

**TESTIMONY OF
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BEFORE THE
SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES**

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Good morning, Chairman Bergman, Ranking Member Kuster, and distinguished members of the Subcommittee. Thank you for this opportunity to participate in your hearing on the Government Accountability Office (GAO) mail management report entitled, "Actions Needed to More Effectively Manage Outgoing Mail," and to discuss the actions and efforts underway at VA to address those recommendations, issues, and concerns.

Overview

Before I address directly the GAO findings, I want to provide you with an overview of VA's Mail Management Program and discuss VA's commitment to improving the program.

In accordance with Federal regulations and VA policy, VA has an established policy for Department-wide Mail Management Program. Although VA does have such a program; it is not what it should be. The Mail Management Program for VA is in need of an overhaul as evidenced by the GAO's findings. Mail operations in VA are largely decentralized programs with each administration and their various sub-components adapting the execution of these programs to their own unique and diverse needs. While these unique requirements dictate a great deal of how VA outgoing mail is managed, there is a need for an enterprise-wide over-arching strategy to eliminate outdated practices and improve the program with the goal being better service to Veterans and their families and a better return on investment for the American taxpayer. VA accepts and understands the need for action and we have developed and undertaken a comprehensive remediation plan that not only addresses the recommendations of GAO but also will make VA a leader across government in mail management. Our mission is too important and too critical to allow inefficiency to impede serving our Veterans and siphon off valuable resources supporting outdated practices.

On an annual basis, VA mails millions of letters and parcels to Veterans and their families. These range from medications, to documents on benefits and compensation, to memorial certificates to surviving family members. Just as every Veteran's needs are unique, so too are the mailing requirements for the VA offices that serve these Veterans. As an organization that is primarily field based, VA mail operations have often evolved to meet these unique needs with limited central oversight. While in the past this may have worked to meet mailing requirements, the growth in mail volume

over the past two decades, as evidenced by the shift towards pharmaceutical mailings instead of in-house pick-up, and the increase in the Veteran population with more complex benefit and compensation issues, has resulted in making many of these “homegrown” mailing practices obsolete. VA must now take advantage of new technologies and new business models to effectively and efficiently manage such a diverse and sprawling mailing requirement. VA has plans in place that we believe will accomplish this and we are using the GAO recommendations as our starting point. We will institute a continuous improvement model to ensure we do not rest on our accomplishments or allow the program to fall behind again.

GAO Report

To achieve this goal, VA has established a department-wide Integrated Project Team (IPT) sponsored by the VA Deputy Chief of Staff and whose membership is comprised of all relevant and appropriate stakeholders. The IPT is charged with formulating plans and actions that address GAO recommendations and to put in place the administrative infrastructure to govern the mail program at an enterprise level. Specifically, actions to address the recommendations include but are not limited to:

Recommendation 1: Develop and document a plan to source contracts for mailing equipment in a more strategic manner. Such strategic contract sourcing should enable facilities to obtain equipment to track mail volume and expenditure data more consistently and to maximize cost savings.

VA is conducting a comprehensive assessment and inventory of existing mail equipment and supporting software. This includes identifying end of useful life-cycle for capital equipment, estimates of sunk costs for equipment still in use, estimating replacement costs and gathering industry best practices and conducting market research. We are exploring several options including new capital investment, leasing equipment/software options and obtaining mail operations as a managed service. Our future plans include, conducting a cost-benefit analysis of all options identified and making a determination on what approach best meets the needs of VA’s mission delivery. Following a selection of a new strategy, we will develop cost estimates, coordinate this need with the appropriation process, develop an acquisition strategy, and set up a project management team. We will conduct several pilot projects and take lessons learned and apply to the enterprise-wide phase-in and deployment schedule.

Recommendation 2: Update VA Directive 6340 to incorporate agency-wide goals and performance measures for mail operations.

VA has updated and published a revised VA Directive 6340 that incorporates all new regulations and requirements. We are currently updating VA Handbook 6340 that contains enterprise operating specifications on how to implement the revised policy. The Handbook will include requirements for agency-wide goals and performance measures. To account for any specific needs of the administrations, we are requiring individual administrations to write and publish Standard Operating Procedures (SOPS) that incorporate the unique mission requirements specific to their mailing

operations. VA is planning to gather and report on a semi-annual basis the results of established goals and performance measures and creating protocols for routine review and updating of Directive, Handbook, and SOPs.

Recommendation 3: Determine and document the authority and responsibilities of the agency and administration-level mail managers to enable them to better manage and oversee mail operations.

VA is currently writing and classifying Position Descriptions for a dedicated Mail Manager position and one supporting staff position. We will allocate funding for these positions and then advertise, and make selections to fill them. We will have each facility director with a mail program identify by name a mail manager with a written assignment to that facility level person, maintain a database with those names, and conduct an annual review to ensure assignments are current. Each SOP will contain clear and unambiguous internal reporting structures consistent with GSA SMART requirements and all mail managers will take mandatory training on an annual basis in accordance with Directive and Handbook 6340 and individual SOPs for the respective office.

Conclusion

VA faces many challenges in meeting these goals (resources, staffing, acquisitions, and competing priorities) but I believe we are up to the challenge. The men and women of VA are unique in government in their commitment and dedication to fulfilling the mission of VA; serving Veterans and their beneficiaries. It is this dedication that will make our efforts here successful.

While we acknowledge there is a great deal of work to be done, we are already making considerable progress towards addressing GAO's concerns associated with mail management and are in the process of implementing their recommendations to centralize VA's mail management operation creating a more efficient and effective program.

Mr. Chairman, this concludes my testimony. Thank you for the opportunity to testify before the Committee today. I am prepared to respond to any questions you and Members of the Committee may have.