



Required Supplementary Information

These materials are not audited

1. Heritage Assets

Heritage assets are properties that possess one or more of the following characteristics: historical or natural significance; cultural; educational or aesthetic value; or significant architectural characteristics. The monetary value of heritage assets is often not estimable or relevant. By nature they are expected to be maintained in perpetuity. VA has properties at medical centers and national cemeteries that meet the criteria for

a heritage asset. During the reporting period, all maintenance expenses were recorded as incurred. Heritage assets are reported in terms of physical units. Generally, additions to VA's Heritage Asset inventory result from field station surveys, which identify items such as new collections or newly designated assets. Items are generally donated or existing VA assets are designated as heritage. Most are used for mission purpose and maintained in working order. Remaining items are mothballed.

Heritage Assets in Units

As of September 30,	2006	2005
Art Collections	29	29
Buildings and Structures	1,860	1,815
Monuments/Historic Flag Poles	1,093	732
Other Non-Structure Items	177	186
Archaeological	11	11
Cemeteries	156	157
Total Heritage Assets in Units	3,326	2,930

2. Deferred Maintenance

Deferred maintenance is classified as not performed when it should have been or as scheduled but delayed to a future period. It is VA policy to ensure that medical equipment and critical facility equipment systems are maintained and managed in a safe and effective manner; therefore, deferred maintenance is not applicable to them.

VA facilities reported their cost estimates for deferred maintenance by utilizing either the Condition Assessment Survey or the Total Life-Cycle Cost Method.

Deferred Maintenance

As of September 30,	2006	2005
General PP&E	\$ 2,554	\$ 1,976
Heritage Assets	39	42
Total Deferred Maintenance	\$ 2,593	\$ 2,018



3. Schedule of Budgetary Activity Year Ended September 30, 2006

	Total Budgetary Resources	Obligations Incurred	Spending Authority from Offsetting Collections and Adjustments	Obligated Balance net, Oct. 1	Obligated Balance net, Sept. 30	Total Outlays
VHA						
0152 Medical Admin	\$ 3,588	\$ 3,386	\$ 41	\$ 840	\$ 490	\$ 3,695
0160 Medical Care	25,305	24,741	151	2,713	3,452	23,852
0161 Medical & Prosthetic Research	522	460	56	140	138	406
0162 Medical Facilities	3,494	3,435	26	921	989	3,341
All Other	4,917	2,172	305	1,133	1,744	1,256
Total	\$ 37,826	\$ 4,194	\$ 579	\$ 5,747	\$ 6,813	\$ 2,550
VBA						
0102 Compensation, Pension, & Burial Benefits	\$ 34,981	\$ 34,685	\$ -	\$ 87	\$ 91	\$ 34,681
0137 Readjustment Benefits	3,844	3,333	378	37	43	2,949
4025 Housing Credit Liquidating	33	11	82	2	2	(71)
4127 Direct Loan Financing	431	387	372	69	96	(12)
4129 Guaranteed Loan Financing	5,539	2,213	1,369	12	32	824
8132 National Service Life Insurance Fund	10,213	1,477	291	1,472	1,458	1,200
All Other	4,448	2,156	1,823	431	453	311
Total	\$ 59,489	\$ 44,262	\$ 4,315	\$ 2,110	\$ 2,175	\$ 39,882
NCA						
0129 National Cemetery Adm.	\$ 157	\$ 149	\$ 1	\$ 29	\$ 29	\$ 148
All Other	33	19	-	46	26	39
Total	\$ 190	\$ 168	\$ 1	\$ 75	\$ 55	\$ 187
ADM						
0151 General Operating Expenses	\$ 1,800	\$ 1,708	\$ 323	\$ 432	\$ 270	\$ 1,545
All Other	3,889	2,344	3,066	(57)	(1,076)	297
Total	\$ 5,689	\$ 4,052	\$ 3,389	\$ 375	\$ (806)	\$ 1,842
Total of all Business Lines	\$ 103,194	\$ 82,676	\$ 8,284	\$ 8,307	\$ 8,237	\$ 74,461