

#### DEPARTMENT OF VETERANS AFFAIRS WASHINGTON DC 20420

September 1, 2016

The Honorable Charles Grassley Chairman Committee on the Judiciary United States Senate Washington, DC 20510

Dear Mr. Chairman:

This is a follow-up to our August 22, 2016 interim response to your August 5, 2016, letter to the Department of Veterans Affairs (VA) regarding the artwork expenditures and policies at VA. I am responding on behalf of the Department and appreciate the opportunity to provide you with more details.

Enclosed please find additional information responsive to your request regarding artwork policies, expenditures, and contracts. The data provided in the enclosure reflects high-cost single purchase artwork over \$1000 purchased from January 2010 through July 2016. The Federal Acquisition Regulation (FAR) directs U.S. Government agencies to retain contracts for six years. Therefore, we were only able to capture data beginning in January 2010. As you will see in the estimated total of single artwork purchases over \$1000 during this time period is approximately \$4.7 million.

The above amount represents purchases made by the Veterans Health Administration. The Veterans Benefits Administration (VBA), National Cemetery Administration (NCA), and individual program offices have not made any major purchases of artwork in the past six years. VBA offices are decorated with donated artwork and with graphics created by their First Impressions program, which creates displays to demonstrate VBA's mission of supporting and caring for the needs of Veterans and their families. NCA uses common and popular art, prints, reproductions, etc, categorized as office equipment/furniture to decorate their NCA facilities. The last purchase by a program office in VA Central Office was for oil portraits of Secretaries James Peake for \$24,882 and Jim Nicholson for \$34,675, both in 2010.

Should you have any questions regarding the enclosed materials, please have a member of your staff contact Mr. Omar Boulware, Congressional Relations Officer, at 202-461-6468 or by email at Omara.Boulware@va.gov. Thank you for your continued support of our mission. A similar letter has been sent to Senator Leahy.

Sincerely,

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Robert D. Snyder Chief of Staff

Enclosures

### Enclosure to Response to Chairman Grassley regarding

#### **Artwork Purchases and Policies**

September 2016

1. VA has stated that rules regarding high-end art procurement will be changed in the future. 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.

Answer: Provided on August 22, 2016.

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?

Answer: Provided on August 22, 2016.

# <u>3. From 2004 to 2014, how much of VA's funds were budgeted for art purchases? How much was actually spent?</u>

<u>Answer:</u> In an effort to be transparent and accurate, rather than what was budgeted for artwork, we have collected expenditure data, which captures what was actually spent on artwork, and it is enclosed. From January 2010 through July 2016, VA has spent approximately \$4.7 million on artwork purchases over \$1000. Artwork is generally purchased within an activation contract under budget operating code (BOC) 3126, which includes purchases for other items such as furniture and fixtures. Therefore, to facilitate this data pull and review, we collected information on purchases of single pieces of artwork over \$1000 since January 1, 2010. This information is captured in the enclosed spreadsheet. Also enclosed are copies of the contracts or purchase orders and related documents for all of these purchases. In contrast, the supporting documentation (quotes, invoices, purchases orders, etc) provided by the VISNs includes purchases for all items within the BOC, including furnishings.

As noted in our interim response on August 22, 2016, the Federal Acquisition Regulation (FAR) directs US Government agencies to retain contracts for six years. Therefore, we were only able to capture data beginning January 1, 2010.

## <u>4. Has 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?</u>

Answer: Provided on August 22, 2016.