

# Required Supplementary Stewardship Information

## 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 designated as heritage. Most heritage assets are used for mission purpose and maintained in working order. Remaining items are mothballed.

### Heritage Assets in Units

As of September 30,	2003	2002
Art Collections	30	33
Buildings and Structures	1,815	1,820
Monuments/Historic Flag Poles	969	245
Other Non-Structure Items	71	71
Archaeological	11	11
Cemeteries	157	157
<b>Total Heritage Assets in Units</b>	<b>3,053</b>	<b>2,337</b>

## 2. Non-Federal Physical Property

The VA Extended Care Facilities Grant Program assists states in acquiring facilities to provide domiciliary or nursing home care to veterans, and to expand, remodel, or alter existing buildings to provide domiciliary, nursing home, or hospital care to veterans in state homes. Currently, these grants may not exceed 65 percent of the total project cost.

VA's State Cemetery Grants Program is authorized to pay up to 100 percent of the cost of constructing and equipping state veterans cemeteries. States provide the land and agree to operate the cemeteries.

### Grant Program Costs For the years

	2003	2002
State Extended Care Facilities	\$ 121	\$ 96
State Veterans Cemeteries	30	28
<b>Total Grant Program Costs</b>	<b>\$ 151</b>	<b>\$ 124</b>

### 3. Human Capital

Investment in human capital comprises those expenses for education and training programs for the general public that are intended to increase or maintain national economic productive capacity. It does not include expenses for internal Federal education and training of civilian employees. Educational programs assist active duty and reservist veterans, eligible under the MGIB or the Veterans Educational Assistance Program, as well as dependents of veterans who died of service-connected disabilities or whose service-connected disabilities were rated permanent and total. The Vocational Rehabilitation Program provides veterans, having a 10 percent or greater service-connected disability rating with evaluation services, counseling, and training necessary to assist them in becoming employable and maintaining employment to the extent possible.

Veterans and Dependents Education For the Years Ended September 30	2003	2002
<b>Program Expenses</b>		
Education and Training-Dependents of Veterans	\$ 266	\$ 234
Vocational Rehabilitation and Education Assistance	2,309	1,894
Administrative Program Costs	228	229
<b>Total Program Expenses</b>	<u>\$ 2,803</u>	<u>\$ 2,357</u>
<b>Program Outputs (Participants)</b>		
Dependent Education	64,582	53,888
Veterans Rehabilitation	71,549	69,634
Veterans Education	400,289	375,013

### 4. Health Professions Education

Title 38 U.S.C. mandates that VA assist in the training of health professionals for its own needs and for those of the Nation. By means of its partnerships with affiliated academic institutions, VA conducts the largest education and training effort for health professionals in the Nation. Each year, approximately 80,000 medical and other students receive some or all of their clinical training in VA facilities through affiliations with over 1,200 educational institutions including 107 medical schools. Many of these trainees have their health professional degrees and contribute substantially to VA's ability to deliver cost-effective and high-quality patient care during their advanced clinical training at VA.

Health Professions Education For the Years Ended September 30,	2003	2002
<b>Program Expenses</b>		
Physician Residents and Fellows	\$ 404	\$ 383
Associated Health Residents and Students	60	46
Instructional and Administrative Support	367	349
<b>Total Program Expenses</b>	<u>\$ 831</u>	<u>\$ 778</u>
<b>Program Outputs</b>		
Health Professions Rotating Through VA:	Estimated	Actual
Physician Residents and Fellows	28,000	28,006
Medical Students	16,000	15,982
Nursing Students	17,000	17,288
Associated Health Residents and Students	15,000	14,816
<b>Total Program Outcomes</b>	<u>76,000</u>	<u>76,092</u>

## 5. Research and Development

Investments in research and development (R&D) comprise those expenses for basic research, applied research, and development that are intended to increase or maintain national economic productive capacity or yield other benefits. For FY 2003, VA's R&D general goal related to stewardship was to ensure that VA medical research programs met the needs of the veteran population and contributed to the Nation's knowledge about disease and disability. Target levels were established for the: (1) percent of funded research projects relevant to VA's health-care mission in designated research areas and (2) number of research and development projects. Strategies were developed in order to ensure that performance targets would be achieved. In addition, VHA researchers received grants from the National Institutes of Health in the amount of \$391 million and \$265 million in other grants during FY 2003. These grants were given directly to the researchers and are not considered part of the VA entity. They are being disclosed here as Required Supplementary Stewardship Information, but are not accounted for in the financial statements.

### Program Expense

For the Year ended September 30,

	Basic	Applied	Development	2003 Total
Medical Research Service	\$ 141	\$ 80.7		\$ 221.7
Rehabilitative Research and Development	3.1	27.5	20.3	50.9
Health Services Research and Development		61.5		61.5
Cooperative Studies Research Service		27		27
Medical Research Support		402.9		402.9
Prosthetic Research Support		4.7		4.7
<b>Total Program Expenses</b>	<b>\$ 144.1</b>	<b>\$ 604.3</b>	<b>\$ 20.3</b>	<b>\$ 768.7</b>

### Program Expense

For the Year ended September 30,

	Basic	Applied	Development	2003 Total
Medical Research Service	\$ 139	\$ 70		\$ 209
Rehabilitative Research and Development	3	24	15	42
Health Services Research and Development		52		52
Cooperative Studies Research Service		26		26
Medical Research Support		377		377
Prosthetic Research Support		4		4
<b>Total Program Expenses</b>	<b>\$ 142</b>	<b>\$ 553</b>	<b>\$ 15</b>	<b>\$ 710</b>

### Research and Development Measures-Actual Year ended September 30,

	2003	2002
Percent of Funded Research Projects Relevant to VA's Health-Care Mission	95.6%	88%
Number of Research and Development Projects	2,075	2,133