

July 31, 2008

## MANDATORY INTERNAL CONTROLS TRAINING REGARDING VA NONPROFIT CORPORATIONS

**1. PURPOSE:** This Veterans Health Administration (VHA) Directive provides policy on mandatory training for Department of Veterans Affairs (VA) statutory and non-statutory board members, to include facility Directors, Chiefs of Staff, Associate Chiefs of Staff for Research, and Executive Directors of the VA Nonprofit Corporations (NPCs).

### 2. BACKGROUND

a. In 2003, the Secretary of Veterans Affairs authorized the formation of the VA Non-Profit Corporation Oversight Board (NPOB). The NPOB serves as the Department's senior management oversight forum on NPC activities and programs. NPOB objectives include reviewing NPC activities for consistency with Department policy and interests, and making recommendations to the Secretary of Veterans Affairs and Deputy Secretary regarding changes to and implementation of VA policy regarding NPCs.

b. In March 2003, the Under Secretary for Health established the Non-Profit Program Office (NPPO). As part of the oversight functions of both the NPOB and the NPPO, a determination was made to conduct training for the NPCs statutory board members and Executive Directors. In 2004, the NPC Board of Directors Governance Training was held regarding the roles and responsibilities of the Board of Directors. Thereafter, it was determined that these training sessions should continue at regular intervals for NPC board members, as well as the Executive Directors.

c. The training explains the responsibilities of the NPCs Board of Directors in relation to internal controls and protecting an organization's resources from fraud, and provides guidance in how best to meet these responsibilities. In addition, the training increases awareness and understanding of the laws and regulations regarding conflicts of interest and the Standards of Conduct applicable to Federal employees, and how these laws and regulations may affect VA NPC officers and employees.

**3. POLICY:** It is VHA policy that all NPC Board members including facility Directors, Chiefs of Staff, Associate Chiefs of Staff for Research, and Executive Directors of VA NPCs must take the internal controls training session.

### 4. ACTION

a. **Veterans Integrated Network (VISN) Director.** Each VISN Director is responsible for:

(1) Ensuring that the internal controls training session is taken by the Medical Center Directors, the Chiefs of Staff, the Associate Chiefs of Staff for Research, other members of the Board of Directors, and the Executive Director of each NPC.

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(2) Submitting a completed certification to the Deputy Under Secretary of Health for Operations and Management (10N) with a copy to the Director, NPPO no later than November 15, 2008.

b. **Facility Director.** Each facility Director is responsible for ensuring:

(1) This one-time only training session is completed no later than October 31, 2008 through the Learning Management System (LMS), by appropriate facility staff, and that new staff in these roles, complete this training within 90 days of assuming the role. *NOTE: Additional information regarding this training is available at:*

<http://vaww.ees.lrn.va.gov/Site/support/11323/>

(2) Staff completion of this training session is tracked in LMS.

(3) Completion of this training session by non-VA staff is tracked using a locally determined method.

(4) Training completed prior to issuance of this Directive is credited as completion of this requirement and is included in any tracking method.

c. **Employee Education System (EES).** EES is responsible for the:

(1) Production of training modules in direct collaboration with field based subject matter experts.

(2) Development and maintenance of the web-based training with completion reports available through the Learning Management System (LMS).

**5. REFERENCES:** None.

**6. FOLLOW-UP RESPONSIBILITY:** The NPPO, Office of Research and Development, is responsible for the content of this Directive. Questions may be directed to (202) 254-0224.

**7. RESCISSION:** None. This VHA Directive expires July 31, 2013.

Michael J. Kussman, MD, MS, MACP  
Under Secretary for Health

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