

CITATION: VAOPGCPREC 8-90
Vet. Aff. Op. Gen. Couns. Prec. 8-90

DATE: 04-23-90

TEXT:

VA Disposition of Residential Real Property Owned by Other Federal Agencies or Related Entities

QUESTION PRESENTED:

Is it legally permissible for the Secretary of Veterans Affairs to agree to manage and dispose of single-family residential properties on behalf of other Federal agencies or related entities?

COMMENTS:

1. Your request for this opinion stems from requests which have been received by certain VA regional offices from other Federal agencies for assistance in the disposition of residential properties over which those agencies have jurisdiction. The most notable, in terms of potential volume, may be requests from the Resolution Trust Corporation (RTC), the entity with responsibility for the disposition of assets acquired from failed Savings and Loan Associations. There is presently outstanding an informal contact with the Denver Regional Office by the local office of the RTC inquiring as to VA's interest in managing and in marketing the RTC's inventory in Colorado.

2. Generally, the head of an agency may place an order with another agency for goods or services if—

(1) amounts are available;

(2) the head of the ordering agency or unit decides the order is in the best interest of the United States Government;

(3) the agency or unit to fill the order is able to provide or get by contract the ordered goods or services; and

(4) the head of the agency decides ordered goods or services cannot be provided by contract as conveniently or cheaply by a commercial enterprise.
(31 U.S.C. § 1535)

3. The statutory provision recited above specifically permits agency agreements

for services to be provided by one agency to another subject to the conditions therein recited. The request to the VA to provide a service relative to the management and disposition of residential properties under the jurisdiction of other agencies appear to fall within the meaning of this section. Therefore, subject to the requirements recited in the statute, VA would not be precluded from providing the service being requested by the RTC and other agencies, provided that the requesting agency possesses the statutory authority to perform the task being requested of VA.

4. It should be noted that the statute permits agency agreements between Federal agencies and that such agreements would not be permissible with non-Federal entities. 63 Comp. Gen. 422. Prior to committing the Department to an agreement of this nature, in situations where there is a question as to whether the other party is a federal instrumentality, it would be most appropriate to confirm the status of the party seeking such services.

5. Additionally, in our view, the agencies involved should be informed that such requests should be directed to the Chief Benefits Director as the head of the major organizational unit within the VA which would be affected by such an agreement.

HELD:

The Department of Veterans Affairs may enter, under the provisions of title 31 U.S.C. § 1535 into agency agreements with other Federal entities in which VA would agree to manage and dispose of residential properties under the jurisdiction of the requesting entities on behalf of such entities.

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