

GAO@100 Highlights

Highlights of [GAO-22-103962](#), a report to the Committee on Veterans' Affairs, U.S. Senate

Why GAO Did This Study

In providing healthcare to over 9 million enrolled veterans, VA manages a portfolio that includes 5,625 owned and 1,690 leased buildings as of fiscal year 2020. VA has pressing needs associated with these assets, not only maintaining or replacing aging facilities but also adapting to changes in veterans' demographics and needs.

GAO was asked to review VA's management of these real property (capital) assets. This report examines: (1) VA's management of its staffing resources for constructing and maintaining its capital assets, (2) VA's communication among offices involved in and supporting capital asset management, and (3) VA's assessment of its performance in capital asset management. GAO reviewed VA documentation and prior GAO and other reports about VA's capital asset management. GAO also interviewed officials at VA headquarters offices involved in asset management, VA officials at a non-generalizable selection of eight geographically dispersed VA medical centers and seven regional offices that managed the various types of VA capital projects, and representatives from four veterans service organizations.

What GAO Recommends

GAO is making three recommendations, that VA: specify how construction and field offices should communicate during project development; define the information technology office's role in carrying out projects; and develop performance goals and measures to assess VA's capital asset management. VA concurred with the recommendations.

View [GAO-22-103962](#). For more information, contact Andrew Von Ah at (202) 512-2834 or vonaha@gao.gov.

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VA REAL PROPERTY

Enhanced Communication and Performance Measurement Could Improve Capital Asset Management

What GAO Found

The Department of Veterans Affairs (VA) manages a vast portfolio of capital assets to provide healthcare to enrolled veterans. GAO found that VA has faced and continues to face challenges meeting three of the key GAO-identified characteristics of an asset management framework. These are (1) *leadership support that provides necessary resources, such as staffing*; (2) *communication across traditional agency boundaries*; and (3) *continuous assessment and improvement of asset management performance*. These characteristics are designed to optimize funding and agency decision-making.

- **Staffing resources.** Regarding *leadership that provides necessary resources*, GAO has previously identified staffing challenges that affected VA's ability to manage its assets and that resulted in consequences such as delayed projects and difficulties managing projects. VA officials continued to describe staffing challenges, such as difficulties in planning and executing projects and limits on the number of projects that facilities can undertake. VA officials described efforts they are making to address these challenges. Such efforts include, for example, developing new staffing models and establishing special salary rates for engineers. However, it is too early to determine the extent to which these efforts will improve staffing.
- **Communication.** Regarding *communication across traditional agency boundaries*, VA has taken steps to improve communication among offices with asset management responsibilities. Such steps include issuing an asset management directive that VA officials said would help to facilitate such communication. However, GAO found continuing instances of insufficient (1) communication early in project development between local offices and the Office of Construction and Facilities Management and (2) communication between construction offices and the Office of Information and Technology to ensure information technology needs are met when bringing facilities online. This lack of communication can be attributed, in part, to a lack of direction from VA on how and when to communicate. Improving communication between these offices could help prevent unnecessary delays in projects' development and execution and help VA bring space online more efficiently.
- **Performance measurement.** Regarding the need for *agencies to continuously assess the performance* of their asset management systems and implement necessary improvements, VA lacks sufficient performance goals and measures. Although it collects information on its facilities and has certain broad strategic goals, the agency does not have measurable goals to help assess its asset management and to determine how well that management is helping VA meet those broad strategic goals, such as a goal to reduce the amount of deferred maintenance. Although VA officials acknowledged the importance of such measures, they noted that they had found developing performance measures to be challenging, for reasons such as difficulty in attributing results to agency actions. Nevertheless, GAO's prior work indicates the value of doing so. In the absence of such measures, VA is limited in its ability to determine the extent to which its asset management is helping VA to achieve its strategic goals and objectives.