

July 3, 2002

The Honorable Tim S. McClain (02)
General Counsel
Department of Veterans Affairs
810 Vermont Avenue, NW
Washington, DC 20420

Dear Mr. McClain:

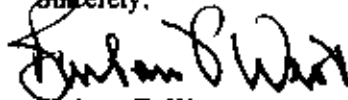
It has come to the attention of the National Association of Veterans' Research and Education Foundations (NAVREF) that the Office of General Counsel (OGC) is reviewing issues related to the OGC Corporations Panel. I am writing on behalf of NAVREF to urge OGC to continue the panel for the following reasons:

1. The panel is an efficient management mechanism to provide the NPCs with information and legal guidance. Although the VA-affiliated nonprofit research and education corporations (NPCs) are independent, state-chartered organizations, they are an integral component of the VA research program and may soon become equally important to VA's education programs. As a result, VA has a vested interest in their compliance with federal statutes and regulations. On many matters, VA attorneys are the only reliable resource for information on VA statutes and regulations as well as the applicability of federalwide statutes to the VA working environment.
2. Thanks to the panel, the quality, timeliness and consistency of VA legal assistance to NPCs have improved enormously. This improvement has occurred in spite of the increasing complexity of NPC interactions with both VA and the private sector. Also, by diverting routine matters to designated attorneys in Regional Counsel offices, General Counsel Group III resources can be better allocated to national policy matters affecting the NPCs.
3. The panel fee schedule was designed to make the panel budget-neutral to VA. We understand that VA is currently reviewing the legal basis for billing NPCs for services, and we sincerely hope VA will work this out satisfactorily. Please be assured that the NPCs are willing to reimburse VA for the costs associated with panel services as well as those provided by non-panel VA attorneys.

The NPCs are a unique program that required a unique response from VA. When VA established the panel in 1997, we appreciated OGC's recognition of this, and we are very pleased that it has worked so well to meet our mutual objective of ensuring that VA interests are protected in NPC matters. Again, we urge OGC to continue the panel.

Thank you for considering our views.

Sincerely,



Barbara F. West
Executive Director

cc: Walter Hall, Director Group III
Ed McGarrity, Special Assistant to General Counsel
Don Adams, Regional Counsel and Co-Chairman OGC Corporations Panel