

January 24, 2002

### CAPITAL ASSET BOARD (CAB)

**1. PURPOSE:** This Veterans Health Administration (VHA) Directive establishes a Capital Asset Board (CAB) as an advisory committee to the Under Secretary for Health. The CAB is established to ensure that capital asset programs support VHA goals and to provide guidance concerning priorities for capital asset initiatives.

**2. BACKGROUND:** The Secretary of Veterans Affairs recently established the Office of Asset Enterprise Management (OAEM).

a. The formation of OAEM is predicated on the belief that there is a fragmented and uncoordinated approach to capital asset acquisition, management and disposal throughout the Department. OAEM will develop a Departmental long-term capital asset plan and associated financial plan; propose Departmental asset initiatives; and, oversee implementation of Departmental capital asset management policies, principles, standards and guidelines.

b. A key component of the new policy directs each Administration to “have a focal point or centralized capital asset management function” to complement OAEM. This focal point within each Administration will “ensure conformity to Department policies and guidelines; institute procedures for investments both above and below approved thresholds; coordinate submission of a long-term capital asset plan; contribute to and participate in maintenance of the Department of Veterans Affairs’ (VA’s) portfolio of existing assets; and, maintain operational responsibility for asset management activities.” *NOTE: The Capital Assets Management and Planning Service (CAMPS) is the VHA focal point.*

c. VHA implementation of the new policy includes the establishment of a Capital Asset Board. The CAB, following an appropriate level of review and coordination with the National Leadership Board, will provide the Under Secretary for Health with fully developed issues, proposals, and recommendations about capital asset proposals that impact enterprise-wide business objectives across its full array of services. The CAB works collaboratively with other committees and groups.

**3. POLICY:** It is VHA policy that a CAB be established as an advisory group for the Under Secretary for Health.

#### 4. ACTION

a. **Responsibilities.** The CAB is responsible for:

(1) Overseeing the developing a comprehensive, VHA-wide planning process that includes all types of capital assets;

**THIS VHA DIRECTIVE EXPIRES JANUARY 31, 2006**

## VHA DIRECTIVE 2002-003

January 24, 2002

(2) Issuing policy and guidance, based on recommendations from CAMPS, regarding the management of VHA capital assets, including the establishment of thresholds of capital asset investment that require CAB approval;

(3) Monitoring the implementation of the VHA capital investment plan, including capital investment decisions;

(4) Overseeing the development of guiding principles to achieve capital asset initiatives that are in sync with corporate and VHA strategic plans and program priorities to successfully meet business goals;

(5) Assisting in the ongoing review of VHA capital asset development principles, including providing advice or setting priorities when needed; and,

(6) Approving the Minor Construction Operating Plan prior to submission to the Under Secretary for Health (10) and the Assistant Secretary for Management (004).

(7) Recommending a funding mechanism for the Minor and Non-recurring Maintenance (NRM) program.

b. **Membership.** The membership of the CAB includes the Assistant Deputy Under Secretary for Health (10N), Chief Officers from the Offices of the Patient Care Services (11), Policy and Planning (105), Finance (17), Facilities Management (FM) (18) and Office of Information (19). In addition, the CAB will have representatives from the national Capital Asset Realignment for Enhanced Services (CARES) Project Team (10AC), selected Veterans Integrated Service Network (VISN) offices, and selected VHA healthcare facilities. The Director, OAEM, or designee, serves as an ex officio non-voting member of the CAB.

(1) **Chairperson.** The Chairperson is the Deputy Under Secretary for Health and is responsible for presenting recommendations to the Under Secretary for Health.

(2) **Board Manager.** The Board Manager is the Director, Capital Asset Management and Planning Services (CAMPS). The Board Manager is responsible for staff support to the CAB, including: preparing the CAB agenda, preparing minutes for the approval of the Chairperson, and responding to questions about the CAB.

c. **CAB Screening Committee.** The CAB Screening Committee, a subcommittee of the CAB, reviews completed capital asset requests and will either recommend approval or disapproval of the requests. If the request is considered outside of the Committee's approving authority, it will be forwarded to the CAB for action or returned to the requestor for further information. The Director, CAMPS serves as Chair of the CAB Screening Committee; members will be appointed by CAB.

d. **Frequency of Meetings.** CAB meetings will be held quarterly, or on call of the chairperson.

e. **Documentation.** Minutes will be kept for all meetings. Approved copies of minutes will be distributed to all members, the VHA Chief of Staff, and the National Leadership Board. Decisions on CAB recommendations that require follow-up by the Board Manager will be tracked and updates provided to the Deputy Under Secretary for Health through the Chief Facilities Management Officer.

f. **Procedure.** The CAB develops, for decision-making, capital asset issues for the Under Secretary for Health. It does this by:

(1) Conducting its business and developing its materials consistent with procedures and practices related to capital asset programs;

(2) Receiving and fully developing proposals for capital asset initiatives or policy recommendations and forwarding its recommendations to the Under Secretary for Health through the National Leadership Board.

g. **Program Guidance.** Directives and program guidance are developed by CAMPS for specific capital assets and are to be approved by CAB prior to issuance.

## 5. REFERENCE

a. Office of Asset and Enterprise Management decision document.

b. Office of Management and Budget Capital Programming Guide.

**6. RESPONSIBILITY:** The Chief Facilities Management Officer (18) is responsible for the contents of this Directive.

**7. RESCISSION:** None. This VHA Directive expires January 31, 2007.

Thomas L. Garthwaite, M.D.  
Under Secretary for Health

DISTRIBUTION: CO: E-mailed 1/29/2002  
FLD: VISN, MA, DO, OC, OCRO, and 200 – E-mailed 1/29/2002