



**THE SECRETARY OF VETERANS AFFAIRS
WASHINGTON**

November 15, 2012

To the President of the United States, President of the Senate, President Pro Tempore of the Senate, and Speaker of the House of Representatives:

I am pleased to submit the *Department of Veterans Affairs (VA) 2012 Performance and Accountability Report*. This report highlights our accomplishments in improving the timeliness, accessibility, and quality of health care and benefits service delivery that our Veterans have earned through their sacrifice and service.

This past year VA has made progress for Veterans and the American people. On the path to ending Veteran homelessness by 2015, we assisted more than 37,000 homeless Veterans in acquiring permanent housing through our collaborative partnership with the Department of Housing and Urban Development. We processed more than 1 million disability claims for the third year in a row in a concerted effort to eliminate the claims processing backlog by 2015, and increased the national accuracy rate for pension maintenance claims to 98 percent. VA's provision of telehealth-based clinical services has grown by 66 percent in the last two years increasing access to care for rural Veteran patients. Veterans continue to increase their use of eBenefits to access VA information and services with over 2 million Veterans using the tool. We also continued to increase access to burial benefits through funding the establishment of four new State Veterans Cemeteries. VA continued to make progress in improving information security, resulting in a more comprehensive security program to better protect sensitive information.

VA's major initiatives are successfully transitioning to sustainment and have been a part of our core programs since 2009, and we received our 14th consecutive unqualified (clean) audit opinion on our consolidated financial statements. As stated in my "Statement of Assurance" and Part I, VA has assessed the reliability and completeness of financial data and actions the agency is taking to resolve its one material weakness. Within Part II, performance reliability is reported on each key measure individually in the section prior to the performance measures tables.

Our work continues on the key challenges facing the Department and our strategies to address them. We will continue to improve the quality of our programs and service delivery, optimize our efficiency, and exceed the expectations of Veterans, their families, and survivors.

We are focused on transforming VA into a 21st century organization focused on increasing Veterans' access to VA healthcare and services, ending the backlog in compensation claims, and ending Veteran homelessness—both in 2015—to fulfill our Nation's enduring commitment to Veterans. We hold ourselves to the same high standards of performance that the Nation and its Veterans do. The linkage between our goals, objectives, strategies, and programs has never been clearer, and our employees' performance is evaluated carefully against the Department's plans.

Every VA employee is charged to be an advocate for Veterans. We are all committed to providing Veterans and their families with the very best healthcare and services. The Nation has depended on our Veterans, and VA's employees want Veterans to know they can depend on VA.

Sincerely,

A handwritten signature in black ink, appearing to read "Eric K. Shinseki", is positioned above the printed name.

Eric K. Shinseki