

**Department of  
Veterans Affairs**

**Memorandum**

Date: APR 06 2006

From: Chief Research and Development Officer (12)  
VHA Chief Financial Officer (17)

Subj: Appropriate Agreements to Support Reimbursement from Non Profit Research  
Corporations

To: Network Directors (10N 1-23)  
Medical Facility Directors (00)

Thru: Deputy Under Secretary for Health for Operations and Management (10N)<sup>AD</sup>

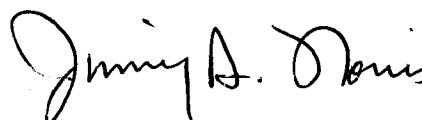
There appears to be confusion on the type of document that medical centers and non-profit research corporations should use to enter into agreements to provide services. The General Counsel, in 1989, held that medical centers could not enter into sharing agreements with non-profit research corporations. VHA Handbook 1200.17, paragraph 6.f. states that corporations may not contract with VA to provide goods or services.

The General Counsel did rule that medical centers may enter into Memorandum of Understanding (MOU). VHA Handbook 1200.17, paragraph 7.d. provides for the transfer of funds between VA and corporation providing proper documentation, such as bill for collection, an Intergovernmental Personal Act (IPA) mobility assignment, or an approved Memorandum of Understanding (MOU), is provided.

VHA Handbook 1200.2, paragraph 3 provides guidance on how to retain the reimbursements at the respective medical center. Questions on reimbursement should be directed to Maureen Carroll in the Research Office.

We appreciate your attention and cooperation in ensuring activities with the non-profit research corporations are in compliance with the policy cited above.

  
Joel Kupersmith, MD

  
Jimmy A. Norris

cc: Principal Deputy Under Secretary for Health (10A)