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August 5, 2016

## VIA ELECTRONIC TRANSMISSION

The Honorable Robert A. McDonald Secretary U.S. Department of Veterans Affairs 810 Vermont Avenue NW Washington, DC 20420

Dear Secretary McDonald:

The U.S. Department of Veterans Affairs (VA) was created with the aim of caring for those who have served to protect the United States, by honoring their faithful service and providing healthcare for the injuries sustained in that service. The funds that are given to the VA are intended to further this goal and ensure that our nation's veterans are properly taken care of. Our veterans deserve the thanks of a grateful nation. Recent media reports have cast doubt on the VA's focus on our veterans. News reports allege that over the last ten years, the VA has spent \$20 million on high-end art, with approximately \$16 million of that spending occurring during the Obama Administration.<sup>1</sup> Specifically, artwork cost the VA \$1.5 million between 2004 and 2007, and \$16.2 million from 2008 to 2014.<sup>2</sup> These expenses include artwork, art consulting, and restoration projects.<sup>3</sup> On top of these exorbitant expenditures, the VA spent an additional \$2 million on "special projects."<sup>4</sup>

Leaving hundreds of thousands of veterans on waitlists while spending so much money on artwork undermines the American people's faith in the VA.<sup>5</sup>

In 2014 the Palo Alto VA location commissioned three separate installations and hired "art consultants," which cost \$1,149,335.<sup>6</sup> VA expenditures also include a 27 foot Christmas tree that cost \$21,000 in 2011.<sup>7</sup> The San Francisco VA facility spent \$32,000 on "local image" pictures, and the Anchorage, Alaska facility purchased sculptures and other pieces that totaled \$195,000 between 2009 and 2010.<sup>8</sup> In perhaps the strangest of these purchases, the Palo Alto Polytrauma and Blind Rehabilitation Center, a healthcare facility specifically committed to

- $^{3}$  Id.
- <sup>4</sup> Id.
- <sup>5</sup> Id.
- <sup>6</sup> Id.
- $^{7}$  Id.
- <sup>8</sup> Id.

<sup>&</sup>lt;sup>1</sup> Andrzejewski, Adam, *The VA's Luxury Art Obsession*; Forbes: Opinion, (Jul. 26, 2016) available at <u>http://www.forbes.com/sites/adamandrzejewski/2016/07/26/the-vas-luxury-art-obsession/#3ea3cdd67ecb</u> <sup>2</sup> *Id*.

serving blind veterans, bought a sculpture and commissioned an exterior wall façade.<sup>9</sup> These two works cost the VA \$670,000.<sup>10</sup>

The money used for this art could have gone toward providing better care for our veterans. Since the revelations regarding VA waitlists two years ago, an additional 39,454 new positions have been added to the Department's payroll. Yet, despite the very real backlog problem, only one in 11 of these positions are "Medical Officers."<sup>11</sup> In light of these concerns, please answer the following:

- 1. The VA has stated that rules regarding high-end art procurement will be changed in the future.<sup>12</sup> What are the rules as they currently stand? Please provide all relevant documentation. In addition, please explain the changes that will be instituted to ensure that this type of waste will not continue and provide an estimated timeline for implementation.
- 2. For each VA facility, please describe the type of employee that ultimately has the authority to authorize the purchase of art. Are there any checks and balances on these decisions? Please explain.
- 3. From 2004 to 2014, how much of the VA's funds were budgeted for art purchases? How much was actually spent?
- 4. Has the VA looked into whether or not any rules, regulations, or laws were violated by the purchase of the aforementioned art? If so, what was the conclusion? If not, why not?

Please number your responses according to their corresponding questions and respond no later than August 19, 2016. Please contact Josh Flynn-Brown of my Committee staff at (202) 224-5225 should you have any questions.

Sincerely,

Chuck Ander

Charles E. Grassley Chairman Committee on the Judiciary

<sup>&</sup>lt;sup>9</sup> Andrzejewski, Adam, *The VA's Luxury Art Obsession*; Forbes: Opinion, (Jul. 26, 2016) available at <u>http://www.forbes.com/sites/adamandrzejewski/2016/07/26/the-vas-luxury-art-obsession/#3ea3cdd67ecb</u> <sup>10</sup> *Id.* 

<sup>&</sup>lt;sup>10</sup> *Id.*  $^{11}$  *Id.* 

 $<sup>^{12}</sup>$  Id.

cc:

Senator Johnny Isakson Chairman Senate Committee on Veterans' Affairs

Senator Mark Kirk Chairman Senate Appropriations Subcommittee on Military Construction, Veterans Affairs, and Related Agencies