0 Equipment	382	264	327
32.0 Land and structures	3	3	2
99.0 Direct obligations	3,563	3,217	3,325
99.0 Reimbursable obligations	47	50	47
99.9 Total new obligations	3,610	3,267	3,372

Employment Summary

Identification code 36-0167-0-1-705	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment	6,874	7,250	7,435
2001 Reimbursable civilian full-time equivalent employment	130	182	145

NATIONAL CEMETERY ADMINISTRATION

For necessary expenses of the National Cemetery Administration for operations and maintenance, not otherwise provided for, including uniforms or allowances therefor; cemeterial expenses as authorized by law; purchase of one passenger motor vehicle for use in cemeterial operations; hire of passenger motor vehicles; and repair, alteration or improvement of facilities under the jurisdiction of the National Cemetery Administration, **[\$250,934,000] \$258,284,000**, of which not to exceed **[\$25,100,000] \$25,828,000** shall remain available until September 30, **[2013: Provided, That none of the funds under this heading may be used to expand the Urban Initiative project beyond those sites outlined in the fiscal year 2012 or previous budget submissions until the National Cemetery Administration submits to the Committees on Appropriations of both Houses of Congress a detailed strategy to serve the burial needs of veterans residing in rural and highly rural areas: Provided further, That the report shall include a timeline for implementation of such strategy and cost estimates of establishing new burial sites in at least five rural or highly rural locations] 2014. (Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.)**

Program and Financing (in millions of dollars)

Identification code 36-0129-0-1-705	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0201 Administrative expenses	252	254	258
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	1		

1012 Unobligated balance transfers between expired and unexpired accounts	5	3	
1050 Unobligated balance (total)	6	3	
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	250	251	258
1130 Appropriations permanently reduced	-1		
1160 Appropriation, discretionary (total)	249	251	258
1930 Total budgetary resources available	255	254	258
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	-3		

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	127	111	115
3030 Obligations incurred, unexpired accounts	252	254	258
3031 Obligations incurred, expired accounts	-10		
3040 Outlays (gross)	-255	-250	-253
3081 Recoveries of prior year unpaid obligations, expired	-3		
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	111	115	120
3100 Obligated balance, end of year (net)	111	115	120

Budget authority and outlays, net:

Discretionary:			
4000 Budget authority, gross	249	251	258
Outlays, gross:			
4010 Outlays from new discretionary authority	178	194	189
4011 Outlays from discretionary balances	77	56	64
4020 Outlays, gross (total)	255	250	253
4180 Budget authority, net (total)	249	251	258
4190 Outlays, net (total)	255	250	253

The mission of the National Cemetery Administration is to honor veterans with final resting places in national shrines and with lasting tributes that commemorate their service to our Nation. The National Cemetery Administration's vision is to serve all veterans and their families with the utmost dignity, respect, and compassion. Every national cemetery will be a place that inspires visitors to understand and appreciate the service and sacrifice of our Nation's veterans. There are six related programs managed by the National Cemetery Administration including: (1) burying eligible veterans and their family members in national cemeteries and maintaining the graves and their environs as national shrines; (2) administering grants to States and Tribal Governments in establishing, expanding, improving, or operating veterans cemeteries; (3) providing headstones and markers for the graves of eligible veterans; (4) providing presidential memorial certificates to family and friends of deceased veterans, recognizing the veterans' contribution and service to the Nation; (5) providing graveliners or partial reimbursement for a privately purchased outer burial receptacle for each new grave in open national cemeteries administered by the National Cemetery Administration; and (6) recording First Notice of Veteran Deaths into VA electronic files to ensure timely termination of benefits and next-of-kin notification of possible entitlement to survivor benefits.

The National Cemetery Administration also reflects budget information for the National Cemetery Gift Fund and the National Cemetery Administration Facilities Operation Fund. Through the Gift Fund, the Secretary is authorized to accept gifts and bequests which are made for the purpose of beautifying national cemeteries or are determined to be beneficial to such cemeteries, or are made for the purpose of the operation, maintenance, or improvement of the National Memorial Cemetery of Arizona. Through the Facilities Operation Fund, the Secretary is authorized to lease any undeveloped land and unused or underutilized buildings of the National Cemetery Administration, or parts or parcels thereof, for a term not to exceed 10 years. Proceeds from such leases are deposited in the Facilities Operation Fund, and

NATIONAL CEMETERY ADMINISTRATION—Continued

are available to cover costs incurred by the National Cemetery Administration in the operation and maintenance of property of the Administration.

Note: Total obligations reported include the net of recoveries of prior year paid and unpaid obligations while VA is in the process of modifying its financial system to record recoveries consistent with OMB Circular No. A-11.

Object Classification (in millions of dollars)

Identification code 36-0129-0-1-705	2011 actual	2012 est.	2013 est.
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	96	99	101
11.3 Other than full-time permanent	1	1	1
11.9 Total personnel compensation	97	100	102
12.1 Civilian personnel benefits	32	32	34
21.0 Travel and transportation of persons	3	3	2
22.0 Transportation of things	2	2	2
23.1 Rent	3	2	2
23.3 Communications, utilities, and miscellaneous charges	6	7	7
24.0 Printing and reproduction	2	2	2
25.2 Other services from non-Federal sources	82	86	87
26.0 Supplies and materials	10	11	11
31.0 Equipment	13	6	6
32.0 Land and structures	2	3	3
99.9 Total new obligations	252	254	258

Employment Summary

Identification code 36-0129-0-1-705	2011 actual	2012 est.	2013 est.
1001 Direct civilian full-time equivalent employment	1,676	1,696	1,700

SUPPLY FUND

Program and Financing (in millions of dollars)

Identification code 36-4537-0-4-705	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0801 Reimbursable program-COGS-Merchandizing	560	838	879
0802 Reimbursable program-Other-Operations	339	358	387
0803 Reimbursable program-COGS-Printing and publications	55	29	30
0804 Reimbursable program-Other	200	200	200
0805 Reimbursable program-Equipment-Procurement services and distribution	226	465	494
0900 Total new obligations	1,180 ¹	1,890	1,990
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	752	653	653
Budget authority:			
Spending authority from offsetting collections, mandatory:			
1800 Collected	1,196	1,890	1,999
1801 Change in uncollected payments, Federal sources	-115	.....	.....
1850 Spending auth from offsetting collections, mand (total)	1,081	1,890	1,999
1930 Total budgetary resources available	1,833	2,543	2,652
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	653	653	662

Change in obligated balance:

Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	901	931	1,408
3010 Uncollected pymts, Fed sources, brought forward, Oct 1	-1,325	-1,210	-1,210
3020 Obligated balance, start of year (net)	-424	-279	198
3030 Obligations incurred, unexpired accounts	1,180	1,890	1,990
3040 Outlays (gross)	-1,150	-1,413	-1,899
3050 Change in uncollected pymts, Fed sources, unexpired	115	.....	.....
Obligated balance, end of year (net):			
3090 Unpaid obligations, end of year (gross)	931	1,408	1,499
3091 Uncollected pymts, Fed sources, end of year	-1,210	-1,210	-1,210

3100 Obligated balance, end of year (net)	-279	198	289
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	1,081	1,890	1,999
Outlays, gross:			
4100 Outlays from new mandatory authority .....	.....	1,388	1,899
4101 Outlays from mandatory balances	1,150	25	.....
4110 Outlays, gross (total)	1,150	1,413	1,899
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4120 Federal sources	-1,076	-1,890	-1,999
4123 Non-Federal sources	-120	.....	.....
4130 Offsets against gross budget authority and outlays (total)	-1,196	-1,890	-1,999
Additional offsets against gross budget authority only:			
4140 Change in uncollected pymts, Fed sources, unexpired	115	.....	.....
4170 Outlays, net (mandatory)	-46	-477	-100
4190 Outlays, net (total)	-46	-477	-100

¹Total obligations include the net of recoveries of prior year paid and unpaid obligations while VA is modifying its financial system to record recoveries consistent with OMB Circular A-11.

Under the provisions of 38 U.S.C. 8121, the Supply Fund is responsible for the operation and maintenance of a supply system for VA. In this capacity, it provides policy and oversight to VAs acquisition and logistics programs, and provides best value acquisition of goods and services through its National Acquisition Center, Center for Acquisition Innovation, Technology Acquisition Center and soon to be established Strategic Acquisition Center. Operating as an intra-governmental, revolving fund without fiscal year limitations, the Supply Fund is financed by revenue from fees on acquisitions of supplies, equipment, and services for both VA and other Government Agency (OGA) customers.

Object Classification (in millions of dollars)

Identification code 36-4537-0-4-705	2011 actual	2012 est.	2013 est.
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	81	92	92
11.5 Other personnel compensation	1	1	1
11.9 Total personnel compensation	82	93	93
12.1 Civilian personnel benefits	12	31	31
21.0 Travel and transportation of persons	13	25	25
23.1 Rental payments to GSA	5	4	4
23.3 Communications, utilities, and miscellaneous charges	3	7	7
24.0 Printing and reproduction	55	27	27
25.2 Other services from non-Federal sources	325	476	476
26.0 Supplies and materials	458	404	504
31.0 Equipment	227	823	823
99.9 Total new obligations	1,180	1,890	1,990

Employment Summary

Identification code 36-4537-0-4-705	2011 actual	2012 est.	2013 est.
2001 Reimbursable civilian full-time equivalent employment	803	1,100	1,300

FRANCHISE FUND

Program and Financing (in millions of dollars)

Identification code 36-4539-0-4-705	2011 actual	2012 est.	2013 est.
Obligations by program activity:			
0801 Reimbursable program	471	506	541
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	91	104	104
Budget authority:			
Spending authority from offsetting collections, discretionary:			
1700 Collected	458	506	541
1701 Change in uncollected payments, Federal sources	26	.....	.....

1750	Spending auth from offsetting collections, disc (total)	484	506	541
1930	Total budgetary resources available	575	610	645
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	104	104	104

Change in obligated balance:

Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	90	158	134
3010	Uncollected pymts, Fed sources, brought forward, Oct 1	-62	-88	-88
3020	Obligated balance, start of year (net)	28	70	46
3030	Obligations incurred, unexpired accounts	471	506	541
3040	Outlays (gross)	-403	-530	-533
3050	Change in uncollected pymts, Fed sources, unexpired	-26		
Obligated balance, end of year (net):				
3090	Unpaid obligations, end of year (gross)	158	134	142
3091	Uncollected pymts, Fed sources, end of year	-88	-88	-88
3100	Obligated balance, end of year (net)	70	46	54

Budget authority and outlays, net:

Discretionary:				
4000	Budget authority, gross	484	506	541
Outlays, gross:				
4010	Outlays from new discretionary authority	222	380	406
4011	Outlays from discretionary balances	181	150	127
4020	Outlays, gross (total)	403	530	533
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	-458	-506	-541
Additional offsets against gross budget authority only:				
4050	Change in uncollected pymts, Fed sources, unexpired	-26		
4080	Outlays, net (discretionary)	-55	24	-8
4190	Outlays, net (total)	-55	24	-8

The VA Franchise Fund was established under the authority of the Government Management Reform Act of 1994 and the VA and Housing and Urban Development and Independent Agencies Act of 1997. VA was selected by the Office of Management and Budget (OMB) in 1996 as one of the six executive branch agencies to establish a franchise fund pilot program. Created as a revolving fund, the VA Franchise Fund began providing common administrative support services to the VA and other government agencies in 1997 on a fee-for-service basis. In 2006, under the Military Quality of Life and Veterans Affairs Appropriations Act, Public Law 109-114, permanent status was conferred upon the VA Franchise Fund. VA Enterprise Centers are the lines of business within the VA Franchise Fund and are expected to have net billings of about \$541 million and employ 1,249 in 2013. The Franchise Fund concept is intended to increase competition for government administrative services, resulting in lower costs and higher quality.

Object Classification (in millions of dollars)

Identification code 36-4539-0-4-705				
Reimbursable obligations:				
11.1	Personnel compensation: Full-time permanent	84	82	117
12.1	Civilian personnel benefits	25	31	31
21.0	Travel and transportation of persons	2	5	5
23.1	Rental payments to GSA	9	13	13
23.3	Communications, utilities, and miscellaneous charges	44	57	57
24.0	Printing and reproduction	6	7	7
25.2	Other services from non-Federal sources	251	270	270
26.0	Supplies and materials	3	7	7
31.0	Equipment	47	34	34
99.9	Total new obligations	471	506	541

Employment Summary

Identification code 36-4539-0-4-705				
	2011 actual	2012 est.	2013 est.	
2001	Reimbursable civilian full-time equivalent employment	1,054	1,200	1,249

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

SEC. 201. Any appropriation for fiscal year [2012] 2013 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred as necessary to any other of the mentioned appropriations: *Provided*, That before a transfer may take place, the Secretary of Veterans Affairs shall [request from] submit notice thereof to the Committees on Appropriations of both Houses of Congress [the authority to make the transfer and such Committees issue an approval, or absent a response, a period of 30 days has elapsed].

(INCLUDING TRANSFER OF FUNDS)

SEC. 202. Amounts made available for the Department of Veterans Affairs for fiscal year [2012] 2013, in this Act or any other Act, under the "Medical services", "Medical support and compliance", and "Medical facilities" accounts may be transferred among the accounts: *Provided*, That [any transfers between the "Medical services" and "Medical support and compliance" accounts of 1 percent or less of the total amount appropriated to the account in this or any other Act may take place subject to notification from the Secretary of Veterans Affairs to the Committees on Appropriations of both Houses of Congress of the amount and purpose of the transfer: *Provided further*, That any transfers between the "Medical services" and "Medical support and compliance" accounts in excess of 1 percent, or exceeding the cumulative 1 percent for the fiscal year, may take place only after the Secretary requests from the Committees on Appropriations of both Houses of Congress the authority to make the transfer and an approval is issued: *Provided further*, That any transfers to or from the "Medical facilities" account may take place only after the Secretary requests from the Committees on Appropriations of both Houses of Congress the authority to make the transfer and an approval is issued] before a transfer may take place, the Secretary of Veterans Affairs shall submit notice thereof to the Committees on Appropriations of both Houses of Congress.

SEC. 203. Appropriations available in this title for salaries and expenses shall be available for services authorized by section 3109 of title 5, United States Code, hire of passenger motor vehicles; lease of a facility or land or both; and uniforms or allowances therefore, as authorized by sections 5901 through 5902 of title 5, United States Code.

SEC. 204. No appropriations in this title (except the appropriations for "Construction, major projects", and "Construction, minor projects") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 205. No appropriations in this title shall be available for hospitalization or examination of any persons (except beneficiaries entitled to such hospitalization or examination under the laws providing such benefits to veterans, and persons receiving such treatment under sections 7901 through 7904 of title 5, United States Code, or the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.)), unless reimbursement of the cost of such hospitalization or examination is made to the "Medical services" account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 206. Appropriations available in this title for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year [2011] 2012.

SEC. 207. Appropriations available in this title shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from sections 3328(a), 3334, and 3712(a) of title 31, United States Code, except that if such obligations are from trust fund accounts they shall be payable only from "Compensation and pensions".

(INCLUDING TRANSFER OF FUNDS)

SEC. 208. Notwithstanding any other provision of law, during fiscal year [2012] 2013, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund under section 1920 of title 38, United

States Code, the Veterans' Special Life Insurance Fund under section 1923 of title 38, United States Code, and the United States Government Life Insurance Fund under section 1955 of title 38, United States Code, reimburse the "General operating expenses, Veterans Benefits Administration" and "Information technology systems" accounts for the cost of administration of the insurance programs financed through those accounts: *Provided*, That reimbursement shall be made only from the surplus earnings accumulated in such an insurance program during fiscal year **[2012]** 2013 that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: *Provided further*, That if the cost of administration of such an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: *Provided further*, That the Secretary shall determine the cost of administration for fiscal year **[2012]** 2013 which is properly allocable to the provision of each such insurance program and to the provision of any total disability income insurance included in that insurance program.

SEC. 209. Amounts deducted from enhanced-use lease proceeds to reimburse an account for expenses incurred by that account during a prior fiscal year for providing enhanced-use lease services, may be obligated during the fiscal year in which the proceeds are received.

(INCLUDING TRANSFER OF FUNDS)

SEC. 210. Funds available in this title or funds for salaries and other administrative expenses shall also be available to reimburse the Office of Resolution Management of the Department of Veterans Affairs and the Office of Employment Discrimination Complaint Adjudication under section 319 of title 38, United States Code, for all services provided at rates which will recover actual costs but not exceed \$42,904,000 for the Office of Resolution Management and \$3,360,000 for the Office of Employment and Discrimination Complaint Adjudication: *Provided*, That payments may be made in advance for services to be furnished based on estimated costs: *Provided further*, That amounts received shall be credited to the "General administration" and "Information technology systems" accounts for use by the office that provided the service.

SEC. 211. No appropriations in this title shall be available to enter into any new lease of real property if the estimated annual rental cost is more than \$1,000,000, unless the Secretary submits a report **[which]** to the Committees on Appropriations of both Houses of Congress **[approve within 30 days following the date on which the report is received]**.

SEC. 212. No funds of the Department of Veterans Affairs shall be available for hospital care, nursing home care, or medical services provided to any person under chapter 17 of title 38, United States Code, for a non-service-connected disability described in section 1729(a)(2) of such title, unless that person has disclosed to the Secretary of Veterans Affairs, in such form as the Secretary may require, current, accurate third-party reimbursement information for purposes of section 1729 of such title: *Provided*, That the Secretary may recover, in the same manner as any other debt due the United States, the reasonable charges for such care or services from any person who does not make such disclosure as required: *Provided further*, That any amounts so recovered for care or services provided in a prior fiscal year may be obligated by the Secretary during the fiscal year in which amounts are received.

(INCLUDING TRANSFER OF FUNDS)

SEC. 213. Notwithstanding any other provision of law, proceeds or revenues derived from enhanced-use leasing activities (including disposal) may be deposited into the "Construction, major projects" and "Construction, minor projects" accounts and be used for construction (including site acquisition and disposition), alterations, and improvements of any medical facility under the jurisdiction or for the use of the Department of Veterans Affairs. Such sums as realized are in addition to the amount provided for in "Construction, major projects" and "Construction, minor projects".

SEC. 214. Amounts made available under "Medical services" are available—

- (1) for furnishing recreational facilities, supplies, and equipment; and
- (2) for funeral expenses, burial expenses, and other expenses incidental to funerals and burials for beneficiaries receiving care in the Department.

(INCLUDING TRANSFER OF FUNDS)

SEC. 215. Such sums as may be deposited to the Medical Care Collections Fund pursuant to section 1729A of title 38, United States Code, may be transferred to "Medical services", to remain available until expended for the purposes of that account.

SEC. 216. The Secretary of Veterans Affairs may enter into agreements with Indian tribes and tribal organizations which are party to the Alaska Native Health Compact with the Indian Health Service, and Indian tribes and tribal organizations serving rural Alaska which have entered into contracts with the Indian Health Service under the Indian Self Determination and Educational Assistance Act, to provide healthcare, including behavioral health and dental care. The Secretary shall require participating veterans and facilities to comply with all appropriate rules and regulations, as established by the Secretary. The term "rural Alaska" shall mean those lands sited within the external boundaries of the Alaska Native regions specified in sections 7(a)(1)-(4) and (7)-(12) of the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1606), and those lands within the Alaska Native regions specified in sections 7(a)(5) and 7(a)(6) of the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1606), which are not within the boundaries of the Municipality of Anchorage, the Fairbanks North Star Borough, the Kenai Peninsula Borough or the Matanuska Susitna Borough.

(INCLUDING TRANSFER OF FUNDS)

SEC. 217. Such sums as may be deposited to the Department of Veterans Affairs Capital Asset Fund pursuant to section 8118 of title 38, United States Code, may be transferred to the "Construction, major projects" and "Construction, minor projects" accounts, to remain available until expended for the purposes of these accounts.

[SEC. 218. None of the funds made available in this title may be used to implement any policy prohibiting the Directors of the Veterans Integrated Services Networks from conducting outreach or marketing to enroll new veterans within their respective Networks.]

[SEC. 219. The Secretary of Veterans Affairs shall submit to the Committees on Appropriations of both Houses of Congress a quarterly report on the financial status of the Veterans Health Administration.]

(INCLUDING TRANSFER OF FUNDS)

SEC. **[220]**218. Amounts made available under the "Medical services", "Medical support and compliance", "Medical facilities", "General operating expenses, Veterans Benefits Administration", "General administration", and "National Cemetery Administration" accounts for fiscal year **[2012]** 2013, may be transferred to or from the "Information technology systems" account: *Provided*, That before a transfer may take place, the Secretary of Veterans Affairs shall **[request from]** *submit notice thereof* to the Committees on Appropriations of both Houses of Congress **[the authority to make the transfer and an approval is issued]**.

(INCLUDING TRANSFER OF FUNDS)

SEC. **[221]**219. Amounts made available for the "Information technology systems" account for development, modernization, and enhancement may be transferred between projects or to newly defined projects: *Provided*, That no project may be increased or decreased by more than **[\$1,000,000]** \$3,000,000 of cost prior to submitting **[a request]** *notice thereof* to the Committees on Appropriations of both Houses of Congress **[to make the transfer and an approval is issued, or absent a response, a period of 30 days has elapsed]**.

SEC. **[222]**220. None of the funds appropriated or otherwise made available by this Act or any other Act for the Department of Veterans Affairs may be used in a manner that is inconsistent with: (1) section 842 of the Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006 (Public Law 109-115; 119 Stat. 2506); or (2) section 8110(a)(5) of title 38, United States Code.

[SEC. 223. Of the amounts made available to the Department of Veterans Affairs for fiscal year 2012, in this Act or any other Act, under the "Medical facilities" account for nonrecurring maintenance, not more than 20 percent of the funds made available shall be obligated during the last 2 months of that fiscal year: *Provided*, That the Secretary may waive this requirement after providing written notice to the Committees on Appropriations of both Houses of Congress.]

(INCLUDING TRANSFER OF FUNDS)

SEC. **[224]**221. Of the amounts appropriated to the Department of Veterans Affairs for fiscal year **[2012]** 2013 for "Medical services", "Medical support and compliance", "Medical facilities", "Construction,

minor projects", and "Information technology systems", up to **[\$241,666,000]** *\$247,356,000*, plus reimbursements, may be transferred to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund, established by section 1704 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat. 3571) and may be used for operation of the facilities designated as combined Federal medical facilities as described by section 706 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417; 122 Stat. 4500): *Provided*, That additional funds may be transferred from accounts designated in this section to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund upon written notification by the Secretary of Veterans Affairs to the Committees on Appropriations of both Houses of Congress.

(INCLUDING TRANSFER OF FUNDS)

SEC. **[225]**222. Such sums as may be deposited to the Medical Care Collections Fund pursuant to section 1729A of title 38, United States Code, for health care provided at facilities designated as combined Federal medical facilities as described by section 706 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417; 122 Stat. 4500) shall also be available: (1) for transfer to the Joint Department of Defense-Department of Veterans Affairs Medical Facility Demonstration Fund, established by section 1704 of the National Defense Authorization Act for Fiscal Year 2010 (Public Law 111–84; 123 Stat. 3571); and (2) for operations of the facilities designated as combined Federal medical facilities as described by section 706 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Public Law 110–417; 122 Stat. 4500).

(INCLUDING TRANSFER OF FUNDS)

SEC. **[226]**223. Of the amounts available in this title for "Medical services", "Medical support and compliance", and "Medical facilities", a minimum of \$15,000,000, shall be transferred to the DOD-VA Health Care Sharing Incentive Fund, as authorized by section 8111(d) of title 38, United States Code, to remain available until expended, for any purpose authorized by section 8111 of title 38, United States Code.

(INCLUDING **[RESCISSIONS]** CANCELLATIONS OF FUNDS)

SEC. **[227]**224. (a) Of the funds appropriated in title **[X]** II of division **[B]** H of Public Law **[112–10]** *112–74*, the following amounts which became available on October 1, **[2011]** *2012*, are hereby **[rescinded]** *permanently cancelled* from the following accounts in the amounts specified:

- (1) "Department of Veterans Affairs, Medical services", \$1,400,000,000.
- (2) "Department of Veterans Affairs, Medical support and compliance", \$100,000,000.
- (3) "Department of Veterans Affairs, Medical facilities", \$250,000,000.

(b) In addition to amounts provided elsewhere in this Act, an additional amount is appropriated to the following accounts in the amounts specified to remain available until September 30, **[2013]** *2014*:

- (1) "Department of Veterans Affairs, Medical services", \$1,400,000,000.
- (2) "Department of Veterans Affairs, Medical support and compliance", \$100,000,000.
- (3) "Department of Veterans Affairs, Medical facilities", \$250,000,000.

[SEC. 228. The Secretary of the Department of Veterans Affairs shall notify the Committees on Appropriations of both Houses of Congress of all bid savings in major construction projects that total at least \$5,000,000, or 5 percent of the programmed amount of the project, whichever is less: *Provided*, That such notification shall occur within 14 days of a contract identifying the programmed amount: *Provided further*, That the Secretary shall notify the committees 14 days prior to the obligation of such bid savings and shall describe the anticipated use of such savings.]

[SEC. 229. The scope of work for a project included in "Construction, major projects" may not be increased above the scope specified for that project in the original justification data provided to the Congress as part of the request for appropriations.]

[SEC. 230. (a) EXCEPTION WITH RESPECT TO CONFIDENTIAL NATURE OF CLAIMS.—Section 5701 of title 38, United States Code, is amended by adding at the end the following new subsection:]

["(1) Under regulations the Secretary shall prescribe, the Secretary may disclose information about a veteran or the dependent of a veteran to a State controlled substance monitoring program, including a program approved by the Secretary of Health and Human Services under section 3990 of the Public Health Service Act (42 U.S.C. 280g-3), to the extent necessary to prevent misuse and diversion of prescription medicines.".

[(b) EXCEPTION WITH RESPECT TO CONFIDENTIALITY OF CERTAIN MEDICAL RECORDS.—Section 7332(b)(2) of title 38, United States Code, is amended by adding at the end the following new subparagraph:

["(G) To a State controlled substance monitoring program, including a program approved by the Secretary of Health and Human Services under section 3990 of the Public Health Service Act (42 U.S.C. 280g-3), to the extent necessary to prevent misuse and diversion of prescription medicines.".]

[SEC. 231. The Secretary of Veterans Affairs shall provide on a quarterly basis to the Committees on Appropriations of both Houses of Congress notification of any single national outreach and awareness marketing campaign in which obligations exceed \$2,000,000. The first report shall be submitted no later than April 15, 2012.]

[SEC. 232. None of the funds made available by this Act may be used to declare as excess to the needs of the Department of Veterans Affairs or otherwise take any action to exchange, trade, auction, transfer, or otherwise dispose of, or reduce the acreage of, Federal land and improvements at the St. Albans campus, consisting of approximately 55 acres of land, with borders near Linden Boulevard on the northwest, 115th Avenue on the west, the Long Island Railroad on the northeast, and Baisley Boulevard on the southeast.]

[SEC. 233. None of the funds made available in this Act may be used to enter into a contract using procedures that do not give to small business concerns owned and controlled by veterans (as that term is defined in section 3(q)(3) of the Small Business Act (15 U.S.C. 632(q)(3)) that are included in the database under section 8127(f) of title 38, United States Code, any preference available with respect to such contract, except for a preference given to small business concerns owned and controlled by service-disabled veterans (as defined in section 3(q)(2) of the Small Business Act (15 U.S.C. 632(q)(2)).]

[SEC. 234. Section 315(b) of title 38, United States Code, is amended by striking "December 31, 2011" and inserting "December 31, 2012".] (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)

GENERAL FUND RECEIPT ACCOUNTS

(in millions of dollars)

	2011 actual	2012 est.	2013 est.
Offsetting receipts from the public:			
36-14300 General Fund Proprietary Interest Receipts, not Otherwise Classified	6	7	6
36-247300 Contributions from Military Personnel, Veteran's Educational Assistance Act of 1984	176	157	139
36-273300 Housing Downward Reestimates	31	92	.....
36-275110 Native American Veteran Housing Loans, Negative Subsidies	1	1	2
36-275130 Native American Direct Loans, Downward Reestimate of Subsidies	3	5	.....
36-275510 Housing Negative Subsidies	229	132	83
36-322000 All Other General Fund Proprietary Receipts Including Budget Clearing Accounts	-27	-25	-25
General Fund Offsetting receipts from the public	419	369	205
Intragovernmental payments:			
36-388500 Undistributed Intragovernmental Payments and Receivables from Cancelled Accounts	8	8	8
General Fund Intragovernmental payments	8	8	8

TITLE V—GENERAL PROVISIONS

SEC. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 502. None of the funds made available in this Act may be used for any program, project, or activity, when it is made known to the Federal entity or official to which the funds are made available that the program, project, or activity is not in compliance with any Federal law relating to risk assessment, the protection of private property rights, or unfunded mandates.

SEC. 503. Such sums as may be necessary for fiscal year 2012 for pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

【SEC. 504. No part of any funds appropriated in this Act shall be used by an agency of the executive branch, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, and for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or film presentation designed to support or defeat legislation pending before Congress, except in presentation to Congress itself.】

SEC. 【505】504. All departments and agencies funded under this Act are encouraged, within the limits of the existing statutory authorities and funding, to expand their use of "E-Commerce" technologies and procedures in the conduct of their business practices and public service activities.

SEC. 【506】505. Unless stated otherwise, all reports and notifications required by this Act shall be submitted to the Subcommittee on Military Construction and Veterans Affairs, and Related Agencies of the Committee on Appropriations of the House of Representatives and the Subcommittee on Military Construction and Veterans Affairs, and Related Agencies of the Committee on Appropriations of the Senate.

SEC. 【507】506. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government except pursuant to a transfer made by, or transfer authority provided in, this or any other appropriations Act.

SEC. 【508】507. None of the funds made available in this Act may be used for a project or program named for an individual serving as a Member, Delegate, or Resident Commissioner of the United States House of Representatives.

SEC. 【509】508. (a) Any agency receiving funds made available in this Act, shall, subject to subsections (b) and (c), post on the public website of that agency any report required to be submitted by the Congress in this or any other Act, upon the determination by the head of the agency that it shall serve the national interest.

(b) Subsection (a) shall not apply to a report if—

- (1) the public posting of the report compromises national security; or
- (2) the report contains confidential or proprietary information.

(c) The head of the agency posting such report shall do so only after such report has been made available to the requesting Committee or Committees of Congress for no less than 45 days.

SEC. 【510】509. (a) None of the funds made available in this Act may be used to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

(b) Nothing in subsection (a) shall limit the use of funds necessary for any Federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities.

【SEC. 511. (a) IN GENERAL.—None of the funds appropriated or otherwise made available to the Department of Defense in this Act may be used to construct, renovate, or expand any facility in the United States, its territories, or possessions to house any individual detained at United States Naval Station, Guantanamo Bay, Cuba, for the purposes of detention or imprisonment in the custody or under the control of the Department of Defense.

(b) The prohibition in subsection (a) shall not apply to any modification of facilities at United States Naval Station, Guantanamo Bay, Cuba.

(c) An individual described in this subsection is any individual who, as of June 24, 2009, is located at United States Naval Station, Guantanamo Bay, Cuba, and who—

(1) is not a citizen of the United States or a member of the Armed Forces of the United States; and

(2) is—

(A) in the custody or under the effective control of the Department of Defense; or

(B) otherwise under detention at United States Naval Station, Guantanamo Bay, Cuba.】

SEC. 【512】510. None of the funds appropriated or otherwise made available in this Act may be used by an agency of the executive branch to pay for first-class travel by an employee of the agency in contravention of sections 301–10.122 through 301–10.124 of title 41, Code of Federal Regulations.

SEC. 【513】511. None of the funds provided in this Act may be used to execute a contract for goods or services, including construction services, where the contractor has not complied with Executive Order No. 12989.

SEC. 【514】512. None of the funds made available by this Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, or to make a grant to, any corporation that was convicted of a felony criminal violation under any Federal or State law within the preceding 24 months, where the awarding agency is aware of the conviction, unless the agency has considered suspension or debarment of the corporation and made a determination that this further action is not necessary to protect the interests of the Government. (*Military Construction and Veterans Affairs, and Related Agencies Appropriations Act, 2012.*)