



*United States  
Department of  
Veterans Affairs*

**5-YEAR CAPITAL PLAN  
2004-2009**

**June 28, 2004**



## A MESSAGE FROM THE SECRETARY



I am pleased to submit the U.S. Department of Veterans Affairs long-term Capital Plan. With more than 5,500 buildings and approximately 32,000 acres of land nation-wide, it is critical that VA has a systematic and comprehensive framework for managing its portfolio of capital assets. This plan provides that framework and is a sound blueprint for effective management of the Department's capital investments that will lead to improved resource use and more effective health care and benefits delivery for our Nation's veterans.

As we strive to meet the many challenges that lie ahead, this plan will act as our guide. I recently announced my decisions on the Capital Asset Realignment for Enhanced Services (CARES) process.

CARES is the most comprehensive analysis of VA's health care infrastructure that has ever been conducted and my decision provides a 20-year blueprint for the critical modernization and realignment of VA's health care system. Consistent with my decision, this plan outlines CARES implementation and identifies priority projects that will improve the environment of care at VA medical facilities and ensure more effective operations by redirecting resources from maintenance of vacant and underused buildings and reinvesting them in veterans' health care. Implementation of CARES will require substantial investment. While I will assess what amounts should be funded in future budgets, this plan reflects a need for additional investments of approximately \$1 billion per year for the next 5 years to modernize VA's medical infrastructure and enhance veterans' access to care.

The capital plan also identifies our highest priority needs for new construction and expansion of cemeteries in areas where burial sites will soon be depleted, new benefits administration office facilities, and information technology projects designed to improve customer service and enhance delivery of VA benefits.

Additionally, this plan describes how VA will enhance collaborative efforts with the Department of Defense and increase the use of public and private ventures through VA's enhanced-use lease authority. By improving the way that we manage the enhanced-use lease process and engaging in productive public and private partnerships, VA can enhance benefits and services to our Nation's veterans and more effectively fulfill our mission.

As we move forward, VA will continue to improve stewardship of the funds entrusted to us by more effectively managing our capital assets and planning to meet the future needs of America's veterans and their families. By employing best business practices and maximizing the functional and financial value of our capital assets through well thought-out acquisitions, allocations, operations, and dispositions, VA will continue to ensure that all capital investments are based on sound business principles and -- most importantly -- meet our veterans' health care, benefits, and burial needs. I am confident that effective implementation of this plan will help us to achieve these important results.

Anthony J. Principi  
Secretary of Veterans Affairs



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## LEGISLATIVE AND EXECUTIVE REQUIREMENTS MET BY THE PLAN

This 5-Year Capital Plan meets the following Congressional requirements:

### FY 2004

- Public Law 108-170 requires VA to submit a report describing the major construction projects the Secretary proposed in carrying out CARES implementation. The law also provides that VA may carry out the projects included in the plan 45 days after submission to the Authorization Committees.
- Conference report language (House Report 108-401) accompanying Public Law 108-199 reiterated House and Senate language that VA submit a comprehensive CARES plan.
- Senate Report 108-143 states that VA should submit a 5-year strategic plan for capital asset management, construction, and improvements of all VA infrastructure needs.
- United States Code Title 38, Section 8104 addresses authorization requests for major medical facility projects, major construction and lease projects.
- Public Law 108-199 Administrative Provision, Section 111 addresses notification requirements for leases over \$300,000.
- Executive Order Federal Real Property Asset Management, dated 2/4/2004.

### FY 2003

- Conference report language (House Report 108-10) accompanying Public Law 108-7 reiterated House and Senate language that VA should submit a 5-year strategic plan for capital asset management, construction, and improvements of all VA infrastructure needs.
- Senate Report 107-222 requires VA to submit a 5-year strategic plan that describes the implementation of CARES, criteria for priority setting and estimated funding costs by year for all VA infrastructure needs.
- United States Code Title 38, Section 8104 addresses authorization requests for major medical facility projects, major construction and lease projects.
- Public Law 108-7 Administrative Provision, Section 111 addresses notification requirements for leases over \$300,000.

### The plan also responds to the following other congressional requirements:

- United States Code Title 38, Section 8104 addresses notification of intent to obligate in excess of \$500,000 for advance planning funds for CARES projects.
- United States Code Title 38, Section 8107 addresses the top-twenty medical facility projects.





## EXECUTIVE SUMMARY



The Department's 5-year capital plan is the ultimate product of VA's capital investment process which reflects trade-offs between funding the operational expenses for existing assets and the acquisition of new assets by the most cost-effective and beneficial means. The VA capital plan includes the highest priority capital investments that were vetted through a comprehensive capital investment process to ensure the assets fully support the mission, vision, and goals of the Department. The plan also includes descriptions of other initiatives and capital asset management tools VA has utilized or is in the process of developing in order to better manage its large capital portfolio.

## **VA'S CAPITAL ASSET MANAGEMENT PROGRAM**

VA is a Cabinet-level department whose primary mission is to serve America's veterans and their families, ensuring that they receive medical care, benefits, social support, and lasting memorials. VA has a vast holding of diverse capital assets consisting of VA-owned buildings and real estate, VA-leased buildings, enhanced-use and sharing agreements pertaining to capital assets, major equipment, and information technology (IT) infrastructure and software. Assets include hospitals, clinics, cemeteries, office buildings, and medical and non-medical equipment.

VA is committed to a comprehensive, corporate-level approach to capital asset management. This approach helps VA closely align asset decisions with its strategic goals, elevate awareness of its assets, and employ performance management techniques to monitor asset performance on a regular basis through the entire lifecycle of an asset. Each significant capital investment is tracked through its lifecycle from formulation to execution, steady-state, and disposal.

Over the past several years, VA has undertaken some major initiatives in order to improve and strengthen the capital asset management program. VA has integrated best practices into the fabric of the capital investment process, learning from the best planning and performance measurement found in government and private industry. Initiatives include the CARES program, creation of the Office of Asset Enterprise Management, the reorganization of the Office of Management, and creation and deployment of the Capital Asset Management System. These initiatives are briefly described below.

## **ORGANIZATIONAL IMPROVEMENTS**

The need for a comprehensive corporate-level capital asset management function in the Department had been known for some time and was validated by VA's own internal experiences as well as external bodies such as OMB, GAO, and independent consultants. As a result, the Department created the Office of Asset Enterprise Management (OAEM) in July 2001 under the auspices of the Office of Management. In response to this new corporate perspective, the Veterans Health Administration (VHA) developed the Capital Asset Management and Planning Service (CAMPS) within the Office of Facilities Management, and focal points were also established in the Veterans Benefits and National Cemetery Administrations.

In November 2002, the VA Secretary approved the Office of Management's plan to implement a major reorganization of finance, acquisition, and capital asset functions throughout VA into regional centers with unmistakable delegations of authority and

increased responsibility and accountability. By combining multiple functions into a single office of business oversight and streamlining field operations to a manageable size via regional offices, VA can realize both efficiencies and improvements in its business activities.

## **THE CAPITAL INVESTMENT PROCESS**

VA utilizes a multi-attribute decision hierarchy methodology to impose a disciplined approach to the decision-making and prioritization process for major capital asset investments. VA used two distinct decision models during the FY 2005 capital investment planning cycle, one for VHA CARES projects and another for non-CARES (VBA, NCA, and staff office) projects, to accommodate the CARES process and timeline, and allow VHA CARES projects to be evaluated on criteria with greater health care specificity. The CARES capital investment decision process resulted in the identification of the highest priority CARES projects that were reviewed by the CARES Senior Resources Group and approved by the Secretary. The 2004 – 2010 decisions are provided in the VHA chapter (2). The non-CARES capital investment decision process resulted in the identification of the following highest priority non-CARES projects that were reviewed by the VA Senior Management Council and approved by the Secretary and are included in chapters 3 and 4.

## **CAPITAL ASSET MANAGEMENT TOOLS**

### **Capital Asset Management System**

VA is striving to utilize information technology and established capital asset management principles to improve the management of its capital resources. For example, VA created a portfolio management system called the Capital Asset Management System (CAMS), which is an integrated, Department-wide system, enabling VA to analyze, monitor, and manage VA's portfolio of capital assets. CAMS extracts key capital asset-related data from several data sources within the Department. Data is organized and presented to strategically monitor performance against capital asset goals within and across asset types and the VA Administrations.

The CAMS initiative supports the President's Management Agenda. CAMS improves financial performance and expands electronic government. Additionally, CAMS significantly improves budget and performance integration within the Department and improves the overall management of VA's real property assets.

### **Enhanced-Use Leasing**

VA utilizes a unique capital asset management tool called enhanced-use leasing. The initial results of this program include significant cost savings, substantial private investment, new long-term sources of revenues as well as jobs or tax revenues for the local, state and federal sectors.

Under the enhanced-use leasing authority, VA may lease land or buildings to the private sector for up to 75 years. The leased property may be developed for non-VA uses that are consistent with the mission of the Department. The leased property may be developed for non-VA and/or VA uses, and in return for the lease, the Department obtains fair consideration in the form of revenue, facilities, space, services, or other considerations.

VA is currently exploring ways to expand the use of this capital asset management tool and streamline the process. The enhanced-use leasing process was recently evaluated by the CARES Commission. The commission recommended that in order to maximize the efficiency of this capital asset management tool, VA must initiate improvements to streamline the process. In response to these recommendations, VA is engaged in numerous improvement activities.

## **OTHER CAPITAL INITIATIVES**

### **Collaboration with the Department of Defense**

President George W. Bush established a task force to identify the forces that present challenges to cooperation. The President's Task Force to Improve Health Care for Our Nation's Veterans was established by Executive Order 13214 on May 28, 2001. To formalize this goal and institutionalize collaboration between Departments, the President made VA/DoD Collaboration one of the 14 President's Management Initiatives.

In pursuit of the President's Management Agenda and in concert with the Task Force's organizing principles, the VA/DoD Capital Asset Planning and Coordination (CAPC) Steering Committee was created under the VA/DoD Joint Executive Council. The CAPC Steering Committee was established to provide formalized structure to facilitate cooperation and collaboration in achieving an integrated approach to capital coordination that considers both short-term and long-term strategic capital issues and is mutually beneficial to both departments.

The Capital Budget Workgroup was established under the CAPC, to review each departments' overall capital asset planning process in order identify opportunities and challenges to capital collaborations for FY 2005 through 2009 as well as establishing overarching funding principles applicable to joint collaborations. Some of the larger VA/DoD projects are proposed in Las Vegas, Nevada and Denver, Colorado and detailed in the plan.

### **Energy**

Energy conservation and program management have come to the forefront of the consciousness of federal agencies. Efficient energy management and increased energy conservation allow more of VA's limited resources to be directed toward providing high quality services to veterans.

The Department has revitalized its energy conservation program (ECP) to encompass all major VA entities to maximize energy conservation efforts. Beginning in FY 2004, VA will report agency-wide energy achievements in concert with VA's commitment to agency-wide asset and portfolio management. The VA ECP has five essential components: energy goals and requirements, energy commodity acquisition, energy investments, energy data reporting, and a broader category of management tools. Currently it is projected that there is over \$1 billion of energy conservation and efficiency needs throughout VA's infrastructure. With the Department-wide ECP in place, VA's goal and charge will be to provide policy and procedures to correct those needs and deficiencies, whether it be through appropriations or alternative financing methods (enhanced-use leasing), to achieve the mandated federal energy goals as well as the energy goals within VA.

## CONCLUSION

The 5-year capital plan is a dynamic plan that will be adjusted and updated each year to reflect decisions concerning adding new assets and retiring old assets or in-process acquisitions that are not meeting pre-established goals. This plan is the central document that describes the selection of the Department's key capital acquisitions using a formal executive review process based upon criteria (which is closely linked to our strategic plan) developed by senior management and approved by the Secretary.

The plan also contains brief descriptions and justification of the significant projects and explains how each investment assists VA in achieving our central mission—to meet veterans' health care, benefits, and burial needs. A more comprehensive and complete analysis (including alternatives, cost-effectiveness analysis, and risk) is also developed for each over-threshold project. Over-threshold projects are reviewed by the executive review boards and submitted to OMB each year for approval in the form of the business case application that includes Exhibit 300 requirements.

The plan illustrates how the Department has made significant improvements in managing its capital assets by fully embracing the life-cycle approach. VA no longer focuses primarily on the formulation stage; emphasis is now placed on all stages of an asset's life-cycle from its inception through disposal. VA has also adopted innovative approaches such as developing a portfolio management system and establishing capital portfolio goals in order to track asset performance. In addition, VA continues to utilize the capital management tools mentioned above in order to maximize its resources and enhance service to veterans.



# **1. VA'S CAPITAL ASSET MANAGEMENT PROGRAM**



## INTRODUCTION

VA is a Cabinet-level department whose primary mission is to serve America's veterans and their families, ensuring that they receive medical care, benefits, social support, and lasting memorials. VA consists of the Veterans Health Administration, the Veterans Benefits Administration, the National Cemetery Administration, and six staff offices, which provide support to the Administrations. VA capital investments are closely aligned with the Department's mission, vision, and strategic and enabling goals, which are listed below:

## MISSION

*"To care for him who shall have borne the battle and for his widow and his orphan."*

These words, spoken by Abraham Lincoln during his Second Inaugural Address, reflect the philosophy and principles that guide VA in everything we do, and are the focus of our endeavors to serve our Nation's veterans and their families.

## VISION

We will strive to meet the needs of the Nation's veterans and their families today and tomorrow by:

- Becoming an even more veteran-focused organization, functioning as a single, comprehensive provider of seamless service to the men and women who have served our Nation;
- Cultivating a dedicated VA workforce of highly skilled employees who understand, believe in, and take pride in our vitally important mission;
- Continuously benchmarking the quality and delivery of our service with the best in business and using innovative means and high technology to deliver world-class service; and
- Fostering partnerships with veterans service organizations, the Department of Defense and other federal agencies, state and local veterans organizations, and other stakeholders to leverage resources and enhance the quality of services provided to veterans.

## STRATEGIC AND ENABLING GOALS

**Strategic Goal 1** - Restore the capability of veterans with disabilities to the greatest extent possible and improve the quality of their lives and that of their families.

**Strategic Goal 2** - Ensure a smooth transition for veterans from active military service to civilian life.

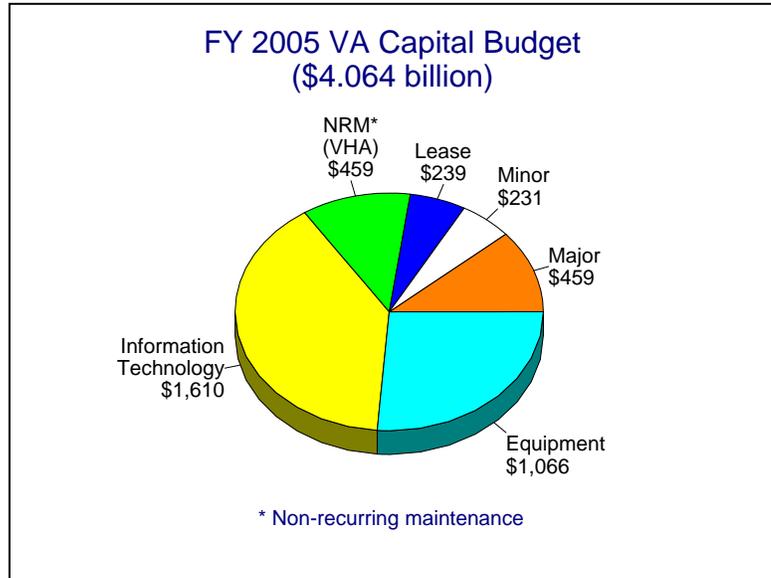
**Strategic Goal 3** - Honor and serve veterans in life and memorialize them in death for their sacrifices on behalf of the Nation.

**Strategic Goal 4** - Contribute to the public health, emergency management, socioeconomic well-being, and history of the Nation.

**Enabling Goal** - Deliver world-class service to veterans and their families by applying sound business principles that result in effective management of people, communications, technology, and governance.

The FY 2005 VA budget request includes a capital budget of \$4.064 billion. The programs that make up this budget are provided in the chart below:

VA has a vast holding of diverse capital assets consisting of VA-owned buildings and real estate, VA-leased buildings, enhanced-use and sharing agreements pertaining to capital assets, major equipment, and IT infrastructure and software. Assets include hospitals, clinics, cemeteries, office buildings, and medical and non-medical equipment. The table below summarizes VA's vast array of capital holdings.



**VA Capital Holdings**

|  |             |
|--|-------------|
| Total # of operating leases                            | 997         |
| Total # of leased square feet (net usable square feet) | 10,959,275  |
| Total # of owned buildings                             | 5,566       |
| Total # of owned gross square feet                     | 144,536,638 |
| Total # of owned acres                                 | 31,975      |

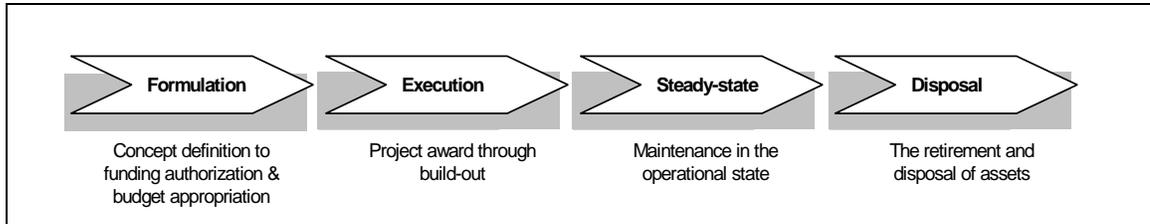
VA is committed to a comprehensive, corporate-level approach to capital asset management. This approach helps VA closely align asset decisions with its strategic goals, elevate awareness of its assets, and employ performance management techniques to monitor asset performance on a regular basis through the entire lifecycle of an asset. At the core of VA's capital asset business strategy is value management – striving to return value to VA's business and managing existing value for greater return.

**LIFE CYCLE APPROACH TO CAPITAL MANAGEMENT**

Each significant capital investment is tracked through its entire lifecycle from formulation to execution, steady-state, and disposal (Figure 1). The formulation phase involves defining a specific concept or need, obtaining fund authorization, and eventually gaining appropriations (or non-appropriated funding) to obtain a needed capital asset. The

execution phase focuses on the expenditure of the appropriations obtained in the previous phase and on the actual award of a contract through the build-out or completion of the asset. The steady-state phase involves the typical operations and maintenance of an asset through its expected life span. The disposal phase is the final stage of an asset's lifecycle and involves the proper and orderly retirement and liquidation of a federal asset. These stages are explained further in the following paragraphs.

**Figure 1: Capital Investment Lifecycle**



Investment protocols and standards have been developed to provide guidelines for each major phase/milestone in the life cycle of a capital asset decision. All capital assets are monitored and evaluated against a set of performance measures (including capital assets that are underutilized and/or vacant) and capital goals to maximize highest return on the dollar to the taxpayer.

In addition, by utilizing VA's performance management system, the Capital Asset Management System (CAMS), VA monitors its entire capital asset portfolio, examining all significant assets at every life cycle stage, in concert with VA portfolio goals and strategic goals. CAMS has assisted VA in achieving a major milestone in transitioning from the traditional single asset management style to corporately managing our vast portfolio of holdings. Only through this corporate portfolio perspective can VA begin to achieve its overall capital asset business strategy of value management.

## **VA'S CAPITAL ASSET MANAGEMENT PROGRAM**

Federal capital investment planning and decision-making has undergone profound changes during the last decade as a result of the Government Performance and Results Act (GPRA); Clinger-Cohen Act (1996); Federal Acquisition Streamlining Act (1994); OMB's *Capital Programming Guide* (Supplement to Part 3 of OMB Circular A-11); Executive Order, Federal Real Property Asset Management; and other Federal initiatives.

VA began its pursuit of a comprehensive capital asset planning process and management strategies in earnest in 1997. VA developed a structure that facilitated a comprehensive system-wide integrated capital investment planning process. The fundamental goal of the new process was to ensure that all major capital investment proposals, including high-risk and/or mission-critical projects, were based upon sound business and economic principles; promoted the One-VA vision by linking diverse but complimentary objectives; were aligned with the overall strategic goals and objectives of VA; addressed the Secretary's priorities by emphasizing program objectives in support of internal goals; and supported the President's Management Agenda.

VA's structure includes the Strategic Management Council (SMC), which is the governing body responsible for overseeing effective and efficient capital asset management. The Capital Asset Realignment for Enhanced Services (CARES) Senior Resources Group (SRG) was recently formed to provide additional support to CARES-related initiatives. The SMC and SRG oversee the approval of all capital investment proposals that exceed certain thresholds, represent a high risk or high visibility, or are crosscutting. Both of these bodies have a panel that assesses and reviews capital investment proposals; evaluates, scores, and prioritizes proposals; and makes recommendations to the SMC or SRG. The table below provides the capital investment thresholds by asset categories that require review by the SMC or SRG.

#### Thresholds for Capital Investments Requiring SMC/SRG Approval\*

| Total Acquisition Costs  |   |   |   |   |
|--|---|---|---|---|
| Categories   | VHA   | VBA <sup>3</sup>  | NCA   | Staff Offices   |
| Infrastructure Proposals <sup>1</sup>                                    | \$7M  | \$7M  | \$7M  | \$2M  |
| Medical Equipment  | \$1M/piece  | N/A   | N/A   | N/A   |
| Non-Medical Equipment  | \$500,000/piece   | \$500,000/piece   | \$500,000/piece   | \$500,000/piece   |
| Information Technology:<br>Total acquisition cost or<br>Life-Cycle Costs | \$10M or<br>\$30M   | \$2M or<br>\$6M   | \$1M or<br>\$3M   | \$1M or<br>\$3M   |
| Leases/GSA Space   | \$600,000   | \$600,000   | \$600,000   | \$600,000   |
| Energy Savings Performance<br>Contracts                                  | \$7M/Facility or<br>\$10M/Multiple<br>Facilities <sup>2</sup> | \$7M/Facility or<br>\$10M/Multiple<br>Facilities <sup>2</sup> | \$7M/Facility or<br>\$10M/Multiple<br>Facilities <sup>2</sup> | \$7M/Facility or<br>\$10M/Multiple<br>Facilities <sup>2</sup> |

<sup>1</sup> Threshold includes the Construction and Medical Care (NRM) appropriations.

<sup>2</sup> Multiple facilities" means more than two facilities, with not one of the involved facilities value in the task order exceeding \$7.0M.

<sup>3</sup> A business case application is required for all new regional office buildings (at new or existing sites) in excess of \$4.0M; these are reviewed by the Office of Management as part of the operating budget plan approval process.

As stated previously, each significant capital investment is tracked through its entire lifecycle from formulation to execution, steady-state, and disposal. Formulation is the process by which significant capital assets are ranked and selected for inclusion in the Department's budget submission. Throughout the phases of formulation, information is provided to key VA decision-makers regarding how the projects meet agency strategic goals and approved capital criteria. The formulation stage also provides the original or baseline data the project or asset will be measured against once it enters execution. Descriptions of the three phases of formulation are below.

## VA CAPITAL INVESTMENT PROCESS – FORMULATION STAGE

### Functional Development Phase

The functional development phase is at the operational level, and depending on the VA administration, it may occur either at the Central Office or field level where needs are realized, gap analyses are completed, proposals are developed, and solutions are ultimately applied. In this phase, initial ideas for capital investments are developed and concept papers are completed.

Proposals undergo review first within each administration. A decision is made whether to pass the proposal back for further development, decline the proposal, or pass the proposal forward for higher-level consideration by the SMC and CARES SRG.

#### Technical Review Phase

In the technical review phase, approved proposals have been developed into either planning or acquisition applications and receive technical and financial scrutiny from Department-wide councils or Administration boards, as well as initial prioritization within the owner organization.

- Non-CARES proposals that do not pass a technical review are sent back for further development, while proposals that do pass are forwarded to the VA Capital Investment Panel (VACIP) and then the SMC for strategic review.
- CARES proposals are reviewed by the CARES SRG Panel and then the CARES SRG.

#### Strategic Review Phase

In the strategic review phase, proposals of all asset types, from all across the Department are reviewed. Proposals are submitted using a web-based application in CAMS. A multi-disciplinary team – the VACIP and CARES SRG Panel – validates and then scores the proposal applications. The scoring results in a prioritized list of investments across asset types. CARES projects are ranked based on six criteria, including service delivery enhancements; safeguarding assets (patient life safety projects); special emphasis (e.g., spinal cord injury, blindness, serious mental illness); capital asset priorities/portfolio goals; Departmental alignment (DoD collaboration and strategic alignment); and financial priorities. Non-CARES projects are scored using some of the same criteria with the exception of service delivery enhancements and special emphasis criteria; however, a customer service criteria was added to the non-CARES model. Brief descriptions of the criteria utilized for both models are included in Attachment C.

A multi-attribute decision methodology, the Analytic Hierarchy Process (AHP), is used to score the proposals. It accommodates the more judgmental factors and imposes a disciplined approach to the decision-making and prioritization process. A hierarchical approach helps to structure the problem and break it down into specific components. These components are called decision criteria. Multi-attribute decision modeling is a technique that allows evaluators to consider a number of diverse criteria in reaching a decision. AHP uses a hierarchical model comprised of a goal, criteria, sub-criteria, and alternative outcomes or conditions for each problem or decision. Such models combine evaluations or decisions using both quantitative and qualitative criteria.

The panels use their specific capital investment decision model and decision software to perform necessary calculations to evaluate investment proposals, based on the effect a particular proposal has with respect to each sub-criterion. All panel members score each capital investment proposal that has passed the validity assessment. The scores are generated by the decision software and result in a list of investments ranked in priority order. This provides the SMC/SRG with a Department-wide view of projects that

contribute to the accomplishment of VA's diverse strategic goals. The SMC\SRG recommends approval of scored proposals, and then submits them to the Secretary for final approval.

The strength of the VA capital investment planning process is that it encourages continual improvement and refinement as a response to customer needs. Along with stakeholder suggestions, veteran needs and environmental factors are monitored in order to modify the decision model to address changing needs and priorities. VA revisits its decision model and re-evaluates the criteria and sub-criteria on an annual basis to ensure the decision model is meeting these needs.

### **EXECUTION STAGE**

Once a project is approved by OMB and receives funding by Congress it enters the execution stage of its lifecycle. Here the emphasis is on measuring planned and actual schedules (design and construction awards, and activation dates) and costs at each phase of the projects initiation. Performance indicators have been or will be developed and tracked for each type of asset. For example, major construction projects which have actual obligations in excess of their planned amount will be clearly identified in the CAMS portfolio management system which is further discussed below.

### **STEADY STATE STAGE**

The next stage of a capital asset lifecycle is called steady state. Steady state is entered once a project becomes fully functional or operational. An asset is no longer is monitored based on its own milestones and health, but is merged into facility operations. The tracking of health in steady state is thus done at the facility level rather than at the project level.

VA developed CAMS as a corporate portfolio management tool for a wide array of capital assets (e.g., leased and owned real property, information technology, agreements, equipment) above the established cost threshold. CAMS is structured to extract valid, reliable, useful real property data from existing corporate data systems. A set of specific capital asset portfolio goals provides VA with the appropriate corporate portfolio perspective and allows for achievement of the overall capital asset business strategy of value management.

VA's corporate portfolio goals are generally focused on the steady-state phase of capital asset lifecycles. VA strives to leverage its assets to achieve these corporate portfolio goals. These goals allow VA senior management to monitor the overall health of the Department's capital asset portfolio and provide for informed corporate decision-making. The following table lists VA's seven portfolio goals along with subsidiary performance goals and specific metrics, all by asset type. The specific targets for each goal are under development. Descriptions of the asset categories are also provided.

**Capital Portfolio and Performance Goals**

| Portfolio Goal  | Performance Goal  | Performance Metric   | Affected Asset |            |              |           |    |
|---|---|--|----------------|------------|--------------|-----------|----|
|   |   |  | Leases         | Agreements | Bldgs & Land | Equipment | IT |
| <b>1. Decrease operational costs</b>                              | Decrease by % operating costs to commercial benchmarking  | Operating Costs  | X              | X          | X            | X         |    |
|   | Decrease number of sources of asset data eliminating redundancy   | Number of asset data sources   |                |            |              |           | X  |
|   | Decrease assets by % exceeding useful economic life   | Number of assets exceeding useful life   |                |            | X            | X         | X  |
|   | Decrease by % total cost of ownership   | Total cost of ownership  | X              |            | X            | X         | X  |
| <b>2. Reduce Energy Utilization</b>                               | Increase renewable energy usage by % total energy utilization   | Renewable energy usage   |                | X          | X            |           |    |
|   | Decrease by % total energy consumption (volume)   | Total energy consumption   |                | X          | X            |           |    |
|   | Decrease by % energy unit costs   | Energy unit costs  |                | X          | X            |           |    |
|   | Increase % of Self Generation (Co-gen.)   | Total self generation  |                | X          | X            |           |    |
| <b>3. Decrease underutilized capacity</b>                         | Decrease by % underutilized assets  | Number of underutilized assets   | X              | X          | X            |           |    |
|   | Decrease by % vacant space  | Total vacant space   |                | X          | X            |           |    |
|   | Increase asset sales by % and return funds to meet VA service delivery needs  | Asset sales  |                |            | X            |           |    |
| <b>4. Increase intra/inter-agency and community based sharing</b> | Increase % of assets shared across VA business lines  | Number of assets shared across VA business lines                                       | X              | X          | X            |           | X  |
|   | Increase % of assets shared with DOD, other federal agencies, state & local communities   | Number of assets shared with DOD, etc  | X              | X          | X            | X         | X  |
| <b>5. Increase Revenue Opportunities</b>                          | Increase revenues by % for agreements and use funds to meet VA service delivery needs   | Revenues from agreements   |                | X          |              |           |    |
| <b>6. Safeguard assets</b>  | Decrease by % designated high-risk assets   | Number of assets designated as high risk   | X              |            | X            |           | X  |
|   | Increase compliance of assets by % to safety, security, accessibility & accreditation   | Number of assets in compliance with safety, security, accessibility, and accreditation | X              |            | X            |           | X  |
| <b>7. Maximize highest and best use</b>                           | Increase number of agreements for asset exchanges/sales to acquire replacement property better suited for mission purposes                                      | Number of agreements for asset exchanges/sales   |                | X          | X            |           | X  |
|   | Increase # of agreements to ensure full utilization and optimum performance of assets   | Number of agreements   |                | X          |              |           |    |
|   | Balance spending distribution (e.g., new, enhancements, maintenance, research) by % to ensure portfolio management and leveraging of investments or combination | Spending distribution  |                | X          | X            |           | X  |

**Asset Categories**

VA portfolio management efforts encompass the following asset categories:

**1. Buildings and Land**

- Buildings (Infrastructure Projects) and Land – Building systems, additions, new construction, renovation, parking garages, acquisitions and disposal of properties. This would also include site acquisitions.

## **2. Equipment**

- Medical Equipment – Any diagnostic or treatment modality used in the delivery of health care. This would include items such as cardiac-catheterization lab equipment, MRI, or linear accelerators.
- Non-Medical Equipment – Non-recurring equipment items which are used by non-medical administrations or offices. This would include generators or heavy equipment used in burial activities.

## **3. Information Technology**

Any equipment or interconnected system or subsystems of equipment that are used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the executive agency.

## **4. Leases/GSA Space Assignments**

- Lease – A contract vehicle that enables VA to become a tenant and rent space and accompanying building services for a specified period at a negotiated rate. Also known as a direct lease.
- GSA Space Assignment – Leased space acquired from GSA.

## **5. Agreements**

- Energy Savings Performance Contracts (ESPC) – A program developed by the Department of Energy designed to reduce energy consumption in federally owned and operated facilities. It is assumed that by reducing energy consumption, the demand for constructing additional generation plants will not be necessary. A typical ESPC contract consists of VA hiring a private developer who invests their capital in high-technology energy improvements, which results in VA significantly reducing energy consumption.
- Enhanced-Use – Leasing underutilized VA property on a long-term basis to non-VA users for uses compatible with VA programs. The Department will be able to obtain facilities, services, and/or money for VA requirements that would otherwise be unavailable or unaffordable.
- Enhanced Sharing Agreement – Allows individual facilities to contract out for services with any health-care provider, or other entity or individual. These contracts can be made for acquisition of infrastructure, equipment, IT services, and personnel services. There are no maximum dollar limitations for the investments.

## **DISPOSAL STAGE**

The final stage is disposal; VA will track significant disposal activity in CAMS. The Department is also pursuing disposal authority that would allow VA to retain proceeds from the sale, transfer or exchange of VA assets to be used for other non-recurring capital needs. Currently there is little or no incentive for VA to dispose of its underutilized assets as these properties may be transferred to other public entities without VA obtaining any benefit. However, the Department may be required to pay

for costs related to the disposal such as any related environmental costs which can be very expensive.

## **VA'S CORPORATE APPROACH**

VA's comprehensive, corporate-level approach helps VA closely align asset decisions with its strategic goals, elevate awareness of its assets, and employ performance management techniques to monitor asset performance on a regular basis through the entire lifecycle of an asset. VA has strived to continuously improve and strengthen its capital asset management program. VA has integrated best practices into the fabric of the capital investment process, learning from the best planning and performance measurement found in government and private industry. VA has undertaken some major initiatives over the past several years in order to make continuous quality improvements. These initiatives include the CARES program, creation of the Office of Asset Enterprise Management, a reorganization of the Office of Management, and creation and deployment of the Capital Asset Management System.

As a part of VA's overall capital asset management activities, VA initiated an important strategic planning process called Capital Asset Realignment for Enhanced Services (CARES). The CARES process provided a data-driven assessment of veterans' health care needs within each market, the condition of the infrastructure, and the strategic realignment of capital assets and related resources to better serve the needs of veterans. This process identified the necessary infrastructure to provide high-quality health care to veterans where it is most needed now, and in the future.

Through CARES, VA based its plan for enhanced health care services on objective criteria and analysis, as well as cost-effectiveness, and in some cases, significant capital asset restructuring. These plans take into account future directions in health care delivery including changes in technology, demographic projections, physical plant capacity, community health care capacity, facility condition assessments, and workforce requirements. CARES is further discussed in the VHA chapter (4).

The need for a comprehensive corporate-level capital asset management function in the Department of Veterans Affairs had been known for some time and was validated by VA's own internal experiences as well as external bodies such as OMB, GAO, and independent consultants. As a result, the Department created the Office of Asset Enterprise Management (OAEM) in July 2001. OAEM serves as the principal policy office and business advisor to the Assistant Secretary for Management and the Secretary regarding the acquisition, management and disposal of all Department capital assets. Specifically this office has focused on recommending and promulgating capital asset policy; establishing, analyzing and monitoring VA's capital asset portfolio; overseeing VA's capital asset performance management system; and leading future investment strategies. The creation of OAEM has improved the Department's ability to conduct comprehensive and cohesive corporate-level capital asset management activities.

In response to this new corporate perspective, VHA developed the Capital Asset Management and Planning Service (CAMPS) within the Office of Facilities Management. CAMPS serves as a focal point for interfacing with OAEM on VHA's

behalf. CAMPS plays an integral role by facilitating conformity to Department policies and guidelines; instituting internal procedures for investments above threshold investments; coordinating submission of VHA's long-term capital asset plan; contributing to and participating in maintenance of VA's portfolio of existing assets; and maintaining operational responsibility for asset management activities.

In November 2002, the Secretary approved implementation of a major reorganization of finance, acquisition, and capital asset functions throughout VA into regional centers with clearer delegations of authority and increased responsibility and accountability. By combining multiple functions into a single office of business oversight and streamlining field operations to a manageable size via regional offices, VA can realize both efficiencies and improvements in its business activities. The business office concept also helps to provide a stabilizing influence in creating uniformity in VA's operations and enforcing corporate discipline in business practices. Each regional office is establishing a business office that will include a Veterans Integrated Service Network (VISN) Deputy Network Director who will oversee and have direct line authority over a Chief Financial Officer, Chief Logistical Officer, and Capital Asset Manager.

The VISN Capital Asset Manager (CAM) will provide corporate (VISN) leadership, directing activities relating to the planning, acquisition, management and disposal of capital assets. This includes management of all capital programs including major and minor construction, non-recurring maintenance, enhanced-use leasing, sharing agreements, leasing, real property, major medical and non-medical equipment, and energy conservation/savings initiatives and associated resources. It also involves developing and monitoring VISN capital program goals and performance as well as any corrective action plans to bring capital assets into compliance and adherence with VISN and national benchmarks and portfolio performance standards.

The CAM is responsible for developing the VISN level 5-year capital asset plan and ensuring it is consistent with and supports VHA national and Departmental plans. The CAM structure will facilitate effective management of an efficient capital asset management program with appropriate linkages to financial, programmatic, procurement, and strategic planning elements to effectuate a fiscally sound VISN capital asset portfolio.

VA is striving to utilize information technology and established capital asset management principles to improve the management of its capital resources. For example, VA's CAMS is an integrated, Department-wide system, enabling VA to analyze, monitor, and manage VA's portfolio of capital assets. VA maximizes CAMS technology to extract key capital asset-related data from several key data sources within the Department. Data is organized and presented to strategically monitor performance against capital asset goals within and across asset types and VA Administrations. This innovative technology integrates asset management and governance at multiple levels by limiting redundancy and promoting One-VA and sharing opportunities; improves financial and analytical capability by tracking actual performance against planned, allowing commercial benchmarking and providing dashboard presentation and multi-dimensional views; and improves performance management by tracking VA's seven Department-wide portfolio goals. This leads to improved decision-making and service delivery to veterans. In FY 2004, VA also

created a Web-based OMB Exhibit 300 application for significant capital assets. This online system allows staff to complete business case applications electronically within CAMS.

VA will continue to be a leader in the federal capital asset arena and work to further improve the management of its nationwide portfolio of capital assets by:

- Developing capital asset standards and/or benchmarks such as level of investment and cost of asset ownership. Management of VA's portfolio will include guidance on gap analysis, performance management, and asset disposal.
- Enhancing the automated performance management system (CAMS) to oversee VA's capital asset portfolio that ties into the Department's financial system. With this system, VA will track and monitor key milestones such as cost, schedule, and performance of newly acquired assets through their entire life cycle.
- Increasing opportunities to initiate enhanced-use leases. By leveraging its assets, VA is able to acquire facilities or obtain goods and services that might otherwise be unavailable or unaffordable, or conversely, convert underutilized property into an asset that generates revenue, achieves consolidation, or reduces costs.
- Working towards improving collaboration and partnership with the Department of Defense regarding capital projects.
- Establishing capital policies to ensure that the Department has consistent investment strategies and that all capital activities are accomplished in concert with the Department's strategic goals.
- Achieving compliance with the Executive Order, Federal Real Property Asset Management – meeting all requirements of the Federal Real Property Council, including development of an agency asset management plan, reporting on Government-wide performance measures, and providing information to be included in the Government-wide real property inventory.

## **RESULTS OF THE FY 2005 CAPITAL INVESTMENT PROCESS**

The following section is the result of VA's application of its multi-attribute hierarchical methodology to the FY 2004 and 2005 major capital investments. As previously mentioned, VA used two distinct decision models during the FY 2005 capital investment planning cycle, one for VHA CARES projects and another for non-CARES (VBA, NCA, and staff office) projects, to accommodate the CARES process and timeline, and allow VHA CARES projects to be evaluated on criteria with greater health care specificity. The following table illustrates the FY 2005 decision hierarchy and specific sub-criteria for each of the major criteria for CARES and non-CARES

projects. Appendix C provides definitions of each of the criteria and appendix E graphically illustrates the CARES and non-CARES capital decision models for the FY 2005 planning process.

**FY 2005 Decision Criteria**

| NON-CARES DECISION CRITERIA |   |
|-----------------------------|---|
| Major Criteria              | Sub-Criteria                            |
| DEPARTMENTAL ALIGNMENT      | DoD Collaboration                       |
|                             | Strategic Alignment                     |
|                             | VHA/VBA/NCA Collaborative Opportunities |
| FINANCIAL PRIORITIES        | Cost-Effectiveness Analysis             |
|                             | Alternatives Analysis                   |
|                             | Risk Analysis                           |
|                             | Risk Control Plan                       |
|                             | Savings/Cost Avoidance                  |
|                             | Exit Strategy                           |
| CAPITAL PORTFOLIO GOALS     | Increase In Community Based Sharing     |
|                             | Decrease Underutilized Capacity         |
|                             | Decrease Operational Costs              |
|                             | Reduce Energy Utilization               |
|                             | Increase Revenue Opportunities          |
|                             | Maximize Highest And Best Use           |
| SAFEGUARD ASSETS            | Safety/Security                         |
|                             | Seismic                                 |
| CUSTOMER SERVICE            | New Customers/Increase In Customers     |
|                             | Customer Satisfaction                   |
|                             | Customer Access                         |

| CARES DECISION CRITERIA       |   |
|-------------------------------|---|
| Major Criteria                | Sub-Criteria                                |
| DEPARTMENTAL ALIGNMENT        | DoD Collaboration                           |
|                               | Strategic Alignment                         |
| FINANCIAL PRIORITIES          | Cost-Effectiveness Analysis                 |
|                               | Alternatives Analysis                       |
|                               | Risk Analysis                               |
|                               | Risk Control Plan                           |
|                               | Savings/Cost Avoidance                      |
|                               | Exit Strategy                               |
| CAPITAL PORTFOLIO GOALS       | Increase In Community Based Sharing         |
|                               | Decrease Underutilized Capacity             |
|                               | Decrease Operational Costs                  |
|                               | Reduce Energy Utilization                   |
|                               | Increase Revenue Opportunities              |
|                               | Maximize Highest And Best Use               |
| SAFEGUARD ASSETS              | Safety/Security                             |
|                               | Seismic                                     |
| SERVICE DELIVERY ENHANCEMENTS | Realignment/Mission Change                  |
|                               | Size of Gap/Demand                          |
|                               | Volume of Veterans Served/Services Provided |
|                               | Access to Health Care                       |
|                               | VBA/NCA Opportunities                       |
|                               | Quality – Infrastructure Enhancements       |

The CARES capital investment decision process resulted in the identification of the following highest priority CARES projects that were reviewed by the VA Senior Resources

Group and approved by the Secretary. Below are the FY 2004 and 2005 projects for which VA is requesting authorization and appropriation approval from Congress to proceed.

### Summary of CARES FY 2004 and 2005 Capital Projects

| Year | VISN | Location      |    | Project Title – Brief Description                         | Priority # | Budget Request (\$000) |
|------|------|---------------|----|---|------------|------------------------|
| 2004 | 12   | Chicago       | IL | Bed Tower   | *          | \$98,500               |
| 2004 | 12   | North Chicago | IL | Joint VA and Dept of Navy Medical Project                 | *          | \$13,000               |
| 2004 | 21   | Palo Alto     | CA | Seismic Corrections Bldg. 2                               | 1          | \$34,000               |
| 2004 | 10   | Cleveland     | OH | Cleveland-Brecksville Cons., Ph 1 Design                  | 2          | \$15,000               |
| 2004 | 4    | Pittsburgh    | PA | Consolidation of Campuses, Ph 1 Design                    | 3          | \$20,000               |
| 2004 | 23   | Minneapolis   | MN | SCI & SCD Center  | 4          | \$20,500               |
| 2004 | 22   | Las Vegas     | NV | New Federal Medical Facility, Design and Land Purchase    | 6          | \$60,000               |
| 2004 | 8    | Gainesville   | FL | Correct Pt. Privacy Def., Ph 1-Design                     | 7          | \$8,800                |
| 2004 | 11   | Indianapolis  | IN | 7th & 8th Fl. Wards Modernization Addition                | 8          | \$27,400               |
| 2004 | 18   | Tucson        | AZ | Mental Health Clinic                                      | 9          | \$12,100               |
| 2004 | 19   | Denver        | CO | New Federal Medical Facility, Ph 1 Design                 | 10         | \$30,000               |
| 2004 | 17   | San Antonio   | TX | Ward Upgrades and Expansion                               | 11         | \$19,100               |
| 2004 | 8    | Orlando       | FL | Bed Tower, Phase 1 Design                                 | 12         | \$25,000               |
| 2004 | 8    | Tampa         | FL | Upgrade Essential Electrical Dist. Systems                | 13         | \$49,000               |
| 2004 | 10   | Columbus      | OH | Construction of Outpatient Clinic                         | 14         | \$94,800               |
| 2004 | 6    | Durham        | NC | Renovate Patient Wards                                    | 15         | \$9,100                |
| 2004 | 22   | Long Beach    | CA | Seismic Corrections-Bldgs 7,126, Phase 1 Design           | 16         | \$10,300               |
| 2004 | 20   | Anchorage     | AK | Outpt. Clinic/Regional Office, Ph 1 Design                | 18         | \$11,760               |
| 2004 |      | Various       |    | Line Items  |            | \$64,378               |
|      |      |               |    | <b>Total</b>  |            | <b>\$622,738</b>       |
| 2005 | 8    | Tampa         | FL | SCI Expansion   | 5**        | \$7,100                |
| 2005 | 16   | Pensacola     | FL | Joint VA and Department of Navy OPC                       | 17***      | \$55,500               |
| 2005 | 17   | Temple        | TX | Blind Rehab and Psychiatric Beds                          | 19         | \$56,000               |
| 2005 | 8    | San Juan      | PR | Seismic Corrections-Bldg. 1, Ph 1 Design                  | 20         | \$15,000               |
| 2005 | 2    | Syracuse      | NY | Construct Addition for SCI Center                         | 21         | \$53,900               |
| 2005 | 7    | Atlanta       | GA | Modernize Patient Wards                                   | 22         | \$20,700               |
| 2005 | 21   | Menlo Park    | CA | Seismic Corrections-Geropsych. NH Replacement (Bldg. 324) | 23         | \$33,239               |
| 2005 | 21   | San Francisco | CA | Seismic Corrections-Bldg. 203                             | 24         | \$41,500               |
| 2005 | 22   | Los Angeles   | CA | Seismic Corrections-Bldgs. 500 & 501, Ph 1 Design         | 25         | \$8,000                |
| 2005 | 8    | Lee County    | FL | Outpatient Clinic Land Purchase                           | 26         | \$6,510                |
| 2005 | 23   | Des Moines    | IA | Extended Care Building                                    | 27         | \$25,000               |
| 2005 | 22   | San Diego     | CA | Seismic Corrections-Bldg. 1                               | 29***      | \$48,260               |
| 2005 |      | Various       |    | Line Items  |            | \$30,091               |
|      |      |               |    | <b>Total</b>  |            | <b>\$400,800</b>       |

\*Projects approved in the pilot CARES study for Network 12 – Chicago/Wisconsin

\*\*Delayed pending results of further SCI study

\*\*\* Priority numbers 17 and 18, and 28 and 29 are reversed to maximize the utilization of the funding as requested in the 2004 and 2005 budgets

The non-CARES capital investment decision process resulted in the identification of the following highest priority non-CARES projects that were reviewed by the VA

Senior Management Council and approved by the Secretary. They were included in the Department's FY 2005 budget submission and are currently being considered by the Congress.

### Summary of Non-CARES FY 2005 Capital Projects

| Year   | Admin | Location    |    | Project Title – Brief Description                | Priority | Budget Request (\$000) |
|--|-------|-------------|----|--|----------|------------------------|
| <b>Acquisition Business Case Applications</b>                        |       |             |    |  |          |                        |
| 2005   | NCA   | Vacaville   | CA | Sacramento Area New Cemetery Phase 1 Development | 1        | \$21,600               |
| 2005   | NCA   | Bushnell    | FL | Cemetery Expansion                               | 2        | \$20,000               |
| 2005   | NCA   | Rock Island | IL | Moline Cemetery Expansion                        | 3        | \$10,200               |
| 2005   | VBA   | Huntington  | WV | New GSA Lease                                    | 4        | \$3,700                |
| 2005   | VBA   | Reno        | NV | VARO Reno GSA Lease                              | 5        | \$1,000                |
| <b>Planning Business Case Applications (Requesting Design Funds)</b> |       |             |    |  |          |                        |
| 2005   | NCA   | San Diego   | CA | Ft. Rosecrans Cemetery Annex at Miramar (Design) | 1        | \$1,000                |
| 2005   | NCA   | Riverside   | CA | Cemetery Expansion (Design)                      | 2        | \$1,400                |
| 2005   | NCA   | Gustine     | CA | San Joaquin Valley Cemetery Expansion (Design)   | 3        | \$800                  |



## **2. VETERANS HEALTH ADMINISTRATION**



VA will remain a national integrated system of health care delivery, increasingly characterized by a shift from provider and facility-centered health care to patient-centered health care that is driven by data and medical evidence.

By focusing on providing services that are uniquely related to veterans' health or special needs, VA will provide comprehensive services to an expanding patient base, including a broad range of primary, secondary, and tertiary care. The CARES capital project prioritization process placed an emphasis on achieving service delivery goals, safeguarding assets (including ensuring patient safety), and enhancing special emphasis programs. The projects that received the highest priority ranking were those which best reflected the goals and mission contained in VA's Strategic Plan described below:

### **THE PROJECTED FUTURE OF VA HEALTH CARE**

Health care delivery will become more patient-centered. The future will include veterans being seen by a health care provider based on their medical need, often determined through in-home care or interactive technology instead of a pre-determined schedule. This patient-centered approach will better serve veterans and will be more cost-effective in the long term.

#### **Patient-centered integrated health care system for veterans**

VA will strive to maintain a fully integrated health care system, driven by its central mission of service to veterans. Integrated information systems will allow seamless movement of patients across the system and ensure consistent execution of policy. VA's approach to health care delivery is shifting from a provider-centric system to a patient-centric system for veterans. This patient-centered approach may be characterized as follows:

- Care is based on patient needs and healing relationships
- The patient is the source of health care control
- Knowledge is freely shared with patients who have access to all of their health care information
- Care requires an increased patient role in maintaining their health status

#### **Leader in understanding and providing services in special emphasis areas that are uniquely related to veterans' health care**

VA will always maintain its leadership role in medical services for conditions uniquely related to veterans' health care in special emphasis areas including spinal cord injury, blindness, amputation, traumatic brain injury, post-traumatic stress disorder, serious mental illness, homelessness, substance abuse, Gulf War illness, and illness related to Agent Orange. Through readjustment counseling, VA will help veterans become fully reintegrated into their communities with minimal disruption to their lives. VA conducts outreach activities and transition assistance to separating service members. VA will conduct aggressive outreach in some special emphasis areas (homeless, seriously mentally ill) and preventive intervention regarding life style changes for issues such as smoking, obesity, and chemical dependency. A key factor in these efforts will be patient education and the promotion of patients' responsibility in health maintenance and prevention.

**Continuously improving cost-effective care through a dedicated, well-qualified staff**

VA will maintain its leadership role in improving patient and employee safety through technological innovation, improved practices, and workforce development programs. VA will develop cost-effective alternatives to inpatient care such as long-term care in non-institutional settings. Capital assets will be reallocated based upon veteran demographic trends to maximize efficient use. VA will maintain its focus on the core mission of delivery of health care services to veterans. Non-core patient care support services will be reviewed for competitive sourcing and will be outsourced if cost efficiency and high quality can be maintained for such areas as food service, building and grounds maintenance, laundry, and other services.

VA will support training programs in health care professional shortage areas. VA will utilize advances in information technology training for education and employee development. VA and DoD will also continue to explore initiatives for sharing educational opportunities for their health care providers.

**Leader in the use of health information technology (IT)**

Health IT leadership will include a fully developed electronic patient record deployed via a Web-based patient information system. IT initiatives such as HealthVet allow veterans access to their medical records through secure on-line applications and to input health status information, such as weight, on a daily basis to allow remote coordination and monitoring of patient status. HealthVet and other telehealth technologies will facilitate the shift to patient-centered care. VA will continue its partnership with DoD to develop an interoperable VA/DoD medical information system. In consultation with DoD and the Department of Health and Human Services (HHS), VA will also continue to investigate the development of a national clinical research database.

**Coordinate publicly funded health care for the benefit of veterans**

VA will attempt to broaden its patient base and develop multiple alternative funding sources for veterans' health care, which will allow the Department to ultimately serve more veterans. VA will work to integrate in-house health care with care provided by alternate providers such as state veterans homes and expand long-term care capacity by increasing non-institutional long-term care. VA is also partnering with the Indian Health Service to extend VA care to Native Americans; an MOU was signed on February 26, 2003. VA will continue seeking to diversify its funding base. VA health care will be available to veterans over age 65 through a Medicare health maintenance organization (HMO). VA will expand its ability to bill HMO and health plan enrollees who use VA medical services. VA will strive to maximize appropriate third-party revenues through improved business practices.

**Leader in expanding the evidence base for health care and translating it into changes in delivery**

VA will support evidence-based research in health promotion and diseases affecting veterans. The Quality Enhancement Research Initiative (QUERI) demonstrates VA's commitment to evidence-based quality improvement. As part of this initiative, collaboration on the development of clinical practice guidelines that are evidence-based, valid, reliable, cost-effective, clear, and flexible leads to overall improvement in outcomes important to veterans.

**Major contributor to national emergency response**

As the Nation's largest integrated health care provider, VA will play a major role in national disaster and emergency response, providing community support for regional disasters, and response to threats of terrorism and weapons of mass destruction. VA will be a provider of DoD non-mission critical services, and will play a key role in DoD contingency planning.

**How CARES PROJECTS WERE SCORED AND PRIORITIZED**Development of CARES and Associated Weights

The Deputy Secretary formed a Department-wide workgroup to provide recommendations on the criteria to be used to prioritize CARES capital projects. The definition and weights (a criteria's importance) of the CARES criteria were developed by the CARES Senior Resources Group and approved by the Secretary. These weights were slightly adjusted to conform with CARES criteria established in Public Law 108-170, which was signed in December 2003. The modifications to the criteria included assigning increased weight to the "safeguarding assets" criteria, as it includes a patient life-safety component. (Brief descriptions of the criteria and the CARES decision model are found in appendices C and E, respectively).

Business Case Applications

Over 100 CARES concept papers and business case applications were submitted and reviewed through VA's capital investment process using criteria approved by the Secretary and in compliance with Public Law 108-170. Business case applications (OMB Exhibit 300's) were completed locally using a web-based application for each proposed project. The projects were proposed in order to meet the performance gaps identified through the CARES process. The workload and space requirements for proposed projects were also based on the requirements found in CARES. These applications specifically addressed the six CARES criteria and included other elements such as project description, justification, and alternative, risk, and cost effectiveness analysis. A multi-disciplinary, Department-wide panel was convened to score and rank the CARES projects based on how well they met each of the established CARES criteria. The scores and overall ranking of projects were approved by the Secretary.

The Department will proceed with planning and construction once Congressional requirements are met. Per Public Law 108-170, the Secretary may carry out the major construction projects specified in the final CARES report 45 days after submittal of a report to the Authorizations Committees (the authority for which will expire in December 2006). In accordance with this law, and congressional report language that appeared in appropriation bills, an interim plan was submitted to the Committees on May 20, 2004. The 5-year capital plan also complies with The Veterans' Health Care Eligibility Reform Act of 1996, Public Law 104-262, section 206(c), as it serves notice to the Congress of the Department's intent to obligate advance planning funds for projects planned for FY 2004-2005. Typically, when the construction cost of a project exceeds \$12,000,000, the advance planning costs exceed \$500,000 and require this notification.

Provided on the following pages are the summary and detailed project information of VA's major capital investment priorities for FY 2004 and 2005. VA is adhering to the rigor of its capital investment methodology by funding projects in priority order except where additional analysis is pending or to maximize utilization of each year's appropriation. VA anticipates the CARES process will require additional investment of approximately \$1 billion per year for the next 5 years in order to improve VA's infrastructure and enhance veterans' access to care. Our estimates for out-year funding streams will be determined as future budgets are developed.

In order to optimize funding availability and maximize management flexibility, construction projects with a total estimated cost in excess of \$65M are split-funded, meaning design (usually 10 percent) is funded in one year and construction is funded in a subsequent year. A complete list of VA's top 48 priorities and those projects that will be developed for prioritization and consideration in subsequent 5-year capital plan submissions is also provided.

It is important to note that this is the first iteration of the CARES-specific project needs. The following page lists the capital requirements needed to implement CARES for FY 2004 through 2010. The projects were identified through the CARES planning process in order to meet the challenges of the provision of veterans' health care in the 21<sup>st</sup> century. While VA will assess and re-evaluate funding estimates in future budgets, VA anticipates the process will require additional investments of approximately \$1 billion per year for at least the next 5 years, with substantial infrastructure investments then continuing for the indefinite future. An updated 5-year capital plan will accompany the annual budget request each year and will reflect the most current costs, phasing, and priorities of the Department.

## FY 2004 AND 2005 SUMMARY PROJECT INFORMATION

### Major Construction

| FY   | VISN | Location      |    | Project Title – Brief Description                      | Total Acquisition Cost (\$000) | Page # |
|------|------|---------------|----|--|--------------------------------|--------|
| 2004 | 12   | Chicago       | IL | Bed Tower  | \$98,500                       | 30     |
| 2004 | 12   | N. Chicago    | IL | Joint VA and Dept of Navy Medical Project              | \$13,000                       | 30     |
| 2004 | 21   | Palo Alto     | CA | Seismic Corrections Bldg. 2                            | \$34,000                       | 30     |
| 2004 | 10   | Cleveland     | OH | Cleveland-Brecksville Consolidation, Ph 1 Design       | \$105,000                      | 31     |
| 2004 | 4    | Pittsburgh    | PA | Consolidation of Campuses, Ph 1 Design                 | \$190,800                      | 31     |
| 2004 | 23   | Minneapolis   | MN | SCI & SCD Center                                       | \$20,500                       | 32     |
| 2004 | 22   | Las Vegas     | NV | New Fed Med Facility, Design and Land Purchase         | \$325,000                      | 32     |
| 2004 | 8    | Gainesville   | FL | Correct Patient Privacy Deficiencies, Phase 1 Design   | \$87,800                       | 33     |
| 2004 | 11   | Indianapolis  | IN | 7th & 8th Floor Wards Modernization Addition           | \$27,400                       | 33     |
| 2004 | 18   | Tucson        | AZ | Mental Health Clinic                                   | \$12,100                       | 34     |
| 2004 | 19   | Denver        | CO | New Federal Medical Facility, Ph 1 Design              | \$328,460                      | 34     |
| 2004 | 17   | San Antonio   | TX | Ward Upgrades and Expansion                            | \$19,100                       | 35     |
| 2004 | 8    | Orlando       | FL | Bed Tower, Phase 1 Design                              | \$253,600                      | 35     |
| 2004 | 8    | Tampa         | FL | Upgrade Essential Electrical Dist. Systems             | \$49,000                       | 35     |
| 2004 | 10   | Columbus      | OH | Construction of Outpatient Clinic                      | \$94,800                       | 36     |
| 2004 | 6    | Durham        | NC | Renovate Patient Wards                                 | \$9,100                        | 36     |
| 2004 | 22   | Long Beach    | CA | Seismic Corrections-Bldgs 7 & 126, Ph 1 Design         | \$149,700                      | 37     |
| 2004 | 20   | Anchorage     | AK | Outpatient Clinic and Regional Office, Ph 1 Design     | \$77,600                       | 37     |
| 2005 | 8    | Tampa         | FL | SCI Expansion  | \$7,100                        | 38     |
| 2005 | 16   | Pensacola     | FL | Joint VA and Department of Navy OPC                    | \$55,500                       | 38     |
| 2005 | 17   | Temple        | TX | Blind Rehabilitation and Psychiatric Beds              | \$56,000                       | 38     |
| 2005 | 8    | San Juan      | PR | Seismic Corrections-Bldg. 1, Ph 1 Design*              | \$15,000                       | 39     |
| 2005 | 2    | Syracuse      | NY | Construct Addition for Spinal Cord Injury (SCI) Center | \$53,900                       | 39     |
| 2005 | 7    | Atlanta       | GA | Modernize Patient Wards                                | \$20,700                       | 40     |
| 2005 | 21   | Menlo Park    | CA | Seismic Correct -Geropsych NH Replacement (Bldg. 324)  | \$33,200                       | 40     |
| 2005 | 21   | San Francisco | CA | Seismic Corrections-Bldg. 203                          | \$41,500                       | 40     |
| 2005 | 22   | Los Angeles   | CA | Seismic Corrections-Bldgs. 500 & 501, Ph 1 Design      | \$79,900                       | 41     |
| 2005 | 8    | Lee County    | FL | Outpatient Clinic Land Purchase                        | \$65,100                       | 41     |
| 2005 | 23   | Des Moines    | IA | Extended Care Building                                 | \$25,000                       | 42     |
| 2005 | 22   | San Diego     | CA | Seismic Corrections-Bldg. 1                            | \$48,260                       | 42     |

\*Total project scope and acquisition cost to be determined

## FY 2004 AND 2005 DETAILED PROJECT INFORMATION

|                               |                    |
|-------------------------------|--------------------|
| <b>Fiscal Year</b>            | FY 2004            |
| <b>BA Requested (Capital)</b> | \$98.5M            |
| <b>Planned Project Name</b>   | Bed Tower          |
| <b>Project Location</b>       | Chicago, IL        |
| <b>Asset Type</b>             | Major Construction |

### Project Description

This project requires \$98.5M FY 2004 budget authority. This project will consolidate the two-inpatient sites of care, Lakeside, and West Side that are located in 50-year old facilities approximately five miles apart. Construction includes a new bed tower to house all inpatient beds and operating rooms, at the West Side Division. The building will be connected to Building 1, the existing hospital where ancillary support and diagnostic functions will remain. Building 1 renovations will provide consolidated inpatient support services. The VISN 12 CARES study for veterans health care needs for 2010 and beyond determined that two separate inpatient care units so close to one another represented unnecessary duplication of services and that significant operating inefficiencies could be eliminated and cost savings achieved by consolidating inpatient care at a single site. This project will reduce operating costs for services and supplies. In addition, there will be improved patient satisfaction by providing veteran patients with a level of care that meets or exceeds community standards and cannot be provided in two separate 50-year old facilities.

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| <b>Fiscal Year</b>            | FY 2004   |
| <b>BA Requested (Capital)</b> | \$13M   |
| <b>Planned Project Name</b>   | Joint VA and Department of Navy Medical Project |
| <b>Project Location</b>       | North Chicago, IL                               |
| <b>Asset Type</b>             | Major Construction                              |

### Project Description

This project requires \$13M FY 2004 budget authority. This project will provide new surgical facilities, including operating rooms and support space, and upgraded Urgent Care/Emergency Services to be staffed by the VA and utilized by both VA and DOD (Navy) beneficiaries. A new Operating Room Suite will be constructed and the existing Post Anesthesia Recovery area will be renovated. The VISN 12 CARES review encouraged increased collaboration between the North Chicago (NC) VAMC and Naval Hospital Great Lakes. The joint Surgery and Urgent/Emergency Care units will address some of the existing unnecessary duplication of services (these Federal hospitals are less than a mile apart). It appears that consolidating these services at a single site should result in considerable savings (about \$3,600,000 a year, mostly due to the minimum staffing required at separate facilities).

This project will reduce overall operating costs for VA and Navy by consolidating VA and DoD inpatient care. It will utilize vacant patient care space at the NCVAMC. Additionally, VA beneficiaries would have increased access to surgical procedures closer to their homes and families.

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| <b>Fiscal Year</b>            | FY 2004                    |
| <b>BA Requested (Capital)</b> | \$34M                      |
| <b>Planned Project Name</b>   | Seismic Corrections Bldg 2 |
| <b>Project Location</b>       | Palo Alto, CA              |
| <b>Asset Type</b>             | Major Construction         |

### Project Description

This project requires \$34M in FY 2004 budget authority. This project would construct an 80-bed acute inpatient psychiatric replacement facility, approximately 76,000 GSF, at VA Palo Alto Health Care System's (VAPAHCS) Palo Alto Division (PAD). It would replace an obsolete, functionally deficient and seismically unsafe inpatient psychiatric building, (building 2) which was identified as the second most seismically critical building in the system. Today, VAPAHCS maintains four separate acute inpatient

psychiatric wards (92-beds), located in three separate buildings (Buildings 2, 5, and 348) on two different campuses (Palo Alto Division and Menlo Park Division). By constructing the proposed 80-bed acute psychiatric replacement facility, VAPAHCS would successfully consolidate all four acute inpatient psychiatric wards into a single state-of-the-art treatment facility to maximize economies of scale and achieve significant operational efficiencies. Prior to construction, approximately 200 parking spaces, impacted by the proposed 80-bed facility, would be relocated to minimize the impact on patients and staff. Upon completion of the 80-bed acute psychiatric inpatient facility, VAPAHCS would relocate impacted Building 2 programs, not included in the proposed 80-bed acute psychiatric inpatient replacement facility, such as Psychology Service, Lodger Program, warehousing, research labs and ancillary services, to other PAD facilities. Impact funds are included in this CIP to renovate vacant space for these programs. Once completed, Building 2, which is 77,100 GSF, would be razed and the parcel would be converted to patient parking. This project includes Building 2 asbestos abatement and site restoration. Landscape and exterior revisions will also be required. Completion of this project would eliminate an Exceptionally High Risk (EHR) seismically deficient building that fails to meet current Life/Safety, Uniform Federal Accessible Standards (UFAS) as well as Federal and State seismic statutes.

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| <b>Fiscal Year</b>            | FY 2004  |
| <b>BA Requested (Capital)</b> | \$15M  |
| <b>Planned Project Name</b>   | Cleveland-Brecksville Consolidation, Ph 1 Design |
| <b>Project Location</b>       | Cleveland, OH                                    |
| <b>Asset Type</b>             | Major Construction                               |

### Project Description

This project requires \$15M FY 2004 budget authority to complete phase I design, with an estimated total acquisition cost of \$105M. This project will consolidate and co-locate all clinical and administrative functions of a two division medical center at the Wade Park VAMC. This consolidation aligns itself as a top priority for construction due to the closure of the Brecksville VAMC and achieves the objective of CARES to realign and decrease the amount of infrastructure maintained and operated by the VA by 931,454 gross square feet. This project will require new construction of 268,546 gross square feet at the Wade Park VAMC. The scope of this project includes additional chillers, emergency generators, and boilers as well as the associated incoming utility connection for the new space. Space efficiencies are gained in several ways for the aforementioned items that do not require the new construction of space: 1) There is existing space in the penthouse of the Wade Park VAMC that can accommodate the new chillers and (2) The current energy center is expandable by 1,800 square feet. This project requires the Enhanced Use Lease of 102 acres at the Brecksville VAMC in exchange for property adjacent to the Wade Park VAMC. Under the Enhance Use Lease agreement, the lessor will construct a 120 bed Domiciliary, a 1,200 space parking garage, and administrative space adjacent to the Wade Park VAMC that will provide the additional infrastructure needed for the consolidation of the Brecksville VAMC at the Wade Park VAMC. The consolidation at the Wade Park Division of The Louis Stokes Cleveland VAMC will allow for the complete vacancy and closure of the Brecksville VAMC. The cost savings of this project are anticipated to exceed \$23 million annually and the quality of clinical care will be significantly enhanced to the more than 80,000 veterans that receive care at these medical centers annually. Additionally, there is the potential consolidation of VHA and VBA that will promote a One VA through efficient processing of VBA claims requiring medical support from VHA for the more than 500,000 veterans residing in Northern Ohio.

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| <b>Fiscal Year</b>            | FY 2004                                   |
| <b>BA Requested (Capital)</b> | \$20M                                     |
| <b>Planned Project Name</b>   | Consolidation of Campuses, Phase 1 Design |
| <b>Project Location</b>       | Pittsburgh, PA                            |
| <b>Asset Type</b>             | Major Construction                        |

### Project Description

This project requires \$20M FY 2004 budget authority to complete phase I design, with an estimated total acquisition cost of \$190.80M. This project would consolidate (547,000 sq ft) a three division health care delivery system into two divisions, by adding sufficient space at the University Drive and H. John Heinz III divisions to accommodate the current and projected workload. Specifically, this proposal identifies closure and divesture/enhanced use of the Highland Drive division, a fifty-year-old campus-style facility,

composed of more than 20 buildings on 169 acres. The principle benefit of this consolidation is to improve care by providing state-of-the-art care environment and reducing operating expenses, therefore realigning those assets to enhance services.

Expected outcome at project completion: 1) Permanent closure of 850,000 square feet on 169 acres; 2) Construction of 186,000 sq ft and a 900 car parking structure at University Drive; 3) Construction of 361,000 sq ft at H.J. Heinz-Net closure of 348,000 sq ft.; and 4) Estimated annual savings of \$15,000,000 in operational expenses to be invested in care enhancements.

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| <b>Fiscal Year</b>            | FY 2004            |
| <b>BA Requested (Capital)</b> | \$20.5M            |
| <b>Planned Project Name</b>   | SCI and SCD Center |
| <b>Project Location</b>       | Minneapolis, MN    |
| <b>Asset Type</b>             | Major Construction |

**Project Description**

This project requires \$20.5M FY 2004 budget authority. This project will establish a Spinal Cord Injury/Disease (SCI/D) Center for VISN 23. It will construct a two story structure (plus basement); a 30 inpatient bed unit with Outpatient Clinics and administrative space. A connection to the main facility would be required and is planned to occur at each level of the new structure; the new SCI/D Center will have a separate street level entrance and dedicated parking. Currently, outpatient SCI exams are done in the Physical Medicine and Rehabilitation (PM&R) Exam area 2.5 days per week. With the current shortage of PM&R space, and potential expansion of the pain clinic, there would be no space to backfill once the new SCI Center is built as the current outpatient space is already utilized by PM&R. A VISN 23 SCI Center is supported by the CARES planning model and the draft national CARES plan, as well as the VHA SCI Program Office.

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| <b>Fiscal Year</b>            | FY 2004   |
| <b>BA Requested (Capital)</b> | \$60M   |
| <b>Planned Project Name</b>   | New Federal Medical Facility Design and Land Purchase |
| <b>Project Location</b>       | Las Vegas, NV   |
| <b>Asset Type</b>             | Major Construction                                    |

**Project Description**

This project requires \$60M FY 2004 budget authority to complete phase I design, with an estimated total acquisition cost of \$325M. VA will collaborate with DoD for a mutual solution to provide up to 90 inpatient beds, a 120 bed Nursing Home Care Unit, Ambulatory Care Center, administrative and support functions, and provide space for collocated Veterans Benefits Administration offices. The Medical Center will provide a “One Stop Shopping” approach for the veteran whose health care needs cross the continuum of services including primary and specialty care, surgical services, mental health, rehabilitation and extended care. The consolidation of clinical and administrative support will increase efficiencies, allow for the sharing of expertise and coordination across all levels of care, ensuring that patients are provided optimum care in the most appropriate setting. The proposed facility will be approximately 700,000 square feet and require 50-55 acres to allow for adequate parking and future growth potential. Workload projections are consistent with the CARES planning model and Clark County growth trends. This project will close significant service delivery gaps identified in the CARES process. A gap of 270,699 (2012) and 241,595 (2022) Outpatient stops was identified during the CARES process, representing increases of 65% over current workload levels and an inpatient bed gap of 56%. In order to maximize flexibility and reduce cost, 50% of projected Primary Care and Mental Health workload has been removed from the space program and will be placed in multiple locations throughout the Las Vegas metropolitan area. This improves patient access for Primary Care services and allows for a scalable infrastructure to quickly adapt to significant changes in workload. The project enhances the Joint Venture with the Air Force through expanded capacity and increased scope of services providing both VA and DoD beneficiaries a comprehensive health care environment and cost effective alternative to contracted services.

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| <b>Fiscal Year</b>            | FY 2004   |
| <b>BA Requested (Capital)</b> | \$8.8M  |
| <b>Planned Project Name</b>   | Correct Patient Privacy Deficiencies Ph1 Design |
| <b>Project Location</b>       | Gainesville, FL                                 |
| <b>Asset Type</b>             | Major Construction                              |

**Project Description**

This project requires \$8.8M FY 2004 budget authority to complete phase I design, with an estimated total acquisition cost of \$87.8. The Veterans Administration Medical Center (VAMC) Gainesville, Florida, an acute care facility, was dedicated in 1967, and is currently 37 years old. The inpatient medical, surgical, and psychiatric wards, as originally constructed, consist of mostly 5 bed rooms, with some 1, 2, and 3 bed rooms, and congregate baths. The inpatient wards received a CARES Functional Score of 1.0, which indicates the inpatient wards are non-functional, virtually no privacy standards are met, and conditions indicate that compliance will be expensive and difficult. Accordingly, the inpatient wards are in non-compliance with the Health Insurance Portability and Accountability Act (HIPAA), Public Law 104-191. Several alternatives were explored and considered as means to increase the Functional Score. It was determined that the most viable alternative is a 241,103 gross square feet (gsf) addition to the Medical Center. This equates to 185,463 departmental gross square feet (dgsf). The addition will consist of four floors, plus a basement level, with connecting corridors to the existing Medical Center. The addition will house 238 in-patient beds consisting of 120 medical beds, 60 surgical beds, 58 psychiatric beds, support space, and Veterans Benefits Administration (VBA) collocation. This project includes renovation of space for expansion of Specialty Care Clinics consisting of Cardiology, Dermatology, Nephrology/Dialysis, Hematology, Otolaryngology, Audiology, Ophthalmology, Urology, Orthopedics, and Vascular Surgery. Construction of the new bed tower addition will free up the existing inpatient ward space to partially address the 144,504 dgsf Specialty Care space gap identified by the CARES Functional Space Survey data. Approximately 4,000 gsf of space is also being included in the new addition for collocation of VBA. The project will correct non-functional space, patient privacy deficiencies, handicap deficiencies, and code deficiencies that currently exist in the in-patient wards.

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| <b>Fiscal Year</b>            | FY 2004                                     |
| <b>BA Requested (Capital)</b> | \$27.4M                                     |
| <b>Planned Project Name</b>   | 7th & 8th Floor Ward Modernization Addition |
| <b>Project Location</b>       | Indianapolis, IN                            |
| <b>Asset Type</b>             | Major Construction                          |

**Project Description**

This project requires \$27.4M in FY 2004 budget authority. This project will correct the multiple deficiencies that prevail on the inpatient wards/bedrooms, 23-hour observation unit, and the inpatient pharmacy. Improvements include the addition of approximately 80,000 gross square feet of space on the 7th and 8th floor of the A-wing of Building 1, along with ancillary utility support. The project replaces all medicine, surgery, and intermediate beds. It provides 52 private and 22 semi-private rooms, negative and positive isolation rooms with the appropriate anterooms, a new inpatient pharmacy, new medical education space and other support space. Within the room allotment, the project replaces 11 beds and allocates an additional 12 beds for 23-hour observation, expanding specialty outpatient capacity. The design will provide the capability for patients to be dialyzed within each patient room providing an opportunity to increase the outpatient dialysis treatment capacity within the existing unit through the elimination of the need for inpatient treatment space. Additional educational space will be added on each floor to support the teaching mission of this medical center. It will benefit medical residents, other trainees, and medical center staff by providing a place for learning, a forum for sharing information, and a location for digital capability for distance learning. These rooms will greatly improve the communication and treatment of the patients by providing space for didactic training and learning literally around the corner from the practical application of that training. Three vacated wards will be designed and backfilled through this project for outpatient primary care and specialty care space. Design of the backfill will occur during the construction of the vertical addition with backfill beginning upon activation of the new inpatient space. This will add 24,000 square feet of outpatient space, which was included as part of the VISN 11 CARES plan for the Indiana market.

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| <b>Fiscal Year</b>            | FY 2004              |
| <b>BA Requested (Capital)</b> | \$12.1M              |
| <b>Planned Project Name</b>   | Mental Health Clinic |
| <b>Project Location</b>       | Tucson, AZ           |
| <b>Asset Type</b>             | Major Construction   |

**Project Description**

This project requires \$12.1M in FY 2004 budget authority. This proposal will create approximately 42,485 gross square feet (gsf) of new construction for mental health programs to be located west of the current mental health inpatient building (Bldg 67) and will enhance an associated 8,983 gsf of renovated backfill space in Building 2, allowing for a six-bed expansion of inpatient mental health facility. Completion of this project will provide appropriately sized and configured space for all outpatient mental health services that are presently scattered throughout the 116 acre campus in Buildings 2, 7, 66, and 67. This project will house the Mental Health Clinic, Drug and Alcohol Rehabilitation, Day Treatment, Vocational Rehabilitation, Seriously Chronically Mentally Ill (SMI), Post Traumatic Stress Disorder (PTSD), Family Mental Health, Biofeedback Therapy, Gero-psychiatry, Mood Disorder, Psychosis, Compensated Work Therapy (CWT), Outpatient Psychiatry Resident Program, Psychology Intern Program, Social Work Program, Women's Trauma, and the Homeless programs, as well as providing needed space for overall programmatic administrative areas for mental health. In addition, the new facility will create space to effectively continue VA-DoD sharing programs for both inpatient and outpatient mental health services. This project will add space for two additional mental health primary care teams and allow for an expansion of telepsychiatry program, as well as permit development of a telepsychiatry center of excellence, which will enhance delivery of mental health outpatient services to our Community Based Outpatient Clinics. The new building will be located on the main campus of the Southern Arizona VA Health Care System (SAVAHCS) in Tucson, AZ. Completion of this project will address existing service gap and presently forecasted CARES service gaps of 54% in FY 2012 and 23% in FY 2022. CARES analyses indicated space deficiencies for all years through 2022. Backfill of vacated Building 2 space will include enhancement and expansion of the existing mental health inpatient activities in the adjacent Building 67, including six additional beds, group rooms, and associated necessary programmatic spaces, as well as utilization of the remaining space for other CARES identified space deficient functions.

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| <b>Fiscal Year</b>            | FY 2004                                   |
| <b>BA Requested (Capital)</b> | \$30M                                     |
| <b>Planned Project Name</b>   | New Federal Medical Facility, Ph 1 Design |
| <b>Project Location</b>       | Denver, CO                                |
| <b>Asset Type</b>             | Major Construction                        |

**Project Description**

This project requires \$30M in FY 2004 budget authority to compete phase I design, with an estimated total acquisition cost of \$328.46M. This project provides approximately 1,060,000 square feet for a Joint Federal Facility at the University of Colorado's Fitzsimmons campus. The VA Eastern Colorado Healthcare System and the Air Force have developed the frame work for a joint use federal medical center. The new facility will accommodate the existing Eastern Colorado Healthcare System Tertiary Care functions along with research and the medical contingent with associated workload for the Buckley Air Force Base. The new federal facility will include a VA tower with ambulatory care on ground floor and additional floor(s) as needed. Acute inpatient medicine, surgery and psychiatry beds would be located on floors above outpatient care. This VA/ Federal building will be located on the original ambulatory care footprint directly connected to the University of Colorado Hospital core service area. There will be 188 beds. In addition to the core inpatient beds this initiative calls for a sixty bed NHCU located adjacent to the Colorado State Veterans Home already operational at this site and thirty Spinal Cord Injury/Disease beds adjacent to the Medical/Surgical tower. The bed allocation for the main treatment building includes DoD workload. This project will also include a separate combined administrative building, housing the administrative functions for VA and DoD. Finally, the VA is pursuing a warehouse concept separate from the clinical building to house sterile supply processing, clinical lab, medical record storage and warehouse activities. The university has already begun construction for multiple research buildings in the campus setting and VA research activities are included in this initiative under a lease capacity with the University Hospital

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| <b>Fiscal Year</b>            | FY 2004                     |
| <b>BA Requested (Capital)</b> | \$19.1M                     |
| <b>Planned Project Name</b>   | Ward Upgrades and Expansion |
| <b>Project Location</b>       | San Antonio, TX             |
| <b>Asset Type</b>             | Major Construction          |

### Project Description

This project requires \$19.1M in FY 2004 budget authority. This project will construct 26,000 square feet of new space and provide necessary renovations of approximately 62,800 square feet at the Audie L. Murphy Veterans Memorial Hospital (San Antonio VAMC) to relocate 25 medical acute care beds from Kerrville VAMC and consolidate all acute care hospital beds at San Antonio. It will also increase the number of acute care medical and psychiatric detoxification beds at San Antonio VAMC by 10 beds to meet present and future inpatient gaps at the San Antonio VAMC. All nursing units will be renovated to meet current patient privacy standards and space requirements. Each bedroom will have a dedicated, handicapped accessible toilet/shower room instead of congregate bathrooms as currently exists.

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| <b>Fiscal Year</b>            | FY 2004                |
| <b>BA Requested (Capital)</b> | \$25M                  |
| <b>Planned Project Name</b>   | Bed Tower, Ph 1 Design |
| <b>Project Location</b>       | Orlando, FL            |
| <b>Asset Type</b>             | Major Construction     |

### Project Description

This project require \$25M in FY 2004 budget authority to compete phase I design, with an estimated total acquisition cost of \$253.6M. This project provides for the construction of a 120-bed Veterans' Bed tower at either the Orlando VA Healthcare Center (OHC) site or on the campus of the University of Central Florida (UCF). It will resolve the CARES VISN 8 Central Market Acute Care Planning Initiative (PI) Gap by increasing access from 45.2% to 79.6%. The UCF campus is the most cost effective alternative, but it is premature to totally eliminate the existing site from consideration. OHC currently provides Primary Care, Specialty Care, Nursing Home, and Domiciliary services.

Under either scenario that mission will be maintained. To support that mission, the 210,000 DGSF main structure, Bldg 500 must be renovated. Under the One VA concept, VBA has requested space for 50 FTEE. Selected specialty care and diagnostic services will be relocated to the new hospital to provide VBA space in the Bldg 500 renovation. The new hospital, with a full spectrum of inpatient and outpatient services, is therefore appropriately sized for either alternative #1, co-location at the existing OHC site, or alternative #2, at UCF as a two-division facility. Alternative #1 presents advantages of co-location with existing VA functions, a Central Energy Plant that can be expanded, a 24-hour staffing presence at the nursing home care unit (NHCU) and strong local veteran support. A parking garage will also be built as part of this project. Alternative #2 presents advantages of co-location with an existing Nursing School and planned Medical School, excellent highway access and an abundance of land for expansion.

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| <b>Fiscal Year</b>            | FY 2004   |
| <b>BA Requested (Capital)</b> | \$49M   |
| <b>Planned Project Name</b>   | Upgrade Essential Electrical Distribution Systems |
| <b>Project Location</b>       | Tampa, FL   |
| <b>Asset Type</b>             | Major Construction                                |

### Project Description

This project requires \$49M in FY 2004 budget authority. This project establishes and upgrades normal, emergency and standby electrical distribution systems at the James A. Haley Veterans' Hospital, Tampa, Florida. The main campus currently comprises approximately 1.3 million square feet of air-conditioned space. This project directly addresses CARES Facility Condition Assessment (FCA) cited deficiencies which received grades of D and F. Each system component is addressed, including: sub-stations, risers, transformers, network protectors, automatic transfer switches, bus duct or cabling distribution, circuit

protective devices, panel boards and circuit breakers. Since July 1995, Tampa has experienced three major electrical-related outages. Since February 2000, there have been ten (10) unplanned electrical outages or emergent electrical shutdowns. If it were not for the fact that our new Central Energy Plant was nearly ready to be placed on line, the February 2000 shutdown would have necessitated the evacuation of all inpatients. Semi-annual preventive maintenance infrared screening of electrical switchgear and bus duct system continues to reveal potential faults with alarming frequency. The final version of the James A. Haley Veterans' Hospital Facility Condition Assessment independently corroborates the findings of VA's own professional engineers and licensed electricians.

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| <b>Fiscal Year</b>            | FY 2004                           |
| <b>BA Requested (Capital)</b> | \$94.8M                           |
| <b>Planned Project Name</b>   | Construction of Outpatient Clinic |
| <b>Project Location</b>       | Columbus, OH                      |
| <b>Asset Type</b>             | Major Construction                |

### Project Description

This project requires \$94.8M in FY 2004 budget authority. This project will relocate and replace the existing 118,000 square feet Chalmers P. Wylie Outpatient Clinic to the Defense Supply Center, Columbus (DSCC). Agreement has been reached with DOD to locate the new facility on a 20-acre parcel of land on the west side of the base. The project will require new construction of 295,000 square feet. The Columbus Outpatient relocated to its current location in 1995 as one of four mega-lease facilities in the VA system. The clinic was designed to support 135,000 annual visits, however greater than 208,000 visits were accomplished during FY 2003. The current size and configuration of the clinic is not sufficient to serve the growing patient demand for services and provides only limited specialty care services. The replacement facility will significantly reduce the need for veteran travel to other Network 10 VA's for ambulatory specialty and same-day surgical care, significantly improve continuity of care, increase parking from 470 to a projected 1,000 parking spaces and address 85% of the identified CARES Capacity Gaps for specialty, primary and ancillary care. Annual cost savings of 1.5 million would be realized in lease expenses for the existing clinic and off site clinical/administrative space. Access to inpatient care will be improved by establishing a contract with a local health care system. The design for the VA replacement clinic will include plans for possible future expansion to add inpatient beds if patient care demands support in future years. The primary impact of the project is establishment of new/expanded specialty care services currently unavailable in Central Ohio.

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| <b>Fiscal Year</b>            | FY 2004                |
| <b>BA Requested (Capital)</b> | \$9.1M                 |
| <b>Planned Project Name</b>   | Renovate Patient Wards |
| <b>Project Location</b>       | Durham, NC             |
| <b>Asset Type</b>             | Major Construction     |

### Project Description

This project requires \$9.1M in FY 2004 budget authority. This project will renovate approximately 46,000 GSF of existing space on Ward 7A, Wing 7C, Ward 6A, Wing 6C, Ward 9A, Wing 9C, Ward 5B and Wing 5C. This project will renovate the last four of six outdated inpatient wards at the Durham VA Medical Center. Wards 7B and 6B are currently being designed for renovation via an approved FY 04 Minor Construction Project. Each Ward that is renovated will have 25 inpatient beds except for Ward 9A (Mental Health), which will have 30 beds. Included in the renovation will be the complete demolition of the interior walls, utilities, floor tile, doors and frames, hardware, etc. and rework of the air conditioning system. The reconfiguration of each ward layout will correct serious patient privacy and space deficiencies that have existed for many years. This project will allow for greater visibility by the nursing staff, larger patient rooms, and private or semi-private restrooms. An adequate number of private bathrooms will be constructed to address the special needs of the female veteran. This project will modernize outdated 1950's vintage wards to updated, state of the art patient wards. The project will address CARES model capacity gaps in Inpatient Medicine, Surgery, and Psychiatry.

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| <b>Fiscal Year</b>            | FY 2004                                       |
| <b>BA Requested (Capital)</b> | \$10.3M                                       |
| <b>Planned Project Name</b>   | Seismic Corrections Bldg 7 & 126, Ph 1 Design |
| <b>Project Location</b>       | Long Beach, CA                                |
| <b>Asset Type</b>             | Major Construction                            |

### Project Description

This project requires \$10.3M in FY 2004 budget authority to complete phase I design, with an estimated total acquisition cost of \$103.2M. The project will demolish approximately 178,000 gross square feet (gsf) of seismic deficient and deteriorated inefficient spaces of Buildings 2, 4, 8, and T162, and consolidate services in a new administrative, research administration, and support services building (approx 137,000 gsf). In conjunction, the project will construct a 54,000 gsf 24 bed Blind Rehabilitation Center to serve all of VISN 22 blind veteran population and the remaining will consolidate supporting rehabilitation services at VA Long Beach Healthcare System (VALBHS). All new construction shall be connected physically to Buildings 7 and 126OP connected to the core building 126 and the new proposed Blind Rehabilitation Center.

This project includes the construction of new and efficient space for those administrative and support services affected by demolition of buildings 2, 4, 8, and T162. These buildings contain crucial core support functions: Bldg. 2- Ear, Nose & Throat (ENT), Audiology, Main Library, Chapel, Canteen/Cafeteria, Bldg. 4- Fiscal, Material Management, Equal Employment Opportunity (EEO) & Labor Relations, Human Resources and Credit Union, Bldg. 8- Education, Medical & Surgical Support Offices, and T162 - Employee Health, TRICARE & Indian Health Clinics and the Veterans Integrated Service Network (VISN 22) Director's and Support Offices. Likewise, Building 7 and 126OP seismic upgrade and modernization are integral to the operations at VALBHS as they contain the following: Bldg. 7- Outpatient Pharmacy, Medical Subspecialty Clinics, Eye & Allergy Clinics, main 12 KV vault utility systems, Bldg. 126OP - Patient Business Office (PBO), Primary Care Clinics, and Medical Specialty Clinics. Both OP126 and 7 were evaluated and deemed essential facilities and placed on the National "Exceptionally High Risk" list as seismically deficient. Buildings 2, 4, and 8 are of the same vintage and design. In addition, the 11th floor of the core patient tower Building 126, Executive Management, will be relocated to the new administrative space to create space for future inpatient and outpatient demand as predicted by the CARES model. Buildings 2, 7, 8, 126OP, and T162 are physically adjoined and contiguous with VALBHS's core seismically upgraded inpatient/outpatient facility (Bldg. 126). This project will also enable consolidation of outpatient primary and specialty clinics, rehabilitation functions, clinical support services, administrative functions and safeguard the main 12 KV utility system for the entire facility.

Specifically, this project will renovate and seismically upgrade existing Building 7 (36,000 gsf) and add 24,000 gsf to building 7 and 13,600 gsf to Building 126OP that will consolidate multiple specialty medical and surgical outpatient clinics and pharmacy to prepare for future outpatient demand as demonstrated in CARES. This will also improve access and enable the implementation of Advanced Access principles such as multiple rooms per provider.

|                               |  |
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| <b>Fiscal Year</b>            | FY 2004  |
| <b>BA Requested (Capital)</b> | \$11.76M   |
| <b>Planned Project Name</b>   | Outpatient Clinic and Regional Office, Ph 1 Design |
| <b>Project Location</b>       | Anchorage (Elmendorf AFB), AK                      |
| <b>Asset Type</b>             | Major Construction                                 |

### Project Description

This project requires \$11.76M in FY 2004 budget authority to complete phase I design, with a total acquisition cost of \$77.6M. This project is to construct a new Outpatient Clinic and Regional Office building adjacent to the Elmendorf Air Force Base Medical Center - a joint VA and Air Force facility. This new building will replace the current 82,000 gross square foot (gsf) leased facility for the Alaska VA Healthcare Clinic and Regional Office with a new 167,904 gsf building. The current lease expires in 2007. This project integrates several VA functions with existing Air Force functions located at the adjacent hospital, thus reducing the overall construction size from 184,000 gsf to 167,904 gsf. The new facility will provide space in a building adjacent to the current Air Force/VA hospital for collocation of medical and benefits services presently housed in leased space. The new building will meet projected CARES market area demand for primary care, specialty care, and mental health in Anchorage. The clinic would be outside the base security perimeter allowing for public access

|                               |                    |
|-------------------------------|--------------------|
| <b>Fiscal Year</b>            | FY 2005            |
| <b>BA Requested (Capital)</b> | \$7.1M             |
| <b>Planned Project Name</b>   | SCI Expansion      |
| <b>Project Location</b>       | Tampa, FL          |
| <b>Asset Type</b>             | Major Construction |

### Project Description

This project requires \$7.1M in FY 2005 budget authority. This project will provide for the construction of a 30-bed, 17,089 Departmental Gross Square Footage (DGSF), Spinal Cord Injury Extended Care addition at the James A. Haley Veterans' Hospital. It is a CARES, VISN 8, Central Market, Special Emphasis Program, Gap Planning Initiative (PI). As background, Major Construction Project 673-087A, "Spinal Cord Injury Addition" was originally designed as a 100-bed project. A subsequent decision, however, reduced the project scope and deleted the originally planned 30 Extended Care Beds. The remaining 70 Acute Bed Spinal Cord Injury facility was activated in 2002. This project constructs those 30 Extended Care or LTC beds. SCI Long Term Care (LTC) patients have better outcomes under VA care, rather than in poorly equipped contract facilities. Few facilities will accept this category of patient as required staff ratios are high, yet reimbursement rates are barely above those for more typical patients. LTC within VA reduces recidivism rates, which benefits the patient and VA.

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| <b>Fiscal Year</b>            | FY 2005   |
| <b>BA Requested (Capital)</b> | \$55.5M   |
| <b>Planned Project Name</b>   | Joint VA & Department of Navy Outpatient Clinic |
| <b>Project Location</b>       | Cory Naval Air Station, Pensacola, FL           |
| <b>Asset Type</b>             | Major Construction                              |

### Project Description

This project requires \$55.5M in FY 2005 budget authority. This submission is for the replacement of the existing outpatient clinic in Pensacola, Florida with a Joint/Shared VA/DoD (Navy) Outpatient Clinic. The new clinic will consist of approximately 200,000 gsf and will replace the existing VA Outpatient Clinic (Lease expiring 2006) and the Navy Corry Station Branch Clinic. The existing VA clinic consists of approximately 42,000 nsf and was designed for a workload of 50,000 annual visits and space for 55 employees in one building and is supplemented by three additional buildings for administration, Primary Care, Compensation and Pension, and Mental Health adding another 12,000 nsf. The number of visits in FY 2001 was 93,467 with 125 employees working in the clinic. CARES future workload projections for this market indicates that workload will peak in FY 08 and will continue to remain above FY 01 levels through FY 2022. The projected outpatient primary care gap for 2022 is 77,386, the outpatient mental health gap is 27,343, the outpatient specialty care gap is 117,498, and the outpatient ancillary/diagnostic gap is 152,941. The services to be provided in the proposed VA/DoD joint clinic include: Primary Care, Mental Health, Women's Clinic, Audiology, Optometry, Dental, Pain Clinic, Cardiology and Urology. The ancillary services including Radiology (with MRI), Laboratory and Pharmacy will be provided jointly. In addition to the shared services proposed in the clinic other shared hospital services are being negotiated with the Navy Hospital currently. At this time the VA has sharing agreements with DoD (Navy Hospital) for inpatient services, emergency room services, orthopedics (including joint replacements), OB and ancillary services.

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| <b>Fiscal Year</b>            | FY 2005                                   |
| <b>BA Requested (Capital)</b> | \$56M                                     |
| <b>Planned Project Name</b>   | Blind Rehabilitation and Psychiatric Beds |
| <b>Project Location</b>       | Temple, TX                                |
| <b>Asset Type</b>             | Major Construction                        |

### Project Description

This project requires \$56M in FY 2005 budget authority. This project includes a new 120 nursing home care bed building, renovates existing space and adds new space at the Temple facility to accommodate an increase in patients needing psychiatric inpatient care and blind rehabilitation care. The Secretary's CARES Decision document called for a comprehensive study of the cost and continuity

of care issues prior to realignment of care from Waco to Temple. VA is requesting design funds in FY 2005 and the design of the Temple facility will take into account the results of the WACO study.

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| <b>Fiscal Year</b>            | FY 2005                                  |
| <b>BA Requested (Capital)</b> | \$15M                                    |
| <b>Planned Project Name</b>   | Seismic Corrections-Bldg. 1, Ph 1 Design |
| <b>Project Location</b>       | San Juan, PR                             |
| <b>Asset Type</b>             | Major Construction                       |

#### Project Description

This project requires \$15M in FY 2005 budget authority to complete phase I design, which will allow VA to assess, plan and design for additional seismic corrections to the facility in addition to the new bed tower project, which was approved in a previous budget. This project will complete the seismic corrections in the main hospital building of the San Juan VAMC to comply with VA immediate occupancy standards. Asbestos abatement and fire protection are integral parts of the scope of the project. Building I, the main hospital building, does not meet VA seismic standards. For a significant number of years it has been recognized in building codes and various governing agencies that Puerto Rico is in a high seismic zone, which is susceptible to a major earthquake. Several seismic evaluations have validated these deficiencies, among them the Degenkolb Study, which ranked the San Juan main hospital building #9 of 78 most dangerous VA buildings nationwide. The project will include asbestos abatement to avoid exposure and contamination in the event of a major earthquake and fire protection as part of the seismic retrofit. Emergency sustainability (CD-54) requirements to include emergency generator paralleling & synchronization and sewage and storage tanks to guarantee full sustenance of VAMC operations for at least 10 days following a major earthquake will also be included in the project. The VAMC is the sole tertiary VA facility in Puerto Rico and as such, is of vital importance for the large population it serves who otherwise would have to travel to the mainland, with the closest point being 1,500 miles away. Furthermore, by being able to sustain operations after an earthquake, the VAMC would be better prepared to respond to local and national emergencies in its role as Coordinator of the Federal Response Plan in Puerto Rico with close ties to the Federal Emergency Management Agency's Caribbean Area Office.

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| <b>Fiscal Year</b>            | FY 2005                           |
| <b>BA Requested (Capital)</b> | \$53.9M                           |
| <b>Planned Project Name</b>   | Construct Addition for SCI Center |
| <b>Project Location</b>       | Syracuse, NY                      |
| <b>Asset Type</b>             | Major Construction                |

#### Project Description

This project requires \$53.9M in FY 2005 budget authority. This project was a high priority result of the CARES process. A large gap in SCI beds in the northeast part of the country is addressed by locating a new 30-bed SCI at VAMC Syracuse, NY. The SCI will be built in existing space within the main Medical Center Building. An addition will be constructed, to relocate some functions that will be displaced by the new SCI, as well as others supporting the program. A building that previously housed the laundry will be demolished to accommodate the new 6 floor addition of approximately 18,000 GSF per floor (Basement, Ground, 1, 2, 3, & 4th floor levels.) The 4th floor of the existing building (34,000 SF) will be renovated for the new SCI with an adjacent 10,000 SF of SCI space located in the new addition for the therapeutic pool and solarium.

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|-------------------------------|-------------------------|
| <b>Fiscal Year</b>            | FY 2005                 |
| <b>BA Requested (Capital)</b> | \$20.7M                 |
| <b>Planned Project Name</b>   | Modernize Patient Wards |
| <b>Project Location</b>       | Atlanta, GA             |
| <b>Asset Type</b>             | Major Construction      |

### Project Description

This project requires \$20.7M in FY 2005 budget authority. This project directly supports the VISN 7 CARES marketing plan by renovating existing medical inpatient wards that are below community standards. Improvements include the renovation of approximately 40,000 gross square feet on 2 inpatient floors (7th and 8th) and 20,000 gross square feet on the 10th floor to meet American with Disabilities Act (ADA) accessibility requirements, meet women veterans' needs, correct patient privacy issues, and improve staff efficiencies with improved functional layout. Work will also address infrastructure improvements to utility systems by resolving outstanding deficiencies. These deficiencies include HVAC, plumbing, electrical and fire and safety concerns on these inpatient floors. This project will also include the addition of two elevators in the main building. In addition, this project will also promote the one VA concept by improving access, through the construction of a connecting bridge, for veterans traveling between the VBA Regional Office Building and the VA Medical Center.

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| <b>Fiscal Year</b>            | FY 2005   |
| <b>BA Requested (Capital)</b> | \$33.2M   |
| <b>Planned Project Name</b>   | Seismic Corrections-Gero-psychiatric Nursing Home Replacement (Bldg. 324) |
| <b>Project Location</b>       | Menlo Park, CA  |
| <b>Asset Type</b>             | Major Construction  |

### Project Description

This project requires \$33.2M in FY 2005 budget authority. This Capital Investment project will construct a 120-bed gero-psychiatric replacement facility, approximately 80,000 GSF at VA Palo Alto Health Care System's (VAPAHCS) Menlo Park Division (MPD). This project will replace an obsolete, functionally deficient and seismically unsafe psychiatric building, which currently operates as a 109-bed gero-psychiatric inpatient facility (Building 324 - Exceptionally High Risk [EHR] #8). Parking would be developed to accommodate staff and visitors. Completion of this project will eliminate a seismically deficient facility that fails to meet current Life/Safety, ADA/Uniform Federal Accessible Standards (UFAS) as well as Federal / State seismic statutes. VAPAHCS' Menlo Park Division is VISN 21's primary referral center for extended care and psychiatric treatment while the Palo Alto Division is one of two regional referral sites for tertiary care and acute inpatient programs such as surgery, medicine and psychiatry.

|                               |                                  |
|-------------------------------|----------------------------------|
| <b>Fiscal Year</b>            | FY 2005                          |
| <b>BA Requested (Capital)</b> | \$41.5M                          |
| <b>Planned Project Name</b>   | Seismic Corrections Building 203 |
| <b>Project Location</b>       | San Francisco, CA                |
| <b>Asset Type</b>             | Major Construction               |

### Project Description

This project requires \$41.5M in FY 2005 budget authority. This project will seismically retrofit Building 203, a five story, 335,000 GSF concrete structure housing all acute care beds at San Francisco VA Medical Center, to meet current VA standards for seismic safety. SFVAMC's Building 203 ranks first in the Nation in terms of the degree of seismic risk and need for retrofitting as evaluated by Degenkolb (March, 2003 Update). It is one of the largest hospital structures, resides in a region with the highest seismic activity and has been determined to be in danger of collapse according to a detailed structural analysis by Degenkolb. Functional and technical improvements for patient privacy, disabled accessibility, building efficiency and bringing the structure into compliance with current codes will be included. These changes will meet additional goals of: providing appropriate patient privacy, increasing customer access through barrier-free facilities and increased bed assignment flexibility, improving customer satisfaction,

and improving staff satisfaction through an improved working environment. The primary goal of this project is to fulfill the VA's mandate to provide seismically safe buildings and ensure continued medical center operation after a major earthquake.

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| <b>Fiscal Year</b>            | FY 2005  |
| <b>BA Requested (Capital)</b> | \$8M   |
| <b>Planned Project Name</b>   | Seismic Corrections Buildings 500 & 501, Ph 1 Design |
| <b>Project Location</b>       | Los Angeles, CA                                      |
| <b>Asset Type</b>             | Major Construction                                   |

### Project Description

This project requires \$8M in FY 2005 budget authority to complete phase I design, with a total acquisition cost of \$79.9M. This project will seismically retrofit the largest at risk building in the VA system, currently ranked number 6 on the VA list of seismically exceptionally high risk buildings. Additionally, this project will perform non-structural seismic retrofit for Building 500. Building 501 non-structural will address non-compliance of pipe and equipment seismic bracing and anchoring. Building 500 is a six-story, steel braced frame building of approximately 937,000 square feet located on the main VA campus in West Los Angeles, California. The building serves as the main hospital on the campus. The structure has not been significantly modified since it was built in 1976. The seismic performance of the building was evaluated according to the requirements of the 2001 California Building Code as agreed upon with the Department of Veterans Affairs. A strengthening scheme was developed to bring the building up to the required performance level for essential facilities. In addition, nonstructural components and equipment in B500 and B501 require bracing to meet the requirements of the current code. These include such items fixed medical equipment, storage racks and cabinets, ceilings, partial height partitions, elevators, MEP equipment, and MEP piping, ductwork, and conduit systems.

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| <b>Fiscal Year</b>            | FY 2005                         |
| <b>BA Requested (Capital)</b> | \$6.51M                         |
| <b>Planned Project Name</b>   | Outpatient Clinic Land Purchase |
| <b>Project Location</b>       | Lee County, FL                  |
| <b>Asset Type</b>             | Major Construction              |

### Project Description

This project requires \$6.51M in FY 2005 budget authority to complete phase I land purchase, with a total acquisition cost of \$65.1M. This project is to construct an Ambulatory Surgery/Outpatient Diagnostic Support Center in the Gulf South Submarket of VISN 8 will allow VA to meet the increased demand for diagnostic procedures, ambulatory surgery, and specialty care (including mental health services) -- all of which are gaps identified during the CARES review. This proposal will involve purchasing twenty acres of land to construct a new 200,000 square foot building. This will accommodate a growing market share for the veteran population in the VISN 8 Gulf South Submarket area whose needs are not currently being met due to the limited space and limited services available in the existing Fort Myers VA OPC. The completion of this project will allow for additional veterans to be cared for that are currently on an extended waiting list for specialty and ancillary/diagnostic care, or who have to travel a minimum of 100-150 miles each way, (or 200-300 miles round trip) on a very busy interstate highway to seek care at Medical Centers within VISN 8 at Bay Pines, Tampa, West Palm Beach, or Miami. Currently, the Fort Myers OPC only has limited capabilities to perform diagnostic imaging. All other tests such as, CT, MRI's, Ultrasound, Nuclear Medicine, Vascular/Doppler Ultrasound, Colonoscopies, etc. must be performed at the Bay Pines VA Medical Center, other medical centers in VISN 8, or contracted out in the community, which is cost prohibitive.

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|-------------------------------|------------------------|
| <b>Fiscal Year</b>            | FY 2005                |
| <b>BA Requested (Capital)</b> | \$25M                  |
| <b>Planned Project Name</b>   | Extended Care Building |
| <b>Project Location</b>       | Des Moines, IA         |
| <b>Asset Type</b>             | Major Construction     |

### Project Description

This project requires \$25M in FY 2005 budget authority. This project will construct a new building of approximately 100,000 gross square feet for a 120 bed Nursing Home Care Unit, 20 bed Rehabilitation Medicine Unit, 40 bed Domiciliary Unit, and Administrative, Employee Education, Clinic and Support space at the Des Moines Division of the VA Central Iowa Health Care System. This proposal will result in the following outcomes at project completion: 1) Locate NHCU, Rehabilitation Medicine, Behavioral Disorders (SMI) and Acute Psychiatric Care Services adjacent to acute Med/Surg Beds to enhance care delivery to increasingly medically complex extended care and rehabilitation cases. 2) Enhance veteran and family access to services by establishing high demand beds in the area of highest veteran population density in the state. 3) Replace badly deteriorating and aging infrastructure at the Knoxville division of VA Central Iowa with state of the art facilities at the Des Moines campus. 4) Achieve significant operational cost reduction over the life of the project. 5) Enhance staff education and research. 6) Consolidate all inpatient bed care services and other support functions at one location; and 7) allow divestiture of approximately 350,000 gross square feet of outdated infrastructure at the Knoxville Division.

|                               |                             |
|-------------------------------|-----------------------------|
| <b>Fiscal Year</b>            | FY 2005                     |
| <b>BA Requested (Capital)</b> | \$48.26M                    |
| <b>Planned Project Name</b>   | Seismic Corrections-Bldg. 1 |
| <b>Project Location</b>       | San Diego, CA               |
| <b>Asset Type</b>             | Major Construction          |

### Project Description

This project requires \$48.26M in FY 2005 budget authority. This project will seismically strengthen the 854,900 sq-ft Medical Center (Building 1) with an integrated exterior stair and braced frame systems. This system will create a structurally efficient seismic bracing solution with minimal disruption to the interior of the building and its operations. In order to install the braced frames, portions of modular building 23 and MRI building 14 will need to be demolished and reconstructed including the two stop elevator serving building 14. This seismic upgrade will abate a significant risk to life safety and meet Department of Veterans Affairs Seismic Design Requirements (H-18-8), the California Code of Regulations, Title 24, Part 2 and California Senate Bill 1953 requirements. Asbestos abatement will be required for connections to the existing structure and abatement in the stair towers to be demolished. It is estimated \$4 Million in asbestos funds will be required in addition to the major construction cost of \$48.6 million.

## MAJOR CONSTRUCTION PROJECTS THROUGH FY 2010

### VA's Highest Major Construction Priorities

| VISN | Location      |    | Project Title – Brief Description                                  | Priority # |
|------|---------------|----|--|------------|
| 12   | Chicago       | IL | Bed Tower  | *          |
| 12   | North Chicago | IL | Joint VA and Dept of Navy Medical Project                          | *          |
| 21   | Palo Alto     | CA | Seismic Corrections Bldg. 2  | 1          |
| 10   | Cleveland     | OH | Cleveland-Brecksville Consolidation                                | 2          |
| 4    | Pittsburgh    | PA | Consolidation of Campuses  | 3          |
| 23   | Minneapolis   | MN | SCI & SCD Center   | 4          |
| 8    | Tampa         | FL | SCI Expansion  | 5          |
| 22   | Las Vegas     | NV | New Federal Medical Facility                                       | 6          |
| 8    | Gainesville   | FL | Correct Patient Privacy Deficiencies                               | 7          |
| 11   | Indianapolis  | IN | 7th & 8th Floor Wards Modernization Addition                       | 8          |
| 18   | Tucson        | AZ | Mental Health Clinic   | 9          |
| 19   | Denver        | CO | New Federal Medical Facility                                       | 10         |
| 17   | San Antonio   | TX | Ward Upgrades and Expansion  | 11         |
| 8    | Orlando       | FL | Bed Tower  | 12         |
| 8    | Tampa         | FL | Upgrade Essential Electrical Distribution Systems                  | 13         |
| 10   | Columbus      | OH | Construction of Outpatient Clinic                                  | 14         |
| 6    | Durham        | NC | Renovate Patient Wards   | 15         |
| 22   | Long Beach    | CA | Seismic Corrections-Bldgs 7 & 126                                  | 16         |
| 16   | Pensacola     | FL | Joint VA and Dept of Navy OPC                                      | 17         |
| 20   | Anchorage     | AK | Outpatient Clinic and Regional Office                              | 18         |
| 17   | Temple        | TX | Blind Rehabilitation and Psychiatric Beds                          | 19         |
| 8    | San Juan      | PR | Seismic Corrections-Bldg. 1  | 20         |
| 2    | Syracuse      | NY | Construct Addition for SCI Center                                  | 21         |
| 7    | Atlanta       | GA | Modernize Patient Wards  | 22         |
| 21   | Menlo Park    | CA | Seismic Corrections-Gero-psych Nursing Home Replace (Building 324) | 23         |
| 21   | San Francisco | CA | Seismic Corrections-Bldg. 203                                      | 24         |
| 22   | Los Angeles   | CA | Seismic Corrections-Bldgs. 500 & 501                               | 25         |
| 8    | Lee County    | FL | Outpatient Clinic Land Purchase                                    | 26         |
| 23   | Des Moines    | IA | Extended Care Building   | 27         |
| 22   | San Diego     | CA | Seismic Corrections-Bldg. 1  | 29         |
| 17   | Dallas        | TX | Clinical Expansion   | 28**       |
| 4    | Butler        | PA | Construction of a 100 Bed Nursing Home                             | 30         |
| 21   | San Francisco | CA | Seismic Corrections-Bldgs 1,6,8 & 12                               | 31         |
| 20   | American Lake | WA | Seismic Corrections Nursing Home Replacement (Bldgs 2 & 3)         | 32         |
| 22   | Long Beach    | CA | Seismic Corrections-Bldgs 128 & 133                                | 33         |
| 15   | Columbia      | MO | Operating Suite Renovation   | 34         |
| 7    | Huntsville    | AL | Out Patient Clinic   | 35         |
| 5    | Washington    | DC | Ambulatory Care Expansion  | 36         |
| 7    | Columbia      | SC | Renovation/Construction Dx & Ancillary Care/Spec. Care Space       | 37         |
| 21   | Fresno        | CA | Ambulatory Care Addition   | 38         |
| 16   | Fayetteville  | AR | Clinical Addition  | 39         |
| 1    | West Haven    | CT | New Bed Tower and Research Addition                                | 40         |
| 12   | Madison       | WI | Nursing Home Renovation & Expansion                                | 41         |

| VISN | Location    |    | Project Title – Brief Description             | Priority # |
|------|-------------|----|---|------------|
| 15   | St. Louis   | MO | Building Renovations & Land Transfer to NCA   | 42         |
| 22   | Loma Linda  | CA | Clinical and Research Addition                | 43         |
| 5    | Martinsburg | WV | Ambulatory Care Improvements                  | 44         |
| 4    | Lebanon     | PA | Nursing Home Renovation                       | 45         |
| 5    | Beckley     | WV | Construction of a 120 Bed Nursing Home        | 46         |
| 5    | Perry Point | MD | Construction of a 130 Bed Nursing Home        | 47         |
| 3    | Northport   | NY | Renovation of Residential and Ambulatory Care | 48         |

\* Projects approved in the pilot CARES study for Network 12 - Chicago/Wisconsin

\*\* Priority 28 and 29 are reversed to maximize the utilization of the funding as requested in the 2005 budget.

### POTENTIAL PROJECTS FOR FY 2006 - 2010

The following are potential projects from which VA will select for inclusion in future requests.

| VISN | Location     |    | Project Title – Brief Description                                |
|------|--------------|----|--|
| 1    | Providence   | RI | Outpatient Specialties Clinics & Ancillary Services Addition     |
| 1    | Boston       | MA | Place Holder for Boston Study, Ph 2 Construction                 |
| 3    | New York     | NY | Expand Primary Care  |
| 3    | New York     | NY | Place Holder for New York Study, Ph 2 Construction               |
| 3    | Bronx        | NY | Construct SCI Building   |
| 3    | Castle Point | NY | Psych & NHCU Integration   |
| 3    | East Orange  | NJ | Clinical Addition  |
| 3    | East Orange  | NJ | VBA-VHA Co-location  |
| 3    | St. Albans   | NY | New NHCU Facility  |
| 3    | Montrose     | NY | New Outpatient Building  |
| 3    | Northport    | NY | Construct Specialty Care Pavilion                                |
| 4    | Philadelphia | PA | Expand Parking Garage  |
| 4    | Philadelphia | PA | Behavioral Health Research Bldg                                  |
| 5    | Washington   | DC | Ambulatory Care Expansion, Ph 2 Construction                     |
| 6    | Salisbury    | NC | Clinical Addition Specialty Care & Ancillary-Diagnostic Services |
| 6    | Fayetteville | NC | Fayetteville Outpatient Addition                                 |
| 6    | Durham       | NC | Outpatient Addition  |
| 6    | Asheville    | NC | Outpatient Services Expansion                                    |
| 6    | Hampton      | VA | Ambulatory Care Specialty Clinic Expansion                       |
| 7    | Atlanta      | GA | Ancillary Care   |
| 7    | Bessemer     | AL | Bessemer Outpatient Clinic                                       |
| 7    | Birmingham   | AL | Parking Deck   |
| 8    | Tampa        | FL | Fire Safety/Sprinkler Improvements                               |
| 8    | Bay Pines    | FL | Consolidation of Clinical Services                               |
| 8    | Tampa        | FL | Construct CARES Supported Infrastructure                         |
| 8    | Tampa        | FL | Improve Patient Parking  |
| 8    | Tampa        | FL | Correct CARES FCA-Identified Deficiencies                        |
| 9    | Louisville   | KY | Place Holder for Louisville Study, Ph 2 Construction             |
| 12   | Milwaukee    | WI | SCI Center   |
| 15   | Marion       | IL | Outpatient and Inpatient Clinical Addition                       |

| VISN | Location         |    | Project Title – Brief Description   |
|------|------------------|----|---|
| 15   | Kansas City      | MO | Ambulatory Care Addition  |
| 15   | St. Louis        | MO | Patient Privacy, Acute Med/Surg patients, JC                              |
| 15   | Columbia         | MO | Expand Ambulatory Care Addition   |
| 15   | Poplar Bluff     | MO | HVAC System   |
| 15   | St. Louis        | MO | Backfill Bldg 1 JC for Diagnostics  |
| 15   | Wichita          | KS | Outpatient Specialty Care/Ancillary/Dx Clinical Additions/Modernizations  |
| 16   | Shreveport       | LA | Clinical Addition for Specialty Care & DX Services                        |
| 16   | Biloxi           | MS | Addition/ Expansion   |
| 16   | Biloxi           | MS | NHCU Replacement  |
| 16   | Jackson          | MS | Bldg. 7 Addition & Renovation for Med/Surg, NHCU & Specialty Care         |
| 16   | Houston          | TX | Outpatient Specialty Care Space   |
| 17   | Temple           | TX | Ambulatory Care Addition  |
| 18   | Tucson           | AZ | Diagnostic Building   |
| 18   | Albuquerque      | NM | Outpatient Building   |
| 18   | Phoenix          | AZ | Ambulatory Care Addition  |
| 19   | Ft Harrison      | MT | Seismic Corrections, Hosp Bldg 154  |
| 20   | Seattle          | WA | B101 Mental Health/Research Bldg. (S)                                     |
| 20   | Roseburg         | OR | Seismic Upgrade B2  |
| 20   | Tacoma           | WA | Correct Seismic Deficiencies, B81 (A)                                     |
| 20   | Seattle          | WA | B100, Expansion Floors 3 & 4, D&T (S)                                     |
| 21   | Palo Alto        | CA | Ambulatory Care/Research (Seismic Replace B 4, 23, 54, MB2, MB3, and MB4) |
| 21   | Monterey         | CA | VA/DoD Ambulatory Care Center   |
| 21   | San Francisco    | CA | New Parking Garage  |
| 21   | San Francisco    | CA | ADA Upgrade (Entire campus & grounds)                                     |
| 22   | Loma Linda       | CA | Clinical and Research Addition, Ph 2 Construction                         |
| 22   | San Diego        | CA | Research Building   |
| 22   | Los Angeles      | CA | Research Building Replacement   |
| 22   | Los Angeles      | CA | NHCU Replacement  |
| 22   | West Los Angeles | CA | Construct Clinic Addition / Consolidate Services                          |
| 23   | Iowa City        | IA | Primary Care Clinic   |
| 23   | Iowa City        | IA | Construct Parking Garage  |
| 23   | Fargo            | ND | Specialty Care Addition   |

## **PRIORITIZED MINOR CONSTRUCTION PROJECTS FOR FY 2004**

Each VA administration has developed or is in the process of developing their own policies and protocol for capital investments that do not meet current thresholds. VHA has established the Capital Asset Management and Policy Service (CAMPS) in order to fulfill this function. In addition, OAEM issues Department-wide policies to guide the Administrations in formulating their own policies.

VA medical center projects with a minor improvement component of more than \$500,000 and a total cost of up to \$7 million for FY 2004 are funded from the minor construction appropriation. The threshold was recently increased by Congress to \$7 million for FY 2004 and future years. Minor improvements costs include structural changes, space utilization changes, construction of new or additional space, and for FY 2004 and beyond, parking projects. This program received \$206 million in FY 2004.

Minor medical construction projects enhance the quality of care provided to veterans— this includes private or semi-private bedrooms; private examination rooms and bathrooms; correction of fire and safety deficiencies including seismic-related issues; and the provision of sufficient heating, air conditioning, and ventilation systems.

VHA will also continue to fund minor construction projects that efficiently shift the treatment of patients from hospital-based care settings to outpatient care. This shift provides a maximum return on investment for the taxpayer and continues to provide high quality service to the Nation's veterans by improving access, establishing performance measures tied to clinical program priorities, and ensuring a satisfying and rewarding work environment for VA employees.

VHA is planning to use minor construction funds to realign critical services, improve management of space, including vacant and underutilized space, correct dysfunctional clinical adjacencies and improve ineffective space configurations, and accommodate modern medical equipment based on the CARES National Plan.

All of the minor construction projects were reviewed, evaluated, scored and ranked by a Department-wide group using the CARES decision criteria, as required by Congressional language, and fully support the implementation of CARES recommendations. This relationship was critical to demonstrate accountability to our stakeholders and to Congress by establishing linkage with the CARES National Plan in the short-term and long-term planning and execution cycles.

FY 2005 projects will be reviewed and ranked in late summer or early fall of this year, and provided to the Congress early in FY 2005.

### FY 2004 MINOR CONSTRUCTION PROJECTS

This list is also provided in Appendix F, sorted by VISN.

| VISN | Location      |    | Project Title – Brief Description   | Rank | Total Est. Cost* (\$000) | FY 2004 Obligations (\$000) |
|------|---------------|----|---|------|--------------------------|-----------------------------|
| 7    | Augusta       | GA | SCIU Renovation, Ph II, Bldg 801  | 1    | 3,498                    | 3,348                       |
| 20   | White City    | OR | Replace Dom Bldgs 215 & 216   | 2    | 3,900                    | 350                         |
| 20   | Portland      | OR | Replace Exterior Skin B100 & 101  | 3    | 3,999                    | 350                         |
| 22   | Long Beach    | CA | Seismic Upgrade of Bldg 138   | 4    | 3,005                    | 240                         |
| 20   | American Lake | WA | Correct Seismic Def, B18  | 5    | 2,733                    | 200                         |
| 8    | San Juan      | PR | Chiller Plant Emergency Power   | 6    | 2,500                    | 2,500                       |
| 20   | Anchorage     | AK | Dom Seismic Upgrade   | 7    | 3,921                    | 450                         |
| 22   | Los Angeles   | CA | Bldg 212 & 117 Seismic Retrofit   | 8    | 3,825                    | 300                         |
| 8    | San Juan      | PR | Outpatient Addition (OPA)<br>Emergency Power Needs                                      | 9    | 2,000                    | 2,000                       |
| 22   | Long Beach    | CA | Seismic Upgrade of Bldg 126OP   | 10   | 3,863                    | 363                         |
| 21   | Sacramento    | CA | Seismic Corrections B-5   | 11   | 863                      | 64                          |
| 22   | Los Angeles   | CA | Bldg 256 Seismic Retrofit   | 12   | 3,533                    | 315                         |
| 20   | American Lake | WA | Renovate B85, Floor 3 & Roof  | 13   | 3,800                    | 3,575                       |
| 21   | Menlo Park    | CA | Seismic Corrections, Bldg 329   | 14   | 2,741                    | 2,464                       |
| 20   | Seattle       | WA | Correct Seismic Deficiencies  | 15   | 1,724                    | 1,601                       |
| 20   | Portland      | OR | Seismic Mitigation  | 16   | 4,000                    | 330                         |
| 20   | Portland      | OR | B-16 Seismic Corrections  | 17   | 2,822                    | 2,584                       |
| 20   | Portland      | OR | B-6 Seismic Corrections   | 18   | 2,633                    | 2,414                       |
| 22   | Sepulveda     | CA | Bldg 2, Demolition  | 19   | 3,681                    | 164                         |
| 20   | Seattle       | WA | D&T Seismic Upgrade, B100 (S)   | 20   | 3,764                    | 328                         |
| 20   | Portland      | OR | Bldg T51 Seismic Upgrade  | 21   | 1,969                    | 125                         |
| 22   | Long Beach    | CA | Demolition of Bldgs 3, 5(P), 13,<br>47, & T162(P)                                       | 22   | 3,975                    | 199                         |
| 10   | Cleveland -WP | OH | Relocate Outpatient Mental<br>Health  | 23   | 3,182                    | 3,182                       |
| 7    | Charleston    | SC | CBOC - Naval Weapons Station,<br>Goose Creek  | 24   | 4,903                    | 564                         |
| 5    | Washington    | DC | Fort Belvoir VA OPC   | 25   | 2,300                    | 2,300                       |
| 10   | Cleveland -WP | OH | Relocate Lab Services at Wade<br>Park to New Third Floor on<br>Ambulatory Care Addition | 26   | 3,893                    | 3,893,000                   |
| 23   | Des Moines    | IA | Consolidation of Acute Bed<br>Services to DM  | 27   | 1,960                    | 163,000                     |
| 6    | Asheville     | NC | Correct SPD Deficiencies  | 28   | 1,283                    | 1,116                       |
| 12   | Hines         | IL | Renovate Acute Care B200 7th<br>Floor   | 29   | 3,941                    | 3,601                       |
| 1    | Boston        | MA | Medical Surgical Unit, B1-2N  | 30   | 3,306                    | 3,306                       |
| 16   | Muskogee      | OK | Renovate 5-East for Bldg 53,<br>Inpatient Pysch   | 31   | 1,528                    | 130                         |
| 3    | Castle Pt     | NY | Expand OPC H-2  | 32   | 3,375                    | 250                         |
| 5    | Baltimore     | MD | Medical Specialty OPC<br>Improvements   | 33   | 3,828                    | 3,360                       |

| VISN | Location       |    | Project Title – Brief Description                | Rank | Total Est. Cost* (\$000) | FY 2004 Obligations (\$000) |
|------|----------------|----|--|------|--------------------------|-----------------------------|
| 12   | Hines          | IL | Renovate Acute Care - Hematology/Oncology        | 34   | 3,980                    | 340                         |
| 4    | Clarksburg     | WV | Outpatient Support - Specialty Care Services     | 35   | 3,629                    | 3,351                       |
| 1    | Boston         | MA | Support Services modification Phase 2            | 36   | 1,470                    | 147                         |
| 17   | Temple         | TX | Expand Amb Care to Reduce Waiting Time           | 37   | 2,935                    | 300                         |
| 7    | Birmingham     | AL | Specialty Care Expansion                         | 38   | 3,590                    | 266                         |
| 1    | Boston         | MA | Prosthetics Consolidation                        | 39   | 1,412                    | 1,337                       |
| 12   | Hines          | IL | Relocate/Consolidate ICUs                        | 40   | 3,948                    | 3,648                       |
| 12   | Chicago        | IL | Modernize Laboratory Areas 4th Floor Bldg 1      | 41   | 3,699                    | 375                         |
| 5    | Baltimore - LR | MD | Expand Outpatient Clinic                         | 42   | 3,750                    | 323                         |
| 12   | Chicago        | IL | Modernize Radiology Department                   | 43   | 3,217                    | 369                         |
| 7    | Charleston     | SC | Clinical Specialties Addition                    | 44   | 3,900                    | 3,530                       |
| 12   | Milwaukee      | WI | Nursing Home Care Modifications                  | 45   | 3,877                    | 3,527                       |
| 6    | Hampton        | VA | Construct Intensive Care Unit                    | 46   | 2,840                    | 282                         |
| 12   | Iron Mtn       | MI | Relocate/Renovate NHCU                           | 47   | 4,286                    | 272                         |
| 20   | Seattle        | WA | Amb Care Expansion, B100, D&T                    | 48   | 3,987                    | 3,622                       |
| 21   | San Francisco  | CA | MRI Center, Bldg 13 - Research                   | 49   | 2,200                    | 2,200                       |
| 3    | Northport      | NY | Expand Outpatient Space                          | 50   | 3,850                    | 350                         |
| 1    | Togus          | ME | Ambulatory Surgery                               | 51   | 1,660                    | 1,515                       |
| 21   | Palo Alto      | CA | Building 100 ER/UCC, PEU, OBS Unit Exp           | 52   | 3,800                    | 400                         |
| 18   | El Paso        | TX | Outpatient Ambulatory Care Space                 | 53   | 3,950                    | 345                         |
| 12   | Hines          | IL | Renovate Emergency Department Bldg 200           | 54   | 5,800                    | 560                         |
| 4    | Philadelphia   | PA | Renovate 7th Floor                               | 55   | 3,980                    | 420                         |
| 7    | Charleston     | SC | Inpatient Patient Privacy, 3BN                   | 56   | 2,391                    | 2,150                       |
| 7    | Charleston     | SC | Inpatient Patient Privacy, 4B North              | 57   | 2,986                    | 308                         |
| 3    | Northport      | NY | Expand Primary Care/Renovate Radiology           | 58   | 3,300                    | 3,000                       |
| 4    | Erie           | PA | Outpatient Support - Anc/Diag/Specialty Care     | 59   | 3,309                    | 276                         |
| 17   | San Antonio    | TX | Accommodate Specialty Clinics                    | 60   | 3,300                    | 320                         |
| 6    | Asheville      | NC | Renovate Surgical Intensive Care Unit            | 61   | 2,309                    | 2,053                       |
| 8    | Miami          | FL | Renovate Ors                                     | 62   | 2,992                    | 2,768                       |
| 12   | Chicago - WS   | IL | Research Laboratory                              | 63   | 2,685                    | 220                         |
| 1    | Boston         | MA | Dental Clinic Consolidation                      | 64   | 1,563                    | 1,563                       |
| 12   | Milwaukee      | WI | Acute Care Modifications                         | 65   | 3,973                    | 311                         |
| 8    | Tampa          | FL | Upgrade & Expand Main Lab, Phase I               | 66   | 2,999                    | 2,553                       |
| 8    | Tampa          | FL | Upgrade Main Lab, Ph II                          | 67   | 2,999                    | 447                         |
| 7    | Columbia       | SC | Community Standard Upgrade Inpatient Med Beds 4W | 68   | 3,602                    | 323                         |
| 21   | Sacramento     | CA | Specialty Care Clinic Bldg                       | 69   | 3,998                    | 353                         |
| 9    | Louisville     | KY | Upgrade and Expand Emergency                     | 70   | 3,900                    | 3,552                       |

| VISN | Location     |    | Project Title – Brief Description                      | Rank | Total Est. Cost* (\$000) | FY 2004 Obligations (\$000) |
|------|--------------|----|--|------|--------------------------|-----------------------------|
|      |              |    | Care Spaces  |      |                          |                             |
| 16   | Biloxi       | MS | Expand ER/Outpatient Pharmacy                          | 71   | 3,910                    | 340                         |
| 8    | Bay Pines    | FL | Emerg Dept Exp with Obsv Unit                          | 72   | 2,900                    | 2,610                       |
| 8    | Miami        | FL | Renovate 11CD (CARES PI)                               | 73   | 1,361                    | 116                         |
| 17   | Temple       | TX | Clinical Special Emphasis & Rehab Programs Integration | 74   | 1,605                    | 131                         |
| 12   | Chicago      | IL | Modernize Emergency Department, Bldg 1                 | 75   | 3,574                    | 3,574                       |
| 10   | Cincinnati   | OH | Remodel/Expand SICU                                    | 76   | 3,357                    | 3,056                       |
| 8    | W Palm Beach | FL | Renovate 9th Floor for Outpatient Clinic               | 77   | 2,472                    | 2,247                       |
| 7    | Atlanta      | GA | Renovate 9th Floor for Medical Ward                    | 78   | 3,900                    | 3,600                       |
| 8    | Tampa        | FL | Emerg Rm, Phase I                                      | 79   | 3,928                    | 335                         |
| 8    | Bay Pines    | FL | Renovate Surgical, Medical and Cardiac ICUs            | 80   | 2,950                    | 295                         |
| 21   | Fresno       | CA | Remodel 4th Floor for Specialty Clinics                | 81   | 3,725                    | 325                         |
| 20   | Portland     | OR | Renov Bldg 100 4th Floor for Specialty Care            | 82   | 3,765                    | 300                         |
| 6    | Asheville    | NC | Renovate Medical Intensive Care Unit                   | 83   | 2,765                    | 296                         |
| 23   | St. Cloud    | MN | Expand Ambulatory Care, Bldg 1                         | 84   | 3,996                    | 3,675                       |
| 4    | Pittsburgh   | PA | Sleep Lab/Cath Lab                                     | 85   | 3,383                    | 3,125                       |
| 12   | N. Chicago   | IL | Modernize Acute Care Wards 2A & 4B                     | 86   | 2,178                    | 1,974                       |
| 6    | Salisbury    | NC | Renovate Surgical Suite                                | 87   | 2,173                    | 185                         |
| 18   | Prescott     | AZ | Expand Medical Specialty Care Clinic Space             | 88   | 3,955                    | 350                         |
| 7    | Columbia     | SC | Renovate NHCU, Building 103, Phase 1                   | 89   | 3,693                    | 403                         |
| 7    | Tuscaloosa   | AL | New Dietetic Facility                                  | 90   | 3,999                    | 3,999                       |
| 21   | Palo Alto    | CA | Amb Care Expansion                                     | 91   | 3,075                    | 2,815                       |
| 11   | Ann Arbor    | MI | Renovate 5 North, Patient Ward                         | 92   | 2,370                    | 2,140                       |
| 6    | Durham       | NC | Renovate Patient Wards                                 | 93   | 3,840                    | 3,555                       |
| 21   | Palo Alto    | CA | Research Renov B4 and B6                               | 94   | 3,600                    | 300                         |
| 4    | Lebanon      | PA | Consolidate ICU and Urgent Care                        | 95   | 3,494                    | 3,494                       |
| 19   | Ft. Harrison | MT | Expand Specialty Care                                  | 96   | 3,922                    | 341                         |
| 18   | Tucson       | AZ | Renovate Ward 2 South                                  | 97   | 2,700                    | 2,430                       |
| 23   | Omaha        | NE | ICU to 2nd Floor Outpatient Clinic                     | 98   | 6,200                    | 5,286                       |
| 9    | Memphis      | TN | Space & Privacy Correct for ER and Admission           | 99   | 1,932                    | 1,731                       |
| 17   | Dallas       | TX | Upgrade Day Procedure, Ph II                           | 100  | 1,320                    | 1,200                       |
| 8    | W Palm Beach | FL | ICU Bed Expansion                                      | 101  | 1,499                    | 1,322                       |
| 22   | Los Angeles  | CA | Renovate CCU   | 102  | 3,498                    | 320                         |
| 22   | Los Angeles  | CA | Renovate HICU/SICU                                     | 103  | 3,082                    | 278                         |
| 20   | Spokane      | WA | Expand ER/Primary Care                                 | 104  | 3,163                    | 2,888                       |
| 17   | Dallas       | TX | Patient Privacy/UFAS Deficiencies, Ph 8                | 105  | 2,200                    | 500                         |
| 9    | Nashville    | TN | Ward Upgrade, Ph III                                   | 106  | 4,000                    | 3,630                       |
| 15   | Kansas City  | MO | Interventional Cardiology                              | 107  | 2,585                    | 2,585                       |

| VISN | Location      |    | Project Title – Brief Description                   | Rank | Total Est. Cost* (\$000) | FY 2004 Obligations (\$000) |
|------|---------------|----|---|------|--------------------------|-----------------------------|
| 8    | W Palm Beach  | FL | ER Expansion  | 108  | 2,000                    | 200                         |
| 8    | W Palm Beach  | FL | Renovate 8th Floor for Specialty Care               | 109  | 2,500                    | 225                         |
| 1    | W Haven       | CT | Dialysis Relocation                                 | 110  | 3,785                    | 301                         |
| 21   | Reno          | NV | Expand/Relocate ER and Establish Observation Unit   | 111  | 3,090                    | 318                         |
| 23   | Fargo         | ND | Medicine Nursing Unit Renovation                    | 112  | 3,881                    | 3,554                       |
| 22   | San Diego     | CA | Hemodialysis Remodel                                | 113  | 3,143                    | 2,849                       |
| 19   | Cheyenne      | WY | Clinic Expansion                                    | 114  | 1,695                    | 150                         |
| 18   | Phoenix       | AZ | Renovate Ward 4C                                    | 115  | 1,451                    | 1,318                       |
| 17   | San Antonio   | TX | Research Addition, Ph II                            | 116  | 4,000                    | 370                         |
| 15   | St. Louis JB  | MO | Relocate Prosthetics                                | 117  | 1,954                    | 238                         |
| 11   | Indianapolis  | IN | Expand Specialty/Primary Care Clinics               | 118  | 5,500                    | 500                         |
| 8    | Lake City     | FL | Renovate Wards 2N & 3N for Med/Surg Patient Privacy | 119  | 2,991                    | 255                         |
| 2    | Albany        | NY | Consolidate Inpatient & Outpatient Pharmacies       | 120  | 3,490                    | 260                         |
| 1    | W Haven       | CT | Cardiac Cath Lab                                    | 121  | 1,152                    | 118                         |
| 21   | San Francisco | CA | Building 200 ER/E&A Expansion and Reno              | 122  | 3,765                    | 449                         |
| 16   | Houston       | TX | Renovate NU 4H for Oncology/GI                      | 123  | 2,073                    | 2,073                       |
| 22   | Loma Linda    | CA | Remodel Outpatient Services                         | 124  | 2,345                    | 2,345                       |
| 8    | Tampa         | FL | Renovate OR Ph I                                    | 125  | 2,995                    | 2,549                       |
| 22   | San Diego     | CA | Prosthetics Space Remodel                           | 126  | 1,262                    | 1,121                       |
| 20   | Seattle       | WA | Cath Lab/Endoscopy Suite, B100                      | 127  | 2,507                    | 257                         |
| 18   | Phoenix       | AZ | Renovate Existing OR Suite                          | 128  | 1,952                    | 1,802                       |
| 16   | Little Rock   | AR | CVICU/Heart Program                                 | 129  | 1,980                    | 154                         |
| 15   | Marion        | IL | Interventional Cardiology                           | 130  | 1,665                    | 1,665                       |
| 9    | Louisville    | KY | Remodel Endoscopy and Hemodialysis                  | 131  | 3,558                    | 303                         |
| 17   | Dallas        | TX | Relocate Geropsychiatry                             | 132  | 3,900                    | 350                         |
| 16   | Alexandria    | LA | Construct Addition to B-45                          | 133  | 3,740                    | 3,400                       |
| 9    | Nashville     | TN | Laboratory Function & Infrastructure Improve        | 134  | 3,937                    | 395                         |
| 3    | E Orange      | NY | Consolidate MICU & SICU Units                       | 135  | 3,937                    | 325                         |
| 21   | Reno          | NV | Rehab/Relocate Prosthetics/Validation               | 136  | 1,434                    | 1,309                       |
| 19   | Sheridan      | WY | Renovate/Expand Mental Health B6                    | 137  | 730                      | 667                         |
| 17   | Dallas        | TX | Transitional Care Unit                              | 138  | 3,300                    | 300                         |
| 16   | Jackson       | MS | Provide 2nd Floor I-Bldg for Clinic Expansion       | 139  | 3,245                    | 2,967                       |
| 16   | Ok City       | OK | Renovate Inpatient Acute Psych Unit                 | 140  | 3,525                    | 3,225                       |
| 10   | Cincinnati    | OH | Outpatient Specialty Care Clinics                   | 141  | 3,989                    | 426                         |
| 8    | San Juan      | PR | Parking Replacement                                 | 142  | 3,900                    | 3,600                       |
| 12   | Chicago       | IL | Modernize Food & Nutrition Areas, Bldg 1            | 143  | 1,892                    | 1,826                       |
| 21   | San Francisco | CA | Provide a Second Cardiac Cath Lab                   | 144  | 2,575                    | 315                         |

| VISN | Location       |    | Project Title – Brief Description      | Rank | Total Est. Cost* (\$000) | FY 2004 Obligations (\$000) |
|------|----------------|----|--|------|--------------------------|-----------------------------|
| 21   | Reno           | NV | Single Deck Parking Structure          | 145  | 2,673                    | 2,673                       |
| 2    | Syracuse       | NY | Construct Addition for Cath Lab/CT     | 146  | 2,620                    | 298                         |
| 15   | St. Louis - JC | MO | EUL Raised Parking Decks               | 147  | 2,000                    | 2,000                       |
| 9    | Mtn Home       | TN | Consol Kitchen                         | 148  | 3,979                    | 360,                        |
| 16   | Fayetteville   | AR | Addition for MRI                       | 149  | 2,665                    | 270                         |
| 15   | St. Louis      | MO | Relocate Animal Research Facility      | 150  | 1,479                    | 1,479                       |
| 3    | Bronx          | NY | Expand Eye Clinic                      | 151  | 3,525                    | 3,225                       |
| 21   | Menlo Park     | CA | Renovate Dietetics Area, Bldg 329      | 152  | 3,328                    | 3,001                       |
| 17   | San Antonio    | TX | Relocate Clinical Lab                  | 153  | 2,830                    | 580                         |
| 4    | Aspinwall      | PA | V4 and VAPHS Data Center Consolidation | 154  | 3,744                    | 320                         |
| 21   | Sacramento     | CA | Nutritional Medicine Remodel           | 155  | 3,050                    | 2,725                       |
| 20   | Seattle        | WA | Research Addition Bldg 34/ARF, Ph II   | 156  | 3,990                    | 420                         |
| 15   | Kansas City    | MO | Acquisition of Kaiser Bldg             | 157  | 3,000                    | 3,000                       |
| 20   | Portland       | OR | Clinical Support/Transplant Lodging    | 158  | 3,999                    | 3,650                       |
| 20   | Portland       | OR | Renovate Bldg 103 Research             | 159  | 1,695                    | 1,695                       |
| 16   | N Orleans      | LA | Add Elevators                          | 160  | 6,180                    | 530                         |
| 4    | Philadelphia   | PA | Renovate 3rd Floor Research            | 161  | 3,220                    | 2,900                       |
| 22   | Loma Linda     | CA | Modernize Veterinary Medical Unit      | 162  | 3,391                    | 3,391                       |
| 18   | Tucson         | AZ | Research Wet Labs                      | 163  | 3,332                    | 284                         |
| 16   | Ok City        | OK | Surface Parking Lot, Ph 2              | 164  | 1,320                    | 1,200                       |
| 1    | W Haven        | CT | SPD Enhancements                       | 165  | 3,541                    | 3,219                       |
| 23   | Iowa City      | IA | Construct Research Bldg                | 166  | 3,996                    | 164                         |
| 15   | Kansas City    | MO | Replace Boilers                        | 167  | 3,500                    | 300                         |
| 6    | Durham         | NC | New Research Building                  | 168  | 3,900                    | 300                         |
| 2    | Albany         | NY | Renovate 1st Floor for VSC & Clinics   | 169  | 3,023                    | 2,743                       |
| 1    | West Haven     | CT | SCI Rehabilitation R&D Facilities      | 170  | 3,491                    | 3,491                       |
| 4    | Philadelphia   | PA | Pedestrian Bridge                      | 171  | 2,270                    | 2,100                       |
| 11   | Ann Arbor      | MI | Install Secondary Electrical Feed      | 172  | 2,340                    | 2,340                       |
| 2    | Syracuse       | NY | Construct New Main Entrance            | 173  | 1,087                    | 1,032                       |
|      |                |    | Miscellaneous                          |      |                          | 13,276                      |
|      |                |    | <b>Total</b>                           |      | <b>\$534,396</b>         | <b>\$265,000</b>            |

\*Total estimated cost includes prior, current and future expenditures for each project as applicable.

## LEASES (AUTHORIZATION AND NOTIFICATION REQUIREMENTS)

### Congressional Authorization

The Department requests authorization for the medical facility leases below. These require congressional authorization per title 38, U.S.C., section 8104 (a) (2).

| Year | VISN | Location       |    | Project Title - Brief Description                                     | Type  | Est. Cost (\$000) | Rent Only (\$000) |
|------|------|----------------|----|---|-------|-------------------|-------------------|
| 2005 | 6    | Wilmington     | NC | Outpatient Clinic   | Repl. | \$4,102           | \$1,306           |
| 2005 | 6    | Greenville     | NC | Outpatient Clinic   | Repl. | \$4,096           | \$1,216           |
| 2005 | 6    | Norfolk        | VA | Outpatient Clinic   | New   | \$3,500           | \$1,250           |
| 2005 | 8    | Summerfield    | FL | Marion County Outpatient Clinic                                       | New   | \$3,609           | \$1,220           |
| 2005 | 9    | Knoxville      | TN | Outpatient Clinic   | Repl. | \$2,600           | \$800             |
| 2005 | 11   | Toledo         | OH | Outpatient Clinic - (CBOC)  | Repl. | \$4,140           | \$1,128           |
| 2005 | 12   | Crown Point    | IN | Outpatient Clinic   | Repl. | \$2,600           | \$800             |
| 2005 | 17   | Fort Worth     | TX | Tarrant County Outpatient Clinic - (Tarrant County/Ft. Worth CBOC #2) | Repl. | \$11,118          | \$3,867           |
| 2005 | 17   | Plano          | TX | O/P Clinic - (Collin County/Plano CBOC)                               | New   | \$9,252           | \$3,218           |
| 2005 | 17   | San Antonio    | TX | NE Central Bexar County, O/P Clinic                                   | New   | \$4,080           | \$1,380           |
| 2005 | 17   | Corpus Christi | TX | Outpatient Clinic   | Repl. | \$3,900           | \$1,200           |
| 2005 | 17   | Harlingen      | TX | Outpatient Clinic - (Harlingen CBOC)                                  | Repl. | \$1,966           | \$616             |
| 2005 | 17   | Waco/Marlin    | TX | Outpatient Clinic(Waco/Marlin CBOC)                                   | Repl. | \$8,085           | \$2,573           |
| 2005 | 19   | Denver         | CO | Health Administration Center  | Repl. | \$3,900           | \$1,900           |
| 2005 | 21   | Oakland        | CA | Outpatient Clinic   | Repl. | \$4,380           | \$1,680           |
| 2005 | 22   | San Diego      | CA | North County Outpatient Clinic  | Repl. | \$3,203           | \$1,281           |
| 2005 | 22   | San Diego      | CA | South County Outpatient Clinic  | Repl. | \$2,625           | \$1,050           |
|      |      |                |    | <b>Total</b>  |       | <b>\$77,156</b>   | <b>\$26,484</b>   |

### Congressional Notifications (\$300-\$600K)

The Department requests approval for the medical facility leases below that require congressional notification per Pubic Law 108-7. The cost estimates below are for rent only, not lump sum.

| Year | VISN | Location     |    | Project Title - Brief Description                      | Type  | Rent Only (\$000) |
|------|------|--------------|----|--|-------|-------------------|
| 2004 | 17   | Lufkin       | TX | Outpatient Clinic                                      | Repl. | \$400             |
| 2005 | 7    | Greenville   | SC | Outpatient Clinic                                      | Repl. | \$465             |
| 2005 | 9    | Chattanooga  | TN | Outpatient Clinic                                      | Repl. | \$527             |
| 2005 | 11   | Grand Rapids | MI | Outpatient Clinic (Battle Creek) - (Grand Rapids CBOC) | Repl. | \$543             |
| 2005 | 11   | Peoria       | IL | Outpatient Clinic - (CBOC)                             | Repl. | \$491             |
|      |      |              |    | <b>Total</b>   |       | <b>\$2,426</b>    |

All of these proposals support at least two or more of the VA goals identified in the VA Strategic Plan.

**PORTFOLIO INVENTORY OF CURRENT PROJECTS  
(Funded but not activated or in use)**

| Project Type | FY <sup>1</sup> | VISN | Location      |    | Project Title - Brief Description  | Total Acquisition Cost (\$000) |
|--------------|-----------------|------|---------------|----|--|--------------------------------|
| Major        | 2004            | 3    | Lyons         | NJ | Ambulatory Care Addition - Project constructs a new 49,000 square foot ambulatory care building  | \$21,000                       |
| Major        | 2004            | 4    | Lebanon       | PA | Renovate Nursing Units – Project renovates nursing units in Building 1 to meet modern privacy standards.   | \$9,500                        |
| Major        | 2004            | 9    | Murfreesboro  | TN | Psychiatric Patient Privacy - Project renovates nursing units in Bldgs 7 & 8 to meet modern privacy standards  | \$14,000                       |
| Major        | 2004            | 9    | Mt. Home      | TN | Reloc Med School Functions/Renovate - Project relocated medical school functions and renovate bldgs. 2, 3, and 5.  | \$47,000                       |
| Major        | 2005            | 8    | Miami         | FL | Utility Plant & Electrical - Project upgrades primary and secondary electrical service to the hospital   | \$24,420                       |
| Major        | 2005            | 12   | Hines         | IL | Blind/Spinal Cord Injury - Project constructs a new 68 bed SCI and 34 bed blind rehabilitation facilities  | \$40,000                       |
| Major        | 2005            | 18   | Tucson        | AZ | Ambulatory Care Addition - Construction of a new 85,000 outpatient facility  | \$25,200                       |
| Major        | 2005            | 21   | N. California | CA | Outpatient Clinics/New Bed Bldg. - Project Constructs new Bed Tower & Renovates Existing Bldg. 650   | \$70,800                       |
| Major        | 2005            | 22   | Long Beach    | CA | Clinical Consolidation - Project consolidates clinical and administrative functions in modern space in Building 126 and demolishes a large and inefficient building. | \$23,200                       |
|              |                 |      |               |    | <b>Total</b>   | <b>\$275,120</b>               |
| Lease        | 2004            | 16   | Baton Rouge   | LA | Satellite Outpatient Clinic  | \$1,800                        |
| Lease        | 2003            | 18   | Lubbock       | TX | Outpatient Clinic  | \$1,112                        |
| Lease        | 2005            | 8    | Oakland Park  | FL | Satellite Outpatient Clinic  | \$4,100                        |
| Lease        | 2006            | 22   | Santa Barbara | CA | Outpatient Clinic  | \$3,611                        |
| Lease        | 2005            | 1    | Boston        | MA | Satellite Outpatient Clinic  | \$2,879                        |
|              |                 |      |               |    | <b>Total</b>   | <b>\$13,502</b>                |

<sup>1</sup>Fiscal Year project was or will be activated

## TOP-TWENTY MAJOR MEDICAL FACILITY PROJECTS

In accordance with section 8107 of United States Code 38, below are the top-twenty medical facility projects. These projects were ranked based on the CARES capital criteria. The recurring cost reflects an average of the total recurring cost over a life cycle of 30 years. The projects are also provided by category in rank order.

| Location     |    | Project Title – Brief Description                 | Priority Score | Estimated Cost (\$000) | Annual Cost (\$000) | Category         |
|--------------|----|---|----------------|------------------------|---------------------|------------------|
| Palo Alto    | CA | Seismic Corrections Bldg. 2                       | .4715          | \$34,000               | \$23,000            | Seismic          |
| Cleveland    | OH | Cleveland-Brecksville Consolidation               | .4710          | \$104,600              | \$53,000            | General          |
| Pittsburgh   | PA | Consolidation of Campuses                         | .4532          | \$190,800              | \$181,000           | General          |
| Minneapolis  | MN | SCI & SCD Center                                  | .4483          | \$20,500               | \$6,000             | Special Emphasis |
| Tampa        | FL | SCI Expansion                                     | .4180          | \$7,100                | \$2,000             | Special Emphasis |
| Las Vegas    | NV | New Federal Medical Facility                      | .3981          | \$325,000              | \$188,000           | General          |
| Gainesville  | FL | Correct Patient Privacy Deficiencies              | .3918          | \$87,800               | \$62,000            | General          |
| Indianapolis | IN | 7th & 8th Floor Wards Modernization Addition      | .3739          | \$27,400               | \$12,000            | General          |
| Tucson       | AZ | Mental Health Clinic                              | .3509          | \$12,100               | \$8,000             | Special Emphasis |
| Denver       | CO | New Federal Medical Facility                      | .3424          | \$328,460              | \$268,000           | General          |
| San Antonio  | TX | Ward Upgrades and Expansion                       | .3331          | \$19,100               | \$54,000            | General          |
| Orlando      | FL | Bed Tower   | .3314          | \$253,600              | \$82,000            | General          |
| Tampa        | FL | Upgrade Essential Electrical Distribution Systems | .3288          | \$49,000               | \$40                | General          |
| Columbus     | OH | Construction of Outpatient Clinic                 | .3274          | \$94,800               | \$44,000            | General          |
| Durham       | NC | Renovate Patient Wards                            | .3246          | \$9,100                | \$68,000            | General          |
| Long Beach   | CA | Seismic Corrections Buildings 7 & 126             | .3104          | \$103,200              | \$65,000            | Seismic          |
| Pensacola    | FL | Joint VA and Dept of Navy OPC                     | .3055          | \$55,500               | \$10,000            | General          |
| Anchorage    | AK | Outpatient Clinic and Regional Office             | .2968          | \$77,600               | \$85,000            | General          |
| Temple       | TX | Blind Rehabilitation and Psychiatric Beds         | .2930          | \$56,000               | \$43,000            | Special Emphasis |
| San Juan     | PR | Seismic Corrections-Bldg. 1                       | .2888          | \$149,700              | \$198,000           | Seismic          |

**Seismic/Safety Projects in Priority Order**

| Location   |    | Project Title – Brief Description                 | Priority Score |
|------------|----|---|----------------|
| Palo Alto  | CA | Seismic Corrections Building 2                    | .4715          |
| Tampa      | FL | Upgrade Essential Electrical Distribution Systems | .3288          |
| Long Beach | CA | Seismic Corrections- Building s 7 & 126,          | .3104          |
| San Juan   | PR | Seismic Corrections- Building 1                   | .2888          |

**General Category Projects in Priority Order**

| Location     |    | Project Title – Brief Description            | Priority Score |
|--------------|----|--|----------------|
| Cleveland    | OH | Cleveland-Brecksville Consolidation          | .4710          |
| Pittsburgh   | PA | Consolidation of Campuses                    | .4532          |
| Las Vegas    | NV | New Federal Medical Facility                 | .3981          |
| Gainesville  | FL | Correct Patient Privacy Deficiencies         | .3918          |
| Indianapolis | IN | 7th & 8th Floor Wards Modernization Addition | .3739          |
| Denver       | CO | New Federal Medical Facility                 | .3424          |
| San Antonio  | TX | Ward Upgrades and Expansion                  | .3331          |
| Orlando      | FL | Bed Tower                                    | .3314          |
| Columbus     | OH | Construction of Outpatient Clinic            | .3274          |
| Durham       | NC | Renovate Patient Wards                       | .3246          |
| Pensacola    | FL | Joint VA and Dept of Navy OPC                | .3055          |
| Anchorage    | AK | Outpatient Clinic and Regional Office        | .2968          |

**Special Emphasis Category Projects in Priority Order**

| Location    |    | Project Title – Brief Description         | Priority Score |
|-------------|----|---|----------------|
| Minneapolis | MN | SCI & SCD Center                          | .4483          |
| Tampa       | FL | SCI Expansion                             | .4180          |
| Tucson      | AZ | Mental Health Clinic                      | .3509          |
| Temple      | TX | Blind Rehabilitation and Psychiatric Beds | .2930          |





### **3. VETERANS BENEFITS ADMINISTRATION**



The VBA capital investment prioritization process places an emphasis on improving customer service and ensuring projects are closely tied to strategic goals and are based on sound business principles. The projects that received the highest priority ranking were those which best reflected the goals and mission contained in VA's Strategic Plan. Over-threshold projects are reviewed and approved through the VA Capital Investment process.

VA will fulfill the essential part of its mission to provide benefits and services to veterans and their families in a responsive, timely, and compassionate manner by becoming a more veteran-centric organization. The VA Claims Processing Task Force recommended actions to improve the timeliness and quality of disability compensation and pension claims decisions. As a result of implementing those actions, VA has decreased claims processing times. Increased productivity has been accompanied by higher quality decisions, and these trends will continue to shape service delivery in the future. VA will provide service along a continuum to ensure that veterans receive benefits and services based on the time they first enter service. The Benefits Delivery at Discharge (BDD) process is a collaborative effort with DoD that began in 1995. The BDD program has facilitated VA's efforts to provide benefits for veterans in the most timely and accurate manner possible as they are discharged from service.

The strategic vision for benefits and services includes five crosscutting long-term strategies:

### **1. Consolidation**

VA will progressively consolidate work in locations where it can be done most efficiently. The Claims Processing Improvement (CPI) model will be used as the structural base for consolidating the compensation workload. Work will be moved to the most productive locations when there is an increase in the intake of claims at BDD sites. Efforts to consolidate the pension workload will continue. Over the last few years, VA has consolidated loan guaranty activities and education activities. In the vocational rehabilitation and employment arena, VA will work on improving access points to provide better service to veterans.

### **2. Continuum of Servicemember or Veteran Attention and Oversight**

VA will provide service along a continuum, starting with establishing a servicemember or veteran record upon entry into service. Establishing such a record means that VA—working with DoD—will ensure that while in service, veterans have an entry physical sent to VA, and when leaving service, veterans will receive a combined discharge and VA physical. VA will also properly inform veterans of benefits they may be entitled to while in service and upon discharge from service. Service along a continuum also means that VA will expand outreach efforts, particularly to veterans with disabilities through phone contact, direct mailings, and use of electronic technology.

### **3. Quality and Consistency**

In order to ensure quality and consistency, VA will take a more proactive approach by moving from conducting manual reviews to using an automated tracking system. Currently, information is compiled into databases and evaluated without regard to error trends. VA will evolve to using a more sophisticated system that detects error trends as they occur, and upon reaching a threshold level, provides a cue to implement countermeasures. VA will also develop information systems to identify training needs and deliver strategically focused training.

**4. Partnerships**

VA will continue to strengthen partnerships with key stakeholders, including veterans service organizations, DoD, the Social Security Administration, the Department of Labor, schools, lenders, state approving agencies, and the private sector to improve the seamless delivery of benefits and services.

**5. Automation and Innovation**

Veterans will be able to file their claims electronically and receive accurate and updated information on the status of their claims. Data will be imaged to become part of a data-centric system, facilitating the electronic transmission of information. Automation will also facilitate the rapid exchange of information with external stakeholders and enhance the partnerships noted above.

The following projects were identified through the VA capital investment process as priorities for meeting the strategic vision for benefits and services. While VA will assess and re-evaluate funding estimates in future budgets, VA anticipates the process will require additional investments of approximately \$1 billion per year for at least the next 5 years, with substantial infrastructure investments then continuing for the indefinite future. An updated 5-year capital plan will accompany the annual budget request each year and will reflect the most current costs, phasing, and priorities of the Department.

**FY 2004 AND 2005 SUMMARY PROJECT INFORMATION**

**Leases**

| FY   | Area     | Location   |    | Project Title – Brief Description | FY Cost (\$000) | Page # |
|------|----------|------------|----|-----------------------------------|-----------------|--------|
| 2004 | Eastern  | Louisville | KY | VARO Louisville New GSA Lease     | \$3,300         | 60     |
| 2004 | Southern | Buffalo    | NY | VARO Buffalo New GSA Lease        | \$6,400         | 61     |
| 2005 | Southern | Huntington | WV | VARO Huntington New GSA Lease     | \$4,680         | 61     |
| 2005 | Western  | Reno       | NV | VARO Reno GSA Lease               | \$1,030         | 61     |

**FY 2004 AND 2005 DETAILED PROJECT INFORMATION**

|                               |                               |
|-------------------------------|-------------------------------|
| <b>Fiscal Year</b>            | FY 2004                       |
| <b>BA Requested (Capital)</b> | \$3.3M                        |
| <b>Planned Project Name</b>   | VARO Louisville New GSA Lease |
| <b>Project Location</b>       | Louisville, KY                |
| <b>Asset Type</b>             | Lease                         |

**Project Description**

This project requires \$3.3M in FY 2004 budget authority. This project will provide a new GSA lease of 57,500 rentable square feet of office space for the VARO Louisville, KY, upon expiration of current GSA lease. Activation is planned for April 2005. The current GSA leased building was to be used as temporary swing space during renovation at the Federal Building and was accepted with only minor alterations. Alterations and renovations for cable plant upgrades, new phone system, and realignment to comply with the Claims Improvement Task force recommendations have been put on hold pending the outcome of GSA’s leasing action. This lease will fulfill a continuing need to provide space for the VARO operations and provide the time necessary to fully explore and fully develop future collocation alternatives such as Construction or Enhanced Use Leasing. VA Construction and Enhanced Use Leasing projects cannot be accomplished within the necessary timeframe.

|                               |                            |
|-------------------------------|----------------------------|
| <b>Fiscal Year</b>            | FY 2004                    |
| <b>BA Requested (Capital)</b> | \$6.4M                     |
| <b>Planned Project Name</b>   | VARO Buffalo New GSA Lease |
| <b>Project Location</b>       | Buffalo, NY                |
| <b>Asset Type</b>             | Lease                      |

### Project Description

This project requires \$6.4M in FY 2004 budget authority. This project will provide a new GSA lease of 90,000 rentable square feet of office space for the VARO Buffalo, NY. In addition to the VARO mission to deliver veterans benefits to 31 western counties in the State of New York, this office is also a VBA Regional Processing Center for Education with additional jurisdiction responsibility for education benefits within 14 States in the northeast and the District of Columbia. This lease will fulfill a continuing need to provide space for the VARO operations. GSA is vacating the federal building because of asbestos problems.

|                               |                               |
|-------------------------------|-------------------------------|
| <b>Fiscal Year</b>            | FY 2005                       |
| <b>BA Requested (Capital)</b> | \$4.68M                       |
| <b>Planned Project Name</b>   | VARO Huntington New GSA Lease |
| <b>Project Location</b>       | Huntington, WV                |
| <b>Asset Type</b>             | Lease                         |

### Project Description

This project requires \$4.68M in FY 2005 budget authority. This project will provide a new GSA lease of 42,529 rentable square feet of space for the continuing requirements of the VARO Huntington, WV. GSA plans for a 10-year lease, 5-years firm term. All amortized tenant improvements will be paid during the first 5 years. The new lease will provide for improved building infrastructure and provide a safe and healthful work environment for employees and veterans. A code-compliant building designed for VBA's business will optimize operational efficiency and accessibility. Project meets the following goals: Strategic Management of Human Capital – employee satisfaction, increased productivity, and ability to recruit and retain qualified staff. No CARES or DOD collaborative opportunities were identified in or near Huntington, WV. The funding profile is based on a 15-year lease term

|                               |                     |
|-------------------------------|---------------------|
| <b>Fiscal Year</b>            | FY 2005             |
| <b>BA Requested (Capital)</b> | \$1.03M             |
| <b>Planned Project Name</b>   | VARO Reno GSA Lease |
| <b>Project Location</b>       | Reno, Nevada        |
| <b>Asset Type</b>             | Lease               |

### Project Description

This project requires \$1.03M in FY 2005 budget authority. A new GSA lease of 34,000 rentable square feet will enable VARO to optimize operational efficiency and accessibility to veterans and their families with a focus on the Claims Process Improvement model. The lease will reunite VARO Reno's operations (currently split on opposite sides of the airport), meet growing requirements, and satisfy unmet training needs for a new staff backfilling behind retirees. Leasing through GSA allows VA the flexibility to excess space, realign its workforce and maintain a balanced real property portfolio over time. Presidential goals, Secretarial goals, and Homeland Security goals were all considered in the Capital Investment analysis process. A more efficient claims process will enable staff to better serve veterans and provide them with the benefits they deserve, improving their public health and socioeconomic well being, and improving quality of life for veterans and beneficiaries. One VA collaboration of C&P medical exams with the VAMC ensures exams are conducted timely and accurately. There are no collaborative collocation opportunities in Reno.

## FY 2004 MINOR CONSTRUCTION PROJECTS

| Location              | Project Title - Description                                 | Estimated Cost (\$000) |
|-----------------------|---|------------------------|
| White River Jct., VT. | Realign CPI Team in Service Center                          | \$11                   |
| Lincoln, NE.          | Realign Space for VR&E and Service Center                   | \$42                   |
| Waco, TX.             | Renovate Veterans Service Center Space                      | \$68                   |
| Baltimore, MD.        | Realign Veterans Service Center                             | \$205                  |
| New York, NY.         | CPI Realignment   | \$700                  |
| Huntington, WVA.      | RO Realignment Phase I (CPI)                                | \$775                  |
| Houston, TX.          | Realignment to Support CPI - Phases II & III                | \$775                  |
| Chicago, IL.          | Relocate Glen Carbon VR&E Out based Office                  | \$8                    |
| Philadelphia, PA.     | Relocate Wilkes-Barre VAO                                   | \$12                   |
| Baltimore, MD.        | Build out Space at VR&E Waldorf, MD. Out-Based Facility     | \$40                   |
| Little Rock, AR.      | Build out to Support VR&E Re-location                       | \$136                  |
| Louisville, KY.       | Tenant Improvements for New Regional Office Facility        | \$890                  |
| Buffalo, NY.          | Build out Space at New Facility                             | \$1,381                |
| Fort Harrison, MT.    | Construct a New Veterans Assistance Service Center          | \$3,737                |
| Baltimore, MD.        | Design Funds For Station Renovation                         | \$75                   |
| Western Area          | Increase project to reflect actual cost                     | \$4                    |
| Waco, TX.             | Install Security Access System                              | \$4                    |
| Togus, ME.            | Upgrade Energy Maintenance System in Computer Room          | \$5                    |
| Reno, NV.             | Upgrade Rating Board Cable Plant                            | \$6                    |
| Chicago, IL.          | Establish VR&E Office in Springfield, Illinois              | \$6                    |
| Nashville, TN.        | Renovate Space for Out based VR&E Office                    | \$7                    |
| Honolulu, HI.         | Build out Space for an Out based Office in Guam             | \$7                    |
| Salt Lake City, UT.   | Pocatello VR&E Build out                                    | \$7                    |
| Waco, TX.             | Expand Service Organization Space                           | \$8                    |
| Wichita, KS.          | Install Security Access System                              | \$8                    |
| Oakland, CA.          | Signage for Exterior of Sacramento VAO                      | \$8                    |
| Lincoln, NE.          | Upgrade Building Security by Installing Card Reader System  | \$9                    |
| Honolulu, HI.         | Create an Emergency Backup Site                             | \$10                   |
| New Orleans, LA.      | Increase Project to Build Out Space for Additional Staff    | \$12                   |
| Atlanta, GA.          | Build out Storage Space                                     | \$13                   |
| Lincoln, NE.          | Restructure Reception Area                                  | \$13                   |
| Little Rock, AR.      | Increase Project to Install Replacement Compressor          | \$13                   |
| St. Petersburg, FL.   | Install Lawn Sprinkler Controls                             | \$14                   |
| Louisville, KY.       | IDQ/AE Project with Leo A. Daily Block & Space Planning     | \$14                   |
| Milwaukee, WI.        | Cable TV Installation                                       | \$15                   |
| Seattle, WA.          | Renovate Space at Bremerton BDD                             | \$15                   |
| St. Louis RMC, MO.    | Build Out Expansion Space                                   | \$15                   |
| San Diego, CA.        | Tenant Improvements for GSA Leased Warehouse                | \$15                   |
| Philadelphia ITC, PA. | Install Security Equipment                                  | \$15                   |
| Des Moines, IA.       | Expand Service Organization Space                           | \$15                   |
| St. Petersburg, FL.   | Repair / Replace Windowsills                                | \$16                   |
| St. Petersburg, FL.   | Install Security Cameras                                    | \$17                   |
| Oakland, CA.          | Installation of Reception Room Security Camera              | \$17                   |
| Houston, TX.          | Re-cable Communication Closets                              | \$18                   |
| St. Petersburg, FL.   | Renovate Employee and Main Lobby Entrances,                 | \$18                   |
| St. Petersburg, FL.   | Upgrade Elevator Starters                                   | \$19                   |
| Manchester, NH.       | IDQ/AE Design with Leo A. Daly for preliminary blocking     | \$20                   |
| Togus, ME.            | Build out Space for Training Room                           | \$21                   |
| Washington, DC.       | IDQ/AE Contract for Appeals Management Center               | \$21                   |
| St. Louis, MO.        | Provide additional Cabling for the Resource Training Center | \$22                   |
| Montgomery, AL.       | Increase Design Contract                                    | \$22                   |
| Hines ITC, IL.        | Increase Painting Contract to Cover Actual Cost             | \$22                   |

| Location              | Project Title - Description  | Estimated Cost (\$000) |
|-----------------------|--|------------------------|
| St. Petersburg, FL.   | Seal Parking Lot   | \$23                   |
| White River Jct., VT. | Renovate Training Room Space                                       | \$25                   |
| Portland, OR.         | Design Funds to Build out and Realign facility                     | \$25                   |
| St. Petersburg, FL.   | Replace HVAC Unit in the Telephone Switch Room                     | \$27                   |
| St. Petersburg, FL.   | Pressure Wash Roof & Skylight                                      | \$29                   |
| Newark, NJ.           | IDQ/AE Contract for Construction Administrative Services           | \$32                   |
| Pittsburgh, PA.       | Renovate Service Center, Loan Guaranty & Support Service Divisions | \$36                   |
| Providence, RI.       | IDQ/AE Contract for Realignment Plans                              | \$37                   |
| Togus, ME.            | Purchase and Install Access Control System                         | \$37                   |
| Providence, RI.       | Increase Cable Plant Project to Reflect Actual Cost                | \$38                   |
| Honolulu, HI.         | Replace Overhead Light Fixtures on 1st & 2nd Floors                | \$39                   |
| Jackson, MS.          | Renovate Space in High-Traffic Areas                               | \$43                   |
| Los Angeles, CA.      | Realign Space on the 4th and 6th Floors                            | \$44                   |
| Houston, TX.          | Realign Service Organization Space                                 | \$44                   |
| Roanoke, VA.          | Increase Project to Renovate Elevator Lobby                        | \$45                   |
| St. Petersburg, FL.   | Remove / Replace Stair Treads in Stair Wells                       | \$45                   |
| Indianapolis, IN.     | Build out Space for Centralized File Bank                          | \$50                   |
| St. Louis RMC, MO.    | Environmental Study  | \$50                   |
| Anchorage, AK.        | Space Realignment  | \$50                   |
| Hines ITC, IL.        | Construct Armed Security Guard Shack                               | \$50                   |
| Los Angeles, CA.      | IDQ/AE Contract for Topographic Utility Survey                     | \$53                   |
| Philadelphia, PA.     | Renovate Building Cores  | \$53                   |
| Portland, OR.         | Install Automatic Door Openers in Restrooms                        | \$53                   |
| St. Petersburg, FL.   | Replace Liebert Condensing Units                                   | \$60                   |
| San Juan, PR.         | Install Security Enhancement / Realign non CPI Space               | \$61                   |
| New York, NY.         | IDQ/AE Design Contract for Space/Furniture Planning                | \$65                   |
| Oakland, CA.          | Realign Space on 11th Floor  | \$70                   |
| Honolulu, HI.         | Install Dividers & Automatic Visual Screen in Conference Room      | \$70                   |
| Portland, OR.         | Increase Cable Plant Project to Reflect Actual Cost                | \$73                   |
| St. Petersburg, FL.   | Replace all Restroom Floors  | \$75                   |
| St. Paul, MN.         | IDQ/AE Contract with Cannon for Space Realignment Plans            | \$75                   |
| Honolulu, HI.         | Demolish and Build out space to Create three Supervisor's Offices  | \$78                   |
| Chicago, IL.          | Correct an Accessibility issue at the New Enhanced-use Facility    | \$80                   |
| Jackson, MS.          | Exhaust Fan Improvement - Shipping Area                            | \$83                   |
| Houston, TX.          | Funded Maintenance Account   | \$83                   |
| Hartford, CT.         | IDQ/AE Contract for Construction Administrative Services           | \$84                   |
| Detroit, MI.          | Install Security System  | \$86                   |
| Jackson, MS.          | Receiving Area Security Improvements                               | \$89                   |
| Denver, CO.           | Renovate Space for a Training Room                                 | \$96                   |
| Hines ITC, IL.        | IDQ/AE for IT Design Analysis                                      | \$100                  |
| Nashville, TN.        | Build Out Space for Regional Counsel                               | \$22                   |
| New Orleans, LA.      | Test and Balance HVAC System                                       | \$125                  |
| Houston, TX.          | Realign San Antonio Out based Clinic                               | \$130                  |
| Newark, NJ.           | Complete Facility Renovation Project                               | \$133                  |
| Seattle, WA.          | Add an Elevator and Stair Tower to Building #17                    | \$136                  |
| Indianapolis, IN.     | Increase Cable Plant Project to Reflect Actual Cost                | \$153                  |
| Indianapolis, IN.     | Redesign Portfolio Loan Oversight Unit                             | \$171                  |
| Jackson, MS.          | Garage Stairwell Safety Improvements                               | \$172                  |
| Winston-Salem, NC.    | Realign Space to Create a Large Facility Training Room             | \$175                  |
| Montgomery, AL.       | Increase Project for Files Storage Facility                        | \$229                  |
| Hines ITC, IL.        | Purchase & Install Hydraulic Security Barricades                   | \$240                  |

| Location            | Project Title - Description  | Estimated Cost (\$000) |
|---------------------|--|------------------------|
| Hines ITC, IL.      | Purchase & Install Western Perimeter Barricade                         | \$250                  |
| St. Petersburg, FL. | IDQ/AE Project for Files Storage Bldg.                                 | \$251                  |
| St. Louis, MO.      | IDQ/AE Design Funds to Realign Facility                                | \$256                  |
| Fort Harrison, MT.  | IDQ/AE Project for Design/Build New Veterans Assistance Service Center | \$263                  |
| Nashville, TN.      | Renovate and Relocate OIG, Renovate RO Swing Space                     | \$276                  |
| Baltimore, MD.      | Renovate 16 <sup>th</sup> Floor HRC/Emergency Preparedness             | \$297                  |
| Nashville, TN.      | Renovate Restrooms, Renovate & Relocate Fiscal & Logistics Staff       | \$309                  |
| Nashville, TN.      | Renovate VR&E/ Renovate & Relocate Loan Guaranty & Education           | \$335                  |
| Detroit, MI.        | Consolidate Space on the 14 <sup>th</sup> Floor                        | \$460                  |
| St. Petersburg, FL. | Purchase and Install Hurricane Shutters for all Windows                | \$475                  |
| Nashville, TN.      | Station Renovation Phase I   | \$500                  |
| Hines ITC, IL.      | Estimated VBA Regional Office IDQA/E Design Projects                   | \$500                  |
| New York, NY.       | Realign Service Organization Staff                                     | \$520                  |
| Washington, DC.     | Renovate Space for Appeals Management Center                           | \$700                  |
| Roanoke, VA.        | Realign Regional Office – Phase II                                     | \$1,000                |
| Hines ITC, IL.      | HVAC Equipment Replacement   | \$2,533                |
| St. Petersburg, FL. | Construct a Files Storage Facility Adjacent to the Regional Office     | \$3,970                |
| All Facilities      | Delegated Miscellaneous Funds  | \$1,000                |
|                     | <b>Total</b>   | <b>27,280</b>          |

The VBA minor construction projects in the out-years are unknown at this time; however, based on past experience, the nationwide VBA facilities needs are projected for the categories identified on the following pages for below-threshold planning purposes.

### FY 2005 MINOR CONSTRUCTION PROJECTS - SUMMARY

| Project Title – Brief Description | Estimated Cost (\$000) |
|-----------------------------------|------------------------|
| General Maintenance & Repairs     | \$10.0                 |
| Major Station Realignments        | 3.5                    |
| Tenant Improvements / Build-out   | 1.9                    |
| CPI Realignments <sup>1</sup>     | 2.5                    |
| Delegated Miscellaneous Authority | 1.5                    |
| <b>Total</b>                      | <b>\$19.4</b>          |

<sup>1</sup>VA Claims Processing Improvement (CPI) realignments address the recommendations contained in the VA Claims Processing Task Force Report to the Secretary of Veterans Affairs, dated October 2001, to relieve the veterans' claims backlog and make claims processing more efficient.

**PORTFOLIO INVENTORY OF CURRENT PROJECTS  
(Funded but not activated or in use)**

| Project Type  | FY <sup>1</sup> | Location   |    | Project Title - Brief Description  | Total Acquisition Cost (\$000) |
|---------------|-----------------|------------|----|--|--------------------------------|
| Building Land | 2004            | Milwaukee  | WI | Construct New Enhanced-Use Lease Regional Office Bldg  | \$5,011                        |
| GSA Lease     | 2005            | Buffalo    | NY | New GSA Lease – 90,000 RSF. The federal office building has asbestos. This project will provide a healthy work environment for employees and customers. Meets the following goals: Strategic Management of Human Capital – Employee Satisfaction; Increase Productivity.   | \$6,400                        |
| GSA Lease     | 2005            | Louisville | KY | VARO Louisville – New Lease: Current lease extended to August 2005. Planned new GSA lease of 57,000 rentable square feet of space for the continuing needs of the VARO Louisville. GSA plans for a 10-year lease, 5-years firm term. This will allow time to fully explore and fully develop future co-location alternative at the VAMC Louisville, which is listed as a medium priority by CARES. | \$3,300                        |

<sup>1</sup>Fiscal year project was or will be activated.

**POTENTIAL PROJECTS FOR FY 2005**

| Year | Area     | Location   |    | Project Title - Brief Description | Priority <sup>1</sup> # | Estimated Cost (\$000) |
|------|----------|------------|----|-----------------------------------|-------------------------|------------------------|
| 2005 | Southern | Huntington | WV | VARO Huntington New GSA Lease     | 1                       | \$4,680                |
| 2005 | Western  | Reno       | NV | VARO Reno GSA Lease               | 2                       | \$1,030                |

VBA internally prioritizes potential projects on the basis of the following criteria: (1) improving veteran access; (2) improving operational efficiency; (3) reducing rent or operational costs; (4) leveraging underutilized VA assets; (5) CARES coordination; and (6) improving the employee work environment. As VBA proceeds with developing projects, market surveys and cost benefit analyses are completed before signing a new lease or agreement for space to assure best value for dollars spent.

### POTENTIAL PROJECTS FOR FY 2006 – 2009

| Priority # | Location    |    | Project Title – Brief Description   |
|------------|-------------|----|---|
| 1          | Las Vegas   | NV | This project will collocate the VBA Veterans Assistance Office from leased space in Las Vegas to meet the increased demands for benefits delivery.  |
| 2          | Columbia    | SC | VARO Columbia Enhanced Use Lease – Relocate VARO to VA Medical Center Campus. The VARO currently occupies space in a 1949 Federal Building that does not meet VBA's claims processing business model. Project fulfills One VA goals and Strategic Management of Human Capital – employee satisfaction, increased productivity, and ability to recruit and retain qualified staff.   |
| 3          | Newark      | NJ | VARO Newark new lease – 74,000 RSF. GSA to dispose of FOB and will not invest in R&A or modernization projects after FY08. Capital investment lease template is for a 15-year life cycle. This project will provide a healthy work environment for employees and customers. Meets the following goals: Strategic Management of Human Capital – Employee Satisfaction; Increase Productivity. It is unlikely that the CARES option will be viable at Lyons because of employee and veterans access issues; East Orange because of site restrictions, cost to build garage estimated at \$4.9M. |
| 4          | Los Angeles | CA | Develop new office building for VARO Los Angeles. Design will optimize operational efficiencies by implementing Claims Process Improvement strategies and improving accessibility to veterans and their families at a collocated site. The existing Federal building is not seismically sound and has asbestos problems.  |
| 5          | St. Paul    | MN | Develop new office building for VARO St. Paul on VA Campus. Project supports One VA initiative with benefits and medical services at one location. The VARO is currently in a Federal building that does not meet the needs of VBA's claims processing business model.  |



## 4. NATIONAL CEMETERY ADMINISTRATION



Demographic data of the aging veteran population projected 662,000 veterans' deaths would occur in 2004. The number of veteran's deaths will peak in 2008 at 676,000, and thereafter will decline slowly. In 2015, it is estimated that there will be 633,000 veterans' deaths. As the deaths continue to increase throughout the planning timeframe, VA projects increases in the number of annual interments from 89,800 in 2003 to approximately 108,600 in 2009, an increase of 21 percent. With the opening of new national cemeteries, annual interments are expected to increase at a proportionally higher rate than the number of veteran deaths. During this time, the total number of graves maintained is also expected to increase from nearly 2.6 million in 2003 to over 3 million in 2009.

### **MEETING CURRENT AND FUTURE BURIAL NEEDS**

The Veterans Millennium Health Care and Benefits Act, Public Law 106-117, directed VA to contract for an independent demographic study to identify those areas of the country where veterans will not have reasonable access to a burial option in a national or state veterans' cemetery, and the number of additional cemeteries required through 2020. Recently, the National Cemetery Expansion Act of 2003, Public Law 108-109, directed VA to establish six new national cemeteries in the areas of Bakersfield, California; Birmingham, Alabama; Columbia/Greenville, South Carolina; Jacksonville, Florida; Southeastern Pennsylvania; and Sarasota, Florida. These six areas were identified in the demographic study.

It is also critical for VA to continue to provide service at existing national cemeteries by completing phased development projects in order to make additional gravesites or columbaria available for interments. National cemeteries that will close due to depletion of grave space are identified to determine the feasibility of extending the service period of the cemetery by the acquisition of adjacent or contiguous land, or by the construction of columbaria. As public acceptance of cremation as a burial option continues to grow, and demand for this alternative increases, construction of columbaria is an option to maximize service delivery. VA will continue to develop columbaria, particularly in areas where land is scarce and the demand for cremation burials is high.

The amount of time it takes to mark the grave after an interment is extremely important to veterans and their family members. VA will continue to provide headstones and markers for the graves of eligible persons in national, state, and other public cemeteries as well as private cemeteries.

### **NATIONAL SHRINE COMMITMENT**

Each national cemetery exists as a national shrine, a place of honor and memory that declares to the visitor or family member who views it, that within its majestic setting, each and every veteran may find a sense of serenity, historic sacrifice, and nobility of purpose. VA will continue to maintain the appearance of national cemeteries as national shrines, dedicated to preserving our Nation's history, nurturing patriotism, and honoring the service and sacrifice veterans have made. Infrastructure projects such as irrigation improvements, renovation of historic structures, and road resurfacing are important to maintaining our cemeteries as national shrines.

The following National Cemetery Administration (NCA) projects were identified through VA's capital investment process as priorities in meeting VA's goal of memorializing veterans in death for their sacrifices. While VA will assess and re-evaluate funding estimates in future budgets, VA anticipates the process will require additional investments of approximately \$1 billion per year for at least the next 5 years, with substantial infrastructure investments then continuing for the indefinite future. An updated 5-year capital plan will accompany the annual budget request each year and will reflect the most current costs, phasing and priorities of the Department.

## FY 2004 AND 2005 SUMMARY PROJECT INFORMATION

### Major Construction

| FY   | MSN <sup>1</sup> | Location    |    | Project Title – Brief Description  | Total Acquisition Cost <sup>2</sup><br>(\$000) | Page # |
|------|------------------|-------------|----|--|--|--------|
| 2004 | 4                | Holly       | MI | Great Lakes National Cemetery Phase I Development                                | \$8,700  | 71     |
| 2004 | 4                | Minneapolis | MN | Fort Snelling National Cemetery Gravesite Expansion and Cemetery Improvements    | \$24,800                                       | 71     |
| 2004 | 2                | Pensacola   | FL | Barrancas National Cemetery Gravesite Expansion and Cemetery Improvements        | \$12,000                                       | 72     |
| 2004 | 2                | Bushnell    | FL | Florida National Cemetery Design for Burial Area Expansion                       | \$20,000 <sup>3</sup>                          | 73     |
| 2004 | 1                | Calverton   | NY | Calverton National Cemetery Design for Burial Area Expansion                     | \$29,000 <sup>3</sup>                          | 73     |
| 2004 | 3                | San Antonio | TX | Fort Sam Houston National Cemetery Design for Burial Area Expansion              | \$17,000 <sup>3</sup>                          | 74     |
| 2004 | 4                | Moline      | IL | Rock Island National Cemetery Design for Burial Area Expansion                   | \$10,200 <sup>3</sup>                          | 74     |
| 2005 | 5                | Vacaville   | CA | Sacramento Area National Cemetery Phase 1 Development                            | \$21,600                                       | 75     |
| 2005 | 2                | Bushnell    | FL | Florida National Cemetery Gravesite Expansion                                    | \$20,000                                       | 75     |
| 2005 | 4                | Moline      | IL | Rock Island National Cemetery Gravesite Expansion                                | \$10,200                                       | 76     |
| 2005 | 5                | San Diego   | CA | Fort Rosecrans National Cemetery Annex at Miramar Design Gravesite Expansion     | \$32,500 <sup>4</sup>                          | 77     |
| 2005 | 5                | Riverside   | CA | Riverside National Cemetery Design Gravesite Expansion and Improvements          | \$24,100 <sup>5</sup>                          | 77     |
| 2005 | 5                | Gustine     | CA | San Joaquin Valley National Cemetery Design Gravesite Expansion and Improvements | \$16,600 <sup>6</sup>                          | 78     |

<sup>1</sup> Memorial Service Network

<sup>2</sup> Total acquisition cost includes discretionary budget authority only.

<sup>3</sup> The FY2004 budget request for this project is \$1.5 million for design. Total acquisition cost is an estimate.

<sup>4</sup> The FY2005 budget request for this project is \$1 million for design. Total acquisition cost is an estimate.

<sup>5</sup> The FY2005 budget request for this project is \$1.4 million for design. Total acquisition cost is an estimate.

<sup>6</sup> The FY2005 budget request for this project is \$800,000 for design. Total acquisition cost is an estimate.

## FY 2004 AND 2005 DETAILED PROJECT INFORMATION

|                               |   |
|-------------------------------|---|
| <b>Fiscal Year</b>            | FY 2004   |
| <b>BA Requested (Capital)</b> | \$8.7M  |
| <b>Planned Project Name</b>   | Great Lakes National Cemetery Phase I Development |
| <b>Project Location</b>       | Holly, Michigan                                   |
| <b>Asset Type</b>             | Major Construction                                |

### Project Description

This project requires \$8.7M in FY 2004 budget authority, with additional non-construction costs of \$660 thousand for crypts provided in the Burial Benefits - Mandatory Appropriation. This project will develop approximately 12,760 gravesites for casket interments, 3,000 of which will be pre-placed concrete burial crypts, 2,200-niche columbarium and 510 in-ground gravesites for cremated remains. This first phase will include a fast-track burial area to expedite service to veterans and their families, with minimal roads, utilities and irrigation system. In addition to the gravesite development, the project will include an entrance area, a flag/assembly area, two committal service shelters, a public information center with restrooms, an administration and maintenance complex, road system, utilities, signage, site furnishings, fencing and landscape plantings.

National Cemetery Administration (NCA) data has shown that about 80 percent of persons interred in national cemeteries reside within 75 miles of the cemetery at the time of death. Development of this national cemetery will provide a burial option to veterans and their families in the Detroit area, who are not currently being served by a national or state veteran cemetery within a reasonable distance. As a result, approximately 448,100 veterans in addition to eligible veterans' family members will have the option for interment in a national cemetery. The Veterans Millennium Health Care and Benefits Act required the Secretary to establish six additional national cemeteries to help meet the burial needs of veterans. The Secretary determined that new national cemeteries would be established in the remaining geographic areas identified in the 1987 and 1994 Reports to Congress. The Detroit, Michigan area was identified in the 1987 and 1994 reports.

Four alternatives were considered: a major construction project, several minor projects to accomplish the same goals, a State Veterans Cemetery constructed with a full-funding grant from VA, and a no action option. Alternative 1, a major construction project, was selected because it meets customer demand for service and consolidates all requirements in a single project. Alternative 2, several minor construction projects, while providing the same results as the major project, would result in the cemetery being in a constant state of disruption over many years as the smaller projects are constructed. The State of Michigan has expressed interest in a VA funded state veteran's cemetery, alternative 3, but the potential area of interest is approximately 250 miles north of Detroit. The fourth alternative, no action, would provide no services to the approximately 448,100 Detroit area veterans.

|                               |   |
|-------------------------------|---|
| <b>Fiscal Year</b>            | FY 2004   |
| <b>BA Requested (Capital)</b> | \$24.8M   |
| <b>Planned Project Name</b>   | Fort Snelling Nat'l Cemetery Gravesite Expan. & Cemetery Improvements |
| <b>Project Location</b>       | Minneapolis, Minnesota  |
| <b>Asset Type</b>             | Major Construction  |

### Project Description

This project requires \$24.8M in FY 2004 budget authority, with additional non-construction costs of \$2.64M for crypts provided in the Burial Benefits- Mandatory Appropriation. This project will develop approximately 15,000 full casket gravesites, 10,000 columbarium niches, and 4,400 in-ground gravesites for cremated remains. In addition to the gravesite expansion, the project will include the following improvements to the cemetery site to continue to support cemetery operations: approximately 8,000 pre-placed crypts; a new equipment storage building; renovation of the existing administration and maintenance buildings; three committal service shelters; expansion and renovation of the irrigation system; road improvements; and perimeter fencing.

One of the primary goals of the National Cemetery Administration (NCA) is to ensure that the burial needs of veterans are met. It is projected that casketed burial sites will be depleted by FY 2007, and cremation sites may be depleted by 2004. This investment will continue service delivery to the approximately 281,860 veterans in the Minneapolis metropolitan area by providing a burial option in a national or state veteran cemetery within a reasonable distance of their residence.

Four alternatives were considered: 1) a major construction project to expand the number of gravesites available with supporting infrastructure work; 2) several minor projects to accomplish the same goals; 3) a new State Veterans Cemetery constructed with a full-funding grant from VA; and 4) a no action option. Alternative 1 enables continuation of full service to veterans, and consolidates all requirements in a single project with minimal disruption. Alternative 2 provides similar service to veterans, but results in the cemetery being in a constant state of disruption over many years as the smaller projects are constructed. The third alternative has been of slight interest to the State of Minnesota, and no legislation has been passed to authorize development of a state veterans cemetery. The fourth alternative results in a loss of service to veterans. This alternative is not viable. Fort Snelling National Cemetery has provided a burial option to the Minnesota veteran population since 1939, and land is available for expansion.

|                               |   |
|-------------------------------|---|
| <b>Fiscal Year</b>            | FY 2004   |
| <b>BA Requested (Capital)</b> | \$12M   |
| <b>Planned Project Name</b>   | Barrancas Nat'l Cemetery Gravesite Expan. and Cemetery Improvements |
| <b>Project Location</b>       | Pensacola, Florida  |
| <b>Asset Type</b>             | Major Construction  |

#### Project Description

This project requires \$12M in FY 2004 budget authority, with additional non-construction costs of \$1.65M for crypts provided in the Burial Benefits-Mandatory Appropriation. This project will develop approximately 6,300 full casket gravesites including 5,000 pre-placed concrete burial crypts, 500 in-ground gravesites for cremated remains, and 2,000-niche columbarium. In addition to the gravesite and columbarium expansion, the project will include the following improvements to the cemetery site to continue to support cemetery operations: construction of a maintenance building; renovation of the administration building; two committal service shelters; a new public restroom building and automated gravesite locator, or kiosk; and irrigation and roadway drainage system improvements.

One of the primary goals of the National Cemetery Administration (NCA) is to ensure that the burial needs of veterans are met. The report entitled "Volume 1: Future Burial Needs" prepared in response to Section 613 of the Veterans Millennium Health Care and Benefits Act identified the area served by Barrancas National Cemetery as an area of greatest need. Expansion of Barrancas will help ensure that there is no interruption of service delivery to veterans living within 75 miles of the national cemetery. The report recommends that VA expand existing cemeteries, such as Barrancas, whenever feasible. Expansion of the cemetery will provide continued burial options to the approximately 111,880 veterans in the Pensacola area until the year 2014.

The selection of the major construction project alternative was made from the four alternatives considered: 1) a major construction project to expand the number of gravesites available at the cemetery; 2) several minor projects to accomplish the same goals; 3) a full-funding grant from VA to the State of Florida for a State Veterans Cemetery; and 4) a no action option. Alternative 1 enables continuation of full service to veterans. Alternative 2 provides similar service to veterans, but results in the cemetery being in a constant state of disruption over many years as the smaller projects are constructed. The third alternative has been of slight interest to the State of Florida, and no legislation has been passed to authorize development of a state veterans cemetery. The fourth alternative results in a loss of service to veterans. This alternative is not viable.

|                               |  |
|-------------------------------|--|
| <b>Fiscal Year</b>            | FY 2004  |
| <b>BA Requested (Capital)</b> | \$1.5M   |
| <b>Planned Project Name</b>   | Florida National Cemetery/Design for Burial Area Expansion |
| <b>Project Location</b>       | Bushnell, Florida  |
| <b>Asset Type</b>             | Major Construction   |

### Project Description

This project requires \$1.5M FY 2004 budget authority for design, with a total acquisition cost of \$20M. This project will develop a new burial area on recently acquired land and will include full casket gravesites utilizing pre-placed crypts, columbaria niches, and supporting infrastructure such as roads and utilities. Quantities will be sufficient to support a ten-year projection of burial needs. In addition, a new satellite maintenance facility, two new committal shelters, a new public restroom and an automated information kiosk will be provided. The project will also upgrade deteriorated portions of existing roads and irrigation system.

One of the primary goals of the National Cemetery Administration (NCA) is to ensure that the burial needs of veterans are met. The report entitled "Volume 1: Future Burial Needs," prepared in response to Section 613 of the Veterans Millennium Health Care and Benefits Act, identified the area served by Florida National Cemetery as an area of greatest need. Expansion of the Florida National Cemetery will help ensure that there is no interruption of service delivery to veterans living within 75 miles of a national cemetery. The report recommends that VA expand existing cemeteries, such as Florida National Cemetery, whenever feasible. This project will develop gravesites to allow the existing Florida National Cemetery to continue to provide a burial option for veterans in the Central Florida area.

Four alternatives will be considered: 1) a major construction project; 2) several minor construction projects; 3) a State Veterans' Cemetery; and 4) a no action option.

|                               |  |
|-------------------------------|--|
| <b>Fiscal Year</b>            | FY 2004  |
| <b>BA Requested (Capital)</b> | \$1.5M   |
| <b>Planned Project Name</b>   | Calverton National Cemetery/Design for Burial Area Expansion |
| <b>Project Location</b>       | Calverton, New York  |
| <b>Asset Type</b>             | Major Construction   |

### Project Description

This project requires \$1.5M FY 2004 budget authority for design, with a total acquisition cost of \$29M. This project will provide for the development of 120 acres of existing cemetery property with associated facilities and infrastructure. This project will develop an additional 90,000 full casket gravesites, including an appropriate level of pre-placed crypts, 8,000 sites for cremated remains including columbaria. Supporting infrastructure improvements will include roads, extension of the existing irrigation system, new public restrooms, and cemetery support facilities.

One of the primary goals of the National Cemetery Administration (NCA) is to ensure that the burial needs of veterans are met. This investment will ensure that veterans and their family members in the New York City metropolitan area will continue to be provided with a burial option within a reasonable distance of their residence. Currently, there are no open national cemeteries, or a state veterans cemetery within 75 miles of Calverton. Calverton has consistently ranked second in total interments, and first in casketed interments out of 120 national cemeteries. At existing interment rates, Calverton will deplete its existing burial gravesites and columbaria niches, and deny veterans access to a burial option.

Four alternatives will be considered: 1) a major construction project; 2) several minor construction projects; 3) a State Veterans' Cemetery; and 4) a no action option.

|                               |   |
|-------------------------------|---|
| <b>Fiscal Year</b>            | FY 2004   |
| <b>BA Requested (Capital)</b> | \$1.5M  |
| <b>Planned Project Name</b>   | Fort Sam Houston National Cemetery/Design for Burial Area Expansion |
| <b>Project Location</b>       | San Antonio, Texas  |
| <b>Asset Type</b>             | Major Construction  |

### Project Description

This project requires \$1.5M FY 2004 budget authority for design, with a total acquisition cost of \$17M. This project will develop additional burial areas on newly acquired land of 118 acres and will include full casket gravesites, pre-placed crypts, columbaria niches, and supporting infrastructure such as roads and utilities. Quantities will be sufficient to support a ten-year projection of burial needs. In addition, a new administration building, public information building, two new committal shelters, and a new public restroom will be provided. The project will also install new boundary fencing to enclose the new parcel of land along Winans Road, and replace an existing chain link fence.

One of the primary goals of the National Cemetery Administration (NCA) is to ensure that the burial needs of veterans are met. The report entitled "Volume 1: Future Burial Needs," prepared in response to Section 613 of the Veterans Millennium Health Care and Benefits Act, identified the area served by Fort Sam Houston National Cemetery as an area of greatest need. Expansion of the Fort Sam Houston National Cemetery will help ensure that there is no interruption of service delivery to veterans living within 75 miles of a national cemetery. The report recommends that VA expand existing cemeteries, such as Fort Sam Houston National Cemetery, whenever feasible. This project will design for additional develop gravesites to allow the existing Fort Sam Houston National Cemetery to continue to provide a burial option for veterans in the San Antonio, Texas metropolitan area.

Four alternatives will be considered: 1) a major construction project; 2) several minor construction projects; 3) a State Veterans' Cemetery; and 4) a no action option.

|                               |  |
|-------------------------------|--|
| <b>Fiscal Year</b>            | FY 2004  |
| <b>BA Requested (Capital)</b> | \$1.5M   |
| <b>Planned Project Name</b>   | Rock Island National Cemetery/Design for Burial Area Expansion |
| <b>Project Location</b>       | Moline, Illinois   |
| <b>Asset Type</b>             | Major Construction   |

### Project Description

This project requires \$1.5M FY 2004 budget authority for design, with a total acquisition cost of \$10.2M. This project will develop a new burial area on 22 acres of land acquired from the Rock Island Army Arsenal to include full casket gravesites utilizing pre-placed crypts, columbaria niches, and supporting infrastructure such as roads and utilities. Quantities will be sufficient to support a ten-year projection of burial needs. Also included will be renovation and expansion of the administration and maintenance facility, a new public restroom, a new committal shelter, road repairs, drainage corrections, and a water distribution system will be provided.

One of the primary goals of the National Cemetery Administration (NCA) is to ensure that the burial needs of veterans are met. The report entitled "Volume 1: Future Burial Needs," prepared in response to Section 613 of the Veterans Millennium Health Care and Benefits Act, identified the area served by Rock Island National Cemetery as an area of greatest need. Expansion of the Rock Island National Cemetery will help ensure that there is no interruption of service delivery to veterans living within 75 miles of a national cemetery. The report recommends that VA expand existing cemeteries, such as Rock Island National Cemetery, whenever feasible. This project will develop gravesites to allow this existing national cemetery to continue to provide a burial option for veterans in the western Illinois and eastern Iowa area.

Four alternatives will be considered: 1) a major construction project; 2) several minor construction projects; 3) a State Veterans' Cemetery; and 4) a no action option.

|                               |   |
|-------------------------------|---|
| <b>Fiscal Year</b>            | FY 2005   |
| <b>BA Requested (Capital)</b> | \$21.6M   |
| <b>Planned Project Name</b>   | Sacramento Area, National Cemetery, Phase I Development |
| <b>Project Location</b>       | Vacaville, CA   |
| <b>Asset Type</b>             | Major Construction                                      |

### Project Description

This project requires \$21.6M in FY 2005 budget authority, with additional non-construction costs of \$3.5M for crypts provided in the Burial Benefits-Mandatory Appropriation. This project will develop approximately 14,700 gravesites for casket interments, 10,000 of which will be pre-placed concrete burial crypts, 5,100 in-ground gravesites for cremated remains, 8,000-niche columbarium, and a cremain scattering area. This first phase will include a fast-track burial area to expedite service to veterans and their families, with minimal roads, utilities and irrigation system. In addition to gravesite development, the project also provides for an administration and maintenance complex, public information center with electronic kiosk and public restrooms, three committal service shelters, entrance and flag/assembly area feature, and supporting infrastructure such as roads, parking, utilities, and irrigation. The first phase development of 55 acres will provide burial capacity for approximately 10 years.

National cemetery administration (NCA) data has shown that about 80 percent of persons interred in national cemeteries reside within 75 miles of the cemetery at the time of death. This proposal to construct a new cemetery will serve the veteran population in the Sacramento metropolitan area who do not have reasonable access to a national or state veterans cemetery. As a result, approximately 354,000 veterans in addition to eligible veterans' family members will be provided reasonable access to a burial option in a national cemetery. The Veterans Millennium Health Care and Benefits Act requires the Secretary to establish six additional national cemeteries to help meet the burial needs of veterans. The Secretary determined that new national cemeteries would be established in the remaining geographic areas identified in the 1987 and 1994 reports to Congress. Sacramento, California was identified in the 1994 report.

Four alternatives were considered: a major construction project, several minor projects to accomplish the same goals, a state veterans cemetery funded through the VA state cemetery grants program, and a no-action option. A major construction project, alternative 1, was selected because it meets customer demand for service and consolidates all requirements in a single project. Alternative 2, several minor construction projects, while providing the same results as the major, would require a longer timeframe at the expense of other needs throughout NCA. It would also result in the cemetery being in a constant state of disruption over many years as the smaller projects are constructed. Alternative 3, a VA funded state veteran's cemetery, would provide the same services available at a national cemetery. However, a new state veteran's cemetery located in the Redding, California area, approximately 165 miles north of Sacramento, is scheduled for completion in 2004. The state of California has not expressed interest in applying for another grant through the state cemetery grant program that would serve veterans in the Sacramento area. Alternative 4, no action, would perpetuate the absence of reasonable access to a burial option for the approximately 354,000 veterans in the Sacramento area.

|                               |   |
|-------------------------------|---|
| <b>Fiscal Year</b>            | FY 2005                                       |
| <b>BA Requested (Capital)</b> | \$20M   |
| <b>Planned Project Name</b>   | Florida National Cemetery Gravesite Expansion |
| <b>Project Location</b>       | Bushnell, Florida                             |
| <b>Asset Type</b>             | Major Construction                            |

### Project Description

This project requires \$20M in FY 2005 budget authority, with additional non-construction costs of \$7M for crypts provided in the Burial Benefits-Mandatory Appropriation. This project will develop approximately 29,000 full casket gravesites including 20,000 pre-placed concrete burial crypts, 14,000 in-ground gravesites for cremated remains, and 8,000-niche columbarium. In addition to the gravesite expansion, the project will include the following improvements to the cemetery site to continue to support cemetery operations: a satellite maintenance facility; an electronic information kiosk; two committal service shelters; and supporting infrastructure such as roads, utilities, and irrigation. This 55-acre expansion will provide for an additional 10 years of burial capacity.

One of the primary goals of the National Cemetery Administration (NCA) is to ensure that the burial needs of veterans are met. It is projected that existing gravesite capacity will be depleted by 2007. This investment will continue service delivery to the approximately 697,000 veterans in the central and southern Florida area by providing a burial option in a national or state veteran cemetery within a reasonable distance of their residence.

Four alternatives were considered: 1) a major construction project to expand the number of gravesites available with supporting infrastructure work; 2) several minor projects to accomplish the same goals; 3) a new State Veterans Cemetery constructed with a full-funding grant from VA; and 4) a no action option. Alternative 1 enables continuation of full service to veterans, and consolidates all requirements in a single project with minimal disruption. Alternative 2 provides similar service to veterans, but results in the cemetery being in a constant state of disruption over many years as the smaller projects are constructed. The third alternative has been of slight interest to the State of Florida, and no legislation has been passed to authorize development of a state veterans cemetery. The fourth alternative results in a loss of service to veterans. This alternative is not viable. Florida National Cemetery has provided a burial option to the Florida veteran population since 1988, and land is available for expansion.

|                               |   |
|-------------------------------|---|
| <b>Fiscal Year</b>            | FY 2005   |
| <b>BA Requested (Capital)</b> | \$10.2M   |
| <b>Planned Project Name</b>   | Rock Island National Cemetery Gravesite Expansion |
| <b>Project Location</b>       | Moline, IL  |
| <b>Asset Type</b>             | Major Construction                                |

#### Project Description

This project requires \$10.2M in FY 2005 budget authority, with additional non-construction costs of \$1.225M for crypts provided in the Burial Benefits-Mandatory Appropriation. This project will develop approximately 4,000 full casket gravesites including 3,500 pre-placed concrete burial crypts, 500 in-ground gravesites for cremated remains, and 1,500 columbarium niches. In addition to the gravesite and columbarium expansion, the project will include the following improvements to the cemetery site to continue to support cemetery operations: a public restroom facility, an automated gravesite locator, or kiosk, a committal service shelter, and supporting infrastructure such as roads, utilities, and irrigation, rehabilitation of the existing water and irrigation system, corrections to drainage problems, and removal of underground storage tanks to prevent environmental problems. The proposed gravesite expansion on 10 acres will provide sufficient burial capacity for approximately 10 years.

One of the primary goals of the National Cemetery Administration (NCA) is to ensure that the burial needs of veterans are met. The report entitled "Volume 1: Future Burial Needs" prepared in response to Section 613 of the Veterans Millennium Health Care and Benefits Act identified the area served by Rock Island National Cemetery as an area of greatest need. Current projections indicate that the existing inventory of gravesites will be depleted in fiscal year 2006. Expansion of Rock Island will help ensure that there is no interruption of service delivery to the approximately 135,000 veterans in the western Illinois and eastern Iowa areas.

The selection of the major construction project alternative was made from the four alternatives considered: 1) a major construction project to construct more gravesites and expand the existing cemetery; 2) several minor projects to accomplish the same goals; 3) a full-funding grant from VA to the State of Illinois for a State Veterans Cemetery; and 4) a no action option. Alternative 1 enables NCA to offer full and enhanced services to veterans. Alternative 2 provides similar service to veterans, but results in the cemetery being in a constant state of disruption over many years as the smaller projects are constructed. The third alternative has been of slight interest to the State of Illinois, and no legislation has been passed to authorize development of a state veterans cemetery. The fourth alternative results in limited service to veterans. It is not a viable option because it will ultimately result in the depletion of available gravesites and the loss of access to a burial option in a national or state veterans cemetery by area veterans.

|                               |  |
|-------------------------------|--|
| <b>Fiscal Year</b>            | FY 2005  |
| <b>BA Requested (Capital)</b> | \$1M   |
| <b>Planned Project Name</b>   | Fort Rosecrans Nat'l Cemetery Annex at Miramar/Design Gravesite Expan. |
| <b>Project Location</b>       | San Diego, California  |
| <b>Asset Type</b>             | Major Construction   |

**Project Description**

This project requires \$1M FY 2005 budget authority for design, with a total acquisition cost of \$32.5M. This project will provide approximately 19,000 full casket and 20,000 cremain gravesites. The Annex site is located 13 miles north of the Fort Rosecrans National Cemetery on former Miramar Marine Corps Air Station property. Of the approximately 300 acres to be acquired, Phase I development will occur on 50-acres, and provide sufficient burial capacity for approximately ten years. This first phase will also include an administration and maintenance complex, public information center, committal service shelters, entrance and flag/assembly area feature, and supporting infrastructure such as roads, parking, utilities, and irrigation.

In FY 2003, 75.2% of veterans were served by a burial option within a reasonable distance (75-miles) of their residence. NCA's goal is to increase that percentage to 89% by FY 2009. To accomplish that goal, NCA must plan and construct burial expansions as cemeteries approach depletion of gravesite inventory. For existing closed cemeteries that have utilized all available land for expansion, NCA seeks options for additional land acquisitions where possible. In this case, NCA is pursuing 300 additional acres from the Marine Corps Air Station at Miramar, 13 miles to the north. With this project, Fort Rosecrans National Cemetery will reopen to full burial options to first interments at the Miramar Annex to serve the approximately 253,000 veterans in the San Diego County area.

Four alternatives were considered: a major construction project, a series of several minor projects, a state veterans cemetery funded through the VA State Cemetery Grants program, and a no-action option. A major construction project, Alternative 1, is the preferred option because it meets customer demand for service and consolidates all requirements in a single project. Alternative 2, several minor construction projects, while providing the same results as the major, will require a longer time period to construct, and result in the cemetery being in a constant state of disruption over many years as the smaller projects are constructed. Alternative 3, a VA funded state veteran's cemetery, is unlikely since the state is currently involved in the development of a new state veteran's cemetery located in northern California and has not expressed interest in applying for another grant through the State Cemetery Grant Program. Alternative 4, no action, will keep Fort Rosecrans as a closed cemetery leaving veterans unserved by a burial option within a reasonable distance of their residence.

|                               |  |
|-------------------------------|--|
| <b>Fiscal Year</b>            | FY 2005  |
| <b>BA Requested (Capital)</b> | \$1.4M   |
| <b>Planned Project Name</b>   | Riverside Nat'l Cemetery/Design Gravesite Expansion and Improvements |
| <b>Project Location</b>       | Riverside, California  |
| <b>Asset Type</b>             | Major Construction   |

**Project Description**

This project requires \$1.4M FY 2005 budget authority for design, with a total acquisition cost of \$24.1M. This project will develop Phase 5 of the Riverside Master Plan and provide ten years of burial space. The expansion on 85-acres of existing cemetery land will include approximately 47,000 full casket gravesites, and 37,100 sites for cremated remains including a columbaria and terraced in-ground sites. The project will also provide for two committal shelters, a satellite maintenance facility, renovation of the existing administration building into a Public Information Center with electronic kiosk and public restrooms, construction of a new Administration Building, and supporting infrastructure such as roads, utilities, and irrigation.

In FY 2003, 75.2% of veterans were served by a burial option within a reasonable distance (75-miles) of their residence. NCA's goal is to increase that percentage to 89% by FY 2009. To accomplish that goal, NCA must plan and construct burial expansions as cemeteries approach depletion of gravesite inventory.

This investment will extend the burial capacity by another ten years at the busiest national cemetery within the NCA system of 124 national cemeteries. NCA conducts an annual survey of satisfaction with national cemeteries to measure a variety of performance goals. In FY 2003, 98.2% of all respondents rated the overall appearance of the Riverside National Cemetery as excellent. Expansion of the existing cemetery and improvements to the infrastructure will help Riverside National Cemetery achieve the NCA planned goal of 100% for FY 2009.

Four alternatives were considered: a major construction project, a series of several minor projects, a state veterans cemetery funded through the VA State Cemetery Grants program, and a no-action option. A major construction project, Alternative 1, is the preferred option because it meets customer demand for service and consolidates all requirements in a single project. Alternative 2, several minor construction projects, while providing the same results as the major, will require a longer time period to construct, and result in the cemetery being in a constant state of disruption over many years as the smaller projects are constructed. Alternative 3, a VA funded state veteran's cemetery, is unlikely since the state is currently involved in the development of a new state veteran's cemetery located in northern California and has not expressed interest in applying for another grant through the State Cemetery Grant Program. Alternative 4, no action, will result in eventual closure of the Riverside National Cemetery to first interments, as gravesites are depleted in spite of the availability of land for burial expansion.

|                               |  |
|-------------------------------|--|
| <b>Fiscal Year</b>            | FY 2005  |
| <b>BA Requested (Capital)</b> | \$0.80M  |
| <b>Planned Project Name</b>   | San Joaquin Valley Nat'l Cemetery/Design Gravesite Expansion & Improv. |
| <b>Project Location</b>       | Gustine, California  |
| <b>Asset Type</b>             | Major Construction   |

#### **Project Description**

This project requires \$.80M FY 2005 budget authority for design, with a total acquisition cost of \$16.6M. This project will develop Phase 2 of the Master Plan for the San Joaquin Valley National Cemetery. The 25-acre expansion will include approximately 11,650 full casket gravesites, of which 5,000 will be pre-placed crypts, 6,000 columbaria niches, and 6,050 in-ground cremain sites. The project will also provide for one committal shelter, electrical system upgrades to the existing infrastructure, rehabilitation of the existing irrigation system, replacement of fuel storage tanks, renovation of the administration facility, and supporting infrastructure such as roads and parking.

In FY 2003, 75.2% of veterans were served by a burial option within a reasonable distance (75-miles) of their residence. NCA's goal is to increase that percentage to 89% by FY 2009. To accomplish that goal, NCA must plan and construct burial expansions as cemeteries approach depletion of gravesite inventory. This investment to expand San Joaquin Valley National Cemetery will contribute towards achieving that goal. NCA conducts an annual survey of satisfaction with national cemeteries to measure a variety of performance goals. In FY 2003, 86.2% of all respondents rated the overall appearance of the San Joaquin Valley National Cemetery as excellent. Expansion of the existing cemetery and improvements to the infrastructure will help San Joaquin Valley National Cemetery achieve the NCA planned goal of 100% for FY 2009.

Four alternatives were considered: a major construction project, a series of several minor projects, a state veterans cemetery funded through the VA State Cemetery Grants program, and a no-action option. A major construction project, Alternative 1, is the preferred option because it meets customer demand for service and consolidates all requirements in a single project. Alternative 2, several minor construction projects, while providing the same results as the major, will require a longer time period to construct, and result in the cemetery being in a constant state of disruption over many years as the smaller projects are constructed. Alternative 3, a VA funded state veteran's cemetery, is unlikely since the state is currently involved in the development of a new state veteran's cemetery located in northern California and has not expressed interest in applying for another grant through the State Cemetery Grant Program. Alternative 4, no action, will result in eventual closure of the San Joaquin Valley National Cemetery to first interments, as gravesites are depleted in spite of the availability of land for burial expansion.

### FY 2004 MINOR CONSTRUCTION PROJECTS

| MSN | Location   |    | Project Title – Brief Description                        |                       | Estimated Cost (\$000) |
|-----|--|----|--|-----------------------|------------------------|
| 1   | Calverton  | NY | Irrigation System Expansion (Part 2 of 5)                | Irrigation            | \$880                  |
| 1   | Long Island                                      | NY | Construct 6,000 Niche Columbaria                         | Gravesite Expansion   | \$2,000                |
| 1   | Quantico   | VA | Admin Building – Renovate                                | Building Construction | \$60                   |
| 1   | Quantico   | VA | Water Supply System, Internal (Design)                   | Irrigation            | \$125                  |
| 1   | Woodlawn   | NY | Construct 2,500 Unit Columbarium                         | Gravesite Expansion   | \$1,100                |
| 2   | Bay Pines  | FL | Alternative Water Source Project                         | Irrigation            | \$2,000                |
| 2   | Bay Pines  | FL | Columbarium - Drains                                     | Gravesite Expansion   | \$800                  |
| 2   | Beaufort   | SC | Burial Area Expansion/Service Building/Committal Shelter | Gravesite Expansion   | \$2,200                |
| 2   | Biloxi   | MS | Replace Admin Building                                   | Building Construction | \$600                  |
| 2   | Chattanooga                                      | TN | Committal Shelters (2)                                   | Building Construction | \$310                  |
| 2   | Florence   | SC | Admin & Maintenance Buildings, Roof/Inter/Security       | Building Construction | \$350                  |
| 2   | Florence   | SC | Burial Area Expansion; Public RR Building; Well Pump     | Gravesite Expansion   | \$1,500                |
| 2   | Nashville  | TN | Demolish Portion of Boundary Wall                        | Site Improvements     | \$150                  |
| 2   | Nashville  | TN | Repair Rostrum (Design)                                  | Site Improvements     | \$25                   |
| 2   | Natchez  | MS | Renovate Admin Building                                  | Building Construction | \$50                   |
| 2   | Natchez  | MS | Burial Area Expansion with Fast Track                    | Gravesite Expansion   | \$2,500                |
| 2   | Puerto Rico                                      | PR | Renovate Admin & Maintenance Buildings                   | Building Construction | \$2,100                |
| 2   | Puerto Rico                                      | PR | Burial Area - Develop                                    | Gravesite Expansion   | \$2,958                |
| 3   | Dallas/Fort Worth                                | TX | Construct 2,000 Niche Columbaria/Install 7,000 Crypts    | Gravesite Expansion   | \$3,500                |
| 3   | Fort Gibson                                      | OK | Replace Irrigation in Old Sections                       | Irrigation            | \$900                  |
| 3   | Houston  | TX | Pre-Placed Crypts in Sections S-1, R & Q (6,000)         | Gravesite Expansion   | \$870                  |
| 3   | Santa Fe   | NM | Water Improvements - Irrigation                          | Irrigation            | \$1,000                |
| 4   | Camp Nelson                                      | KY | Lodge Repair   | Building Construction | \$125                  |
| 4   | Danville   | IL | Equipment Storage & Wash Bay Building                    | Building Construction | \$160                  |
| 4   | Danville   | IL | Land Purchase  | Gravesite Expansion   | \$100                  |
| 4   | Dayton   | OH | Construct Materials Storage Bins & Spoils Area           | Site Improvements     | \$80                   |
| 5   | Eagle Point                                      | OR | Gravesite Development                                    | Gravesite Expansion   | \$2,280                |
| 5   | Fort Richardson                                  | AK | Develop Burial Areas                                     | Gravesite Expansion   | \$2,475                |
| 5   | Los Angeles                                      | CA | Environmental Equipment Wash Station                     | Building Construction | \$47                   |
| 5   | Los Angeles                                      | CA | Pergola Memorial Wall                                    | Gravesite Expansion   | \$150                  |
| 5   | National Memorial Cemetery of the Pacific (NMCP) | HI | Environmental Equipment Wash Station                     | Building Construction | \$65                   |
| 5   | Prescott   | AZ | Columbarium (3,000 Niches)                               | Gravesite Expansion   | \$1,500                |
| 5   | Riverside  | CA | Environmental Equipment Wash Station                     | Building Construction | \$47                   |
| 5   | Riverside  | CA | Columbaria - 10,000 Niches                               | Gravesite Expansion   | \$3,500                |

| MSN | Location           |    | Project Title – Brief Description                       |                       | Estimated Cost (\$000) |
|-----|--------------------|----|---|-----------------------|------------------------|
| 5   | San Joaquin Valley | CA | Admin - Atrium Renovation                               | Building Construction | \$60                   |
| 5   | San Joaquin Valley | CA | Terrace Ramps/Sidewalks - Install                       | Gravesite Expansion   | \$1,000                |
| 5   | San Joaquin Valley | CA | Sections 1 & 9 Drainage Improvements & Road Development | Gravesite Expansion   | \$170                  |
| 5   | San Joaquin Valley | CA | Irrigation System Rehab/Expansion                       | Irrigation            | \$1,558                |
| 5   | Sitka              | AK | Install Pre-Placed Crypts Sec. 3 & 5                    | Gravesite Expansion   | \$250                  |
|     |                    |    | <b>Total</b>  |                       | <b>\$39,545</b>        |

### FY 2005 MINOR CONSTRUCTION PROJECTS

#### Projects Are Sorted by Type

| MSN | Location             |    | Project Title – Brief Description   | Type                  | Estimated Cost (\$000) |
|-----|----------------------|----|---|-----------------------|------------------------|
| 1   | Calverton            | NY | Environmental Equipment Wash Station  | Building Construction | \$50                   |
| 3   | Ft. Bliss            | TX | Replace Maintenance Building/New Public Restrooms   | Building Construction | \$2,500                |
| 4   | Ft. Custer           | MI | Repair Committal Shelter/Road & Entrance Improvements   | Building Construction | \$700                  |
| 5   | Ft. Rosecrans        | CA | Environmental Equipment Wash Station  | Building Construction | \$47                   |
| 5   | Golden Gate          | CA | Renovate Maintenance Buildings  | Building Construction | \$2,550                |
| 5   | NMCP                 | HI | Improvements to Admin Building  | Building Construction | \$2,300                |
| 1   | Calverton            | NY | Construct an Additional 4,000 Niche Columbaria  | Gravesite Expansion   | \$1,400                |
| 1   | Puerto Rico          | PR | Construct 2,000 Niche Columbaria  | Gravesite Expansion   | \$2,000                |
| 1   | Quantico             | VA | Develop Section 19 for 2,000 Pre-Placed Crypts  | Gravesite Expansion   | \$2,311                |
| 1   | Quantico             | VA | Development of Columbaria in Section 2 & 4  | Gravesite Expansion   | \$1,183                |
| 2   | Ft. Mitchell         | AL | Develop Gravesites (Design)   | Gravesite Expansion   | \$300                  |
| 4   | Abraham Lincoln      | IL | Construct 2,000 Niche Columbaria & Committal Shelter  | Gravesite Expansion   | \$880                  |
| 4   | Jefferson Barracks   | MO | Install 3,500 Pre-Placed Crypts in Sections R, S, T & U   | Gravesite Expansion   | \$900                  |
| 4   | Ohio Western Reserve | OH | Add Approximately 5,000 Pre-Placed Crypts   | Gravesite Expansion   | \$1,000                |
| 1   | Beverly              | NJ | Road Project  | Site Improvements     | \$2,000                |
| 2   | Natchez              | MS | Slope Stabilization   | Site Improvements     | \$1,000                |
| 3   | Ft. Bayard           | NM | Replace Committal Shelter & Rostrum, Construct New Admin/Maintenance Building, Convert to Xeri-scaping (Design) | Site Improvements     | \$200                  |
| 3   | Ft. Bliss            | TX | Convert 50 Acres to Xeri-scaping  | Site Improvements     | \$3,370                |
|     |                      |    | <b>Total</b>  |                       | <b>\$24,691</b>        |

## FY 2006 - 2009 POTENTIAL MINOR CONSTRUCTION

### Projects Are Sorted by MSN

| MSN | Location       |    | Project Title – Brief Description                                       | Type                  |
|-----|----------------|----|---|-----------------------|
| 1   | Baltimore      | MD | Environmental Equipment Wash Station                                    | Building Construction |
| 1   | Bath           | NY | Environmental Equipment Wash Station                                    | Building Construction |
| 1   | Beverly        | NJ | Repair/Replace Slate Roofs-Both Maint Garages                           | Building Construction |
| 1   | Beverly        | NJ | Environmental Equipment Wash Station                                    | Building Construction |
| 1   | Calverton      | NY | Irrigation System Expansion (Part 3 of 5)                               | Irrigation            |
| 1   | Calverton      | NY | Irrigation System Expansion (Part 4 of 5)                               | Irrigation            |
| 1   | Calverton      | NY | Irrigation System Expansion (Part 5 of 5)                               | Irrigation            |
| 1   | Calverton      | NY | Provide/Install a 40'x80' Pre-Fabricated Storage Building               | Building Construction |
| 1   | City Point     | VA | Restore Entrance & Perimeter Wall                                       | Site Improvements     |
| 1   | Culpeper       | VA | Environmental Equipment Wash Station                                    | Building Construction |
| 1   | Cypress Hills  | NY | Irrigate Entire 15.4 Acre Site  | Irrigation            |
| 1   | Hampton        | VA | Clean & Tuck-Point Perimeter Walls (Hampton/Phoebus)                    | Site Improvements     |
| 1   | Hampton        | VA | Install French Drain System (Hampton/Phoebus)                           | Site Improvements     |
| 1   | Indiantown Gap | PA | Environmental Equipment Wash Station                                    | Building Construction |
| 1   | Indiantown Gap | PA | Replace Glass Windows & Doors, B-1 (Admin Bldg)                         | Building Construction |
| 1   | Long Island    | NY | Repair/Replace Slate Roofs (or Equivalent)-Admin & Lodge                | Building Construction |
| 1   | Long Island    | NY | Rehab Public Restrooms  | Building Construction |
| 1   | Long Island    | NY | Environmental Equipment Wash Station                                    | Building Construction |
| 1   | Long Island    | NY | Provide Irrigation to 1/4 Site (91.2Acres), Phase 1 of 4                | Irrigation            |
| 1   | Long Island    | NY | Provide Irrigation to 1/4 Site (91.2Acres), Phase 2 of 4                | Irrigation            |
| 1   | Long Island    | NY | Provide irrigation to 1/4 site (91.2 A), Phase 3 of 4                   | Irrigation            |
| 1   | Long Island    | NY | Provide irrigation to 1/4 site (91.2 A), Phase 4 of 4                   | Irrigation            |
| 1   | Massachusetts  | MA | Environmental Equipment Wash Station                                    | Building Construction |
| 1   | Quantico       | VA | Replace Roads From Rear Entrance Through Section 25                     | Site Improvements     |
| 1   | Quantico       | VA | Provide/Install Security Camera Systems                                 | Building Construction |
| 1   | Quantico       | VA | Environmental Equipment Wash Station                                    | Building Construction |
| 1   | Quantico       | VA | Water Supply System, Internal   | Irrigation            |
| 1   | West Virginia  | WV | Stream Stabilization  | Irrigation            |
| 1   | West Virginia  | WV | Environmental Equipment Wash Station                                    | Building Construction |
| 1   | West Virginia  | WV | Construct Storage Facility  | Building Construction |
| 1   | West Virginia  | WV | Remove Deteriorating Flagstone, Replace with Concrete-Committal Shelter | Site Improvements     |
| 1   | Woodlawn       | NY | Environmental Equipment Wash Station                                    | Building Construction |
| 1   | Woodlawn       | NY | Construct 2,500 Niche Columbaria  | Gravesite Expansion   |
| 2   | Alexandria     | LA | Correct Site Drainage   | Site Improvements     |
| 2   | Alexandria     | LA | Replace Flagpole Lights   | Site Improvements     |
| 2   | Alexandria     | LA | Reconstruct Wall Foundation   | Site Improvements     |
| 2   | Alexandria     | LA | Replace Fences  | Site Improvements     |
| 2   | Alexandria     | LA | Replace site furnishings  | Site Improvements     |

| MSN | Location    |    | Project Title – Brief Description        | Type                  |
|-----|-------------|----|--|-----------------------|
| 2   | Alexandria  | LA | Replace Water Lines                      | Irrigation            |
| 2   | Barrancas   | FL | Landscape Improvements                   | Site Improvements     |
| 2   | Barrancas   | FL | Replace site furnishings                 | Site Improvements     |
| 2   | Barrancas   | FL | Roads - Resurface and Replace            | Site Improvements     |
| 2   | Barrancas   | FL | Replace Wrought Iron Fence               | Site Improvements     |
| 2   | Barrancas   | FL | Renovate Service Bldgs                   | Building Construction |
| 2   | Baton Rouge | LA | Flagpole - Replace                       | Site Improvements     |
| 2   | Baton Rouge | LA | Repair wall                              | Site Improvements     |
| 2   | Baton Rouge | LA | Replace Trees                            | Site Improvements     |
| 2   | Baton Rouge | LA | Install Landscape Buffer                 | Site Improvements     |
| 2   | Baton Rouge | LA | Replace site furnishings                 | Site Improvements     |
| 2   | Baton Rouge | LA | Replace Road                             | Site Improvements     |
| 2   | Bay Pines   | FL | Construct Columbaria & Site Improvements | Gravesite Expansion   |
| 2   | Bay Pines   | FL | Construct Admin & Maint Building         | Building Construction |
| 2   | Bay Pines   | FL | Screen Chain Link Fence                  | Site Improvements     |
| 2   | Bay Pines   | FL | Renovate Monument & Replace Sidewalks    | Site Improvements     |
| 2   | Bay Pines   | FL | Improve Entry & General Site             | Site Improvements     |
| 2   | Beaufort    | SC | Replace Flagpole & Lights                | Site Improvements     |
| 2   | Beaufort    | SC | Install Additional Irrigation            | Site Improvements     |
| 2   | Beaufort    | SC | Landscape Improvements                   | Site Improvements     |
| 2   | Beaufort    | SC | Improve Site Furnishings                 | Site Improvements     |
| 2   | Beaufort    | SC | Replace HVAC in Admin Bldg               | Building Construction |
| 2   | Beaufort    | SC | Maint Bldg - Provide Heat                | Building Construction |
| 2   | Beaufort    | SC | Provide Electric to Committal Shelter    | Building Construction |
| 2   | Biloxi      | MS | Install Flagpole                         | Site Improvements     |
| 2   | Biloxi      | MS | Maint Facility Improvements              | Building Construction |
| 2   | Biloxi      | MS | Resurface Roadways                       | Site Improvements     |
| 2   | Biloxi      | MS | Committal Shelter - Provide Electric     | Building Construction |
| 2   | Biloxi      | MS | Upgrade Water Spigots                    | Site Improvements     |
| 2   | Chattanooga | TN | Committal Shelters (2)                   | Building Construction |
| 2   | Chattanooga | TN | Install Irrigation                       | Irrigation            |
| 2   | Chattanooga | TN | Replace Flagpole                         | Site Improvements     |
| 2   | Chattanooga | TN | Landscape Improvements                   | Site Improvements     |
| 2   | Chattanooga | TN | Install Signage System                   | Site Improvements     |
| 2   | Chattanooga | TN | Replace Chain link Fencing               | Site Improvements     |
| 2   | Chattanooga | TN | Replace Roads                            | Site Improvements     |
| 2   | Chattanooga | TN | Enhance Andrew's Raiders Monument        | Site Improvements     |
| 2   | Chattanooga | TN | Relocate OH Utility Lines                | Site Improvements     |
| 2   | Chattanooga | TN | Replace Fences                           | Site Improvements     |
| 2   | Chattanooga | TN | Replace Water Lines & Spigots            | Site Improvements     |
| 2   | Chattanooga | TN | Renovate/Replace Admin Bldg HVAC         | Building Construction |
| 2   | Chattanooga | TN | Construct Covered Soil Storage           | Building Construction |
| 2   | Corinth     | MS | Replace Irrigation Section               | Site Improvements     |
| 2   | Corinth     | MS | Construct Committal Shelter              | Building Construction |
| 2   | Corinth     | MS | Construct Admin/ Maint Bldg              | Building Construction |
| 2   | Corinth     | MS | Landscape Improvements                   | Site Improvements     |
| 2   | Corinth     | MS | Install Fencing for Maint Yard           | Site Improvements     |
| 2   | Corinth     | MS | Replace site furnishings                 | Site Improvements     |
| 2   | Corinth     | MS | Replace Flagpole                         | Site Improvements     |
| 2   | Corinth     | MS | Cemetery - Replace Sidewalk              | Site Improvements     |
| 2   | Corinth     | MS | Replace Drainage Ditch/Covers/Inlets     | Site Improvements     |
| 2   | Corinth     | MS | Repair Roadways                          | Site Improvements     |
| 2   | Corinth     | MS | Demolish Lodge                           | Building Construction |
| 2   | Corinth     | MS | Demolish Maint Bldg                      | Building Construction |

| MSN | Location      |    | Project Title – Brief Description                      | Type                  |
|-----|---------------|----|--|-----------------------|
| 2   | Danville      | VA | Replace Road   | Site Improvements     |
| 2   | Danville      | VA | Overall Landscape                                      | Site Improvements     |
| 2   | Danville      | VA | Replace site furnishings                               | Site Improvements     |
| 2   | Fayetteville  | AR | Replace Security System                                | Building Construction |
| 2   | Fayetteville  | AR | Replace site furnishings                               | Site Improvements     |
| 2   | Fayetteville  | AR | Replace Flagpole                                       | Site Improvements     |
| 2   | Fayetteville  | AR | Landscape Improvements                                 | Site Improvements     |
| 2   | Fayetteville  | AR | Install Signage System                                 | Site Improvements     |
| 2   | Fayetteville  | AR | Improve Water Hydrants                                 | Irrigation            |
| 2   | Fayetteville  | AR | Install Fan and Taps System in Committal Shelter       | Building Construction |
| 2   | Fayetteville  | AR | Install Exterior Light Fixtures on Admin Bldg          | Building Construction |
| 2   | Florence      | SC | Replace Flagpole Lights                                | Site Improvements     |
| 2   | Florence      | SC | Renovate Irrigation                                    | Irrigation            |
| 2   | Florence      | SC | Replace site furnishings                               | Site Improvements     |
| 2   | Florence      | SC | Landscape Improvements                                 | Site Improvements     |
| 2   | Florida       | FL | Replace HVAC in Maint Building                         | Building Construction |
| 2   | Florida       | FL | Install Video Surveillance System                      | Site Improvements     |
| 2   | Florida       | FL | Replace Admin Bldg Roof                                | Building Construction |
| 2   | Florida       | FL | Resurface Roads, Phase I                               | Site Improvements     |
| 2   | Florida       | FL | Replace Ornamental Fence at Entrance                   | Site Improvements     |
| 2   | Florida       | FL | Maint Yard - Resurface                                 | Site Improvements     |
| 2   | Florida       | FL | Replace site furnishings                               | Site Improvements     |
| 2   | Florida       | FL | Screen Maint Compound                                  | Site Improvements     |
| 2   | Florida       | FL | Pump House - Add Additional Pump                       | Irrigation            |
| 2   | Fort Mitchell | AL | Install Vinyl Siding on Maint Bldg                     | Building Construction |
| 2   | Fort Mitchell | AL | Landscape Improvements                                 | Site Improvements     |
| 2   | Fort Mitchell | AL | Renovate & Replace Site Furnishings                    | Site Improvements     |
| 2   | Fort Mitchell | AL | Establish & Irrigate Turf                              | Irrigation            |
| 2   | Fort Smith    | AR | Develop Gravesites & Cemetery Expansion                | Gravesite Expansion   |
| 2   | Fort Smith    | AR | Replace Flagpole and Lights                            | Site Improvements     |
| 2   | Fort Smith    | AR | Repl Water Spigots & GS Locator Stand                  | Site Improvements     |
| 2   | Fort Smith    | AR | Landscape Improvements/Irrig Renov                     | Site Improvements     |
| 2   | Fort Smith    | AR | Install Communication Between Admin/ Maint Bldgs       | Building Construction |
| 2   | Fort Smith    | AR | Expand Break Room and Construct Wash Rack              | Building Construction |
| 2   | Ft. Mitchell  | AL | Develop Gravesites                                     | Gravesite Expansion   |
| 2   | Ft. Smith     | AR | Develop Gravesites & Cemetery Expansion (Design)       | Gravesite Expansion   |
| 2   | Ft. Smith     | AR | Replace Irrigation System                              | Irrigation            |
| 2   | Ft. Smith     | AR | Resurface & Replace Roads                              | Site Improvements     |
| 2   | Ft. Smith     | AR | Site Survey of Cemetery                                | Site Improvements     |
| 2   | Knoxville     | TN | Demolish Maint Building & Construct Public RR Building | Building Construction |
| 2   | Knoxville     | TN | Improve Site Signage                                   | Site Improvements     |
| 2   | Knoxville     | TN | Enhance Visual Separation                              | Site Improvements     |
| 2   | Knoxville     | TN | Replace site furnishings                               | Site Improvements     |
| 2   | Knoxville     | TN | Improve Landscape                                      | Site Improvements     |
| 2   | Little Rock   | AR | Correct Drainage & Erosion                             | Site Improvements     |
| 2   | Little Rock   | AR | Replace Curbs  | Site Improvements     |
| 2   | Little Rock   | AR | Improve Site Signage & Site Furnishings                | Site Improvements     |
| 2   | Little Rock   | AR | Landscape Improvements                                 | Site Improvements     |
| 2   | Little Rock   | AR | Renovate Maint Bldg                                    | Building Construction |

| MSN | Location      |    | Project Title – Brief Description                       | Type                  |
|-----|---------------|----|---|-----------------------|
| 2   | Marietta      | GA | Replace Roads & Storm Drainage                          | Site Improvements     |
| 2   | Marietta      | GA | Replace Flagpole & Lights                               | Site Improvements     |
| 2   | Marietta      | GA | Relocate Assembly Area                                  | Site Improvements     |
| 2   | Marietta      | GA | Improve Site Signage & Site Furnishings                 | Site Improvements     |
| 2   | Marietta      | GA | Replace Trees   | Site Improvements     |
| 2   | Marietta      | GA | Maint Bldg - Renov, New RR Bldg & Soil Storage          | Building Construction |
| 2   | Marietta      | GA | Lodge - Remove Asbestos                                 | Building Construction |
| 2   | Memphis       | TN | Demolish Lodge/Construct Restrooms & Committal Shelter  | Building Construction |
| 2   | Memphis       | TN | Renovate Admin Building/Roof & Study Settlement Problem | Building Construction |
| 2   | Memphis       | TN | Re-Roof Maint Building                                  | Building Construction |
| 2   | Memphis       | TN | Construct Storage Building & Yard                       | Building Construction |
| 2   | Memphis       | TN | Renovate Monument (Illinois)                            | Site Improvements     |
| 2   | Memphis       | TN | Landscape Improvements (Including Perimeter buffer)     | Site Improvements     |
| 2   | Memphis       | TN | Replace Drainage Ditch & Other Drainage Corrections     | Site Improvements     |
| 2   | Memphis       | TN | Replace Privacy Fencing                                 | Site Improvements     |
| 2   | Memphis       | TN | Replace MIA Flagpole                                    | Site Improvements     |
| 2   | Memphis       | TN | Replace Curbs   | Site Improvements     |
| 2   | Memphis       | TN | Replace HVAC in Admin Bldg                              | Building Construction |
| 2   | Memphis       | TN | Replace Overhead Doors-Maint Bldg                       | Building Construction |
| 2   | Memphis       | TN | Replace site furnishings                                | Site Improvements     |
| 2   | Mobile        | AL | Improve Landscape                                       | Site Improvements     |
| 2   | Mobile        | AL | Replace site furnishings                                | Site Improvements     |
| 2   | Mobile        | AL | Replace Roads   | Site Improvements     |
| 2   | Mobile        | AL | Demolish Maint Bldg & Rostrum                           | Building Construction |
| 2   | Mobile        | AL | Add Gutters & Downspouts                                | Building Construction |
| 2   | Mountain Home | TN | Construct Admin/Maint Building                          | Building Construction |
| 2   | Mountain Home | TN | Install Fuel Storage Containment Curb                   | Building Construction |
| 2   | Nashville     | TN | Repair Rostrum  | Building Construction |
| 2   | Nashville     | TN | Replace Irrigation & Hydrants                           | Irrigation            |
| 2   | Nashville     | TN | Admin Building - Renovate Restroom                      | Building Construction |
| 2   | Nashville     | TN | Renovate Monuments                                      | Site Improvements     |
| 2   | Nashville     | TN | Entrance - Renovate                                     | Site Improvements     |
| 2   | Nashville     | TN | Cemetery - Provide Signage                              | Site Improvements     |
| 2   | Nashville     | TN | Improve Landscape                                       | Site Improvements     |
| 2   | Nashville     | TN | Repave Pedestrian Bridge                                | Site Improvements     |
| 2   | Nashville     | TN | Lodge - Demolish  | Building Construction |
| 2   | Natchez       | MS | Replace Water Lines                                     | Irrigation            |
| 2   | Natchez       | MS | Construct Paved Road (Design)                           | Site Improvements     |
| 2   | Natchez       | MS | Construct Paved Road                                    | Site Improvements     |
| 2   | Natchez       | MS | Landscape Improvements                                  | Site Improvements     |
| 2   | Natchez       | MS | Replace Site Furnishings & Section Markers              | Site Improvements     |
| 2   | Natchez       | MS | Install Irrigation                                      | Irrigation            |
| 2   | Natchez       | MS | Construct Covered Soil Storage                          | Building Construction |
| 2   | New Bern      | NC | Roads - Resurface                                       | Site Improvements     |
| 2   | New Bern      | NC | Replace Garage Door on Maint Bldg                       | Building Construction |
| 2   | New Bern      | NC | Improve Site Furnishings                                | Site Improvements     |
| 2   | New Bern      | NC | Enhance Overall Landscape                               | Site Improvements     |

| MSN | Location                         |    | Project Title – Brief Description   | Type                  |
|-----|----------------------------------|----|---|-----------------------|
| 2   | New Bern                         | NC | Replace Windows in Lodge  | Building Construction |
| 2   | Port Hudson                      | LA | Construct Committal Shelter   | Building Construction |
| 2   | Port Hudson                      | LA | Repair cemetery wall  | Site Improvements     |
| 2   | Port Hudson                      | LA | Replace Flagpole  | Site Improvements     |
| 2   | Port Hudson                      | LA | Plant New Trees   | Site Improvements     |
| 2   | Puerto Rico                      | PR | Renovate Flagpole/ Assembly Area  | Site Improvements     |
| 2   | Puerto Rico                      | PR | Renovate Main Entrance Area   | Site Improvements     |
| 2   | Puerto Rico                      | PR | Renovate Flagpole/ Assembly Area  | Site Improvements     |
| 2   | Puerto Rico                      | PR | Install Carillon  | Site Improvements     |
| 2   | Puerto Rico                      | PR | Replace Chain Link Fence With Ornamental Fence  | Site Improvements     |
| 2   | Raleigh                          | NC | Roads - Replace Curbing   | Site Improvements     |
| 2   | Raleigh                          | NC | Enhance Landscape   | Site Improvements     |
| 2   | Raleigh                          | NC | Replace Site Furnishings  | Site Improvements     |
| 2   | Raleigh                          | NC | Demolish lodge  | Building Construction |
| 2   | Raleigh                          | NC | Construct Committal Shelter   | Building Construction |
| 2   | Saint Augustine                  | FL | Improve Signage   | Site Improvements     |
| 2   | Saint Augustine                  | FL | Replace Site Furnishings  | Site Improvements     |
| 2   | Salisbury                        | VA | Resurface Roads   | Site Improvements     |
| 2   | Salisbury                        | NC | Install Signage System  | Site Improvements     |
| 2   | Salisbury                        | NC | Correct Drainage  | Site Improvements     |
| 2   | Salisbury                        | NC | Enhance Landscape for Original Phases   | Site Improvements     |
| 2   | Salisbury                        | NC | Improve Pedestrian Circulation  | Site Improvements     |
| 2   | St. Augustine                    | FL | Replace Flagpole  | Site Improvements     |
| 2   | St. Augustine                    | FL | Replace Road and Walks  | Site Improvements     |
| 2   | Wilmington                       | NC | Maint Building/RR-Demolish  | Building Construction |
| 2   | Wilmington                       | NC | Replace Cemetery Fence  | Site Improvements     |
| 2   | Wilmington                       | NC | Replace Site Furnishings  | Site Improvements     |
| 2   | Wilmington                       | NC | Demolish Lodge  | Building Construction |
| 3   | Black Hills                      | SD | Road Maintenance  | Site Improvements     |
| 3   | Fort Lyon                        | CO | Obtain Sole Water Rights & Delivery System  | Irrigation            |
| 3   | Ft. Bayard                       | TX | Replace Committal Shelter & Rostrum, Construct New Admin/Maint Building, Convert to Xeriscape | Building Construction |
| 3   | Ft. Gibson                       | OK | Maint Building/Equipment Storage Improvements   | Building Construction |
| 3   | Ft. Sam Houston                  | TX | Road Maintenance  | Site Improvements     |
| 3   | Ft. Scott                        | KS | Install Irrigation System in 10 Acre Expansion  | Irrigation            |
| 3   | Houston                          | TX | Road Maintenance  | Site Improvements     |
| 3   | Leavenworth                      | KS | Expand Maint Building, Restroom, & Break Room   | Building Construction |
| 3   | Leavenworth                      | KS | Road Maintenance  | Site Improvements     |
| 3   | Leavenworth and Fort Leavenworth | KS | Irrigation System, Entire Cemetery (335 Acres)  | Irrigation            |
| 4   | Abraham Lincoln                  | IL | Install Irrigation System in Phase 1 Burial Areas   | Irrigation            |
| 4   | Abraham Lincoln                  | IL | Subsurface Water Drainage in Sections 6, 7, 8, & 9  | Site Improvements     |
| 4   | Abraham Lincoln                  | IL | Extend Road Exit From Interment Stg. Bldg.  | Site Improvements     |

| MSN | Location           |    | Project Title – Brief Description                       | Type                  |
|-----|--------------------|----|---|-----------------------|
| 4   | Abraham Lincoln    | IL | Breezeway at PIC and Handicap Access                    | Building Construction |
| 4   | Alton              | MO | Renovate Entrance (Design)                              | Site Improvements     |
| 4   | Alton              | MO | Renovate Entrance                                       | Building Construction |
| 4   | Camp Butler        | IL | Irrigation System, Entire Cemetery (53 Acres)           | Irrigation            |
| 4   | Camp Butler        | IL | Install Fiber Optic Link                                | Site Improvements     |
| 4   | Camp Nelson        | KY | Irrigation System, Entire Cemetery (30 Acres)           | Irrigation            |
| 4   | Camp Nelson        | KY | Construct Equipment & Materials Storage Building        | Building Construction |
| 4   | Camp Nelson        | KY | Renovate Cemetery Entrance (Enlarge for Traffic Safety) | Site Improvements     |
| 4   | Camp Nelson        | KY | Land Donation Acquisition-45 Acres Adjacent             | Gravesite Expansion   |
| 4   | Camp Nelson        | KY | Maint Yard - Demolish Loading Dock                      | Site Improvements     |
| 4   | Danville           | IL | Gravesite Development, Irrigation, & Site Improvements  | Gravesite Expansion   |
| 4   | Danville           | IL | Asphalt Road for Access to Burial Sections 18 - 20      | Site Improvements     |
| 4   | Danville           | IL | Surface Drainage at Sec 23                              | Site Improvements     |
| 4   | Danville           | IL | Construct Material Storage Shelter                      | Building Construction |
| 4   | Dayton             | OH | Irrigation System, Entire Cemetery (100 Acres)          | Irrigation            |
| 4   | Dayton             | OH | Construct Equipment & Materials Storage Building        | Building Construction |
| 4   | Dayton             | OH | Construct New (2nd) Committal Shelter                   | Site Improvements     |
| 4   | Dayton             | OH | Renovate Historic Guard Building (Design)               | Building Construction |
| 4   | Dayton             | OH | Mill & Repave Roadway                                   | Site Improvements     |
| 4   | Dayton             | OH | Renovate Historic Guard Building                        | Building Construction |
| 4   | Fort Custer        | MI | Phase 3 Burial Expansion - Construct                    | Gravesite Expansion   |
| 4   | Fort Custer        | MI | Amphitheater Assembly Area                              | Site Improvements     |
| 4   | Fort Custer        | MI | Memorial Path Overlook Stonewall Enhancement            | Site Improvements     |
| 4   | Fort Custer        | MI | New Well, Pump house & Irrigation                       | Irrigation            |
| 4   | Fort Custer        | MI | Renovate Guard Building                                 | Building Construction |
| 4   | Fort Custer        | MI | Equipment Storage Building                              | Building Construction |
| 4   | Ft. Custer         | MI | Phase 3 Burial Expansion (Design)                       | Gravesite Expansion   |
| 4   | Ft. Custer         | MI | New Committal Shelter                                   | Building Construction |
| 4   | Ft. Custer         | MI | Cortege Backup Lane                                     | Site Improvements     |
| 4   | Jefferson Barracks | OH | Irrigation System, Entire Cemetery (335 Acres)          | Irrigation            |
| 4   | Jefferson Barracks | MO | Burial Expansion on VAMC Property (Design)              | Gravesite Expansion   |
| 4   | Jefferson Barracks | MO | Security Camera System For Admin/Maint Bldgs            | Site Improvements     |
| 4   | Jefferson Barracks | MO | Asphalt Road Repair Project                             | Site Improvements     |
| 4   | Jefferson Barracks | MO | Admin Bldg - Replace Ceiling                            | Building Construction |
| 4   | Jefferson Barracks | MO | Renovate Old Maint Bldg/ Honor Guard Area               | Building Construction |
| 4   | Jefferson Barracks | MO | Chapel - Replace Doors                                  | Building Construction |

| MSN | Location             |    | Project Title – Brief Description                        | Type                  |
|-----|----------------------|----|--|-----------------------|
| 4   | Jefferson City       | MO | Maintenance Building/Public Restrooms - Renovate         | Building Construction |
| 4   | Johnson's Island     | OH | Shore Stabilization                                      | Site Improvements     |
| 4   | Keokuk               | IA | Roads/Material Bins/Fence/Water Stations                 | Site Improvements     |
| 4   | Keokuk               | IA | Road Repairs   | Site Improvements     |
| 4   | Keokuk               | IA | Irrigate Entire Cemetery (13 acres)                      | Irrigation            |
| 4   | Lebanon              | KY | Irrigate Entire Cemetery (15 acres)                      | Irrigation            |
| 4   | Marion               | IN | Irrigate Entire Cemetery (36 Acres)                      | Irrigation            |
| 4   | Marion               | IN | Improvements to Roads/Committal Shelter/Entry Fence      | Site Improvements     |
| 4   | Marion               | IN | Roads/Comm Shelter/Entry Fence/Improv                    | Site Improvements     |
| 4   | Marion               | IN | Replace Artificial Slate Roof - Admin Bldg               | Building Construction |
| 4   | Marion               | IN | Equip Storage/ Wash bay Bldg & Materials Bins            | Building Construction |
| 4   | Mill Springs         | KY | Land Donation Acquisition-12 Acres Adjacent              | Gravesite Expansion   |
| 4   | Mill Springs         | KY | Irrigate Entire Cemetery (6.3 acres)                     | Irrigation            |
| 4   | Mound City           | IL | Burial Expansion on Property Acquired in FY 2003         | Gravesite Expansion   |
| 4   | Mound City           | IL | Irrigate Entire Cemetery (10 acres)                      | Irrigation            |
| 4   | New Albany           | IN | Replace Concrete Pavement (curbs & roads)                | Site Improvements     |
| 4   | Ohio Western Reserve | OH | Irrigation for Phase 1 Burial Areas                      | Irrigation            |
| 4   | Quincy               | IL | Construct Main Entrance                                  | Building Construction |
| 4   | Springfield          | MO | Irrigate & Replace Old Section Water Lines               | Irrigation            |
| 4   | Wood                 | WI | Replace Committal Shelter                                | Site Improvements     |
| 4   | Wood                 | WI | Enhance 4 Entrances To Identify Cemetery                 | Site Improvements     |
| 4   | Wood                 | WI | Irrigate Entire Cemetery (50 acres)                      | Irrigation            |
| 4   | Zachary Taylor       | KY | Irrigation System, Entire Cemetery (16 Acres)            | Irrigation            |
| 4   | Zachary Taylor       | KY | Total Reconstruction/Cemetery Storm Sewer System         | Site Improvements     |
| 5   | Eagle Point          | OR | Road & Drainage Improvements, Sections 21 & 22           | Site Improvements     |
| 5   | Eagle Point          | OR | Develop Burials Across Riley Road                        | Gravesite Expansion   |
| 5   | Eagle Point          | OR | Replace Curbs - Handicap Access                          | Site Improvements     |
| 5   | Eagle Point          | OR | Repr/Repl Stone Retaining Walls                          | Site Improvements     |
| 5   | Eagle Point          | OR | Develop Burials west of Riley Road; Roads; Shelter       | Gravesite Expansion   |
| 5   | Eagle Point          | OR | Remodel Admin; New Maint Fac; Veh Wash Sta; Fence        | Building Construction |
| 5   | Fort Richardson      | AK | Irrigation/Water Study                                   | Irrigation            |
| 5   | Fort Rosecrans       | CA | Convert Admin into PIC                                   | Building Construction |
| 5   | Ft. Rosecrans        | CA | Employee RR & Lounge & Public RR                         | Building Construction |
| 5   | Ft. Rosecrans        | CA | Convert Lodge to Admin                                   | Building Construction |
| 5   | Golden Gate          | CA | Repair Road, Curb & Storm Drainage/ Replace Site Signage | Site Improvements     |
| 5   | Golden Gate          | CA | Renovate Public Restrooms (Chapel)                       | Building Construction |
| 5   | Golden Gate          | CA | Install Fiber Optic                                      | Building Construction |
| 5   | Golden Gate          | CA | Repair Road, Curb & Storm Drainage Ph 2                  | Site Improvements     |
| 5   | Golden Gate          | CA | Automatic Gate System                                    | Site Improvements     |
| 5   | Golden Gate          | CA | Environmental Equipment Wash Station                     | Building Construction |

| MSN | Location           |    | Project Title – Brief Description                              | Type                  |
|-----|--------------------|----|--|-----------------------|
| 5   | Los Angeles        | CA | Replace Roads & Curbs in North Section                         | Site Improvements     |
| 5   | Los Angeles        | CA | Construct 9,000 Niche Columbaria                               | Gravesite Expansion   |
| 5   | Los Angeles        | CA | Replace Roads & Curbs - South Section                          | Site Improvements     |
| 5   | Los Angeles        | CA | Replace Storage Bldg   | Building Construction |
| 5   | Los Angeles        | CA | Renovate Admin Bldg  | Building Construction |
| 5   | NMCA               | AZ | Install 7,500 Pre-Place Crypts, Sec. 53 & 55                   | Gravesite Expansion   |
| 5   | NMCA               | AZ | Acquire 32nd Ave for FY 2007 Phase Development                 | Gravesite Expansion   |
| 5   | NMCP               | HI | Entry Road & North Curb Replacement                            | Site Improvements     |
| 5   | NMCP               | HI | Main Flagpole and Base Evaluation                              | Site Improvements     |
| 5   | NMCP               | HI | Cemetery Gate Lights   | Site Improvements     |
| 5   | NMCP               | HI | Cemetery Entrance Handicap Access                              | Site Improvements     |
| 5   | NMCP               | HI | Install Data Cable to Maint                                    | Building Construction |
| 5   | NMCP               | HI | Road, Curb, & Gutter Replacement, Phase 1 (Design)             | Site Improvements     |
| 5   | NMCP               | HI | Improve Site Signage   | Site Improvements     |
| 5   | NMCP               | HI | Road, Curb, Gutter, & Signage Replacement                      | Site Improvements     |
| 5   | NMCP               | HI | Imprmts to Mech Shop & Maint, Employee Lounge                  | Building Construction |
| 5   | Prescott           | AZ | Improve Road; Replace Irrigation; Construct Entrance & Rostrum | Site Improvements     |
| 5   | Prescott           | AZ | Replace Ornamental Perimeter Fence                             | Site Improvements     |
| 5   | Riverside          | CA | Environmental Equipment Wash Station #2                        | Building Construction |
| 5   | Roseburg           | OR | Construct 3,000 Niche Columbaria                               | Gravesite Expansion   |
| 5   | Roseburg           | OR | Irrigation, Restroom Maint, Fence Lights, Wash Station         | Site Improvements     |
| 5   | San Francisco      | CA | Environmental Equipment Wash Station                           | Building Construction |
| 5   | San Francisco      | CA | Road, Curb & Storm Drainage Repairs                            | Site Improvements     |
| 5   | San Francisco      | CA | Renov Boundary Wall; Install Rostrum Slab                      | Site Improvements     |
| 5   | San Joaquin Valley | CA | Replace UG Fuel Tanks with Above Ground                        | Site Improvements     |
| 5   | Sitka              | AK | Columbaria (2,000), Walkway with HC Access, Drainage           | Gravesite Expansion   |
| 5   | Tahoma             | WA | Install Entry Gate   | Site Improvements     |
| 5   | Tahoma             | WA | Electronic Reader Board  | Site Improvements     |
| 5   | Tahoma             | WA | Renovate Admin Facility  | Building Construction |
| 5   | Tahoma             | WA | Install Admin/Lunchroom Separation                             | Building Construction |
| 5   | Tahoma             | WA | Section 23 Drainage Improvements                               | Gravesite Expansion   |
| 5   | Willamette         | OR | Replace HVAC in Admin Building                                 | Building Construction |
| 5   | Willamette         | OR | Install Roads, Storage Areas/Sheds, Wash Rack                  | Building Construction |
| 5   | Willamette         | OR | Gate Replacement-Install Electronics                           | Site Improvements     |

### VA Strategic Plan Linkage

The minor construction program is a critical element in NCA's strategy to achieve its performance objectives.

Objective 3.4 is to ensure that the burial needs of veterans and eligible family members are met. Achievement of this objective is measured by three performance measures that are impacted by NCA's construction program. The first two of these measures are the percent of veterans served by a burial option within a reasonable distance (75 miles)

of their residence, and the percent of veterans served by such an option in a national cemetery. The third measure is the percent of respondents who rate the quality of service provided by the national cemeteries as excellent.

Construction projects to keep existing national cemeteries open by developing additional gravesites and columbaria, or by acquiring additional land adjacent thereto, prevent the loss of a burial option for veterans who currently are served by a national cemetery within a reasonable distance of their residence. Construction of committal shelters, public restrooms, and public information centers improves service to veterans and their families.

Objective 4.5 is to ensure that national cemeteries are maintained as shrines dedicated to preserving our Nation's history, nurturing patriotism, and honoring the service and sacrifice veterans have made. Achievement of this objective is measured by one performance measure which is impacted by NCA's construction programs. That measure is the percent of respondents who rate national cemetery appearance as excellent. Construction projects such as irrigation improvements, renovation of historic structures, and road resurfacing are important to maintaining our cemeteries as national shrines. In most cases, these types of projects directly impact cemetery appearance and, thereby, customer satisfaction.

### **Prioritization Methodology**

The highest priority for minor construction projects is gravesite expansion projects. This is to prevent closure of a national cemetery ensuring that veterans are provided with continuing access to a burial option within a reasonable distance of their residence. The next priority are life safety projects that address problems posing a safety hazard and are therefore a liability issue. The remaining projects are prioritized based on the severity of the problem being corrected, and in general, those projects which require immediate action to prevent further damage to cemetery property, are put higher in the cue for repair, renovation, or rehabilitation.

## LEASES

### FY 2004 and 2005

| Year | MSN | Location  |    | Project Title - Brief Description |   | Estimated Annual Cost (\$000) |
|------|-----|-----------|----|-----------------------------------|---|-------------------------------|
| 2004 | 2   | Nashville | TN | Nashville Processing Site         | Memorial Program Service office that processes applications for headstones and markers.   | \$38                          |
| 2004 | HQ  | Quantico  | VA | NCA Business Office               | NCA Finance & Contracting Staff   | \$26                          |
| 2004 | 4   | St. Louis | MO | NCA Training Center               | Central training facility for NCA to coordinate training of key cemetery personnel including cemetery director interns and foremen. | \$26                          |
| 2005 | 2   | Nashville | TN | Nashville Processing Site         | Memorial Program Service office that processes applications for headstones and markers.   | \$38                          |
| 2005 | HQ  | Quantico  | VA | NCA Business Office               | NCA Finance & Contracting Staff   | \$26                          |
| 2005 | 4   | St. Louis | MO | NCA Training Center               | Central training facility for NCA to coordinate training of key cemetery personnel including cemetery director interns and foremen. | \$104                         |

### Potential Leases for FY 2006 – 2009

| MSN | Location  |    | Project Title - Brief Description |   |
|-----|-----------|----|-----------------------------------|---|
| 2   | Nashville | TN | Nashville Processing Site         | Memorial Program Service office that processes applications for headstones and markers.   |
| 4   | St. Louis | MO | NCA Training Center               | Central training facility for NCA to coordinate training of key cemetery personnel including cemetery director interns and foremen. |
| HQ  | Quantico  | VA | NCA Business Office               | NCA Finance & Contracting Staff   |

### VA Strategic Plan Linkage

NCA provides headstones and markers for the graves of eligible persons in national, state, and other public cemeteries as well as private cemeteries. This contributes towards achievement of the strategic goal to “honor and serve veterans in life and memorialize them in death for their sacrifices on behalf of the Nation.” The Nashville processing site processes applications for Government-furnished headstones and markers. This service assists NCA in achieving the objective of providing veterans and their families with timely and accurate symbolic expressions of remembrance.

**PORTFOLIO INVENTORY OF CURRENT PROJECTS  
(Funded but not activated or in use)**

| Project Type | FY <sup>1</sup> | MSN | Location    |    | Project Title - Brief Description   |  | Total Acquisition Cost (\$000) |
|--------------|-----------------|-----|-------------|----|---|--|--------------------------------|
| Major        | 2005            | 1   | Bridgeville | PA | Pittsburgh, PA Area National Cemetery, Phase I Development                      | The project will develop approximately 15,000 gravesites for casket interments in 26 net acres, 4,000 sites for cremated remains, and appropriate structures/facilities to support initial cemetery operations.  | \$17,150                       |
| Major        | 2005            | 4   | Holly       | MI | Great Lakes National Cemetery, Phase I Development                              | The project will develop approximately 12,760 gravesites for casket interments, 3,000 of which will be pre-placed concrete burial crypts, 2,200-niche columbarium and 510 in-ground sites for cremated remains.  | \$9,360                        |
| Major        | 2005            | 2   | Lake Worth  | FL | Miami Area National Cemetery, Phase I Development                               | The project will develop approximately 23,000 gravesites for casket interments in 38.3 net acres, 15,000 columbarium niches, 3,100 in-ground sites for cremated remains, and appropriate structures/facilities to support initial cemetery operations.                                     | \$29,300                       |
| Major        | 2005            | 2   | Canton      | GA | Georgia National Cemetery, Phase I Development                                  | The project will develop approximately 23,000 gravesites for casket interments in 38 net acres, 3,000 niches of columbaria, 500 in-ground sites for cremated remains, and appropriate structures/facilities to support initial cemetery operations.  | \$31,200                       |
| Major        | 2005            | 1   | Bourne      | MA | Massachusetts National Cemetery, Columbaria Expansion and Cemetery Improvements | This project will develop approximately 4,500 columbarium niches for cremation interments and site improvements on approximately 40 acres. Also included are infrastructure improvements to the cemetery and a loop road to accommodate the new committal shelters and the new columbaria. | \$9,200                        |

| Project Type | FY <sup>1</sup> | MSN | Location    |    | Project Title - Brief Description   | Total Acquisition Cost (\$000) |
|--------------|-----------------|-----|-------------|----|---|--------------------------------|
| Major        | 2006            | 3   | Denver      | CO | Fort Logan National Cemetery Gravesite Development<br>This project will develop the remaining 66 acres of the cemetery to provide gravesites and additional improved facilities to extend the service life of the cemetery. The gravesite development will create approximately 26,400 casket sites (including 13,200 pre-placed crypts), 7,000 in-ground cremain sites, & 10,000 columbarium niches. | \$19,400                       |
| Major        | 2006            | 5   | Kent        | WA | Tahoma, WA, National Cemetery Columbarium Expansion and Cemetery Improvements<br>This project will develop approximately 12,000 niches to expand the existing columbarium. In addition, the project will include approximately 2,000 pre-placed crypts, and infrastructure improvements to the cemetery.  | \$7,500                        |
| Major        | 2008            | 4   | Minneapolis | MN | Fort Snelling National Cemetery, MN, Gravesite Expansion and Cemetery Improvements<br>The project will develop approximately 15,000 full casket gravesites, 10,000 columbarium niches, and 4,400 in-ground cremain sites. In addition, the project will include various infrastructure improvements to the cemetery site for continued support of cemetery operations.                                | \$27,440                       |
| Major        | 2006            | 5   | Portland    | OR | Willamette National Cemetery, OR, Columbarium and Cemetery Improvements<br>The project will develop approximately 10,000 niches to expand the existing columbarium. In addition, the project will include approximately 4,500 pre-placed crypts, drainage improvements, a new public restroom building and automated gravesite locator to support cemetery operations.                                | \$9,750                        |

| Project Type | FY <sup>1</sup> | MSN | Location    |    | Project Title - Brief Description  |   | Total Acquisition Cost (\$000) |
|--------------|-----------------|-----|-------------|----|--|---|--------------------------------|
| Major        | 2006            | 2   | Pensacola   | FL | Barrancas National Cemetery, FL, Gravesite Expansion and Cemetery Improvements | The project will develop approximately 6,300 full casket gravesites including 5,000 pre-placed crypts, and approximately 500 in-ground cremain sites and 2,000 columbarium niches. The project will also include infrastructure improvements to the cemetery site for continued support of cemetery operations.   | \$13,650                       |
| Major        | 2008            | 4   | Leavenworth | KS | Leavenworth, Kansas, Facility Right Sizing and Gravesite Development           | This project is a joint venture between the VHA and the NCA. Buildings that no longer contribute significantly to the operation of the Medical Center are being offered for an enhanced-use lease development pursuant to the provisions of 38 U.S.C. Sec. 8161 <i>et seq.</i> Excess land is being transferred from the Medical Center to NCA for development of additional gravesites at NCA's Leavenworth National Cemetery. | \$11,900                       |

<sup>1</sup> Fiscal year project was or will be activated.

## POTENTIAL PROJECTS FOR FY 2004 – 2009

The following list provides the FY 2004 and FY 2005 major construction projects (\$7M or higher) that were reviewed by the VA capital investment process. Also included are potential major construction projects for fiscal years FY 2006 – 2009.

### Major Construction Projects for FY 2004 and 2005 are prioritized

| Year | MSN | Location    |    | Project Title - Brief Description                 |   | Priority <sup>1</sup><br># | Estimated<br>Cost<br>(\$000) |
|------|-----|-------------|----|---|---|----------------------------|------------------------------|
| 2004 | 4   | Holly       | MI | Great Lakes National Cemetery                     | Phase IA Development                        | 1                          | \$8,700                      |
| 2004 | 4   | Minneapolis | MN | Fort Snelling National Cemetery                   | Gravesite Expansion & Cemetery Improvements | 2                          | \$24,800                     |
| 2004 | 2   | Pensacola   | FL | Barrancas National Cemetery                       | Gravesite Expansion & Cemetery Improvements | 3                          | \$12,000                     |
| 2004 | 2   | Bushnell    | FL | Florida National Cemetery                         | Design for Burial Area Expansion            | 1                          | \$20,000                     |
| 2004 | 1   | Calverton   | NY | Calverton National Cemetery                       | Design for Burial Area Expansion            | 2                          | \$29,000                     |
| 2004 | 3   | San Antonio | TX | Fort Sam Houston National Cemetery                | Design for Burial Area Expansion            | 3                          | \$17,000                     |
| 2004 | 4   | Moline      | IL | Rock Island National Cemetery                     | Design for Burial Area Expansion            | 4                          | \$10,200                     |
| 2005 | 5   | Vacaville   | CA | Sacramento Area National Cemetery                 | Phase I Development                         | 1                          | \$21,600                     |
| 2005 | 2   | Bushnell    | FL | Florida National Cemetery                         | Gravesite Expansion & Cemetery Improvements | 2                          | \$20,000                     |
| 2005 | 4   | Moline      | IL | Rock Island National Cemetery                     | Gravesite Expansion & Cemetery Improvements | 3                          | \$10,200                     |
| 2005 | 5   | San Diego   | CA | Fort Rosecrans National Cemetery Annex at Miramar | Design Gravesite Expansion                  | 1                          | \$32,500                     |
| 2005 | 5   | Riverside   | CA | Riverside National Cemetery                       | Design Gravesite Expansion and Improvements | 2                          | \$24,100                     |
| 2005 | 5   | Gustine     | CA | San Joaquin Valley National Cemetery              | Design Gravesite Expansion and Improvements | 3                          | \$16,600                     |

<sup>1</sup> Based on scoring assigned through VA's Capital Investment review process. NCA projects are prioritized using two decision models for each fiscal year – planning and acquisition.

**Major Construction Projects for FY 2006 – 2009**

| MSN | Location              |    | Project Title - Brief Description               |   |
|-----|-----------------------|----|---|---|
| 1   | Calverton             | NY | Calverton National Cemetery                     | Gravesite Expansion & Cemetery Improvements |
| 1   | Schuylerville         | NY | Gerald B. H. Solomon-Saratoga National Cemetery | Phase II Expansion                          |
| 1   | Unknown at this time. | PA | Philadelphia Area National Cemetery             | Phase I Development                         |
| 2   | Unknown at this time. | AL | Birmingham Area National Cemetery               | Phase I Development                         |
| 2   | Unknown at this time. | SC | Greenville/Columbia Area National Cemetery      | Phase I Development                         |
| 2   | Unknown at this time. | FL | Jacksonville Area National Cemetery             | Phase I Development                         |
| 2   | Unknown at this time. | FL | Sarasota Area National Cemetery                 | Phase I Development                         |
| 3   | Dallas                | TX | Dallas/Ft Worth National Cemetery               | Construction, Burial Expansion              |
| 3   | Houston               | TX | Houston National Cemetery                       | Gravesite Expansion & Cemetery Improvements |
| 3   | San Antonio           | TX | Ft. Sam Houston National Cemetery               | Gravesite Expansion & Cemetery Improvements |
| 4   | Elwood                | IL | Abraham Lincoln National Cemetery               | Gravesite Expansion & Cemetery Improvements |
| 4   | Holly                 | MI | Great Lakes National Cemetery                   | Phase IB Development                        |
| 5   | Gustine               | CA | San Joaquin National Cemetery                   | Gravesite Expansion & Cemetery Improvements |
| 5   | Riverside             | CA | Riverside National Cemetery                     | Gravesite Expansion & Cemetery Improvements |
| 5   | San Diego             | CA | Ft. Rosecrans National Cemetery Annex           | Gravesite Expansion & Cemetery Improvements |
| 5   | Unknown at this time. | CA | Bakersfield Area National Cemetery              | Phase I Development                         |





## 5. STAFF OFFICES



## GENERAL ADMINISTRATION

VA staff offices enhance the overall governance and performance of the Department by applying sound business principles, and improving the integration of financial and procurement oversight, and improving accountability of VA programs and major management functions to better serve our Nation's veterans and their families.

Recently the Department combined finance, acquisition, and capital asset functions throughout VA into regional business offices with much clearer delegations of authority and accountability. This level of oversight along with the establishment of performance metrics will help provide VA operations conformity in execution and enforce corporate discipline.

Staff offices are comprised of the Office of the Secretary, three General Operating Expense offices, and six offices headed by an Assistant Secretary, which provide Department-level policy and appropriation guidance. There are three Department-level regulatory, legal interpretive and appellate staff offices that include the following:

- The Board of Contract Appeals – this office hears and decides appeals from decisions of contracting officers
- The Board of Veterans' Appeals – this office conducts a VA-wide appellate program for veterans not satisfied with the original decisions on their applications for benefits
- The General Counsel – this office serves as the Department's legal advisor

### Program Offices

There are six main program offices that provide Department-level administrative support to the mission, goals, and objectives of the Department of Veterans Affairs, the Executive Branch, Legislative Branch, and Judiciary Branch, and all intergovernmental directives and correspondence.

#### Office of Management

This office is run by the Assistant Secretary who serves as the Chief Financial Officer and Senior Procurement Executive, and as such, directs the management of Department-level budgetary, financial and acquisition operations. The office also oversees the Office of Acquisition and Materiel Management (Supply Fund) which provides policy level management and oversight activities and administrative support for and policy review of VA's small and disadvantaged business utilization program.

#### Office of Information and Technology

This office is run by the Assistant Secretary who serves as the Chief Information Officer, and as such, oversees the Department's IT efforts. This office monitors and coordinates the overall ADP (automated data processing) and telecommunications programs.

Office of Congressional and Legislative Affairs

This office is run by the Assistant Secretary who has overall responsibility for the plans, policies, goals and direction of VA's Congressional and legislative operations for the Department. This office is instrumental in maintaining a positive working relationship between VA and the U.S. Congress.

Office of Public and Intergovernmental Affairs

This office is run by the Assistant Secretary who has responsibility for providing news media services and public affairs policy guidance to create awareness of VA programs and services. This office is also responsible for managing and directing intergovernmental and consumer affairs.

Office of Policy, Planning, and Preparedness

This office is run by the Assistant Secretary who has responsibility for providing oversight on Departmental strategic planning, program management processes, VA/DoD collaboration, and national emergency preparedness.

Office of Human Resources & Administration

This office is run by the Assistant Secretary who has responsibility for formulating and executing Department-level policies and programs concerning human resources management and labor relations, and equal employment opportunity programs.

The following list provides high priority FY 2004 minor construction projects (less than \$7M) and potential minors for FY 2005 – 2009.

**FY 2004 MINOR CONSTRUCTION PROJECTS**

| Admin. Office | Location    |    | Project Title - Brief Description      | Priority # | Estimated Cost (\$000) |
|---------------|-------------|----|--|------------|------------------------|
| OAMM          | Hines (SDC) | IL | Emergency Funding Lightning Protection | 1          | \$61                   |
| OAMM          | Hines (SDC) | IL | Roof Replacement                       | 2          | \$230                  |
| OAMM          | Hines (SDC) | IL | Security                               | 3          | \$50                   |
| GC            | Los Angeles | CA | Redesign Space                         | 1          | \$300                  |
| AAC           | Austin      | TX | Replace UPS                            | 1          | \$650                  |
| AAC           | Austin      | TX | UPS Emergency System                   | 2          | \$449                  |
| PP&P          | VACO        | DC | Classified Facilities                  | 1          | \$100                  |
| PP&P          | Martinsburg | WV | Bathroom Renovation                    | 1          | \$94                   |
| PP&P          | Richmond    | VA | Renovate COOP Site                     | 1          | \$225                  |
| IG            | Hines       | IL | Exterior Porches                       | 1          | \$474                  |
| IG            | Seattle     | WA | Office renovation                      | 1          | \$25                   |
| ADMIN         | Various     |    | Electrical, Painting BPA's             | 1          | \$305                  |
| ADMIN         | VACO        | DC | Cable Plant Management                 | 1          | \$750                  |
| Various       | Various     |    | Miscellaneous Projects                 | 1          | \$633                  |
|               |             |    | <b>Total</b>                           |            | <b>\$4,346</b>         |

### FY 2005 MINOR CONSTRUCTION PROJECTS

| Admin. Office | Location    |    | Project Title - Brief Description  | Priority # | Estimated Cost (\$000) |
|---------------|-------------|----|------------------------------------|------------|------------------------|
| OAMM          | Hines (SDC) | IL | Roof Replacement/Construction      | 1          | \$1,070                |
| GC            | Dayton      | OH | Historical Site                    | 1          | \$700                  |
| AAC           | Austin      | TX | Replace 2 Power Distribution Units | 1          | \$80                   |
| AAC           | Austin      | TX | Physical Security/ Design          | 2          | \$80                   |
| AAC           | Austin      | TX | Upgrade BAS                        | 3          | \$220                  |
| AAC           | Austin      | TX | East Entry Project                 | 4          | \$195                  |
| PP&P          | Martinsburg | WV | Renov/Adaptation Theater           | 1          | \$500                  |
| ADMIN         | VACO        | DC | Cable Plant Management             | 1          | \$1,300                |
| ADMIN         | VACO        | DC | Electrical, Painting BPA's         | 1          | \$345                  |
| Various       | Various     |    | Miscellaneous Projects             | 1          | \$875                  |
| <b>Total</b>  |             |    |                                    |            | <b>\$5,365</b>         |

### FY 2006 – 2009 POTENTIAL MINOR CONSTRUCTION PROJECTS

| Admin. Office | Location    |    | Project Title - Brief Description           |
|---------------|-------------|----|---|
| AAC           | Austin      | TX | Replace 2 Power Distribution Units          |
| AAC           | Austin      | TX | Replace Computer Room Air Units             |
| AAC           | Austin      | TX | 3 <sup>RD</sup> Floor Operational Effic MOD |
| AAC           | Austin      | TX | Physical Security/Construction              |
| AAC           | Austin      | TX | Operations/Div Support Areas Reconfigure    |
| ADMIN         | VACO        | DC | Cable Plant Management                      |
| ADMIN         | VACO        | DC | Electrical, Painting BPA's                  |
| OAMM          | Hines (SDC) | IL | Roof Replacement/Construction               |
| OAMM          | Hines (SDC) | IL | Main Restroom Renovation                    |
| OAMM          | Hines (SDC) | IL | Road Resurfacing                            |
| OAMM          | Hines (SDC) | IL | Transformer                                 |
| Various       | Various     |    | Miscellaneous Projects                      |

OAMM = Office of Acquisition and Materiel Management

AAC = Austin Automation Center

GC = General Counsel

IG = Inspector General

PP&P = Policy, Planning and Preparedness

ADMIN = Office of Administration

### Leases

| Year   | Admin. Office  | Location       | Project Title - Brief Description  |
|--------|----------------|----------------|--|
| 2004/5 | Austin Finance | Austin, TX     | Lease for Austin Finance – CoreFLS staff   |
| 2007   | OAMM           | Washington, DC | Lafayette Renovation Outlease - This project will allow current occupants of the Lafayette Building to vacate so GSA can renovate the space. VBA staff currently located at 1800 G st. would move to Lafayette once renovations are complete. VA would vacate 1800 G St. |





## 6. INFORMATION TECHNOLOGY



The Department of Veterans Affairs is on a journey of tremendous technological change, one that will shepherd in new ways to deliver benefit payments, quality health care, and burial services to our Nation's veterans, as well new technologies to administer a wide variety of programs more efficiently. Central to achieving this transformation is the development and implementation of an evolutionary, high-performance One-VA information technology enterprise.

Just as VA strives to present itself as a single entity to the veteran, government as a whole is working toward combining functions across agencies to present a single interface to its customers. The emphasis is on faster, better, and easier access to service for our customers. This means that VA employees are not only working closely across the Administrations within VA, but are working with other departments to reduce redundant applications and procedures. Information technology plays a key enabling role in this process. The goal of IT is to provide the infrastructure to make things happen.

### **EXTERNAL INFLUENCES**

There are many external influences that affect VA's mission and its implementation. President Bush has increased emphasis on electronic government and interagency collaboration and has specifically called for VA and DoD to coordinate information management to improve services to veterans. The events of September 11 have heightened the already present concern for security for our systems, and emphasized the need for command and control processes. The changing health care environment and demographics are a few more examples. New legislation, such as the recent recognition of service connection for Type 2 diabetes related to exposure to herbicides used in Vietnam, affects both the Veterans Benefits Administration and the Veterans Health Administration. Changes in the health care industry, from new diagnostic and treatment techniques and tools, to new modes of providing services, such as telemedicine, impact IT. The aging veteran and new veterans from recent conflicts have different needs. The rapidly changing IT environment itself requires constant update and a skilled and continuously re-skilled workforce.

How we work has changed. Current and emerging technologies are having a direct impact not only on work itself, but also on individuals' ability to gain new knowledge and on the quality of life in the workplace. Technology is increasingly redefining the workplace and how it is managed.

As the world becomes more interconnected, veterans expect VA to provide more services over the Internet or via telephone and for staff to have information at their fingertips. They want to be able to access VA from their home at any time—to apply for benefits, to get information on their health status, or to find out where a friend is buried. While the Internet may be the focus of veterans, behind the scenes work needs to be done to ensure the infrastructure is there to meet these needs.

## INTERNAL INFLUENCES

VA developed a strategic plan in order to address our veteran's expectations and better serve their needs. The plan includes the Secretary's priorities, goals, and objectives. Technology is the enabler that allows VA to reach the objectives of the strategic plan and ensure the Secretary's priorities and objectives are achieved.

Essential to this strategy is an enterprise architecture to provide the framework for a One VA. Work is underway in using the Zachman framework to define the enterprise architecture. The architecture needs to be completed to guarantee that systems talk to each other and meet user needs. The telecommunications infrastructure needs to be enhanced to provide fast and secure communications. Information security needs to be strengthened to ensure that our systems are not compromised and that privacy is maintained for our customers' electronic information. Disciplined IT project management, with periodic senior executive review, is essential for projects to be delivered on time, within budget and with quality.

VA's most important resource, its workforce, must have the skills, knowledge, and abilities required to manage and use current and emerging information technologies. Strategic planning for the development of a skilled workforce is a must. As in many other government agencies, a large percentage of VA's IT workforce will be eligible to retire during the next few years. To prevent loss of expertise, an aggressive assessment of the current workforce will lead to the proper planning for shaping the IT workforce of the future.

## STRATEGIC GOALS

The Office of Information and Technology (OIT) has developed a strategy to meet these new expectations as well as the changing needs of the veteran community and the changing legislative requirements that guide VA's operations. Our goals and objectives are as follows:

1. Implement a One-VA Enterprise Architecture to Serve as a Blueprint for all IT Development and Enhancements.
  - Improve and enhance VA's delivery of service to veterans and their beneficiaries.
  - Develop a more efficient IT infrastructure focused on reengineered business processes.
  - Improve performance levels and the availability of common IT resources.
  - Refine the One VA electronic government strategy that supports the President's Management Agenda of expanding electronic government.
  - Refine the One VA enterprise architecture (EA) to ensure it supports the needs of the Department and the President's Management Agenda.
  - Transform VA to veteran-centric service delivery.

2. Implement a One-VA Telecommunications Network to Assure that Information can be Shared Quickly Across Organizational Entities.
  - Provide world-class telecommunications services throughout the Department.
3. Secure the VA Enterprise Against Cyber Attack
  - Develop and implement cyber security policies and practices to ensure systems are secure from attack.
4. Optimize the IT Capital Planning and Investment Control Process
  - Enhance the IT project management structure to ensure that projects are developed in an efficient and cost-effective manner.
  - Establish a One VA IT Project Portfolio to refine the view presented in Exhibit 53.
  - Integrate capital planning, budget formulation, EA, project execution, security, acquisition and project management oversight.
5. Establish Metrics to Measure Performance
  - Establish a performance-based management system to ensure IT assets and investments improve program performance and facilitate mission goals.
6. Implement an Effective Command and Control, Continuity of Operations Plans and Continuity of Government
  - Support VA's senior leadership in performing their duties and responsibilities during normal operations and emergency situations.
  - Provide command and control of VA IT assets during emergency situations to ensure continuation of mission-critical and mission-essential operations.
  - Ensure that OIT can provide mission-critical and mission-essential responsibilities during and after an emergency situation.
  - Reduce potential loss of data for mission-critical and essential systems by providing electronic data vaulting and applications restart capability across three locations.
7. Implement a Strategy for Evolution of the IT Workforce
  - Continue to improve the IT workforce to meet future needs of the Department.

The following information technology projects were identified as priorities in meeting VA's goal of delivering world-class service to veterans and their families by applying sound business principles that result in effective management of technology. While VA will assess and re-evaluate funding estimates in future budgets, VA anticipates the process will require additional investments of approximately \$1 billion per year for at least the next five years, with substantial infrastructure investments then continuing for the indefinite future. An updated 5-year Capital Plan will accompany the annual budget request each year and will reflect the most current costs, phasing, and priorities of the Department.

## FY 2004 AND 2005 SUMMARY PROJECT INFORMATION

| FY   | Admin | Location             | Project Title   | FY 2005 Request (\$000) | Page # |
|------|-------|----------------------|---|-------------------------|--------|
| 2004 | VHA   | Nationwide           | Pharmacy Re-engineering                                   | \$6,500                 | 109    |
| 2005 | VHA   | Nationwide           | Allocation Resource Center (ARC)                          | \$3,000                 | 109    |
| 2005 | OI&T  | Nationwide           | Authentication and Authorization Infrastructure Program   | \$26,500                | 110    |
| 2005 | VBA   | VACO                 | BDN Maintenance and Operations                            | \$19,100                | 110    |
| 2005 | VBA   | VACO                 | BIRLS/VADS  | \$2,500                 | 111    |
| 2005 | OI&T  | VACO IT Headquarters | Capital Asset Management System                           | \$2,100                 | 111    |
| 2005 | OI&T  | Nationwide           | Center for Healthcare Information Security                | \$1,000                 | 112    |
| 2005 | OI&T  | VACO IT Headquarters | Continuity of Operations Planning                         | \$2,900                 | 112    |
| 2005 | VBA   | VACO                 | C&P Benefits Replacement System                           | \$7,500                 | 112    |
| 2005 | VBA   | VACO                 | C&P Maintenance and Operations                            | \$10,600                | 113    |
| 2005 | OI&T  | Nationwide           | Critical Infrastructure Protection Program                | \$32,200                | 113    |
| 2005 | VHA   | Nationwide           | Decision Support System (DSS)                             | \$25,700                | 114    |
| 2005 | VHA   | Nationwide           | DSS Modernization   | \$2,500                 | 114    |
| 2005 | VBA   | VACO                 | Education Maintenance and Operations                      | \$1,900                 | 114    |
| 2005 | VHA   | Nationwide           | Enrollment  | \$17,500                | 115    |
| 2005 | OI&T  | Nationwide           | Enterprise Cyber Security Business Assurance              | \$17,300                | 115    |
| 2005 | OI&T  | Nationwide           | Enterprise Cyber Security Infrastructure Program          | \$21,800                | 116    |
| 2005 | OI&T  | Nationwide           | Enterprise Privacy Program                                | \$3,500                 | 116    |
| 2005 | VHA   | Nationwide           | Fee Basis   | \$4,200                 | 116    |
| 2005 | VHA   | Nationwide           | Federal Health Information Exchange                       | \$4,600                 | 117    |
| 2005 | OI&T  | Nationwide           | Field Operations and Information Security Officer Support | \$9,800                 | 117    |
| 2005 | VHA   | Nationwide           | Health Administration Center                              | \$10,400                | 117    |
| 2005 | VHA   | VACO IT Headquarters | Health Data Repository                                    | \$50,200                | 118    |
| 2005 | VHA   | Nationwide           | Imaging   | \$79,700                | 118    |
| 2005 | VBA   | VACO                 | Insurance System Maintenance and Operations               | \$6,700                 | 119    |
| 2005 | VHA   | Nationwide           | Laboratory Re-engineering                                 | \$15,400                | 120    |
| 2005 | VHA   |                      | Learning Management System                                | \$700                   | 120    |
| 2005 | VBA   | VACO                 | Loan Guaranty Maintenance and Operations                  | \$9,400                 | 120    |
| 2005 | VBA   | VACO                 | Loan Guaranty Redesign (VALERI)                           | \$1,200                 | 121    |
| 2005 | VHA   | VAOC IT Headquarters | Medical Research  | \$20,700                | 122    |
| 2005 | OI&T  | VACO IT Headquarters | One VA Contact Center                                     | \$12,000                | 122    |
| 2005 | OI&T  | VACO IT Headquarters | One VA Eligibility and Registration                       | \$22,500                | 123    |
| 2005 | VHA   | VACO IT Headquarters | Patient Financial Services System                         | \$16,000                | 123    |
| 2005 | VBA   | VACO                 | Program Integrity/Data Management                         | \$8,000                 | 124    |
| 2005 | VHA   | Nationwide           | Scheduling  | \$17,800                | 124    |
| 2005 | OI&T  | VACO IT Headquarters | Technology and Integration Program                        | \$2,500                 | 124    |
| 2005 | OI&T  | VACO IT Headquarters | Telecommunications Modernization Project                  | \$41,600                | 125    |
| 2005 | VBA   | VACO                 | The Education Expert System (TEES)                        | \$5,200                 | 125    |

| FY   | Admin | Location             | Project Title                                  | FY 2005 Request (\$000) | Page # |
|------|-------|----------------------|--|-------------------------|--------|
| 2005 | VHA   | VACO IT Headquarters | VistA Legacy                                   | \$390,600               | 126    |
| 2005 | OI&T  | VACO IT Headquarters | VA Communications Security Program             | \$2,000                 | 126    |
| 2005 | OI&T  | VACO IT Headquarters | VA Computing Infrastructure                    | \$130,500               | 126    |
| 2005 | OI&T  | VACO IT Headquarters | VA Data Communications systems and Services    | \$26,800                | 127    |
| 2005 | OI&T  | VACO IT Headquarters | VA Radio Frequency Transition Project          | \$12,100                | 127    |
| 2005 | OI&T  | VACO IT Headquarters | VA Video Teleconferencing systems and Services | \$14,000                | 127    |
| 2005 | OI&T  | VACO IT Headquarters | VA Voice Telephony Systems and Services        | \$116,800               | 128    |
| 2005 | OI&T  | VACO IT Headquarters | VA Enterprise Architecture                     | \$15,200                | 128    |
| 2005 | VBA   | VACO                 | VBA Corporate Database Administration          | \$2,700                 | 128    |
| 2005 | VBA   | VACO                 | VR&E Maintenance and Operations                | \$2,100                 | 129    |

The information technology projects in this section are presented as FY 2005 projects although they have received funding in FY 2004.

### FY 2004 AND 2005 PROJECTS DETAILED INFORMATION

|                               |                         |
|-------------------------------|-------------------------|
| <b>Fiscal Year</b>            | FY 2004                 |
| <b>BA Requested (Capital)</b> | \$6.5M                  |
| <b>Planned Project Name</b>   | Pharmacy Re-engineering |
| <b>Project Location</b>       | VACO                    |
| <b>Asset Type</b>             | Information Technology  |

#### Project Description

This project requires \$6.5M in FY 2004 budget authority, with a total acquisition cost of \$102.1M. This project will improve VA pharmacy operations, meet business requirements and increase patient safety. The original software does not meet current workload needs, current programming standards or desired patient safety thresholds. This project is to facilitate improved VA pharmacy operations, customer service and patient safety, concurrent with pursuit of full re-engineering of VA pharmacy applications. It will help address critical needs for immediate improvements to achieve stated goals and vision for VA Pharmacy while maintaining current level of operations in pursuit of long term reengineering to achieve long range strategic goals.

|                               |                                  |
|-------------------------------|----------------------------------|
| <b>Fiscal Year</b>            | FY 2005                          |
| <b>BA Requested (Capital)</b> | \$3.0M                           |
| <b>Planned Project Name</b>   | Allocation Resource Center (ARC) |
| <b>Project Location</b>       | Nationwide                       |
| <b>Asset Type</b>             | Information Technology           |

#### Project Description

This project requires \$3.0M in FY 2005 budget authority. The ARC System Section is made up of five people, from the total ARC staff of twenty, that provide Information Technology (IT) services for systems designed to support the VHA CFO's ability to: develop, implement, and maintain resource allocation methodologies; gather and report on financial aspects of patient workload and cost; classify patients based on care and diagnosis rendered; train and provide information to management officials throughout VA. This effort allows for the appropriate allocation of over \$20 billion to the VA Networks that are responsible for health care to over 4.5 million veterans. Patient workload and cost is gathered from the 163 hospitals, 135 nursing homes, 43 domiciliaries, and over 800 community-based outpatient clinics.

The ever-increasing volumes of data gathered at these various locations are made available to the ARC via remotely owned and operated IT systems. The data are gathered, integrated and analyzed using ARC IT systems.

|                               |  |
|-------------------------------|--|
| <b>Fiscal Year</b>            | FY 2005  |
| <b>BA Requested (Capital)</b> | \$26.5M  |
| <b>Planned Project Name</b>   | Authentication and Authorization Infrastructure Program (AAIP) |
| <b>Project Location</b>       | Nationwide   |
| <b>Asset Type</b>             | Information Technology   |

### Project Description

This project requires \$26.5M in FY 2005 budget authority. AAIP is aimed at establishing and maintaining an enterprise standards-based authentication and authorization infrastructure that will provide secure seamless business transactions and information exchange within VA and across many disparate agencies and organizations. The Secretary's Strategic Plan is a key driver for the One VA Enterprise Architecture of which AAIP is a critical component. The Secretary's enabling goal (E-1) is: VA Goal 5 (E-1): Provide One VA world-class service to veterans and their families through the effective management of people, technology, processes and financial resources. The CIO's IT goals follow ensuring that the Secretary's goal, especially the enabling goal, will be supported with innovative, disciplined and practical application of information technology. AAIP support's IT Goal 3: Secure the One VA enterprise against cyber attack. The chosen alternative was selected because it was determined to have the highest financial and qualitative benefits, manageable risk and a high return on investment.

|                               |                              |
|-------------------------------|------------------------------|
| <b>Fiscal Year</b>            | FY 2005                      |
| <b>BA Requested (Capital)</b> | \$19.1M                      |
| <b>Planned Project Name</b>   | BDN Maintenance & Operations |
| <b>Project Location</b>       | VACO                         |
| <b>Asset Type</b>             | Information Technology       |

### Project Description

This project requires \$19.1M in FY 2005 budget authority. The Benefits Delivery Network (BDN) is the legacy system employed by VBA to process entitlements for three of the five business lines: Compensation and Pension, Education, and Vocational Rehabilitation and Employment. The primary services of the BDN entail the receipt, processing, tracking and disposition of veterans' applications for benefits and requests for assistance, and the general administration of legislated benefit programs.

The Compensation program provides monthly payments and ancillary benefits to veterans, in accordance with rates established by Congress, in recognition of the average potential loss of earning capacity caused by a disability or disabilities or disease incurred in or aggravated during military service. The compensation program also provides monthly payments, as specified by law, to surviving spouses, dependent children, and/or dependent parents in recognition of the economic loss caused by the veteran's death during active military service or as a result of a service-connected disability.

The Pension program provides monthly payments, as specified by law, to needy wartime veterans who are permanently and totally disabled as a result of a disability not related to military service. The program provides monthly payments to needy surviving spouses and/or dependent children of deceased wartime veterans.

The Education Assistance programs provide educational assistance to the men and women of the Armed Forces to adjust to civilian life after separation from the service; extend the opportunity for higher education to those who might not otherwise be able to afford it; and restore lost educational opportunities and vocational readjustment to service members as the result of their active military duty.

The Vocational Rehabilitation and Employment program helps service-disabled veterans achieve independent life skills and employment, providing all services and assistance necessary to enable veterans with service-connected disabilities to achieve maximum independence in daily living, become employable and obtain and maintain suitable employment.

The above-mentioned benefit programs are processed on the legacy VBA BDN system that provides automated support for compensation, pension, education, vocational rehabilitation and employment claims processing, and also provides an interface to VBA's other benefits delivery systems.

|                               |                        |
|-------------------------------|------------------------|
| <b>Fiscal Year</b>            | FY 2005                |
| <b>BA Requested (Capital)</b> | \$2.5M                 |
| <b>Planned Project Name</b>   | BIRLS/VADS             |
| <b>Project Location</b>       | VACO                   |
| <b>Asset Type</b>             | Information Technology |

### Project Description

This project requires \$2.5M in FY 2005 budget authority. The Beneficiary Identification and Records Locator Subsystem (BIRLS) and Veterans Assistance Discharge System (VADS), both legacy applications located at the Austin Automation Center (AAC), are distinct but related systems enabling the processing of veterans' claims.

BIRLS is a stand-alone application, connected to, but not integrated within, the Benefits Delivery Network (BDN). The Benefits Delivery Network (BDN) is the legacy system employed by VBA to process entitlements for three of the five major business lines: Compensation and Pension, Education, and Vocational Rehabilitation and Employment. All regional offices (ROs) use BIRLS to identify the file number and physical location of a claims folder and to verify the service record of a veteran. BIRLS controls the assignment of file numbers, manages different types of folders, and stores inactive compensation, pension and education data as well as insurance policy numbers and statuses. BIRLS is an essential component of VBA claims processing.

The BIRLS interface with the Social Security Administration (SSA) is one of the most useful applications in VA today. This interface allows SSA to obtain much needed information from BIRLS and the repository of veteran information. VHA obtains information to determine eligibility for treatment at VA hospitals. VHA uses HINQ (Hospital INquiry) transactions to glean the pertinent information from BIRLS. BIRLS is the source of the information to determine when a folder is eligible to be retired or relocated from an RO to free up space in overcrowded files.

The BIRLS interface with VADS (Veterans Assistance Discharge System) allows service information for veterans to be added to BIRLS as soon as they are discharged from the service. VADS is a joint program between the Departments of Veterans Affairs and Defense through which the military services provide a copy of the DD214, Military Discharge Certificate, issued for each service member separated or retired from active duty. The information on the DD214 is used to issue outreach letters to recently separated veterans, update the BIRLS database and provide address information to the DMDC (Defense Manpower Data Center).

VADS is an essential application because it is VA's method of informing the former GI of his or her rights and how to get information concerning them. A second essential function of VADS is to transfer information from the service member's DD214 into BIRLS. This not only helps to process claims submitted by the veteran, but also aids the veteran's counselors as they assist the veteran. Finally, VADS provides a clearinghouse for information on how to contact veterans via a RONA (Release Of Name and Address) function. VADS answers queries from congressional aides concerning questions from their constituents and provides answers to questions from legal counsel concerning past issues.

|                               |                                 |
|-------------------------------|---------------------------------|
| <b>Fiscal Year</b>            | FY 2005                         |
| <b>BA Requested (Capital)</b> | \$2.1M                          |
| <b>Planned Project Name</b>   | Capital Asset Management System |
| <b>Project Location</b>       | VACO IT Headquarters            |
| <b>Asset Type</b>             | Information Technology          |

### Project Description

This project requires \$2.1M in FY 2005 budget authority. CAMS provides for the implementation of an effective capital investment management program that ensures VA investments conform to the Department's missions, goals and objectives that improve service delivery, integrate and reuse data

across business lines, share resources, and improve Department efficiency. CAMS is a capital investment and portfolio management system that will be used to set asset utilization goals and performance standards for new and existing VA capital assets. and will ensure financial data integrity for the complete lifecycle of assets. This system will capture, track and evaluate all VA capital asset initiatives, both new and existing. It will interface with VA's Financial Management System and CoreFLS for purposes of obtaining general ledger information and with other VA legacy and asset source data systems. CAMS provides the ability to formulate asset management information into corporate knowledge for all major asset classes (IT, Buildings and Land, Agreements, Leases, and Equipment) through the following improvements: enhanced consistency; improved reporting capabilities; data integrity, and improved asset value/investment performance tracking.

|                               |  |
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| <b>Fiscal Year</b>            | FY 2005                                    |
| <b>BA Requested (Capital)</b> | \$1M                                       |
| <b>Planned Project Name</b>   | Center for Healthcare Information Security |
| <b>Project Location</b>       | Nationwide                                 |
| <b>Asset Type</b>             | Information Technology                     |

### Project Description

This project requires \$1M in FY 2005 budget authority. Solutions provided by this Center will help create a more secure health care environment while maintaining the integrity of mandated certifications required for medical equipment and clinical information systems. The CHIS mission directly addresses the following goals. Secretary's Vision and Goals – VA Goal 4: "Contribute to the public health, socioeconomic well-being, and history of the Nation." VA Goal 5: "World-Class service to veterans and their families through the effective management of people, technology, processes, and financial resources." VA IT Strategic Planning Goals – IT Goal 1: "Ensure proposed networks and technical infrastructure conform to established VA standards for seamless technology integration, interoperability, and information accessibility and usability." The selected alternative was chosen because the budget reality at VA constrains the Office of Cyber and Information Security to pursuing this approach. Baseline activities are not optimal and do not enable OCIS to achieve FITSAF Level 4 by FY05. The return on investment for this alternative is 15%.

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| <b>Fiscal Year</b>            | FY 2005                                  |
| <b>BA Requested (Capital)</b> | \$2.9M                                   |
| <b>Planned Project Name</b>   | Continuity of Operations Planning (COOP) |
| <b>Project Location</b>       | VACO IT Headquarters                     |
| <b>Asset Type</b>             | Information Technology                   |

### Project Description

This project requires \$2.9M in FY 2005 budget authority. Ongoing general support and maintenance of the IT COOP are required in order to ensure VA's readiness to fulfill its statutory missions to provide health care services to veterans, back-up support to DoD, and support for the President's Management Agenda. COOP will enhance the Department's protection of information systems. These information assets contain vast amounts of veteran data, from medical and personal information to processing veteran benefits claims. Protecting these assets is crucial to VA's mission of serving the Nation's veterans. The chosen alternative was selected as it offers the best benefit to the VA, has the strongest ROI of 52%, and relies on subject matter expertise from contractor support.

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| <b>Fiscal Year</b>            | FY 2005                         |
| <b>BA Requested (Capital)</b> | \$7.5M                          |
| <b>Planned Project Name</b>   | C&P Benefits Replacement System |
| <b>Project Location</b>       | VACO                            |
| <b>Asset Type</b>             | Information Technology          |

### Project Description

This project requires \$7.5M in FY 2005 budget authority. VBA has been developing and implementing a modernization plan to create an integrated benefits delivery, management information, and decision support system by upgrading and/or replacing outmoded, inflexible technologies and eliminating

proprietary system barriers. Also, VBA is pursuing a corporate environment strategy to provide the technology infrastructure for VBA to do business in new ways. This corporate environment provides a set of integrated applications to be shared or reused for common business functions across VBA as well as embedded security functions to monitor access and enforce business processing rules. The effort described above—to establish a comprehensive, nationwide network of benefits delivery-- known as the Veterans Service Network (VETSNET). VETSNET Compensation and Pension (C&P) is a streamlined information system that establishes, develops, and rates a claim, prepares award, notifies the veteran, and generates payment information.

VBA's C&P Service proposes to replace its existing award, payment, and accounting system, the Benefits Delivery Network (BDN), with a custom built Compensation and Pension Replacement System (VETSNET C&P). The scope of the investment described here, known as the C&P Replacement System, includes the Award and Finance and Accounting System (FAS) modules. The C&P Benefits Replacement System attempts to address current problems specific to existing C&P benefit processing systems. The C&P Benefits Replacement System development is in progress, having accomplished initial design and development. At the time of this document, VETSNET has completed parallel testing and is currently in live production field test.

The C&P Benefits Replacement System is being developed using the VETSNET integrated architecture. The VETSNET architecture utilizes Graphical User Interface (GUI) screens, an open-system architecture, the corporate database, rating redesign, and claims processing improvements related to compensation and pension functionality.

The corporate environment is targeted to replace the current Benefits Delivery Network seeing as BDN has passed its systems life cycle and minimal tools and resources are available to support it. Additionally, various material weaknesses have been identified related to BDN's lack of compliance with the government-wide Standard General Ledger, lack of an automated audit trail, and other shortcomings such as ineffective system messages supporting controls over payment errors.

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| <b>Fiscal Year</b>            | FY 2005                      |
| <b>BA Requested (Capital)</b> | \$10.6M                      |
| <b>Planned Project Name</b>   | C&P Maintenance & Operations |
| <b>Project Location</b>       | VACO                         |
| <b>Asset Type</b>             | Information Technology       |

**Project Description**

This project requires \$10.6M in FY 2005 budget authority. The Compensation and Pension (C&P) program has two components. The mission of the Compensation program is to provide monthly payments to veterans in recognition of the effects of disabilities, diseases, or injuries incurred or aggravated during active military service, and to provide access to other VA benefits. The mission of the Pension program is to provide monthly payments to needy wartime veterans who are permanently and totally disabled as a result of disability not related to military service. The main performance outcome for the IT systems supporting C&P is to ensure claims processing, tracking, and payment to veterans on a timely basis each month.

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| <b>Fiscal Year</b>            | FY 2005                                    |
| <b>BA Requested (Capital)</b> | \$32.2M                                    |
| <b>Planned Project Name</b>   | Critical Infrastructure Protection Program |
| <b>Project Location</b>       | Nationwide                                 |
| <b>Asset Type</b>             | Information Technology                     |

**Project Description**

This project requires \$32.2M in FY 2005 budget authority. CIPP focuses on protecting information assets that are key to continuous operations. The Secretary's Strategic Plan is a key driver for the One VA Enterprise Architecture of which CIPP is a critical component. The Secretary's enabling goal (E-1) is VA Goal 5 (E-1): Provide One VA world-class service to veterans and their families through the effective management of people, technology, processes, and financial resources. The CIO's IT goals follow ensuring that the Secretary's goal, especially the enabling goal, will be supported with innovative,

disciplined and practical application of information technology. CIPP supports IT Goal 3: Secure the One VA enterprise against cyber attack. The selected alternative was chosen as it was determined to have high financial and qualitative benefits, low risk, and higher return on investment (ROI).

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| <b>Fiscal Year</b>            | FY 2005                       |
| <b>BA Requested (Capital)</b> | \$25.7M                       |
| <b>Planned Project Name</b>   | Decision Support System (DSS) |
| <b>Project Location</b>       | Nationwide                    |
| <b>Asset Type</b>             | Information Technology        |

#### Project Description

This project requires \$25.7M in FY 2005 budget authority. The Decision Support System (DSS) transforms operational data into tactical information used by managers to make informed operational healthcare decisions. The integration of clinical and financial data assists decision-makers as they manage cost and strive to improve the quality of veteran care.

The legacy system serves as the designated VHA cost accounting and workload system and ensures statutory compliance. Current capabilities will need to be maintained but can be enhanced by addressing anticipated information management and information technology requirements beyond its current design.

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| <b>Fiscal Year</b>            | FY 2005                |
| <b>BA Requested (Capital)</b> | \$2.5M                 |
| <b>Planned Project Name</b>   | DSS Modernization      |
| <b>Project Location</b>       | Nationwide             |
| <b>Asset Type</b>             | Information Technology |

#### Project Description

This project requires \$2.5M in FY 2005 budget authority. The project will modernize the existing VHA Decision Support System (DSS) through analysis, identification, development and implementation of system architecture that interfaces with current and future VA-wide system information technology structures.

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| <b>Fiscal Year</b>            | FY 2005                            |
| <b>BA Requested (Capital)</b> | \$1.9M                             |
| <b>Planned Project Name</b>   | Education Maintenance & Operations |
| <b>Project Location</b>       | VACO                               |
| <b>Asset Type</b>             | Information Technology             |

#### Project Description

This project requires \$1.9M in FY 2005 budget authority. The mission of the Education Service is to provide financial assistance, generally in the form of monthly benefit payments, to veterans, active duty service persons, reservists, and certain eligible dependents of disabled or deceased veterans in recognition of their military service to this Nation. Financial Assistance is administered through seven programs to eligible persons for their educational and vocational pursuits. Education Service processes claims at one of four Regional Processing Offices located in Atlanta, Buffalo, Muskogee and St. Louis.

Education program processing is supported by IT systems, including the Benefits Delivery Network (BDN) legacy system, various client/server applications, and the Internet/Intranet. These systems will continue to be supported and enhanced as Education processing is transitioned into VBA's corporate IT environment through development of the Education Expert System (TEES). Systems will continue to be modified in order to comply with legislative and court decision changes to the program and provide optimal service to veterans and other beneficiaries.

The Image Management System (TIMS), a legacy imaging system, which currently stores all Education benefit documents at four Regional Processing Offices, has started to undergo significant enhancements.

This initiative will consolidate four distributed image databases, located at the four Education Regional Processing Offices, into a single database. This will significantly improve maintainability, reduce database administration costs, and improve system performance. The initiative has been approved by VBA's Architectural Change Review Board, and has been presented to the VBA IT Investment Board, which has indicated support.

The Education Expert System will redesign the Education component of the Benefits Delivery Network and consolidate it and other systems into a single corporate application. The Education Expert System will incorporate the use of rules-based processing to automate adjudication of education claims faster. Legacy systems will be redesigned or enhanced to provide electronic claim data to this system for processing 90 percent of applications, enrollment certifications and notices of change in student status to final resolution, without human intervention.

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| <b>Fiscal Year</b>            | FY 2005                |
| <b>BA Requested (Capital)</b> | \$17.5M                |
| <b>Planned Project Name</b>   | Enrollment             |
| <b>Project Location</b>       | Nationwide             |
| <b>Asset Type</b>             | Information Technology |

### Project Description

This project requires \$17.5M in FY 2005 budget authority. The Enrollment program was implemented in 1998 and includes functionality to accept and process veterans' applications for enrollment, share veterans' eligibility and enrollment data with all VA health care facilities involved in the veterans' care, manage veterans' enrollment correspondence and telephone inquiries, and support national reporting and analysis of enrollment data.

Since its inception, the program has been expanded to encompass a number of legislative and regulatory changes. This program also encompasses VHA's Income Verification Match (IVM) program, which verifies certain veterans' self-reported income information with Internal Revenue Service (IRS) and Social Security Administration (SSA) federal tax information to identify veterans' responsibility for making medical care co-payments and enhance revenue from first party collections.

The Health Eligibility Center (HEC) collects and verifies veteran's income and eligibility information in support of healthcare enrollment and medical benefit determinations. A significant portion of Enrollment involves enhancing and maintaining the Enrollment Database (EDB), which is the redesigned HEC database, in order to support changing business needs. The EDB includes flexibility to meet critical requirements on a timely basis, safeguards to meet security requirements, and improved reliability.

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| <b>Fiscal Year</b>            | FY 2005                                      |
| <b>BA Requested (Capital)</b> | \$17.3M                                      |
| <b>Planned Project Name</b>   | Enterprise Cyber Security Business Assurance |
| <b>Project Location</b>       | Nationwide                                   |
| <b>Asset Type</b>             | Information Technology                       |

### Project Description

This project requires \$17.3M in FY 2005 budget authority. This project supports enterprise-wide cyber security planning efforts, such as the Capital Investment and Security Program Master Plans, as well as enterprise-wide cyber security acquisition efforts such as VA-Centralized Incident Response Center. The Secretary's enabling goal (E-1) is: VA Goal 5 (E-1): Provide One VA world-class service to veterans and their families through the effective management of people, technology, processes and financial resources. The CIO's IT goals follow ensuring that the Secretary's goal, especially the enabling goal, will be supported with innovative, disciplined and practical application of information technology. ECSBAP support's IT Goal 3: Secure the One VA enterprise against cyber attack. The selected alternative has a return on investment of 79%. Another reviewed alternative had the highest ROI, but was not chosen due to the difficulty of implementation at that level of funding

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| <b>Fiscal Year</b>            | FY 2005  |
| <b>BA Requested (Capital)</b> | \$21.8M  |
| <b>Planned Project Name</b>   | Enterprise Cyber Security Infrastructure Program |
| <b>Project Location</b>       | Nationwide                                       |
| <b>Asset Type</b>             | Information Technology                           |

### Project Description

This project requires \$21.8M in FY 2005 budget authority. ECSIP goal is to protect VA's IT assets nationwide. ECSIP aims to establish, maintain, and refresh a secure VA-wide IT security framework upon which VA business processes can reliably deliver robust services to veterans. The Secretary's enabling goal (E-1) is: VA Goal 5 (E-1): Provide One VA world-class service to veterans and their families through the effective management of people, technology, processes and financial resources. The CIO's IT goals follow ensuring that the Secretary's goal, especially the enabling goal, will be supported with innovative, disciplined and practical application of information technology. ECSIP support's IT Goal 3: Secure the One VA enterprise against cyber attack. Specifically, ECSIP reduces existing IT security vulnerabilities and mitigates associated risks in order to establish the prerequisite level of security for critical One VA enterprise business functions. The selected alternative was chosen as it was determined to have high financial and qualitative benefits, low risk, and higher return on investment.

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| <b>Fiscal Year</b>            | FY 2005                    |
| <b>BA Requested (Capital)</b> | \$3.5M                     |
| <b>Planned Project Name</b>   | Enterprise Privacy Program |
| <b>Project Location</b>       | Nationwide                 |
| <b>Asset Type</b>             | Information Technology     |

### Project Description

This project requires \$3.5M in FY 2005 budget authority. Chief objectives of EPP are to protect the confidential information of veterans and their beneficiaries and improve VA data management through compliance with Federal and VA-specific privacy requirements. EPP remedies major vulnerabilities in privacy protection that currently threaten VA's data management systems. Without EPP, data stored in veterans' health records could be stolen, disseminated, or manipulated. Such incidents could have wide-ranging negative impacts on VA's mission fulfillment, including inability to provide appropriate medical care and benefits to veterans, loss of veteran and public confidence, negative political fallout, legal action, and costly expenditures. The selected alternative was chosen because it was determined to have high financial and qualitative benefits, low risk, and the highest return on investment.

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| <b>Fiscal Year</b>            | FY 2005                |
| <b>BA Requested (Capital)</b> | \$4.2M                 |
| <b>Planned Project Name</b>   | Fee Basis              |
| <b>Project Location</b>       | Nationwide             |
| <b>Asset Type</b>             | Information Technology |

### Project Description

This project requires \$4.2M in FY 2005 budget authority. This project will replace the existing decentralized VistA Fee Basis application used to authorize and process claims for non-VA care. The replacement software will be a centralized, web-based product located at the Health Administration Center in Denver. The software will contain artificial intelligence and fraud detection tools. This system also allows the VA to receive and reply to electronic claims submitted under HIPAA transaction requirements.

VistA-Legacy applications are undergoing a modernization and are being re-hosted in order to take advantage of current technological advancements. This program of modernization is defined by the HealtheVet-VistA strategy.

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| <b>Fiscal Year</b>            | FY 2005                                    |
| <b>BA Requested (Capital)</b> | \$4.6M                                     |
| <b>Planned Project Name</b>   | Federal Health Information Exchange (FHIE) |
| <b>Project Location</b>       | Nationwide                                 |
| <b>Asset Type</b>             | Information Technology                     |

### Project Description

This project requires \$4.6M in FY 2005 budget authority. The Federal Health Information Exchange (FHIE) is a joint interagency initiative that enables secure, one-way transmission of protected electronic health information from Department of Defense (DoD) to Veterans Affairs (VA). The system was deployed on May 30, 2002 and was made available for use throughout the VA health care system by July 17, 2002, using the VA's VistA Computerized Patient Record System (CPRS) Remote Data Views (RDV) option. The system provides current and historical data feeds in HL-7 messages from DoD's Composite Health Care System (CHCS I) to the FHIE repository, and is immediately available to VA clinicians and other authorized VA users, including those involved in benefit claims adjudication. FHIE reached the steady state milestone of its project lifecycle on March 31, 2004 and will continue in a maintenance mode through FY2010

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| <b>Fiscal Year</b>            | FY 2005   |
| <b>BA Requested (Capital)</b> | \$9.8M  |
| <b>Planned Project Name</b>   | Field Operations and Information Security Officer (ISO) Support |
| <b>Project Location</b>       | Nationwide  |
| <b>Asset Type</b>             | Information Technology  |

### Project Description

This project requires \$9.8M in FY 2005 budget authority. Promulgates Department-level security policies, procedures and guidelines that implement Federal laws and regulations, and provides guidance and compliance oversight on policy implementation within its area of expertise. This investment directly supports VA Strategic Goal 5, to: "Create an environment that fosters the delivery of One VA world-class service to Veterans and their families through effective communication and management of people, technology, business processes, and financial resources." The program directly support VA's mission to: 1) protect the confidentiality, integrity, and availability of private information entrusted to VA, and 2) enable the timely, uninterrupted and trusted delivery of services to veterans and beneficiaries. The selected alternative was chosen as the budget reality at VA constrains the Office of Cyber and Information Security. Baseline activities are not optimal and do not enable OCIS to achieve FISMA Level 4 by FY05. Without new money, OICS will be forced to operate against this alternative, which does not enable benefits to be fully realized. The return on investment for Alternative 1 is 67%.

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| <b>Fiscal Year</b>            | FY 2005                            |
| <b>BA Requested (Capital)</b> | \$10.4M                            |
| <b>Planned Project Name</b>   | Health Administration Center (HAC) |
| <b>Project Location</b>       | Nationwide                         |
| <b>Asset Type</b>             | Information Technology             |

### Project Description

This project requires \$10.4M in FY 2005 budget authority. It supports the continued operation and the on-going maintenance and enhancement efforts that directly contribute to improved the Health Administration Center (HAC) IT operations. These operations support customer services, staff and business development, and promote emerging technologies utilization. The three key components of these operations that this project supports: (1) the telecommunication support; (2) IT programming and technical support and; (3) purchase and maintenance of capital equipment.

The HAC establishes benefits policy, determines eligibility, processes claims, and checks for fraud, waste and abuse. The role of the HAC has expanded from its original mission of supporting the Civilian Health and Medical Program of VA (CHAMPVA) to also include administration of the Department's Foreign

Medical Program, Spina Bifida Healthcare Program, Children of Women Vietnam Veterans Health Care Program, VA Diagnostic Related Grouping Recovery Audit, and Veterans Health Administration's (VHA) Mail Management Office. Operations are required to support the HAC's automated claims processing system, the eligibility and authorization systems, the call center, interactive intranet and internet web pages for beneficiaries and providers, and various other HAC activities. In addition, the IT operations assist the HAC with administrative functions (e.g. payroll) that are provided to several VHA Chief Financial Officer Field Offices (e.g., Allocation Resource Center) and to the Health Enrollment Center in Atlanta (part of the Chief Business Office).

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| <b>Fiscal Year</b>            | FY 2005                      |
| <b>BA Requested (Capital)</b> | \$50.2M                      |
| <b>Planned Project Name</b>   | Health Data Repository (HDR) |
| <b>Project Location</b>       | VACO - IT Headquarters       |
| <b>Asset Type</b>             | Information Technology       |

### Project Description

This project requires \$50.2M in FY 2005 budget authority. The Health Data Repository (HDR) will be a national database of veterans' clinical information. The database will store clinical data from all 128 integrated health care databases, which support 163 hospitals and over 800 outpatient clinics.

Clinicians and researchers will be able to use the information in the HDR to analyze complex medical issues. VA administrators will be able to observe patient wellness trends and clinician practice patterns on a national scale. They will use the information to anticipate the future healthcare needs of our aging veteran population. The HDR will also serve as the "platform" from which CPRS retrieves its information. Decision support in CPRS will be based on all clinical data for a patient no matter where he/she was seen.

Creating a database of this scale will require the support and assistance of the entire VHA community. The HDR project team is collaborating with other project teams within the VHA and VA community. Shared resolution of the need for data and message standards, secure access and data quality will serve the VA and its patients in immeasurable ways.

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| <b>Fiscal Year</b>            | FY 2005                |
| <b>BA Requested (Capital)</b> | \$79.7M                |
| <b>Planned Project Name</b>   | Imaging                |
| <b>Project Location</b>       | Nationwide             |
| <b>Asset Type</b>             | Information Technology |

### Project Description

This project requires \$79.7M in FY 2005 budget authority. The innovative VistA Imaging system integrates state-of-the-art hardware to provide complete online patient data to healthcare providers, increase clinician productivity, facilitate medical decision-making, and improve the quality of care for veterans. With Core VistA Imaging Systems now installed in all VA medical centers, VHA will have the capability to make agency-wide decisions and adopt agency-wide approaches to re-engineering medical care. At the field level, clinicians using VistA Imaging have the ability to access images anytime anywhere, analyze information through electronic image manipulation, share images with the patient, and use telemedicine to provide patient care remotely.

VistA Imaging captures clinical images, scanned documents, electrocardiogram (EKG) waveforms and other non-textual data files and makes them part of the computerized patient record (CPRS). VistA Imaging is a windows-based, low cost imaging display and capture software that runs on COTS workstations and is totally integrated with other VistA healthcare applications. Clinical images and scanned documents linked to online medical chart information are essential in providing healthcare in VHA's distributed environment and in complying with hospital accreditation regulations.

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| <b>Fiscal Year</b>            | FY 2005                                   |
| <b>BA Requested (Capital)</b> | \$6.7M                                    |
| <b>Planned Project Name</b>   | Insurance System Maintenance & Operations |
| <b>Project Location</b>       | VACO                                      |
| <b>Asset Type</b>             | Information Technology                    |

### Project Description

This project requires FY \$6.7M in FY 2005 budget authority. The mission of VBA's Insurance program is "to provide life insurance benefits to veterans and service members not available from the commercial insurance industry due to lost or impaired insurability resulting from military service. Benefits and services will be provided in an accurate, timely and courteous manner and at the lowest achievable administrative cost. Insurance coverage will be provided in reasonable amounts at competitive premium rates. A competitive, secure rate of return will be ensured on investments held on behalf of the insureds." The Insurance IT systems located at the Philadelphia Regional Office and Insurance Center provide Insurance program with modern processing applications in support of the six government life insurance programs. These programs provide coverage to 1.8 million veteran policyholders. The Insurance systems interface with C&P and BIRLS systems, generate five million pieces of mail and disburse approximately 1.7 billion dollars annually in dividends, death awards and other insurance payments. The Insurance systems consist of related systems that share data in online, batch, and summary form. Insurance applications run on mainframe, client/server, and web-based platforms.

The Insurance payment system runs on an IBM Multiprise server in Philadelphia. Subsystems include Inforce (current policyholders), Awards (recipients), Actuarial, and Online. Prior to 1996, Insurance online application processing ran on a Bull mainframe while batch processing ran on an IBM mainframe. In 1996, the Insurance online applications were rehosted onto the IBM mainframe system, thereby eliminating a material weakness.

VICTARS (Veterans Insurance Claims Tracking and Response System) and VMLI (Veterans Mortgage Life Insurance) are client/server systems. VICTARS is Insurance's Customer Relationship Management system, providing a gateway for insurance personnel to access data in client/server tables and on other systems. VICTARS users can quickly access a caller's record and make any updates. All calls are journalized and can be reviewed whenever the record is accessed. Automated PC letters, tools for calculating policy values, and other tools are also available. VICTARS also manages access to Insurance imaging applications. The most critical insurance forms received from policyholders and beneficiaries are imaged and stored on a SAN (storage area network). Over 5.5 million images are stored. Most recently, VICTARS has been the foundation for Insurance's "paperless workflow" distribution application.

The Insurance Service has had an Internet site since the late 1990s. The VA Insurance web site includes general program information, links for e-mail inquiries, and the ability to download insurance forms. Insurance Self-service allows policyholders access to their account information with an individual PIN number. Recently implemented "autoform" makes one of the most common Insurance forms available for on-line completion and electronic submission. Unclaimed Funds Search by Name (UFN) allows any user to check whether he/she is owed money from a VA Insurance "liability" (such as a dividend that was returned in the mail because the person could not be found); UFN is available to the general public.

The Insurance General Ledger runs on an IBM system at the Austin Automation Center and provides data to the Department's Financial Management System (FMS).

A commercially supported Interactive Voice Response (IVR) system permits insured veterans to access their insurance records via touch-tone telephone technology. The Insurance call center in Philadelphia answers 3,200 calls per day on 80 lines, supports voice mail for non-business hours, and IVR access 24 hours a day. The IVR has been in use since 1995. About eight percent of all Insurance calls are answered to completion by the IVR system.

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| <b>Fiscal Year</b>            | FY 2005                   |
| <b>BA Requested (Capital)</b> | \$15.4M                   |
| <b>Planned Project Name</b>   | Laboratory Re-engineering |
| <b>Project Location</b>       | VACO                      |
| <b>Asset Type</b>             | Information Technology    |

### Project Description

This project requires \$15.4M in FY 2005 budget authority. This project will enhance the VHA Laboratory Services' information technology system and associated business processes to address the current deficiencies and meet future needs. The current Laboratory Information System that supports these services was created more than twenty years ago and has now exceeded its useful life. The current Laboratory Information System code is fragile, and system design deficiencies cause many application shortfalls that require enhancement. The re-engineered system will enable the sharing of information and will improve data integrity through enhanced verification and validation protocols.

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| <b>Fiscal Year</b>            | FY 2005                          |
| <b>BA Requested (Capital)</b> | \$0.7M                           |
| <b>Planned Project Name</b>   | Learning Management System (LMS) |
| <b>Project Location</b>       | Nationwide                       |
| <b>Asset Type</b>             | Information Technology           |

### Project Description

This project requires \$0.7M in FY 2005 budget authority. Department of Veteran's Affairs (VA) is developing a learning management system (LMS) in partnership with the Office of Personnel Management (OPM) as part of the e-Government, e-Training initiative. The concept of operations for the VA-LMS, discussed in this document will provide:

- Enhancements to the existing VA National Catalog of enterprise wide training offerings
- Automation of educational tracking & registration for learning events
- Individual employee empowerment for planning and managing their own career development
- Mechanisms supporting aggregation and reporting of training management information
- Facilitation of e-learning including access to national databases and third party courseware
- Improvements in the management of clinical accreditation & professional certification
- Improvements in workforce development and planning, including the ability to link skills & competencies to team and individual needs
- Standardization of Individual Development Plans in support of long-term workforce development

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| <b>Fiscal Year</b>            | FY 2005                                |
| <b>BA Requested (Capital)</b> | \$9.4M                                 |
| <b>Planned Project Name</b>   | Loan Guaranty Maintenance & Operations |
| <b>Project Location</b>       | VACO                                   |
| <b>Asset Type</b>             | Information Technology                 |

### Project Description

This project requires \$9.4M in FY 2005 budget authority. The mission of the Loan Guaranty (LGY) program is to assist veterans and active duty personnel purchase and retain homes in recognition of their service to the Nation. The VA provides assistance through the use of a partial guaranty of VA loans made by private lenders. VA loans may be used to purchase, build or repair a home. Additionally, VA loans may be used to refinance an existing loan or buy a manufactured home.

IT maintenance support to the LGY program is provided for legacy applications which process on the IBM enterprise system at the Austin Automation Center (AAC), and are funded by VBA through the AAC franchise fund. These applications are maintained through a combination of VBA personnel and contractor personnel located at the Austin Systems Development Center.

Newer applications operate in VBA's corporate information environment or the Internet/Intranet environment. The VBA corporate environment is hosted on a SUN E10000 system located at the AAC. EMC storage hardware is used to support the large corporate environment. The SUN E10000 hosts the corporate Oracle relational database and the application code for the newer systems. Tuxedo is used as the transaction processor to link the regional offices for transactions to the corporate database. The VBA corporate environment consists of both client-server and web-based applications. The web-based applications are hosted at the VBA point of presence at the Philadelphia ITC. This environment is comprised of application servers, database servers and EMC storage capabilities.

Applications that process in the VBA corporate or Internet/Intranet environment include, but are not limited to the following:

- Automated Loan Processing System (ALPS) – Provides a case management tracking system for loan processing.
- Automated Certificate of Eligibility (ACE) – Provides Internet access for lenders to generate online Certificates of Eligibility (COEs) and retrieve limited loan information from ALPS.
- Loan Servicing and Claims (LS&C) – Provides automation of the supplemental servicing, liquidation management and tracking, and claims processing for the Loan Administration section. It has an automated interface with VA's financial management system.
- National Control Listing (NCL) – Provides a repository of undesirable vendors with whom the VA does not want to do business (i.e., builders, mortgage brokers, lenders, etc.).
- Centralized Property Tracking System (CPTS) – Provides an online system to automate daily property acquisition, maintenance and disposition loan processing functions with an update interface to the Property Management System (PMS).
- The Appraisal System (TAS) – Provides lenders and VA personnel with online access for appraisal assignments and determination of value for VA-qualified home loans.

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| <b>Fiscal Year</b>            | FY 2005                         |
| <b>BA Requested (Capital)</b> | \$1.2M                          |
| <b>Planned Project Name</b>   | Loan Guaranty Redesign (VALERI) |
| <b>Project Location</b>       | VACO                            |
| <b>Asset Type</b>             | Information Technology          |

### Project Description

This project requires \$1.2M in FY 2005 budget authority. Over the past several years Loan Administration has identified critical problems in both technology and business processes. These problems include outdated, non-standard business processes, obsolete technology, and inconsistent communication. Currently, VBA utilizes the legacy Loan Service and Claims (LS&C) system to administer its home loan program. This system is based on 12-year old specifications. It does not adequately reflect the current organization's functions, procedures, processes, policies, nor does it meet current industry standards. LS&C relies on hard copy data transfers to and from program participants and manual data entry processes. Loss mitigation procedures are cumbersome and labor intensive.

The mortgage banking industry indicated that working with VBA's paper-based processes was extremely cumbersome, inefficient, and costly for private industry - so much so, that there was a strong indication that the industry steered home-buying veterans away from VA's loan program to conventional loans because they are more efficient and less costly.

As a result of the above ongoing issues, VBA's Central Office identified a need to reengineer the current processes based on the following:

- Existing system (LS&C) is behind industry standards. Processes are labor intensive - paper-driven, manual input - based on 12-year-old specifications.
- Industry demands VA moves to a paperless, 24/7 automated access to data on loans, there is currently an added expense to manually process VA loans on exception basis.
- VA loans are not competitive with industry; the result is an impact on market share.
- Cannot implement new processes without a new system.
- Commercial-off-the-Shelf (COTS) technology is competitively available.

The purpose of the Loan Administration Redesign project is to identify and implement processes that will modernize and significantly improve services to veterans and our industry partners, while ensuring fiscal integrity. The current recommendations from the Loan Administration Redesign Team's BPR effort reflect moving VBA to an online, web-based system that will be accessible by all customers at any time. There will also be some batch interfaces with existing VA systems and loan servicers.

The objective is to standardize the processes and operations across RLCs so that loan work assignments can be made more consistently and veterans and servicers can have immediate access to VBA technicians, regardless of their geographic location. The system and web site will be operated and maintained by a contractor from a central location that provides access to VBA's Central Office, VBA's nine RLCs, as well as VBA's Regional Offices in San Juan and Honolulu. The majority of data for this system on loan status will be input directly from existing VA systems.

In addition, loan servicers will pass files to the system for updating loan status on a daily, monthly, and event-driven basis. Redesign Team Business Outcome Performance Objectives The following measurable objectives have been established by VBA for this project.

The To-Be Model, completed June 5, 2002, contains the definition for success and the measures for each of these objectives. Maximize internal and external paperless environments. Have all written materials in Reader Focused Writing format. Promote two-way access with industry, while complying with applicable privacy laws. Have easy access to timely and reliable reports and data that supports informed decisions. Have a measurably efficient organization. Promote two-way communication within and across VA systems. Have an organization with standard processes that operates consistently across RLCs. Be able to move and assign work as needed around the country. Ensure financial transactions and accounting events are recorded properly and in a timely manner.

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| <b>Fiscal Year</b>            | FY 2005                |
| <b>BA Requested (Capital)</b> | \$20.7M                |
| <b>Planned Project Name</b>   | Medical Research       |
| <b>Project Location</b>       | VACO - IT Headquarters |
| <b>Asset Type</b>             | Information Technology |

### Project Description

This project requires \$20.7M in FY 2005 budget authority. The Office of Research and Development (ORD) leads the Veterans Health Administration's (VHA) medical research and development (R&D) efforts. The main function of ORD is to provide national policy direction for VHA's research program and allocate research funds for VA medical centers via R&D funds.

The VA R&D program is an intramural research program. Most IT spending at ORD is comprised of incidental IT purchases made as part of the more than 1,500 medical research projects underway at VA Medical Centers. Almost all of these non-IT projects require some IT purchases like computers, printers, and scanners. As these projects are Research and non-IT related, they are tracked via R&D research performance metrics. They are not amenable to individual IT project life-cycle tracking as IT equipment is only acquired incidentally to research project goals and is recycled at the end of the project to other users.

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| <b>Fiscal Year</b>            | FY 2005                |
| <b>BA Requested (Capital)</b> | \$12M                  |
| <b>Planned Project Name</b>   | One-VA Contact Center  |
| <b>Project Location</b>       | VACO - IT Headquarters |
| <b>Asset Type</b>             | Information Technology |

### Project Description

This project requires \$12M in FY 2005 budget authority. One VA Contact Management project will provide veterans and customers with an ability to communicate to VA through the media or channel they find most appropriate. The One VA Contact Management Project supports the mission and strategic goals and objectives of the agency and in particular, the primary goal – One VA because Contact

Management is a fundamental process that spans the VA enterprise, and supports each of the identified VA lines of business. Contact Management has been identified in VA strategic planning documents as a critical enabling function and is an identified priority in developing the One VA Enterprise Architecture. The alternative selected is the One VA Contact Management solution. Migrating to advanced technological solutions would allow the VA to utilize additional contact center resources such as self-service options, online support options, and proactive veteran contact. These elements would be accomplished in a more efficient manner, allowing the VA to continue enhancing business processes without increasing employee workloads, even with a potential workforce reduction.

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| <b>Fiscal Year</b>            | FY 2005                             |
| <b>BA Requested (Capital)</b> | \$22.5M                             |
| <b>Planned Project Name</b>   | One-VA Eligibility and Registration |
| <b>Project Location</b>       | VACO - IT Headquarters              |
| <b>Asset Type</b>             | Information Technology              |

### Project Description

This project requires \$22.5M in FY 2005 budget authority. Creates a single, reliable One VA data source and a single point of integration between VA and DoD. Registration and Eligibility Project is aligned with the Enabling Goal from the Department's Strategic Plan and Performance Plan: Create an environment that fosters the delivery of One VA world class service to veterans and their families by applying sound business principles that result in effective communication and management of people, technology and governance. The One-VA EA effort has chosen to extract related functions, sub-functions, data classes and processes located in the vertically oriented baseline state and create this new Key Enabling Function (KEF) to recognize and take advantage of the opportunity for functional consolidation and integration. The chosen solution provides the following advantages in application: creates a shared, unique person identifier; leverages DMDC rules-based processing; provides a comprehensive One-VA cost-effective solution; allows VA ownership and maintenance of the core veteran record; leverages best in class technology; provides rapid implementation.

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| <b>Fiscal Year</b>            | FY 2005                                  |
| <b>BA Requested (Capital)</b> | \$16.0M                                  |
| <b>Planned Project Name</b>   | Patient Financial Services System (PFSS) |
| <b>Project Location</b>       | VACO - IT Headquarters                   |
| <b>Asset Type</b>             | Information Technology                   |

### Project Description

This project requires \$16.0M in FY 2005 budget authority. The Patient Financial Services System (PFSS) is the future state of the VHA Revenue Cycle business model. It will create a comprehensive business solution for revenue improvement utilizing improved business practices, commercial software, and enhanced VA clinical applications. The scope of PFSS encompasses modernization of the entire Revenue Cycle, including coordination with front-end processes such as Scheduling and Enrollment. This modernization process will include incorporation of commercial sector best practices into the revenue cycle, with the ultimate goal of operating the VHA revenue cycle in the same manner as a private hospital, while accommodating VA-specific care and processes.

The PFSS project includes:

- Use of commercial-off-the-shelf (COTS) health information systems (HIS) to provide patient management and patient financial services, including first and third party billing and accounts receivable functionality.
- The replacement of the VistA Integrated Billing (IB) and Accounts Receivable (AR) applications with COTS software.
- Modification of VistA clinical applications to increase charge capture and support the integration of COTS software.
- Implementation of private sector best practices and business process reengineering to improve revenue cycle effectiveness and results.
- Consolidation of revenue cycle business processes at the VISN level through centralization of processes and development of regional business offices.

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| <b>Fiscal Year</b>            | FY 2005                           |
| <b>BA Requested (Capital)</b> | \$8.0M                            |
| <b>Planned Project Name</b>   | Program Integrity/Data Management |
| <b>Project Location</b>       | VACO                              |
| <b>Asset Type</b>             | Information Technology            |

### Project Description

This project requires \$8M in FY 2005 budget authority. The Veterans Benefits Administration (VBA) has improved its strategic role and capabilities in managing data by using enterprise data warehouse (DW) and operational data store (ODS) technologies. These technologies facilitate centralized data storage and provide timely and accurate reports to internal and external stakeholders. VBA's DW/ODS environment was initiated in response to several business intelligence needs identified by VBA leadership. VBA determined a need to deliver reports in a faster, more flexible manner. The integrated information management system provided by the DW/ODS project continues to have a significant positive impact on internal and external users by providing reports and reporting systems in an on-line environment at each employee's workstation. In addition, the information emanating from these data systems will continue to contribute to improved service delivery to veterans and their families.

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| <b>Fiscal Year</b>            | FY 2005                |
| <b>BA Requested (Capital)</b> | \$17.8M                |
| <b>Planned Project Name</b>   | Scheduling             |
| <b>Project Location</b>       | Nationwide             |
| <b>Asset Type</b>             | Information Technology |

### Project Description

This project requires \$17.8M in FY 2005 budget authority. The ultimate goal of the Scheduling Replacement Project is to develop a next generation appointment application based on business process re-engineering and the Institute for Health Care Improvement (IHI) guidelines for Open and Advance access to care models.

The Scheduling Replacement Project will provide VHA users with a re-engineered and redesigned outpatient appointment scheduling system to better meet the needs of staff and patients. The project is ultimately the result of the General Accounting Office (GAO) Report on Excessive Wait Times in VA Healthcare. GAO findings for Primary Care and Specialty Care appointments cited that patients often waited over 30 days for care, and that VHA must make a concerted effort to realign their health care delivery and improve access to care.

The patient appointment management system will be replaced with software built to meet the specifications of business process re-engineering as detailed in the VHA Scheduling Future Business Model, which was completed in October 2001.

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| <b>Fiscal Year</b>            | FY 2005                            |
| <b>BA Requested (Capital)</b> | \$2.5M                             |
| <b>Planned Project Name</b>   | Technology and Integration Program |
| <b>Project Location</b>       | Nationwide                         |
| <b>Asset Type</b>             | Information Technology             |

### Project Description

This project requires \$2.5M in FY 2005 budget authority. Identifies and promotes strategies to incorporate new security technologies in both long- and short-term cyber security strategic plans. TIP was established to oversee and direct the development of Department-wide cyber security architecture, standards, technical procedures, and product configuration guidelines. TIP will guarantee that IT assets at VA remain secure, available, and reliable. This investment directly supports VA Strategic Goal 5, to: "Create an environment that fosters the delivery of One VA world-class service to Veterans and their families through effective communication and management of people, technology, business processes, and financial resources." The selected alternative, phased funding and implementation of the Technology and Integration Program, was chosen because it was determined to have high financial and qualitative benefits, low risk, and the highest return on investment.

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| <b>Fiscal Year</b>            | FY 2005                                  |
| <b>BA Requested (Capital)</b> | \$41.6M                                  |
| <b>Planned Project Name</b>   | Telecommunications Modernization Project |
| <b>Project Location</b>       | Nationwide                               |
| <b>Asset Type</b>             | Information Technology                   |

### Project Description

This project requires \$41.6M in FY 2005 budget authority. TMP's objective was and is to structure a state-of-the-art technology One VA Wide Area Network that is simple to administer and maintain using technology as the enabler. TMP's goals and objectives support the One-VA, EA, IT Strategic Plan through reviews, studies, analysis, application of technical and business methods and standards, and planning and project management concepts. In its phased implementation, TMP will improve service delivery, integrate and reuse data across business lines, share resources, and improve Departmental efficiency at a lesser cost. Target Solution was chosen due to financial, operational and security benefits. ROI per Business Model anticipated thru Phase III is 18% into FY05.

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| <b>Fiscal Year</b>            | FY 2005                            |
| <b>BA Requested (Capital)</b> | \$5.2M                             |
| <b>Planned Project Name</b>   | The Education Expert System (TEES) |
| <b>Project Location</b>       | VACO                               |
| <b>Asset Type</b>             | Information Technology             |

### Project Description

This project requires \$5.2M in FY 2005 budget authority. The Education Service faces a number of challenges that affect the operation of education claims processing. This Project is a response to the VA goal of processing 90% of veteran education benefit applications, enrollment certifications and notices of change in student status to final resolution without human intervention. That goal was codified originally in VBA's FY 2000 and FY 2001 Budget Submissions, and subsequently in the FY 2002 Budget Submission.

The Education Expert System (TEES) is the proposed approach to achieving the VA Under Secretary's goal. TEES builds on previous VBA initiatives and will replace the existing benefit payment systems with a new system that (1) provides processing for all benefit chapters and for all training types and (2) works with the VA/VBA corporate database and the data warehouse. TEES will be developed within the VA enterprise framework to allow integration with the One-VA Registration and Eligibility/Contact Management system, when developed. It will introduce a significant rules-based processing component that will automatically process at least 90% of all claims received electronically by applying benefit specific business rules and issuing payment for all claims. In addition, the incoming document and the award document will be sent to The Image Management System (TIMS) to be drop filed in the claimant's electronic folder. The total redesign approach is the most ambitious proposed to date in terms of its broader scope and design and adherence to corporate priorities.

For all VBA Education Benefit programs, TEES will:

- Determine a veteran's entitlement and eligibility for education benefits;
- Apply benefit-specific business rules for processing each claim to award;
- Process enrollments and payments;
- Include complete inquiry functionality, reporting fee functionality, and functionality to audit claims processed by TEES to ensure that rules are applied correctly and to guard against fraudulent claims; and
- Provide letters, reports, accounting, and audit trails.

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| <b>Fiscal Year</b>            | FY 2005                |
| <b>BA Requested (Capital)</b> | \$390.6M               |
| <b>Planned Project Name</b>   | VistA Legacy           |
| <b>Project Location</b>       | VACO - IT Headquarters |
| <b>Asset Type</b>             | Information Technology |

### Project Description

This project requires \$390.6M in FY 2005 budget authority. The VistA (Legacy) system is the operating system software platform and the technical infrastructure (associated with clinical operations) on which the VHA health care facilities operate their software applications. It includes the computer equipment associated with clinical operations and the employees (approximately 2800 FTE) necessary to operate the system. VistA (Legacy) is a client-server system. It links the facility computer network to over 100 applications and databases. In 2003, the VistA (Legacy) system supported IT services across the VA organization which had a network of 21 Veterans Integrated Service Networks (VISNs) that managed 163 medical centers, over 800 community based outpatient clinics, 135 nursing homes, 206 readjustment counseling centers and 43 domiciliaries. VistA (Legacy) provides critical data that supports the delivery of healthcare to veterans and their dependants. Using the computer, the VA health care provider can access VistA (Legacy) applications and meet a wide range of health care data needs. For example, VistA (Legacy) applications provide data on previous patient visits, can be used to access information from diagnostic tests and allow for the writing of prescriptions. The VistA (Legacy) system operates in medical centers, ambulatory and community-based clinics, nursing homes and domiciliaries. The VistA (Legacy) system is in the mature phase of the capital investment lifecycle. It began operation in 1982 when it was named Decentralized Hospital Computer Program (DHCP). In 1996 it was renamed Veterans Information Systems and Technology Architecture (VistA). It was written based on the MUMPS language, which is increasingly difficult to support.

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| <b>Fiscal Year</b>            | FY 2005                            |
| <b>BA Requested (Capital)</b> | \$2M                               |
| <b>Planned Project Name</b>   | VA Communications Security Program |
| <b>Project Location</b>       | VACO - IT Headquarters             |
| <b>Asset Type</b>             | Information Technology             |

### Project Description

This project requires \$2M in FY 2005 budget authority. This project is an essential element in the protection of private personal information of veterans and in prevention of covert monitoring of all VA communications facilities. These services will enhance the ability of the Department to protect VA corporate and customer information (privacy information) from unauthorized disclosure or covert interception. The selected alternative provides a higher return on investment because it is predicated on a life cycle cost model that leverages VA staff encumbering existing positions.

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| <b>Fiscal Year</b>            | FY 2005                     |
| <b>BA Requested (Capital)</b> | \$130.5M                    |
| <b>Planned Project Name</b>   | VA Computing Infrastructure |
| <b>Project Location</b>       | VACO - IT Headquarters      |
| <b>Asset Type</b>             | Information Technology      |

### Project Description

This project requires \$130.5M in FY 2005 budget authority. This is primarily a hardware refresh project designed to put VA general office automation support servers, workstations and peripherals on a 4-year replacement schedule. This project will consolidate the services of several smaller computer facilities into an existing larger computer facility on newer hardware, providing greater reliability while reducing overall computer space and IT staff. It will establish a working contingency plan for the consolidated site. It directly supports the VA strategic goal of fostering delivery of One VA world class service, since it provides the network connectivity and client-server platform for VA staff. It serves as the foundation for VA IT management, enabling VA to pursue its mission and all of its strategic goals efficiently and effectively. The selected alternative has the lowest overall cost, the lowest net present value and the highest return on investment (76% over seven years).

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| <b>Fiscal Year</b>            | FY 2005                                     |
| <b>BA Requested (Capital)</b> | \$26.8M                                     |
| <b>Planned Project Name</b>   | VA Data Communications Systems and Services |
| <b>Project Location</b>       | Nationwide                                  |
| <b>Asset Type</b>             | Information Technology                      |

### Project Description

This project requires \$26.8M in FY 2005 budget authority. The principal objective is to ensure the VA extant data communications systems and services meet "as is" business needs cost effectively. Scope covers VA nationwide data communications systems. Includes ongoing operation, administration, maintenance, and technology refreshment in support of the Department's existing data communications infrastructure. The primary goal of the One VA for Customer Service concept is to use emerging information technologies to increase functional integration across VA's multiple lines of business. Telecommunications services provided by FTS2001 are central to this goal and follow the One VA model. The FTS 2001 alternative remains the choice for acquisition, operation, administration and maintenance of VA's data communications services based on the evaluation of the two viable alternatives. Savings, cost avoidance and tangible technical and management benefits have been taken into consideration in the Cost Benefit Analysis and calculation of ROI.

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| <b>Fiscal Year</b>            | FY 2005                               |
| <b>BA Requested (Capital)</b> | \$12.1M                               |
| <b>Planned Project Name</b>   | VA Radio Frequency Transition Project |
| <b>Project Location</b>       | VACO - IT Headquarters                |
| <b>Asset Type</b>             | Information Technology                |

### Project Description

This project requires \$12.1M in FY 2005 budget authority. This project will identify and prescribe replacement narrowband radio equipment and establish a schedule to meet Federal timetables for the narrowband transition. The transition to narrowband frequencies and radio equipment in the land mobile radio bands was mandated by Congress in 1992 and implemented by NTIA in 1994 and established finite completion dates after which VA operation in the wideband mode is prohibited. VA transition to narrowband operations will enable VA to continue operation of all critical VHF & UHF land mobile radio systems and provide the opportunity to apply new technology to our radio systems. The selected alternative is the most cost effective approach to accomplishing the radio system transition. It is projected to incur the least initial acquisition costs and life cycle maintenance costs.

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| <b>Fiscal Year</b>            | FY 2005  |
| <b>BA Requested (Capital)</b> | \$14M  |
| <b>Planned Project Name</b>   | VA Video Teleconferencing Systems and Services |
| <b>Project Location</b>       | Nationwide                                     |
| <b>Asset Type</b>             | Information Technology                         |

### Project Description

This project requires \$14M in FY 2005 budget authority. The principal objective is to ensure VA video teleconferencing communication systems and services meet as is business needs cost effectively. Scope covers VA's nationwide video teleconferencing systems. Includes ongoing operation, administration, maintenance and technology refreshment of the extant baseline systems and services in support of the Departments existing video teleconferencing communications infrastructure. Video teleconferencing communication systems and services are essential elements of the One VA to-be physical infrastructure. This infrastructure is the underpinning for VA's Enterprise Business Functions (e.g., Medical Care, Pension, Housing, etc.) and Key Enabling Functions (e.g., management, human resources, IT investment management, etc). The FTS 2001 alternative remains the choice for acquisition, operation, administration and maintenance of VA's video transmission services based on the evaluation of the two viable alternatives. Savings, cost avoidance and tangible technical and management benefits are expected and have been taken into consideration in the Cost Benefit Analysis and calculation of ROI.

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| <b>Fiscal Year</b>            | FY 2005                                 |
| <b>BA Requested (Capital)</b> | \$116.8M                                |
| <b>Planned Project Name</b>   | VA Voice Telephony Systems and Services |
| <b>Project Location</b>       | Nationwide                              |
| <b>Asset Type</b>             | Information Technology                  |

### Project Description

This project requires \$116.8M in FY 2005 budget authority. The principal objective is to ensure VA voice communications systems and services meet 'as is' business needs cost effectively. Scope covers VA's nationwide voice telephony systems. Includes ongoing maintenance in support of the Department's existing voice communications infrastructure. Voice communication systems and services are a pivotal element of the One VA "to-be" physical infrastructure. This infrastructure is the underpinning for VA's Enterprise Business Functions (e.g., Medical Care, Pension, Housing) and Key Enabling Functions (e.g., management, human resources, IT investment management). The FTS2001 alternative remains the choice for acquisition, operation, administration and maintenance of VA's voice telephony services based on the evaluation of the two viable alternatives. Savings, cost avoidance and tangible technical and management benefits are expected and have been taken into consideration in the Cost Benefit Analysis and calculation of ROI.

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| <b>Fiscal Year</b>            | FY 2005                    |
| <b>BA Requested (Capital)</b> | \$15.2M                    |
| <b>Planned Project Name</b>   | VA Enterprise Architecture |
| <b>Project Location</b>       | VACO IT Headquarters       |
| <b>Asset Type</b>             | Information Technology     |

### Project Description

This project requires \$15.2M in FY 2005 budget authority. This project will implement a One VA information technology framework that supports the integration of information across business lines and provides a source of consistent, reliable, accurate and secure information to veterans and their families, employees and stakeholders. The Enterprise Architecture supports the VA mission and strategic goals and objectives by: Improving and enhancing VA's delivery of service to veterans; eliminating the development of redundant or duplicate systems across service divisions; ensuring that the developing information technology asset base is built upon widely accepted industry standards and best practices; and improving IT accountability and cost containment. The selected alternative provides maximum reusability and interoperability of the IT asset base.

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| <b>Fiscal Year</b>            | FY 2005                               |
| <b>BA Requested (Capital)</b> | \$2.7M                                |
| <b>Planned Project Name</b>   | VBA Corporate Database Administration |
| <b>Project Location</b>       | VACO                                  |
| <b>Asset Type</b>             | Information Technology                |

### Project Description

This project requires \$2.7M in FY 2005 budget authority. The initiative encompasses VBA's work to support the business communities of Compensation and Pension, Loan Guaranty, Vocational Rehabilitation & Employment, and Education in support of Information Architecture, Enterprise Architecture and Core Business Applications Delivery. At the current time, this technical approach deals mainly with structuring a relational database to fit the current program area business requirements. The corporate database maintains data that is shared among several or all of the VBA program areas, and will also contains data that is specific to individual program areas. This corporate approach of establishing "common core" veteran data, in only one place for all business areas provides the platform for better interaction with the various clients requesting information from VBA.

The data architecture is the organization, location, and distribution of the data required to support VBA's business systems. Data used to support VBA's current operations have typically been stored as an independent resource for specific applications or systems. VBA is transitioning to an integrated corporate

database that will eventually serve VBA-wide cross-functional systems and include information exchange to external data sources. The control mechanism for this integration approach involves a combination of logical and physical architectural concepts. The VBA information architecture is a model of VBA's business operations that includes descriptions of what business processes VBA performs and what data is needed to perform those processes.

The VBA information architecture is transitioning to align with the department's Enterprise Architecture. The department's Enterprise Architecture is the "blueprint" for systematically and completely defining and documenting the organization's desired (target) environment, and includes a sequencing plan for transitioning to the target environment from today's extant "as-is" environment. VA's Enterprise Architecture is essential for evolving its information systems and developing new systems with optimized mission value. This is accomplished in program / business terms (e.g. mission, objectives, goals, program/business functions, and information flows) and technical terms (e.g. software, hardware, data, communications, and system environments). This Enterprise Architecture plan is an important reference for VA enterprise architects, executives, program/business managers, and information technology managers and workers since it lays out how the Department will evolve its EA on an incremental basis each fiscal year.

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| <b>Fiscal Year</b>            | FY 2005                       |
| <b>BA Requested (Capital)</b> | \$2.1M                        |
| <b>Planned Project Name</b>   | VR&E Maintenance & Operations |
| <b>Project Location</b>       | VACO                          |
| <b>Asset Type</b>             | Information Technology        |

### Project Description

This project requires \$2.1M in FY 2005 budget authority. The mission of the Vocational Rehabilitation and Employment (VR&E) program is to provide for services and assistance necessary to enable veterans with service-connected disabilities to achieve maximum independence in daily living and, to the maximum extent feasible, to become employable and to obtain and maintain suitable employment. The VR&E program is supported by a number of information technology systems. These include the Benefits Delivery Network (BDN), and a number of legacy systems operating in the client/server, VBA corporate, and Internet/Intranet environments. Legacy systems will continue to be enhanced with improvements to support the VR&E program. These systems are maintained and updated as program needs and regulations change. Enhancements to legacy systems will continue until these systems are replaced, in order to provide optimal service to veterans and other beneficiaries.

Corporate WINRS, an automated case management system supporting the VR&E program, replaced the stand-alone WINRS application developed by VBA staff in the late 1990s. Corporate WINRS runs on a Sun processor located at the Austin Automation Center (AAC). It provides case management and other IT support to VR&E and runs in the VBA corporate information-processing environment. Corporate WINRS provides for greatly enhanced functionality and access to the system, both within and outside of VBA. Corporate WINRS automates processes that provide application, evaluation, planning, rehabilitation services, and independent living and employment services to disabled veterans.

In addition, enhancements to Corporate WINRS, once completed, will provide a number of additional features. These include reduced duplicate data entry, web access, increased access to more users, improved access to veteran information and improved customer service. The enhancements will also ensure that accurate information is entered into the corporate database through edits and security routines, provide for on-demand data and reporting to VR&E Service, improve fiscal administration, decision making, case management, employment and independent living outcome.

In addition to Corporate WINRS, several client/server and Internet applications are used to provide additional support of VR&E services to veterans. These include the following.

Military to Civilian Transferable Skills Identifier - an Internet application designed to provide vocational counselors with current information about the various military occupations and their relationships to civilian occupations.

Chapter 31 Job Bank - an Internet application that provides VR&E Service's online job search site as part of America's Job Bank.

## PORTFOLIO INVENTORY OF CURRENT PROJECTS

| Project Type | FY <sup>1</sup> | Admin. Office | Location            | Project Title - Brief Description |  | Total Acquisition Cost (\$000) |
|--------------|-----------------|---------------|---------------------|-----------------------------------|--|--------------------------------|
| IT           | 2004            | OI&T          | VACO - Headquarters | Continuity of Operations Plan     | Ensure VA's readiness to fulfill its statutory mission to provide health care services to veterans, back-up support to DoD, and support for the President's Management Agenda. | \$7,200                        |
| IT           | 2004            | AAC           | Austin TX           | CoreFLS                           | See detailed description below.  | \$506,000                      |
| IT           | 2004            | VHA           | VACO                | Pharmacy                          | Improve VA pharmacy operations, meet business requirements and increase patient safety.  | \$108,600                      |
| IT           | 2005            | VHA           | VACO                | Lab                               | Enhance the VHA Laboratory Services' IT system and associated business processes to address the current deficiencies and meet future needs.                                    | \$170,500                      |

<sup>1</sup>Fiscal year project was or will be activated.

CoreFLS is an integrated commercial off-the-shelf software financial and logistics system solution that will be used by every financial and logistics office within VA Central Office, VHA, VBA, and NCA. While it is being developed to address material weaknesses and reportable conditions, CoreFLS will integrate the financial and logistics data into a single database and will allow accurate financial reporting and management review of centralized data. This initiative supports the President's Management Agenda and the VA strategic goal to provide world-class service to veterans and their families through the effective management of people, technology, process improvement, and financial resources.

Once implemented, CoreFLS will be a fully-integrated system that will provide timely, easily accessible financial and logistical information. CoreFLS will provide better management data, automate data reconciliation, automate consolidated financial statements, and enable VA to comply with the Federal Financial Management Improvement Act and other statutory and regulatory requirements. It will also establish a foundation of business processes for the VA enterprise architecture, reduce the number of stovepipe legacy systems, and align with VA and Federal e-government initiatives.

CoreFLS will be used by approximately 1,000 VA sites, including medical centers, outpatient clinics, nursing homes, domiciliaries, counseling centers, regional offices, and national cemeteries. Eventually, it will replace VA's existing Financial Management System, VHA's Integrated Funds Distribution Control Point Activity Accounting and Procurement system, and Automated Engineering Management System/Medical Equipment Reporting System. In addition, CoreFLS will also interface with 74 specialized VA systems. CoreFLS will have an estimated 100,000 users and 15,000 concurrent users. The software will provide the following major functions: accounting, payments processing, receivables processing, debt management, asset management, billing, costing, financial analysis, budget, purchasing, contract management, and inventory management. Critical core activities will be the highest priority initially to expedite and maximize return on investment with no interruption to service.

**POTENTIAL PROJECTS FOR FY 2006 - 2009**

| <b>Admin. Office</b> | <b>Location</b>      | <b>Project Title</b>                | <b>Brief Description</b>  |
|----------------------|----------------------|-------------------------------------|---|
| OI&T                 | VACO-IT Headquarters | One VA IT Project Management Office | This project will focus on a One VA approach to standardize the management and reporting of information technology projects across the Department.  |
| OI&T                 | VACO-IT Headquarters | e-Records Management                | To develop a practical One VA unified Electronic Records Management System and to standardize electronic records management including telephone voice mail, document images and records across all media.   |
| OI&T                 | VACO-IT Headquarters | Enterprise Telephony Agenda         | This project will establish a new technical baseline for next generation voice telephony services and infrastructure refreshment initiatives.   |
| OI&T                 | VACO                 | HealtheVet-VistA                    | This information technology project is focused on the replacement of the existing VistA-Legacy health care processing system by re-hosting, enhancing and/or reengineering current health information applications to process a new technology platform |





## 7. MANAGEMENT TOOLS



## CAPITAL ASSET MANAGEMENT SYSTEM

Beginning in May 2002, using a commercially available software application, VA implemented a Proof-of-Concept (PoC) to understand the requirements to capture, track and evaluate all capital asset initiatives within the Department. Having a prototype portfolio management system, VA refined and migrated the PoC into the Capital Asset Management System (CAMS) for information technology (IT) and lease asset classes.

In May 2003, CAMS underwent a Milestone 2 review by the Chief Information Officer (CIO), and, with approval, began to bring this application into full production and deployment for all of VA's asset classes. It is anticipated that full production and deployment of CAMS will be completed by summer 2004.

The CAMS initiative supports the President's Management Agenda and the recent Federal Real Property Asset Management Executive Order. CAMS improves financial performance and expands electronic government. Additionally, CAMS significantly improves budget and performance integration within the Department and improves the overall management of VA's federal real property assets.

CAMS extracts the following key capital asset-related data from several Departmental and VA Administration data sources.

- General – Inventory
- Condition
- Financial Data
- Workload (projections, planned, actuals)
- Demographics
- Utilization
- Energy Usage
- Contract Management

CAMS also allows for Web-based input of concept papers, planning, and acquisition business case applications. The data is organized, analyzed, and presented to track and monitor VA's assets against performance goals within and across asset types and Administrations.

CAMS provides several outcomes that result in improved service delivery to veterans and increased financial accountability to the general public. The impact of this innovative technology:

- Integrates asset management and governance at multiple levels
- Improves financial and analytical capability
- Improves performance management
- Provides for increased and better-informed decisions
- Improves service delivery

The Office of Asset Enterprise Management (OAEM) has worked in close collaboration with other VA staff to ensure the validity and integrity of the data inputs into CAMS. OAEM has issued periodic data calls supported by Q&A teleconferences and written guidance posted to the Web site. The system is now deployed for most asset classes. Monitoring and reporting of the Department's asset performance will begin in summer 2004.

OAEM is finalizing a training plan for the Department-wide use of CAMS. The plan details multiple tracks targeting CAMS users from the corporate-level to field stations. Training will facilitate an understanding of CAMS and its functional value to VA. Training will also promote skill development for entering, viewing and analyzing asset information in CAMS. Finally, the training plan will establish communications for help desk, security and user feedback processes. The plan will provide both immediate and periodic training to ensure CAMS knowledge keeps pace with organizational and technological changes.

### **ENHANCED-USE LEASING PROGRAM**

The Department of Veterans Affairs utilizes a unique capital asset management tool called enhanced-use leasing. The authority to use this mechanism was enacted in 1991, under Section 8161 of Title 38, United States Code. The program was recently modified and re-authorized until 2011. The initial results of this program include significant cost savings, substantial private investment, new long-term sources of revenues as well as jobs or tax revenues for the local, state and federal sectors.

Under the enhanced-use leasing authority, VA may lease land or buildings to the private sector for up to 75 years. The leased property may be developed for non-VA uses, and/or VA uses that will enhance the property. Further, use of the property must be consistent with the mission of VA and either include an activity contributing to VA's mission or follow a business plan that provides for using consideration from the lease to improve health care services to eligible veterans in the community served. In return for the lease, the Department obtains fair consideration in the form of revenue, facilities, space, services, or other considerations. VA is not required to follow federal acquisition rules when selecting the enhanced-use lessee, but VA must use procedures that ensure selection process integrity. Furthermore, to maximize the program's flexibility, Congress chose to exempt the enhanced-use leasing authority from an array of restrictive federal statutes; however, VA must abide by all federal environmental laws, e.g., the National Environmental Policy Act (NEPA) and the National Historic Preservation Act.

VA's enhanced-use leasing program is unlike traditional government leasing, which offers little more than a revenue return in proportion to the depletion of the leased asset. VA's enhanced-use leasing program encourages innovative public/private partnerships. In return for the lease, VA must obtain fair consideration (monetary and/or in-kind). The funds received as consideration do not have to be returned to the Treasury, but may be kept by VA. By allowing revenues to come back to the agency, the authority provides the incentive necessary to encourage government property managers to be creative and aggressively pursue opportunities to partner with the private sector. At the same time, the long-term lease provides the private developer (lessee) with the property interest necessary to secure financing through the capital markets and amortize any capital investment made in the property or facility.

A key component of the enhanced-use (EU) leasing program is close coordination with and involvement of the local government and community as full partners in the development process. For example, VA must hold a public hearing at the location of any proposed enhanced-use lease to obtain veteran and local community input. VA also must provide a notice to its Congressional oversight committees prior to entering into an enhanced-use lease. Close integration with community leaders and interested stakeholders enables VA to address concerns early in the planning and development process. The success of EU lease projects is largely dependent on sound development economics. Enhanced-use leasing works best when government requirements can be defined in private sector or business terms. This allows the private sector to construct and operate in its customary manner. VA then benefits from the efficiencies of organizations and delivery processes that reflect best-practices over time by the developer/lessee.

VA has completed a variety of projects since the enactment of the enhanced-use leasing statute, including office buildings, parking facilities, low-cost senior housing, co-generation energy facilities, single room occupancy housing (homeless shelters), and child care and mental health centers.

A recent example of a successful enhanced-use project is a privately financed and operated energy plant in Mountain Home, Tennessee. This arrangement produced immediate and substantial program and financial benefits to the Department, veterans, and to the local community. The energy center was developed and financed with minimal, short-term federal commitments in lieu of the traditional long-term leaseback or energy purchase arrangements. This cogeneration project serves the energy needs of the VA medical center as well as the neighboring state university.

In this arrangement, VA obtained more than \$16 million in discounted recurring cost savings and more than \$26 million in lifecycle (20 years) cost savings from the higher energy efficiencies stemming from the new plant. Furthermore, the local VA medical center receives a share of the revenues from energy sales to non-VA customers. Projected revenues from this plant are expected to be in excess of \$5 million. Veterans benefit from the arrangement in that the local VA medical center plans to fund improvements to its primary care and community-based outpatient clinics. Although the underlying land is still federal property, the energy facility is subject to State and local taxes and results in an increased tax base for the local community.

VA is currently exploring ways to expand the use of this capital asset management tool in the Department and streamline the process. The enhanced-use leasing process was recently evaluated by the Capital Asset Realignment for Enhanced Services (CARES) Commission. The commission recommended that in order to maximize the efficiency of this capital asset management tool, VA must initiate improvements to streamline the process.

## CURRENT ENHANCED-USE LEASING PROJECTS

The following is a listing of the enhanced-use lease projects that have been identified as Departmental priorities. These projects represent concepts that will be further developed to leverage VA assets to engage private business to meet VA requirements and needs. As further analysis is conducted, projects may be added, modified or deleted from this list. There are additional projects, particularly in light of the recent CARES decisions, that VA continuously assesses for potential priority consideration. All of the projects listed here will require notification to Congressional oversight committees prior to entering into an enhanced-use lease.

| Project Site           | Project Type  | Project Description   | Status                     |
|------------------------|---|---|----------------------------|
| Albany, NY             | Parking   | Lease to not-for-profit corporation for construction and maintenance of a parking structure. VA will receive parking spaces for use by the VAMC on a no-cost basis.                       | Working with Developer     |
| Albuquerque, NM        | Assisted Living   | Lease for assisted living for spinal cord injury patients; Affordable temporary lodging accommodations for out-of-town/state patients; Alzheimer's patients care center.                  | Developing Business Case   |
| Batavia, NY            | Assisted Living   | Lease to Genesee Valley Rural Preservation Council, Inc., to operate congregate housing for low income seniors and/or disabled residents.   | Finalizing Lease           |
| Bedford, MA            | SRO   | Lease to provide permanent housing for homeless veterans.   | Finalizing Lease           |
| Brevard, FL            | Assisted Living   | Lease of donated land to establish an assisted living housing complex.  | Developing Business Case   |
| Chicago, IL (Lakeside) | Realignment   | Lease to realize revenue generation by better utilizing the asset.  | Solicitation and Selection |
| Columbia, SC           | Mixed Use/VARO/ Realignment                               | Lease for a mixed use residential development (multi-family, and/or institutional office related uses; possible VBA Regional Office to be relocated from leased space to the VAMC campus. | Developing Business Case   |
| Dayton, OH             | Child Care Development Center                             | Lease to Catholic Social Services (CSS) to construct a child care development center.   | Finalizing Lease           |
| Dayton, OH             | Housing Initiative  | Lease to Miami Valley Housing Opportunities to establish housing for homeless adults diagnosed with substance abuse and mental illness.   | Finalizing Lease           |
| Ft. Howard, MD         | Mission Realignment/ Continuing Care Retirement Community | Lease for development of a continuum of care (independent, assisted living, and nursing home) retirement community, as well as provision of a replacement CBOC on the vacated VA campus.  | Finalizing Lease           |
| Leavenworth, KS        | Residential Health Care                                   | Lease of a number of currently vacant historic buildings for community-related uses, including senior housing, assisted living, and transitional housing.                                 | Finalizing Lease           |

| Project Site               | Project Type                               | Project Description  | Status                   |
|----------------------------|--|--|--------------------------|
| Milwaukee, WI              | Mixed Use                                  | Proposed E-U lease for assisted living, retail, and entertainment development.   | Developing Business Case |
| Minneapolis, MN            | Credit Union                               | Lease to the Ft. Snelling Federal Credit Union for construction of a new facility.   | Finalizing Lease         |
| Minneapolis, MN            | Homeless Veterans Housing                  | Lease to provide affordable housing for homeless veterans.   | Finalizing Lease         |
| Newington, CT              | Assisted Living                            | Lease to develop assisted living facility.   | Developing Business Case |
| Palo Alto, CA (Menlo Park) | Assisted Living                            | Lease to provide assisted living facility.   | Developing Business Case |
| Sacramento, CA             | Assisted Living                            | Lease to provide assisted living facility.   | Developing Business Case |
| Saint Cloud, MN            | Homeless Housing Initiative                | Lease to St. Cloud Housing and Redevelopment Authority to establish housing for homeless adults diagnosed with substance abuse and mental illness.                   | Finalizing Lease         |
| Saint Cloud, MN            | Emergency Shelter (Social Services Center) | Lease to Salvation Army to provide an emergency shelter for veterans.  | Finalizing Lease.        |
| San Francisco, CA          | Research                                   | Lease to Northern California Institute for Research and Education to develop a new research facility on the VAMC campus.   | Developing Business Case |
| Sepulveda, CA              | Homeless Veterans Housing                  | Lease to New Directions, Inc. (NDI) a non-profit organization, of two currently unoccupied buildings for transitional housing and ancillary services.                | Developing Business Case |
| Syracuse, NY               | Research                                   | Lease to the State University of New York's Upstate Medical University and College of Environmental Science and Forestry to develop a Biotechnology Research Center. | Developing Business Case |
| National                   | Co-generation                              | Potential for reducing costs and generating revenue via national co-generation plan  | Developing Business Case |
| National VHA               | CMOPs                                      | Potential for reducing cost for VA pharmaceuticals via consolidated financing structure  | Developing Business Case |

The following is a list of enhanced-use lease projects that have been awarded since the inception of the program.

### Awarded Enhanced-Use Leases

|    | Location           |    | Project Type                             | Lease Awarded |
|----|--------------------|----|--|---------------|
| 1  | Washington         | DC | Child Development Center                 | 4/20/1993     |
| 2  | Houston            | TX | Collocation                              | 8/23/1993     |
| 3  | West Palm Beach    | FL | Public Safety Center                     | 11/14/1994    |
| 4  | West Haven         | CT | Child Development Center                 | 12/1/1994     |
| 5  | Big Spring         | TX | Parking                                  | 3/8/1996      |
| 6  | Indianapolis       | IN | Consolidation                            | 9/23/1996     |
| 7  | Bay Pines          | FL | Child Development Center                 | 5/22/1997     |
| 8  | St. Cloud          | MN | Golf Course                              | 7/28/1997     |
| 9  | Atlanta            | GA | RO collocation                           | 12/18/1997    |
| 10 | Portland           | OR | Single Room Occupancy                    | 7/14/1998     |
| 11 | North Little Rock  | AR | Golf Course                              | 10/1/1998     |
| 12 | Mt. Home           | TN | Medical School                           | 12/17/1998    |
| 13 | Sioux Falls        | SD | Parking                                  | 4/1/1999      |
| 14 | Danville           | IL | Senior Housing                           | 4/27/1999     |
| 15 | Mt. Home           | TN | Energy                                   | 12/2/1999     |
| 16 | Indianapolis       | IN | Nursing Home                             | 12/6/1999     |
| 17 | Dallas             | TX | Child Development Center                 | 12/20/1999    |
| 18 | Roseburg           | OR | Single Room Occupancy                    | 8/1/2000      |
| 19 | Salt Lake City     | UT | RO collocation                           | 5/9/2001      |
| 20 | Durham             | NC | Mixed Use / Research                     | 1/3/2002      |
| 21 | North Chicago      | IL | CMS                                      | 4/10/2002     |
| 22 | Chicago (Westside) | IL | Parking / RO Collocation                 | 4/22/2002     |
| 23 | North Chicago      | IL | Energy Center                            | 5/21/2002     |
| 24 | Batavia            | NY | Single Room Occupancy                    | 5/24/2002     |
| 25 | Chicago (Westside) | IL | Energy                                   | 8/12/2002     |
| 26 | Tuscaloosa         | AL | Hospice                                  | 9/19/2002     |
| 27 | Barbers Point      | HI | Single Room Occupancy                    | 3/17/2003     |
| 28 | Milwaukee          | WI | RO collocation                           | 7/17/2003     |
| 29 | Hines              | IL | Catholic Charities/Single Room Occupancy | 8/22/2003     |
| 30 | Somerville         | NJ | Mixed Use                                | 9/5/2003      |
| 31 | Mound City         | IL | Interpretive/Visitor Center              | 11/6/2003     |
| 32 | Butler             | PA | Mental Health Facility                   | 12/18/2003    |
| 33 | Portland           | OR | Crisis Triage Center                     | 2/13/2004     |
| 34 | Charleston/MUSC    | SC | Affiliate Partnering                     | 5/18/2004     |



## 8. OTHER CAPITAL INITIATIVES



## COLLABORATION WITH THE DEPARTMENT OF DEFENSE

There have been many efforts by Congress and the Executive Branch to target increasing cooperation and sharing between VA and the Department of Defense (DoD) in order to improve the efficiency and cost-effectiveness of health care delivery for beneficiaries.

President George W. Bush established a task force to identify the forces that present challenges to cooperation. The President's Task Force to Improve Health Care for Our Nation's Veterans was established by Executive Order 13214 on May 28, 2001. To formalize this goal and institutionalize collaboration between Departments, the President made "Coordination of Veterans Affairs and Defense Programs and Systems" one of 14 management initiatives in the President's Management Agenda. The Task Force was charged with identifying opportunities for improved coordination between the two departments as well as barriers and challenges that impede VA/DoD coordination.

In pursuit of the President's Management Agenda and in concert with the Task Force's organizing principles, the VA/DoD Capital Asset Planning and Coordination (CAPC) Steering Committee was created under the VA/DoD Joint Executive Council. The CAPC Steering Committee was established to provide formalized structure to facilitate cooperation and collaboration in achieving an integrated approach to capital coordination that considers both short-term and long-term strategic capital issues and is mutually beneficial to both departments. The primary focus of this group is to provide the oversight necessary to ensure collaborative opportunities for joint capital asset planning are maximized.

The Capital Budget Workgroup was established under the CAPC, to review each department's overall capital asset planning process in order identify opportunities and challenges to capital collaborations for FY 2005 through 2009 as well as establishing overarching funding principles applicable to joint collaborations. This group is currently in the process of finalizing both short- and long-term recommendations for approval and implementation.

### Future Issues

Senior leadership must refine inter-Departmental funding principles and standardize responsibilities by formalizing the partnership between VA and DoD. Additional concerns that also should be addressed include specific laws, regulations, appropriations and authorization requirements regarding capital assets.

## VA/DoD COLLABORATIVE PROJECTS

The following are projects for FY 2004 and FY 2005 that involve major collaborative efforts with the Department of Defense.

| Location                                  | Budget Authority<br>(\$000) |
|---|-----------------------------|
| Denver, CO – New Federal Medical Facility | \$30,000                    |

This project requires \$30M in FY 2004 budget authority to compete phase I design, with an estimated total acquisition cost of \$328.46M. The project is centered around the collaboration and joint operation of medical service for both the Eastern Colorado Healthcare system and the service supported by Buckley Air Force Base (BAFB). VA and DoD have worked through the initial details of the workload associated with this project and the initial layout of responsibilities by each as well as those needing support through the University or TRICARE. The benefits of a DoD/VA collaboration facility are expected to include: economies of scale in reducing costs; a broad continuum of care in a single unified health care network; improved patient access to care with respect to the distance and services; health care records made available via the health care information system parallel to both VA and DoD; and increased collaboration on information-gathering with the goal to establish a common health care information system.

|  |          |
|--|----------|
| Pensacola, FL - Joint VA and Dept. of Navy OPC | \$55,500 |
|--|----------|

This project requires \$55.5M in FY 2005 budget authority. Negotiations have been ongoing with Navy officials for a joint clinic at the NAS Corry Station, Pensacola, Florida, since 1999. The Navy disapproved the initial site selected and discussions continued to select a new site. Currently there are multiple sharing agreements between VA and the Navy for medical services, and the joint clinic would further this partnership as well as provide new opportunities to serve a broader population.

|   |          |
|---|----------|
| Anchorage, AK – Outpatient Clinic & Regional Office | \$11,760 |
|---|----------|

This project requires \$11.76M in FY 2004 budget authority, with a total acquisition cost of \$77.6M. This project increases collaboration by sharing operating room, radiology, central sterile supply, warehouse, library, and conference room space between 3rd MDG at Elmendorf AFB and the VA medical center in Alaska. These integration efforts reduce construction square footage requirements in the new facility by over 16,000 square feet.

|  |          |
|--|----------|
| Las Vegas, NV – New Federal Medical Facility | \$60,000 |
|--|----------|

This project requires \$60M in FY 2004 budget authority, with a total acquisition cost of \$325M. The joint venture at the Mike O'Callaghan Federal Hospital (MOFH) has been identified as a leader and model for successful joint ventures. The growth of VA workload combined with the increased mission level of the Nellis Air Force Base will continue to place a high demand for services at the MOFH. The construction of a comprehensive VA medical center can enhance this relationship by providing greater

scope of services and capacity, reducing VA and DoD reliance on costly community and contracted services.

| Location   | Budget Authority<br>(\$000) |
|--|-----------------------------|
| Columbus, OH – Construction of Outpatient Clinic | \$94,800                    |

This project requires \$94.8M in FY 2004 budget authority. An agreement has been reached on base location for the proposed replacement clinic on 20 acres located on the west side of the base adjacent to James Road in Whitehall, Ohio. The land transfer is currently being reviewed for formal approval. VA/DSCC staff will work together to identify and coordinate potential areas for service agreements. VA will serve as an attractive health care option for 500 active duty military personnel located in central Ohio.

## ENERGY

### Background

Executive Orders (EO) 12902 (Energy Efficiency and Water Conservation at Federal Facilities) and 13123 (Greening the Government Through Efficient Energy Management) served as the impetus for urging the Nation's largest energy consumer, the federal government, to significantly improve its energy management in order to save taxpayer dollars and reduce emissions that contribute to air pollution and global climate change.

These executive orders have established energy conservation goals as well as guidelines for federal energy management and established mandates for purchasing as well as forcing the government to purchase only the most energy efficient products, whenever cost effective. At current, these established goals have proven successful -- with the government overall -- meeting an established goal of reducing energy consumption in all Federal buildings by 35 percent by FY 2010. This 35 percent reduction is based on energy consumption for the base year of FY 1985.

### VA Energy Summary

Energy conservation and program management have come to the forefront of the consciousness of federal agencies. VA has increased the volume and scope of services it provides and has implemented efficiencies to better serve the needs of America's veterans. Efficient energy management and increased energy conservation allow more of VA's limited resources to be directed toward providing high quality services to veterans.

The Department has revitalized its energy conservation program (ECP) to encompass all major VA entities -- the Veterans Health Administration (VHA), Veterans Benefits Administration (VBA), and National Cemetery Administration (NCA) (referred to herein as the Administrations) as well as staff offices -- to maximize energy conservation efforts. Previously, VA's energy reporting largely reflected VHA and some components

of NCA. Beginning in FY 2004, VA will report agency-wide energy achievements in concert with VA's commitment to agency-wide asset and portfolio management.

Under the current VA ECP, VA identified the Office of Asset Enterprise Management as the lead office in all VA energy initiatives. In 2002, VA retained a consultant to review the Department's energy program. This review, completed in April 2002, included several recommendations to improve VA's management of its energy portfolio. These recommendations were made to maximize the efficiency of VA's energy program and served as the foundation for the revitalized VA ECP, led by the Office of Asset Enterprise Management.

Subsequent to participating in several intra-agency workgroup meetings, in July 2003, VA established a centralized ECP, including a new policy, handbook and guidance. These documents provide direction on issues such as: energy investments; energy commodity acquisition; energy managers; consumption data recording; and other areas that directly affect VA's ability to meet the goals established by EO 13123. The VA ECP has five essential components including energy goals and requirements, energy commodity acquisition, energy investments, energy data reporting and a broader category of management tools. VA is authoring policies and guidance discussing each of these essential portions of the ECP. Some of these initiatives include:

- Commodity Acquisition Analysis – VA is leading an effort to analyze the methods in which facilities are purchasing energy commodities, including rate and tariff schedules.
- Energy Assessment Process – This involves conducting an independent consultant analysis of energy needs and deficiencies throughout a VISN. Assessments are currently in progress in VISNs 4, 12, 21 and 22.
- Cogeneration Feasibility Study – This involves analyzing the technical and market feasibility of installing a cogeneration plant to provide electricity and steam to a VA campus (utilizing VA's enhanced-use lease authority). This study is currently ongoing in VISN 4.

Currently VA projects that there is over \$1.0 billion of energy conservation and efficiency needs and deficiencies throughout VA's infrastructure. With the Department-wide ECP in place, VA's goal and charge will be to provide policy and procedures to correct those needs and deficiencies, whether it be through appropriations or alternative financing methods, to achieve the mandated federal energy goals as well as the energy goals within VA.



## 9. CONCLUSION



The 5-year capital plan is a dynamic plan that will be adjusted and updated annually to reflect decisions concerning the acquisition of new assets and the retiring of old and/or in-process acquisitions that are not meeting pre-established goals. This plan serves as the central document that describes the selection of the Department's key capital acquisitions using a formal executive review process, based upon criteria (which are closely linked to our strategic plan) developed by senior management and approved by the Secretary. The plan also addresses Congressional requirements such as authorization, appropriation and other legislated requirements. The plan contains brief descriptions and justifications of the Department's significant projects and explains how each investment assists VA in achieving our central mission, meeting our veterans' health care, benefits, and burial needs.

More comprehensive and complete analysis (including alternative analysis, cost effective analysis, and risk analysis) has also been developed for each over-threshold project. These are reviewed by the Department's executive review boards and submitted to OMB in the form of business case, Exhibit 300. Those investments that pass review are submitted as part of the Department's budget request and are included in this plan.

The plan illustrates how the Department has made significant improvements in managing its capital assets by fully embracing the life-cycle approach. VA no longer focuses primarily on the selection of a capital investment -- the Department now places emphasis on all stages, formulation through disposal. VA has also adopted innovative approaches such as developing a CAMS portfolio management system and establishing capital portfolio goals in order to track an asset's performance over its life. In addition, VA continues to utilize the capital management tools described (such as enhanced-use leasing) in the plan in order to maximize resources and enhance service to veterans.





## 10. APPENDICES



## APPENDIX A - GLOSSARY OF TERMS

**Alternatives** – Viable options to achieve the same programmatic goals wherever practical and more cost beneficial, including new program design or operational improvements through cross-cutting initiatives or cross-servicing prior to selecting an alternative.

**Analytical Hierarchy Process (AHP)** – A multi-attribute decision technique that is well established in operations research literature. AHP uses a hierarchical model comprised of a goal, criteria, sub-criteria, and alternative outcomes or conditions for each problem or decision. It is a general method for structuring intricate or ill-defined problems and is built around the three principles of: constructing hierarchies; establishing priorities; and logical consistency.

**Baseline Assessment** – Examines existing portfolio and current performance of an asset, and establishes an assessment of need using various evaluation activities.

**Building Decisions** – A decision regarding the design, financing, engineering, construction, management, or operation of a building.

**Business Case Application** – A document of the Capital Asset Management System (CAMS) that is used for the review and approval of a capital investment. Commonly called an application. A business case application encompasses all required elements of the OMB Exhibit 300 and is used for the review and approval of all capital asset categories under the jurisdiction of the Departmental capital investment planning process, whether or not appropriated funds are required.

**Call Memorandum** – A memorandum issued annually outlining the general parameters necessary to complete the investment application cycle for the review, evaluation, prioritization and selection of a proposal for inclusion in the VA Capital Plan.

**Capital Assets** – Land, structures, equipment, and intellectual property (e.g., software) that are used by the Federal Government and have an estimated useful life of two years or more.

**Capital Costs** – The costs of acquiring, substantially improving, expanding, changing the functional use of, or replacing a building or building systems.

**CARES - Capital Asset Realignment for Enhanced Services** – The CARES process integrates health care planning and capital asset realignment planning to maximize efficiency, better distribute resources and provide the best quality health care services to veterans. This analysis begins with a network level, system wide determination of the appropriate markets for planning. CARES projects are those capital investments directly related to CARES implementation that must be approved by the Secretary including major, minor and non-recurring maintenance projects.

**CARES Senior Resources Group (SRG)** – This group is made up of the most senior leaders of the Department (primarily VHA) and is chaired by the Deputy Secretary. The CARES SRG is responsible for providing strategic guidance, advocacy, and resource mobilization in support of the CARES program.

**Cost-Benefit Analysis** – A systematic quantitative method of assessing the desirability of government projects or policies when it is important to take a long view of future effects and a broad view of possible side-effects. (OMB Circular A-94)

**Cost-Effectiveness Analysis** – A systematic quantitative method for comparing the costs of alternative means of achieving the same stream of benefits or a given objective. (OMB Circular A-94)

**Critical Path Milestones (CPM)** – Critical path milestones represent significant points in the development of a project where the initiation of each milestone is dependent on the completion of a prior milestone (i.e., a linear process). As a result, monitoring each CPM through the use of a project plan and earned value analysis will improve overall project management within the Department.

**Customer Service Criteria** – Serving our Nation’s veterans is a fundamental part of the VA function. The Department exists to give meaning, purpose, and reality to America’s commitment to veterans. Customer service is a vital part of that function. The goal of VA is to be the very best in the market place, because it is what our veterans deserve. The extent to which VA is providing quality customer service can be measured by evaluating the following criteria: Increase in New or Existing Customers; Customer Satisfaction; and Customer Access. Together, these create a comprehensive value of the way our country’s veterans are serviced by our great Nation.

**Discounting** – A technique for converting cash flows that occur over time to equivalent amounts at a common time.

**Disposal Plan** – Issues to be addressed at the end of an asset’s life cycle including the removal of the asset from service, planning for the transition to a replacement if required, and final removal of the asset from the agency’s property inventory in a timely cost-effective manner. Disposal of complex assets or systems may involve a multi-year process requiring significant effort and funding.

**Earned Value** – A management technique that relates resource planning to schedules and to technical, cost, and schedule requirements. All work is planned, budgeted, and scheduled in time-phase “planned value” increments constituting a cost and measurement baseline. As work is performed, it is ‘earned’ on the same basis it was planned, in dollars or other quantifiable units such as labor hours.

**Economic Life** – The time span over which the firm expects to receive the benefits of an asset.

**Energy Savings Performance Contracts (ESPC)** – A program developed by the Department of Energy designed to reduce energy consumption in federally owned and operated facilities. It is assumed that by reducing energy consumption, the demand for constructing additional generation plants will not be necessary. A typical ESPC contract consists of VA hiring a private developer who invests their capital in high-technology energy improvements, which results in VA significantly reducing energy consumption. A significant portion of the savings is passed on to the developer in the form of annual payments, which amortizes their investment up to a period not to exceed 25 years.

**Enhanced-Use** – Leasing out underutilized VA property on a long-term basis to non-VA users for uses compatible with VA programs. The Department can obtain facilities, services, and/or money for VA requirements that would otherwise be unavailable or unaffordable.

**Enhanced Sharing Agreement** – Allows individual facilities to contract out for services with any health-care provider, or other entity or individual. These contracts can be made for acquisition of infrastructure, equipment, IT, and personnel services. There are no maximum dollar limitations for the investments.

**Equipment Capital Purchases** – Any equipment or interconnected system or subsystem of equipment used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information.

**Other equipment purchases/leases** – Non-capital purchases or leases for equipment as defined above. (Object class 23.3 & 31.0)

**Exit Strategy** – An exit strategy is a divestment plan. It is a planned methodical disposal implementation plan set in motion at the end of the useful life of a capital asset. This data is consolidated into a disposal plan that culminates at the end of an asset's life cycle that may include the removal of the asset from service, planning for the transition to an alternative use or the removal of the asset from the inventory by transfer of deed of the property, sale, or demolition in a timely manner. Disposal of complex assets or systems may involve a multi-year process requiring significant effort and funding.

**Fair Market Value** – The estimated amount that can be realized, determined by the price at which a bona fide sales have been consummated for project of like kind, quality, and quantity in a particular market at any moment in time.

**Future Value** – The value of a benefit or a cost at some point in the future, considering the time value of money.

**Gap Analysis** – To identify the “as is” and “to be.” Then defining the steps to move from “as is” to “to be”.

**Inflation** – The proportionate rate of change in the general price level, as opposed to the proportionate increase in a specific price. Inflation is usually measured by a broad-based price index, such as the implicit deflator for Gross Domestic Product or the Consumer Price Index. (OMB Circular A-94)

**Information Technology** – Any equipment or interconnected system or subsystems of equipment that are used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the executive agency. (see OMB Capital Planning Guide, pg. 79, for additional clarification.)

**Infrastructure Projects** – Building systems, additions, new construction, renovation, parking garages, acquisitions and disposal of properties.

**Investment Proposal Team (IPT)** – Business lines should apply an integrated project and process development approach to manage capital assets, using the IPT for continuity and accountability. The team should be cross functional to accomplish tasks and reflect the user community and the project's stakeholders. The IPT should have a core of project management, technical proficiencies appropriate to the investment proposal, value management, budget, finance, and procurement knowledge.

**Life Cycle Cost** – The overall estimated cost for a particular program alternative over the time period corresponding to the life of the program, including direct and indirect initial costs plus any periodic or continuing costs of operation and maintenance. (OMB Circular A-94)

**Maintenance and Repair Costs** – The total of labor, material, and other related costs incurred in conducting corrective and preventative maintenance and repair on a building, or on its systems and components, or both.

**Maintenance Plan** – Activities/plans to ensure asset is maintained and meets VA maintenance requirements.

**Medical Equipment** – Any diagnostic or treatment modality used in the delivery of health care.

**Mission** – Clear and concise statement, summarizing what the agency or office does and presenting the main purpose for its major functions and operations.

**Mitigation Plan** – A plan created by the VA Capital Investment Panel for identifying and correcting deficiencies or improving in the capital investment application prior to OMB submission.

**Needs Assessment** – A research and planning activity designed to determine the extent and needs of a population or community, to evaluate existing (baseline) programs and the utilization patterns, and plan programs to meet those needs. Five predominant approaches include: the key informant (health care provider) approach, the community forum (stakeholder) approach, rates-under-treatment approach, social indicators approach, and the field survey approach.

**Net Present Value** – The difference between the discounted present value of benefits and the discounted present value of costs. (OMB Circular A-94).

**Non-CARES** – Capital investments, and information technology projects that are not approved through the CARES process.

**Non-Medical Equipment** – Non-recurring items used by NCA and VBA such the heavy equipment used for burials.

**Objectives** – A more specific statement presenting something that is to be accomplished. It is more specific than a strategic goal, but general enough to allow flexibility in how it will be accomplished. An objective must relate directly to and support accomplishment of the strategic goal.

**One VA** – One VA refers to the initiative's ability to address a crosscutting initiative proposed by one administration that supports at least one other administration in a combined effort to deliver seamless integration of benefits or services to the customer. One VA customer service is further defined as the ability to provide One VA world class service to veterans and their families through the effective management of people, technology, processes and financial resources.

**Operating Cost** – The expenses incurred during the normal operation of a building or a building system, IT systems or component, including labor, materials, utilities, and other related costs.

**Opportunity Cost** – The maximum worth of a good or input among possible alternative uses. (OMB Circular A-94)

**Outcomes** – An assessment of the results of a program activity compared to its intended purpose.

**Outlay** – Actual dollars already spent.

**Output** – Information, product or procedure that is received, analyzed, and improved upon before submission or completion.

**Panel** – Refers to the Veterans Affairs Capital Investment Panel (VACIP) or CARES SRG Panel.

**Payback** – The amount of time it takes to recover the initial investment on a project. Payback is calculated by comparing the cumulative costs and benefits in present value terms, to identify how long it takes to payback the initial investment outlay. The calculation of Payback is based on standard cash flows (initial cash investments followed by positive cash returns). For non-standard cash flows, the Payback calculation is based on the first "payback", and it should therefore be noted in these cases that subsequent outflows and inflows may exist.

**Performance Gap** – The unmet need between the baseline activity and the capacity of the existing asset against the projected demand. (See also Gap Analysis).

**Performance Goals** – Descriptions of the milestones for each strategic goal in the strategic plan year. Performance goals also appear in the annual performance plan for the specific year covered by the performance plan as defined levels (targets) that are quantifiable and measurable.

**Performance Measures/Standards** – An indicator having a numerical target level or other measurable value, this facilitates the future assessment of efficiency, effectiveness, and results. Quantitative outputs/outcomes/results, e.g. timeliness, error and defect rates, complaints, customer satisfaction levels and responsiveness rates (cost per unit of result, service, or output), and receipt, collection and credit obligation rates.

**Personnel (Compensation and Benefits)** – Includes the salary (compensation) and benefits for government personnel (both civilian and military) who perform information technology function 51% or more of their time. Functions include but are not limited to policy, management, systems development, operations, telecommunications, computer security, contracting, and secretarial support. Personnel in user organizations who simply use information technology assets incidental to the performance of their primary functions are not to be included.

**Physical Life** – Anticipated number of productive years of an asset.

**Portfolio Monitoring** – A tool for weighing the risk and return of potential project portfolios against one another.

**Program Evaluation** – The evaluations of programs or services to determine their effectiveness and/or efficiency. Program evaluations are often the basis for which strategic goals are formed.

**Project Cost** – Identifies the funds needed as a cost target in the requested budget year.

**Project Plan** – The documented establishment of critical path milestones, including individual planned expenditures and schedules per milestone.

**Projected Workload** – The estimated future workload that establishes an approved forecast target, which the proposal will satisfy, as the unmet need.

**Recurring Costs** – Those costs that are incurred in a regular pattern each year throughout the study period.

**Renovation** – The modification of an existing building or facility to include new functions and systems, or accommodate the growth of existing programs and components improving functional adjacencies and technical requirements.

**Replacement Cost** – Building component replacement and related costs, included in the capital budget that is expected to be incurred during the study period.

**Resale Value** – The monetary sum expected from the disposal of an asset at the end of its economic life, its useful life, or at the end of the study period.

**Residual Value** – The salvage value of an item, after depreciation or at the end of its useful life. Residual value is calculated for the new investment and is entered in the last year of the appropriate cost-effectiveness analysis template. Residual value is deducted from the total cost of the investment and included in the calculation for net present value.

**Return on Taxpayer Investment Criterion** – The taxpayers of this country expect that their hard-earned dollars be spent only after extensive and thoughtful consideration. To honor this commitment, VA only evaluates proposals, which have undergone thorough analysis. This analysis includes Cost-Effectiveness Analysis, Alternatives Analysis, Cost Savings Analysis, and Non-quantifiable Benefits Analysis. Together, the use of these criteria demonstrates our respect for the veteran and the American people.

**Return on Investment (ROI)** – is the percentage return that is received from each dollar invested. A positive ROI indicates that present value savings are greater than present value costs, whereas a negative ROI indicates that present value costs exceed present value savings.

**Risk Criterion** – Risk is an inherent part of any capital investment. However, project risk can be mitigated. Identifying and controlling project risk can significantly impact a project's success.

**Risk/Return** – The foundation by which portfolio monitoring is based. When the two variables are weighed against one another, they project the most efficient combination of projects among the array of proposals.

**Salvage Value** – The value of an asset, assigned for tax computation purposes that are expected to remain at the end of the depreciation period.

**Seismic Criterion** – The seismic criterion refers to the initiative's ability to mitigate an immediate and verifiable seismic threat to VA staff, patient, and the public. This includes: information on what percentage of the project cost is dedicated to seismic criterion (at least 50% of the project's investment value should be dedicated to this feature before it is considered under this category); engineering study certification of the condition of the structure; certification of the seismic zone; and acknowledgement of inclusion in the VA Seismic Study completed in response to the Presidential Directive on seismic safety.

**Software** – Any software, including firmware, specifically designed to make use of and extend the capabilities of Federal information Processing (FIP) equipment.

**Capital Purchases** – Software purchases (including one-time obligations for long-term licenses) or leases costing \$35,000 or more for system programs; application programs; and commercial off the shelf (COTS) software. Software also includes independent subroutines, related groups of routines, sets or systems of programs; databases, and software documentation.

**Other Software Purchases/leases** – Software purchases or leases costing less than \$25,000.

**Software Costs** – The costs associated with developing program language or adapting commercial off-the-shelf programs for specific agency functions as well as the testing, roll-out, and installation into the existing or planned system architecture.

**Special Emphasis Criterion** – Special emphasis refers to the project's ability to support one or more of VA's Special Emphasis Programs which include: Spinal Cord Injury; Seriously Chronically Mentally Ill; Traumatic Brain Injury; Blind Rehabilitation; Post Traumatic Stress Disorder; Prosthetics (Amputation).

**Strategic Alignment** – The VA strategy defines the mission and goals of the Department. It is this strategy which weaves the path to the VA's future. Alignment with these objectives creates a Department working in unison toward accomplishing the goal. The VA Strategic Goals include: Quality of Life, Ensure Smooth Transition, Honor and Memorialize, Public Health and Socioeconomic Well Being, and One VA.

**Strategic Management Council (SMC)** – The SMC identifies and manages strategic and operational issues and provides a unified approach to problem solving. The SMC, chaired by the Deputy Secretary, makes recommendations for actions and decisions to the VA Executive Board, which is chaired by the Secretary.

**Supplies** – Any consumable item designed specifically for use with equipment, software, services, or support services.

**Total Life-Cycle Costs** – All direct and indirect costs, including planning and other costs or procurement; all periodic or continuing cost of operation and maintenance and cost of decommissioning the disposal. It can be used to determine whether or not a given project, which is expected to reduce future costs, is economically justified or to determine the efficient scale of investment when several levels of investment are under consideration.

**Useful Life** – The period of time over which an investment is considered to meet its original objective and/or function.

**VA Executive Board (VAEB)** – The VAEB is chaired by the Secretary and provides him with a forum discussion with his most senior leadership before he makes ultimate decisions for the Department.

**Workload** – Expected amount of work to be performed in a set amount of time (e.g., number of exams, studies, or users and will be determined by category of investment).

## APPENDIX B – FACILITY CONDITION ASSESSMENTS

### VHA Facility Condition Assessment Data

The actual Facility Condition Assessment (FCA) was used locally by the VISNs as a reference when determining how to meet future space demands based on workload. The FCA scores were not used directly in the national database, as the FCA is very detailed with information at the building level. CARES was a large macro project that was done at a facility level, not a building level; therefore, we incorporated the results of the FCA in two areas:

- Identifying the space that requires renovation
- The cost estimate of the renovation

Identifying space that requires renovation/upgrades: All of the space in VHA was “scored” on a scale of 1-5 based on the average of the score in the following 4 areas – code compliance, handicapped accessibility, patient privacy and layout of the space. If there were electrical or mechanical upgrades identified as being needed in the FCA, then the space would score low on the code compliance. The FCA score then made up  $\frac{1}{4}$  of the Space Condition score. The VISNs were encouraged to renovate existing space (space that was not changing functions) with a space condition score of 3 or below (on a scale of 1-5, with 5 being the highest).

### Identifying Costs

Renovation costs varied depending on the condition of the space – if the space scored a 1 or 2, then a complete demo and full renovation (including building systems) was required and factored into the costs. A score of 3 would include some renovation work and limited system replacements or upgrades. If the space had a score of 4, and the VISN chose to renovate it, then the cost was based on a light renovation. If the space was identified for converting functions, such as from administration to patient care, the renovation costs were adjusted for the condition of the space and the conversion from one function to another. If the space score was low, then the space would be renovated before utilized, and the costs would reflect this. (The renovation unit costs were provided by the Office of Facilities Management.) The only costs not included in these renovation costs are the additional costs for such things as seismic corrections, which could not be estimated on a national basis. However, the VISN is told to include these in the additional costs/savings/profits section, so those costs will be captured in the analysis.



## APPENDIX C – CAPITAL DECISION CRITERIA

**Departmental Alignment** This criterion is comprised of priorities from the President's Management Agenda and Secretary's goals for improved management and performance across the Department (e.g., DoD collaboration, strategic realignment and intra-agency projects).

**Service Delivery Enhancements**

This criterion addresses how the capital investment meets CARES market plan implementation. It focuses requirements on improving customer service, access to quality health care, and identifying opportunities for maximizing the volume of veterans served to effectively reduce gaps in projected workloads.

**Financial Priorities**

This criterion addresses the specific financial metrics, benefits and risks of the selected acquisition when compared to other explored alternatives (e.g., comparing the life cycle costs and net present value of leasing versus building).

**Capital Portfolio Goals**

This criterion addresses how the capital investment meets VA's capital portfolio goals such as increasing intra- and interagency and community-based sharing and decreasing underutilized assets and operating costs while enhancing revenue opportunities.

**Safeguard Assets**

This criterion addresses how well the capital investment results in a decrease in designated high-risk assets or increases the Department's compliance with safety, security, accessibility, and/or accreditation laws and regulations including seismic, life safety, and homeland security projects.

**Customer Service**

This criterion addresses the extent to which VA is providing quality customer service, which can be measured by evaluating the following criteria: Increase in New or Existing Customers, Customer Satisfaction, and Customer Access.

**Special Emphasis**

This criterion gives preference to those capital investments that substantially support special emphasis programs and services including: spinal cord injury and disorders; blindness; traumatic brain injury; serious mental illness; and post-traumatic stress disorder.



## APPENDIX D - REFERENCES

### VA Web Sites

- VA Capital Investment Process <http://vaww.va.gov/oaem> or [www.va.gov/budget/capital](http://www.va.gov/budget/capital)
- VA Information Resources Management <http://www.va.gov/oirm>
- VA Facilities Management <http://www.va.gov/facmgt/>

### VA Documents

- VA Capital Investment Methodology Guide <http://vaww.va.gov/oaem> or call Office of Asset Enterprise Management at (202) 273-9702
- Department of Veterans Affairs Strategic Plan FY 2001-2006 <http://www.va.gov/opanalysis/strategicplan00/> or call Strategic Planning Service at (202) 273-8766 or (202) 273-5068
- Departmental Performance Plan – Department of Veterans Affairs FY 2004 Congressional Budget Submission, Volume 5 <http://www.va.gov/budget/performance.htm>

### Information Technology Documents

- Information Technology Strategic Plan <http://www.va.gov/oirm/cio/ITStrategicPlan.pdf> or call Office of Policies, Plans and Programs at (202) 273-8127
- VA IT - Investment Management Guide [http://www.va.gov/oirm/ITplanning/IT\\_Capital\\_Investment\\_Guide.asp](http://www.va.gov/oirm/ITplanning/IT_Capital_Investment_Guide.asp)

### NCA

- National Cemetery Strategic Plan, Planning Division (402A2) <http://www.va.gov/opanalysis/strategicplan00/>

**VBA**

- Surveys and Research Staff of the Data Management Office for VBA Intranet -- <http://vbaw.vba.va.gov/bl/20/cfo/surv/srsindex.html> or Internet –<http://www.vba.va.gov/surveys>
- Employee and Customer Satisfaction Surveys, Contact name: Lynne Heltman
- Compensation & Pension projected workload, C&P Service budget staff
- Hardware and Software Cost data, Office of Information Management
- Payroll/Pension/Supply Cost data, Office of Resource Management
- VBA Strategic Plan <http://www.va.gov/opanalysis/strategicplan00/>

**VHA**

- CARES Portal VISN Support Service Center (VSSC) <http://vssc.med.va.gov/>
- Survey Support National Customer Feedback Center
- VHA Performance Plan <http://vaww.va.gov/vhaopp/default.htm>
- VISN Network Plans, Office of Policy, Planning and Performance (105)
- VHA Strategic Plan <http://www.va.gov/opanalysis/strategicplan00/>

**OMB Documents**

- OMB Circular A-11, Preparation and Submission of Budget Estimates (11/14/02) <http://www.whitehouse.gov/omb/circulars/a11/02toc.html>
- OMB Capital Programming Guide, Supplement to OMB Circular A-11 <http://www.whitehouse.gov/OMB/circulars/a11/cpgtoc.html>
- OMB Circular A-94, Guidelines and Discount Rates for Benefits-Cost Analysis of Federal Programs <http://www.whitehouse.gov/OMB/circulars/a094/a094.htm>
- OMB Circular A-130, Management of Federal Information Resources (7/21/02) [http://www.whitehouse.gov/omb/circulars/a130/a130appendix\\_iii.html](http://www.whitehouse.gov/omb/circulars/a130/a130appendix_iii.html)
- OMB Policy Letter 92-1, Inherently Governmental Functions (9/23/92) <http://www.arnet.gov/Library/OFPP/PolicyLetters/Letters/PL92-1.html>

**Other Federal Documents**

- Federal Acquisition and Streamlining Act (FASA) of 1994  
[www.va.gov/budget/capital/index.htm](http://www.va.gov/budget/capital/index.htm) Reference Library, Additional References
- GPRA Government Performance and Results Act of 1993  
[www.va.gov/budget/capital/index.htm](http://www.va.gov/budget/capital/index.htm) Reference Library, Additional References
- Clinger-Cohen National Defense Authorization Act of 1996  
[www.va.gov/budget/capital/index.htm](http://www.va.gov/budget/capital/index.htm) Reference Library, Additional References
- Computer Security Act of 1987 (PL 100-235)  
[http://csrc.nist.gov/secplcy/csa\\_87.txt](http://csrc.nist.gov/secplcy/csa_87.txt)
- NIST Special Publication 800-18
- Federal Acquisition Strategy (FAR)- Part 7- Acquisition Planning (Federal)
- Federal Acquisition Strategy (FAR)- Part 807- Acquisition Planning (VA)
- Homeland Security 2002 – <http://www.e-gove.com>
- President's Management Agenda –  
[http://www.whitehouse.gov/omb/budintegration/pma\\_index.html](http://www.whitehouse.gov/omb/budintegration/pma_index.html)



### APPENDIX E – CAPITAL INVESTMENT DECISION MODELS

Figure 1: FY 2005 Non-CARES Capital Investment Decision Criteria – Acquisition Model with Priority Weights

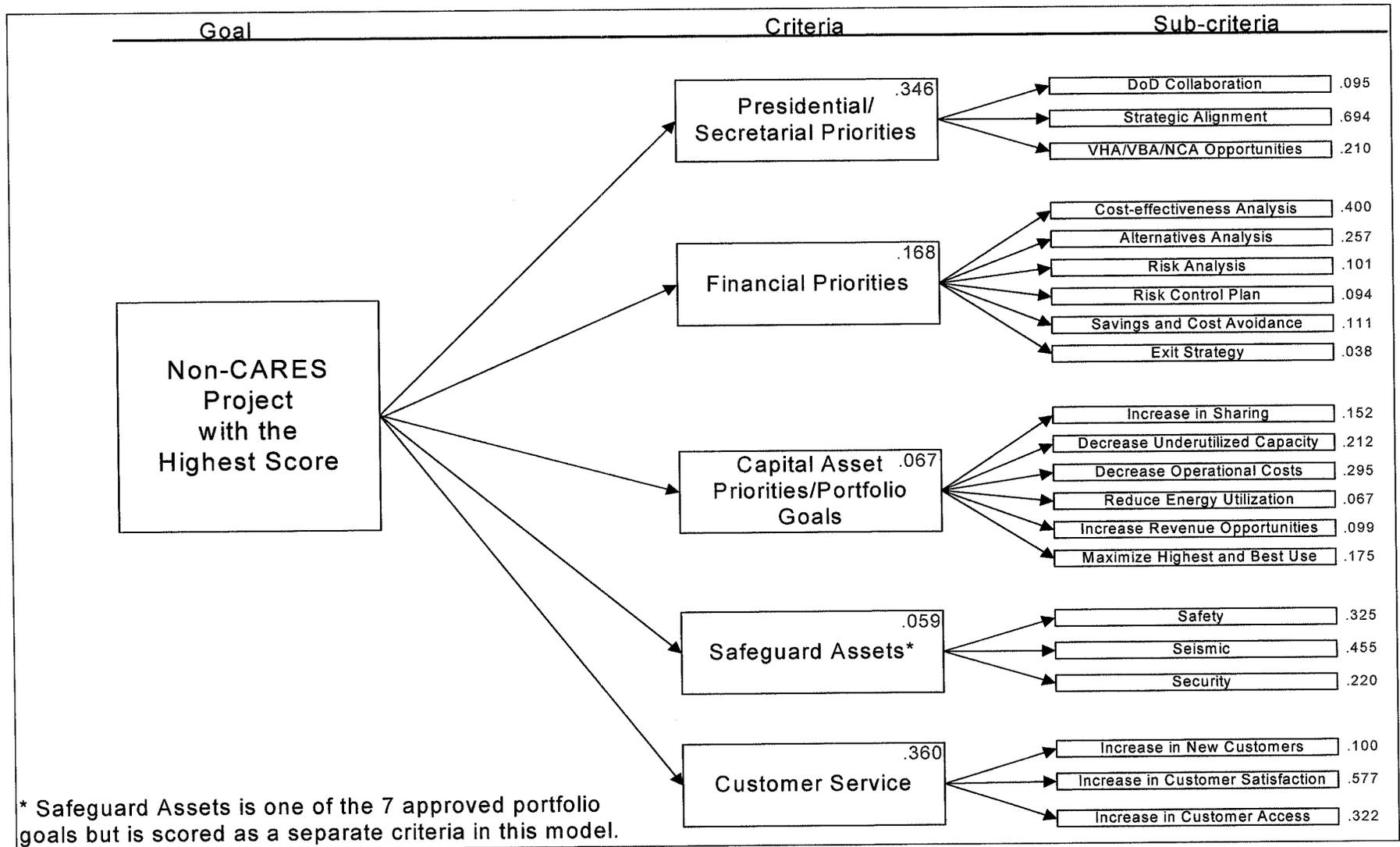


Figure 2: FY 2004 - 2006 CARES Capital Investment Decision Criteria – Acquisition Model with Priority Weights

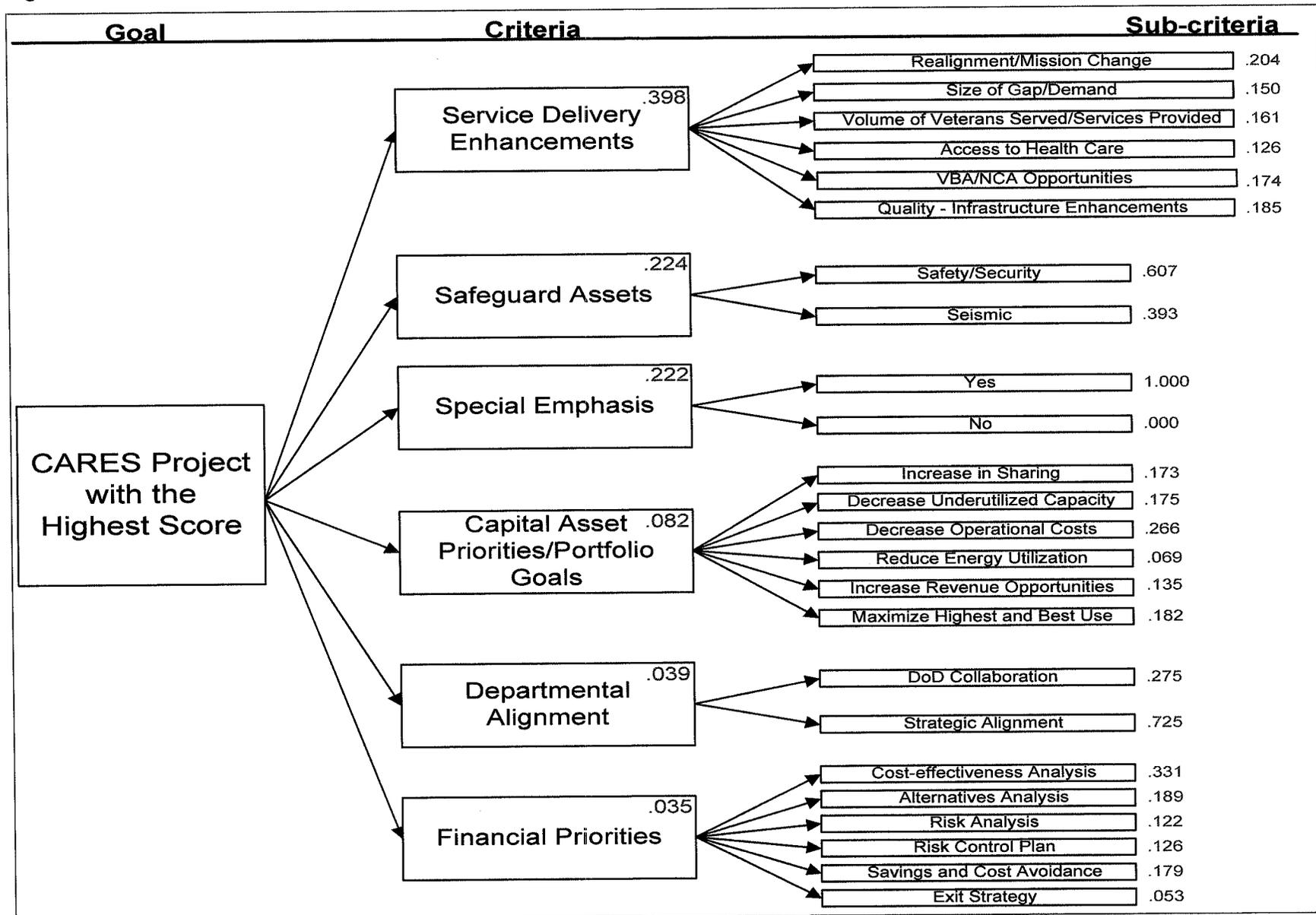
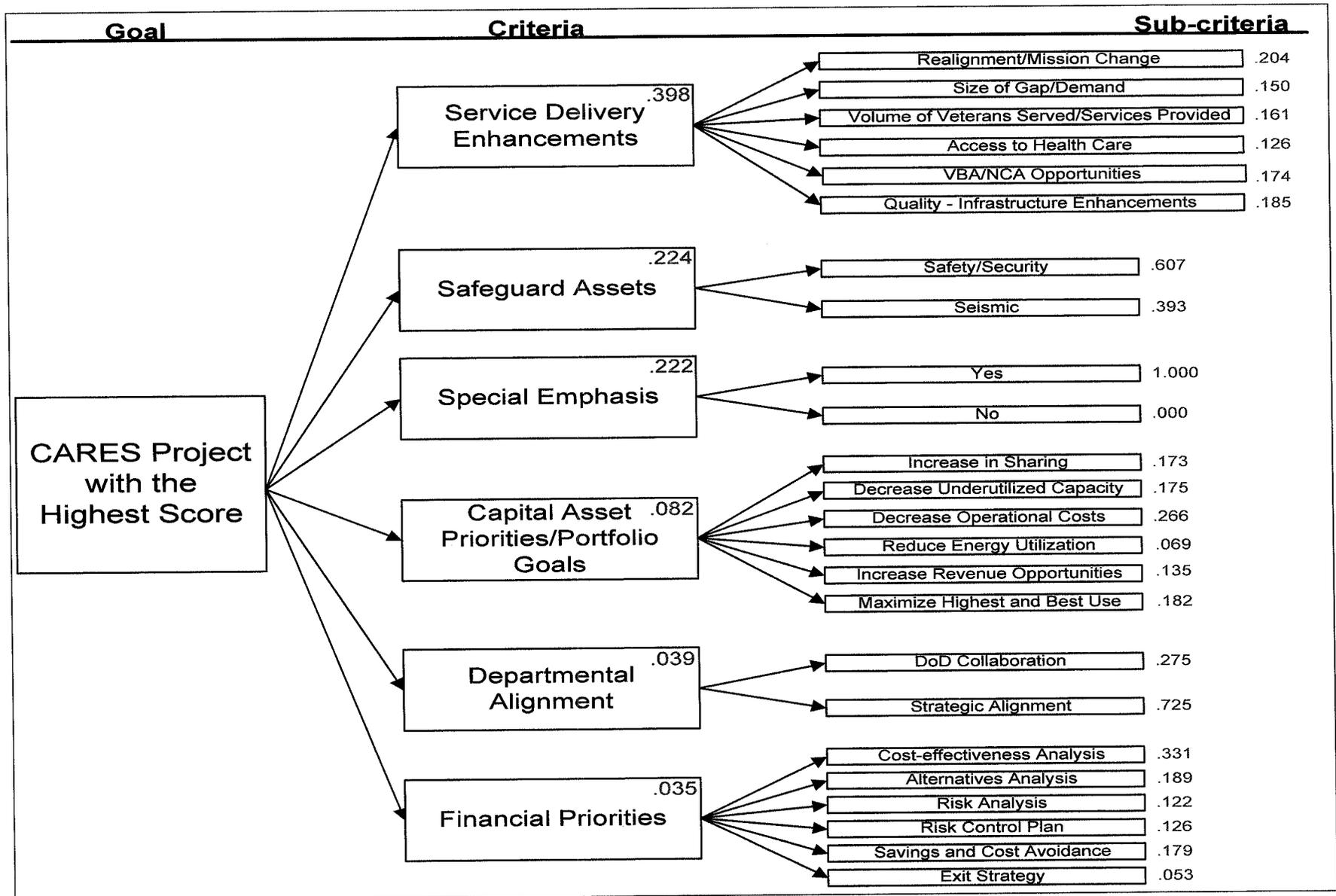


Figure 3: FY 2004 VHA Decision Criteria – Minor Projects Model with Priority Weights





## APPENDIX F – VHA MINOR CONSTRUCTION PROJECTS FY 2004 (SORTED BY VISN)

| VISN | Location       |    | Description                                   | Priority | Total Est. Cost   | Planned Obligations |
|------|----------------|----|---|----------|-------------------|---------------------|
| 1    | Boston         | MA | Medical Surgical Unit, B1-2N                  | 30       | 3,306,250         | 3,306,250           |
| 1    | Boston         | MA | Support Services modification Phase 2         | 36       | 1,470,000         | 147,000             |
| 1    | Boston         | MA | Prosthetics Consolidation                     | 39       | 1,412,250         | 1,337,250           |
| 1    | Togus          | ME | Ambulatory Surgery                            | 51       | 1,660,000         | 1,515,000           |
| 1    | Boston         | MA | Dental Clinic Consolidation                   | 64       | 1,562,500         | 1,562,500           |
| 1    | West Haven     | CT | Dialysis Relocation                           | 110      | 3,785,000         | 301,200             |
| 1    | West Haven     | CT | Cardiac Cath Lab                              | 121      | 1,152,450         | 118,200             |
| 1    | West Haven     | CT | SPD Enhancements                              | 165      | 3,541,000         | 3,219,100           |
| 1    | West Haven     | CT | SCI Rehabilitation R&D Facilities             | 170      | 3,491,250         | 3,491,250           |
|      |                |    | <b>Total</b>                                  |          | <b>21,380,700</b> | <b>14,997,750</b>   |
| 2    | Albany         | NY | Consolidate Inpatient & Outpatient Pharmacies | 120      | 3,490,000         | 260,000             |
| 2    | Syracuse       | NY | Construct Addition for Cath Lab/CT            | 146      | 2,619,625         | 298,200             |
| 2    | Albany         | NY | Renovate 1st Floor for VSC & Clinics          | 169      | 3,023,000         | 2,743,000           |
| 2    | Syracuse       | NY | Construct New Main Entrance                   | 173      | 1,087,250         | 1,031,875           |
|      |                |    | <b>Total</b>                                  |          | <b>10,219,875</b> | <b>4,333,075</b>    |
| 3    | Castle Pt      | NY | Expand OPC H-2                                | 32       | 3,375,000         | 250,000             |
| 3    | Northport      | NY | Expand Outpatient Space                       | 50       | 3,850,000         | 350,000             |
| 3    | Northport      | NY | Expand Primary Care/Renovate Radiology        | 58       | 3,300,000         | 3,000,000           |
| 3    | E Orange       | NY | Consolidate MICU & SICU Units                 | 135      | 3,937,000         | 325,000             |
| 3    | Bronx          | NY | Expand Eye Clinic                             | 151      | 3,525,000         | 3,225,000           |
|      |                |    | <b>Total</b>                                  |          | <b>17,987,000</b> | <b>7,150,000</b>    |
| 4    | Clarksburg     | WV | Outpatient Support - Specialty Care Services  | 35       | 3,629,248         | 3,350,680           |
| 4    | Philadelphia   | PA | Renovate 7th Floor                            | 55       | 3,980,000         | 420,000             |
| 4    | Erie           | PA | Outpatient Support - Anc/Diag/Specialty Care  | 59       | 3,309,011         | 275,819             |
| 4    | Pittsburgh     | PA | Sleep Lab/Cath Lab                            | 85       | 3,383,265         | 3,125,000           |
| 4    | Lebanon        | PA | Consolidate ICU and Urgent Care               | 95       | 3,494,000         | 3,494,000           |
| 4    | Aspinwall      | PA | V4 and VAPHS Data Center Consolidation        | 154      | 3,744,000         | 320,000             |
| 4    | Philadelphia   | PA | Renovate 3rd Floor Research                   | 161      | 3,220,000         | 2,900,000           |
| 4    | Philadelphia   | PA | Pedestrian Bridge                             | 171      | 2,270,000         | 2,100,000           |
|      |                |    | <b>Total</b>                                  |          | <b>27,029,524</b> | <b>15,985,499</b>   |
| 5    | Washington     | DC | Fort Belvoir VA OPC                           | 25       | 2,300,000         | 2,300,000           |
| 5    | Baltimore      | MD | Medical Specialty OPC Improvements            | 33       | 3,827,935         | 3,360,000           |
| 5    | Baltimore - LR | MD | Expand Outpatient Clinic                      | 42       | 3,750,000         | 323,000             |
|      |                |    | <b>Total</b>                                  |          | <b>9,877,935</b>  | <b>5,983,000</b>    |
| 6    | Asheville      | NC | Correct SPD Deficiencies                      | 28       | 1,283,000         | 1,116,000           |

| VISN | Location     |    | Description                                 | Priority | Total Est. Cost   | Planned Obligations |
|------|--------------|----|---|----------|-------------------|---------------------|
| 6    | Hampton      | VA | Construct Intensive Care Unit               | 46       | 2,840,000         | 282,000             |
| 6    | Asheville    | NC | Renovate Surgical Intensive Care Unit       | 61       | 2,308,755         | 2,053,000           |
| 6    | Asheville    | NC | Renovate Medical Intensive Care Unit        | 83       | 2,765,000         | 296,000             |
| 6    | Salisbury    | NC | Renovate Surgical Suite                     | 87       | 2,173,000         | 185,000             |
| 6    | Durham       | NC | Renovate Patient Wards                      | 93       | 3,840,000         | 3,555,000           |
| 6    | Durham       | NC | New Research Building                       | 168      | 3,900,000         | 300,000             |
|      |              |    | <b>Total</b>                                |          | <b>19,109,755</b> | <b>7,787,000</b>    |
| 7    | Augusta      | GA | SCIU Renovation, Ph II, Bldg 801            | 1        | 3,497,981         | 3,347,981           |
| 7    | Charleston   | SC | CBOC - Naval Weapons Station, Goose Creek   | 24       | 4,903,070         | 564,070             |
| 7    | Birmingham   | AL | Specialty Care Expansion                    | 38       | 3,590,222         | 265,942             |
| 7    | Charleston   | SC | Clinical Specialties Addition               | 44       | 3,900,000         | 3,530,000           |
| 7    | Charleston   | SC | Inpatient Patient Privacy, 3BN              | 56       | 2,391,000         | 2,150,000           |
| 7    | Charleston   | SC | Inpatient Patient Privacy, 4B North         | 57       | 2,986,000         | 308,000             |
| 7    | Columbia     | SC | Community Standard Upgd Inpt Med Beds 4W    | 68       | 3,601,664         | 323,000             |
| 7    | Atlanta      | GA | Renovate 9th Floor for Medical Ward         | 78       | 3,900,000         | 3,600,000           |
| 7    | Columbia     | SC | Renovate NHCUC, Building 103, Phase 1       | 89       | 3,692,832         | 403,000             |
| 7    | Tuscaloosa   | AL | New Dietetic Facility                       | 90       | 3,999,000         | 3,999,000           |
|      |              |    | <b>Total</b>                                |          | <b>36,461,769</b> | <b>18,490,993</b>   |
| 8    | San Juan     | PR | Chiller Plant Emergency Power               | 6        | 2,500,000         | 2,500,000           |
| 8    | San Juan     | PR | Outpatient Addition (OPA) Emerg Power Needs | 9        | 2,000,000         | 2,000,000           |
| 8    | Miami        | FL | Renovate Ors                                | 62       | 2,992,278         | 2,768,152           |
| 8    | Tampa        | FL | Upgrade & Expand Main Lab, Ph I             | 66       | 2,999,955         | 2,553,000           |
| 8    | Tampa        | FL | Upgrade Main Lab, Ph II                     | 67       | 2,999,908         | 446,955             |
| 8    | Bay Pines    | FL | Emerg Dept Exp with Obsv Unit               | 72       | 2,900,000         | 2,610,000           |
| 8    | Miami        | FL | Renovate 11CD (CARES PI)                    | 73       | 1,360,613         | 115,600             |
| 8    | W Palm Beach | FL | Renovate 9th Floor for Outpatient Clinic    | 77       | 2,472,000         | 2,247,000           |
| 8    | Tampa        | FL | Emerg Rm, Ph I                              | 79       | 3,927,795         | 335,032             |
| 8    | Bay Pines    | FL | Renovate Surgical, Medical and Cardiac ICUs | 80       | 2,950,000         | 295,000             |
| 8    | W Palm Beach | FL | ICU Bed Expansion                           | 101      | 1,499,962         | 1,322,101           |
| 8    | W Palm Beach | FL | ER Expansion                                | 108      | 2,000,000         | 200,000             |
| 8    | W Palm Beach | FL | Renovate 8th Floor for Specialty Care       | 109      | 2,500,000         | 225,000             |
| 8    | Lake City    | FL | Renov Wards 2N & 3N for Med/Surg Pat Priv   | 119      | 2,991,409         | 254,588             |
| 8    | Tampa        | FL | Renov OR Ph I                               | 125      | 2,995,000         | 2,549,000           |
| 8    | San Juan     | PR | Parking Replacement                         | 142      | 3,900,000         | 3,600,000           |
|      |              |    | <b>Total</b>                                |          | <b>42,988,920</b> | <b>24,021,428</b>   |
| 9    | Louisville   | KY | Upgrade and Expand Emergency Care Spaces    | 70       | 3,900,000         | 3,552,000           |

| VISN | Location       |    | Description   | Priority | Total Est. Cost   | Planned Obligations |
|------|----------------|----|---|----------|-------------------|---------------------|
| 9    | Memphis        | TN | Space & Privacy Correct for ER and Admission                                      | 99       | 1,932,000         | 1,731,000           |
| 9    | Nashville      | TN | Ward Upgrade, Ph III  | 106      | 4,000,000         | 3,630,000           |
| 9    | Louisville     | KY | Remodel Endoscopy and Hemodialysis  | 131      | 3,558,341         | 302,838             |
| 9    | Nashville      | TN | Laboratory Function & Infrastructure Improve                                      | 134      | 3,937,000         | 395,000             |
| 9    | Mtn Home       | TN | Consol Kitchen  | 148      | 3,979,333         | 360,000             |
|      |                |    | <b>Total</b>  |          | <b>21,306,674</b> | <b>9,970,838</b>    |
| 10   | Cleveland - WP | OH | Relocate Outpatient Mental Health   | 23       | 3,182,000         | 3,182,000           |
| 10   | Cleveland - WP | OH | Relocate Lab Services at Wade Park to New Third Floor on Ambulatory Care Addition | 26       | 3,893,000         | 3,893,000           |
| 10   | Cincinnati     | OH | Remodel/Expand SICU   | 76       | 3,357,000         | 3,056,000           |
| 10   | Cincinnati     | OH | Outpatient Specialty Care Clinics   | 141      | 3,989,000         | 426,000             |
|      |                |    | <b>Total</b>  |          | <b>14,421,000</b> | <b>10,557,000</b>   |
| 11   | Ann Arbor      | MI | Renovate 5 North, Patient Ward  | 92       | 2,370,000         | 2,140,000           |
| 11   | Indianapolis   | IN | Expand Specialty/Primary Care Clinics   | 118      | 5,500,000         | 500,000             |
| 11   | Ann Arbor      | MI | Install Secondary Electrical Feed   | 172      | 2,340,000         | 2,340,000           |
|      |                |    | <b>Total</b>  |          | <b>10,210,000</b> | <b>4,980,000</b>    |
| 12   | Hines          | IL | Renovate Acute Care B200 7th Floor  | 29       | 3,941,000         | 3,601,000           |
| 12   | Hines          | IL | Renovate Acute Care - Hematology/Oncology   | 34       | 3,980,000         | 340,000             |
| 12   | Hines          | IL | Relocate/Consolidate ICUs   | 40       | 3,947,500         | 3,647,500           |
| 12   | Chicago        | IL | Modernize Laboratory Areas 4th Floor Bldg 1                                       | 41       | 3,699,394         | 375,000             |
| 12   | Chicago        | IL | Modernize Radiology Department  | 43       | 3,216,895         | 369,285             |
| 12   | Milwaukee      | WI | Nursing Home Care Modifications   | 45       | 3,877,000         | 3,527,000           |
| 12   | Iron Mtn       | MI | Relocate/Renovate NHCU  | 47       | 4,285,830         | 272,454             |
| 12   | Hines          | IL | Renovate Emergency Department Bldg 200  | 54       | 5,800,000         | 560,000             |
| 12   | Chicago - WS   | IL | Research Laboratory   | 63       | 2,685,000         | 220,000             |
| 12   | Milwaukee      | WI | Acute Care Modifications  | 65       | 3,973,068         | 310,500             |
| 12   | Chicago        | IL | Modernize Emerg. Dept., Bldg 1  | 75       | 3,574,000         | 3,574,000           |
| 12   | N. Chicago     | IL | Modernize Acute Care Wards 2A & 4B  | 86       | 2,178,000         | 1,974,000           |
| 12   | Chicago        | IL | Modernize Food & Nutrition Areas, Bldg 1  | 143      | 1,892,000         | 1,826,000           |
|      |                |    | <b>Total</b>  |          | <b>47,049,687</b> | <b>20,596,739</b>   |
| 15   | Kansas City    | MO | Interventional Cardiology   | 107      | 2,585,000         | 2,585,000           |
| 15   | St. Louis JB   | MO | Relocate Prosthetics  | 117      | 1,954,000         | 238,000             |
| 15   | Marion         | IL | Interventional Cardiology   | 130      | 1,664,767         | 1,664,767           |
| 15   | St. Louis - JC | MO | EUL Raised Parking Decks  | 147      | 2,000,001         | 2,000,001           |
| 15   | St. Louis      | MO | Relocate Animal Research Facility   | 150      | 1,479,000         | 1,479,000           |
| 15   | Kansas City    | MO | Acquisition of Kaiser Bldg  | 157      | 3,000,000         | 3,000,000           |
| 15   | Kansas City    | MO | Replace Boilers   | 167      | 3,500,000         | 300,000             |
|      |                |    | <b>Total</b>  |          | <b>16,182,768</b> | <b>11,266,768</b>   |

| VISN | Location      |    | Description  | Priority | Total Est. Cost   | Planned Obligations |
|------|---------------|----|--|----------|-------------------|---------------------|
| 16   | Muskogee      | OK | Renovate 5-East for Bldg 53, Inpatient Pysch           | 31       | 1,528,000         | 130,000             |
| 16   | Biloxi        | MS | Expand ER/Outpatient Pharmacy                          | 71       | 3,910,000         | 340,000             |
| 16   | Houston       | TX | Renovate NU 4H for Oncology/GI                         | 123      | 2,073,000         | 2,073,000           |
| 16   | Little Rock   | AR | CVICU/Heart Program                                    | 129      | 1,980,000         | 154,000             |
| 16   | Alexandria    | LA | Construct Addition to B-45                             | 133      | 3,740,000         | 3,400,000           |
| 16   | Jackson       | MS | Provide 2nd Floor I-Bldg for Clinic Expansion          | 139      | 3,245,000         | 2,967,000           |
| 16   | Ok City       | OK | Renovate Inpatient Acute Psych Unit                    | 140      | 3,525,000         | 3,225,000           |
| 16   | Fayetteville  | AR | Addition for MRI                                       | 149      | 2,665,380         | 269,580             |
| 16   | N Orleans     | LA | Add Elevators  | 160      | 6,180,000         | 530,000             |
| 16   | Ok City       | OK | Surface Parking Lot, Ph 2                              | 164      | 1,320,000         | 1,200,000           |
|      |               |    | <b>Total</b>   |          | <b>30,166,380</b> | <b>14,288,580</b>   |
| 17   | Temple        | TX | Expand Amb Care to Reduce Waiting Time                 | 37       | 2,935,000         | 300,000             |
| 17   | San Antonio   | TX | Accommodate Specialty Clinics                          | 60       | 3,300,000         | 320,000             |
| 17   | Temple        | TX | Clinical Special Emphasis & Rehab Programs Integration | 74       | 1,605,000         | 131,000             |
| 17   | Dallas        | TX | Upgrade Day Procedure, Ph II                           | 100      | 1,320,000         | 1,200,000           |
| 17   | Dallas        | TX | Patient Privacy/UFAS Deficiencies, Ph 8                | 105      | 2,200,000         | 500,000             |
| 17   | San Antonio   | TX | Research Addition, Ph II                               | 116      | 4,000,000         | 370,000             |
| 17   | Dallas        | TX | Relocate Geropsychiatry                                | 132      | 3,900,000         | 350,000             |
| 17   | Dallas        | TX | Transitional Care Unit                                 | 138      | 3,300,000         | 300,000             |
| 17   | San Antonio   | TX | Relocate Clinical Lab                                  | 153      | 2,830,000         | 580,000             |
|      |               |    | <b>Total</b>   |          | <b>25,390,000</b> | <b>4,051,000</b>    |
| 18   | El Paso       | TX | Outpatient Ambulatory Care Space                       | 53       | 3,950,000         | 344,978             |
| 18   | Prescott      | AZ | Expand Medical Specialty Care Clinic Space             | 88       | 3,955,000         | 350,000             |
| 18   | Tucson        | AZ | Renovate Ward 2 South                                  | 97       | 2,700,000         | 2,430,000           |
| 18   | Phoenix       | AZ | Renovate Ward 4C                                       | 115      | 1,450,944         | 1,318,000           |
| 18   | Phoenix       | AZ | Renovate Existing OR Suite                             | 128      | 1,952,325         | 1,802,325           |
| 18   | Tucson        | AZ | Research Wet Labs                                      | 163      | 3,332,000         | 284,000             |
|      |               |    | <b>Total</b>   |          | <b>17,340,269</b> | <b>6,529,303</b>    |
| 19   | Ft. Harrison  | MT | Expand Specialty Care                                  | 96       | 3,922,000         | 341,000             |
| 19   | Cheyenne      | WY | Clinic Expansion                                       | 114      | 1,695,000         | 150,000             |
| 19   | Sheridan      | WY | Renovate/Expand Mental Health B6                       | 137      | 730,310           | 667,310             |
|      |               |    | <b>Total</b>   |          | <b>6,347,310</b>  | <b>1,158,310</b>    |
| 20   | White City    | OR | Replace Dom Bldgs 215 & 216                            | 2        | 3,900,000         | 350,000             |
| 20   | Portland      | OR | Replace Exterior Skin B100 & 101                       | 3        | 3,999,999         | 350,000             |
| 20   | American Lake | WA | Correct Seismic Def, B18                               | 5        | 2,733,000         | 200,000             |
| 20   | Anchorage     | AK | Dom Seismic Upgrade                                    | 7        | 3,921,250         | 450,000             |
| 20   | American Lake | WA | Renovate B85, Floor 3 & Roof                           | 13       | 3,800,000         | 3,575,000           |
| 20   | Seattle       | WA | Correct Seismic Deficiencies                           | 15       | 1,724,000         | 1,601,000           |
| 20   | Portland      | OR | Seismic Mitigation                                     | 16       | 4,000,000         | 330,000             |
| 20   | Portland      | OR | B-16 Seismic Corrections                               | 17       | 2,822,250         | 2,584,250           |

| VISN | Location      |    | Description                                    | Priority | Total Est. Cost   | Planned Obligations |
|------|---------------|----|--|----------|-------------------|---------------------|
| 20   | Portland      | OR | B-6 Seismic Corrections                        | 18       | 2,633,150         | 2,414,150           |
| 20   | Seattle       | WA | D&T Seismic Upgrade, B100 (S)                  | 20       | 3,764,000         | 328,000             |
| 20   | Portland      | OR | Bldg T51 Seismic Upgrade                       | 21       | 1,968,750         | 125,000             |
| 20   | Seattle       | WA | Amb Care Expansion, B100, D&T                  | 48       | 3,987,000         | 3,622,000           |
| 20   | Portland      | OR | Renov Bldg 100 4th Floor for Specialty Care    | 82       | 3,765,000         | 300,000             |
| 20   | Spokane       | WA | Expand ER/Primary Care                         | 104      | 3,162,500         | 2,887,500           |
| 20   | Seattle       | WA | Cath Lab/Endoscopy Suite, B100                 | 127      | 2,507,000         | 257,000             |
| 20   | Seattle       | WA | Research Add. Bldg 34/ARF, Ph II               | 156      | 3,990,000         | 420,000             |
| 20   | Portland      | OR | Clinical Support/Transplant Lodging            | 158      | 3,999,999         | 3,649,999           |
| 20   | Portland      | OR | Renovate Bldg 103 Research                     | 159      | 1,695,000         | 1,695,000           |
|      |               |    | <b>Total</b>                                   |          | <b>58,372,898</b> | <b>25,138,899</b>   |
| 21   | Sacramento    | CA | Seismic Corrections B-5                        | 11       | 862,507           | 63,889              |
| 21   | Menlo Park    | CA | Seismic Corrections, Bldg 329                  | 14       | 2,741,000         | 2,464,000           |
| 21   | San Francisco | CA | MRI Center, Bldg 13 - Research                 | 49       | 2,200,000         | 2,200,000           |
| 21   | Palo Alto     | CA | Building 100 ER/UCC, PEU, OBS Unit Exp         | 52       | 3,800,000         | 400,000             |
| 21   | Sacramento    | CA | Specialty Care Clinic Bldg                     | 69       | 3,998,131         | 353,371             |
| 21   | Fresno        | CA | Remodel 4th Floor for Specialty Clinics        | 81       | 3,725,000         | 325,000             |
| 21   | Palo Alto     | CA | Amb Care Expansion                             | 91       | 3,075,000         | 2,815,000           |
| 21   | Palo Alto     | CA | Research Renov B4 and B6                       | 94       | 3,600,000         | 300,000             |
| 21   | Reno          | NV | Expand/Relocate ER and Establish Observ Unit   | 111      | 3,090,000         | 318,000             |
| 21   | San Francisco | CA | Building 200 ER/E&A Expansion and Reno         | 122      | 3,765,000         | 449,000             |
| 21   | Reno          | NV | Rehab/Relocate Prosthetics/Validation          | 136      | 1,434,000         | 1,309,000           |
| 21   | San Francisco | CA | Provide a Second Cardiac Cath Lab              | 144      | 2,575,000         | 315,000             |
| 21   | Reno          | NV | Single Deck Parking Structure                  | 145      | 2,673,494         | 2,673,494           |
| 21   | Menlo Park    | CA | Renovate Dietetics Area, Bldg 329              | 152      | 3,328,000         | 3,001,000           |
| 21   | Sacramento    | CA | Nutritional Medicine Remodel                   | 155      | 3,050,000         | 2,725,000           |
|      |               |    | <b>Total</b>                                   |          | <b>43,917,132</b> | <b>19,711,754</b>   |
| 22   | Long Beach    | CA | Seismic Upgrade of Bldg 138                    | 4        | 3,005,000         | 240,000             |
| 22   | Los Angeles   | CA | Bldg 212 & 117 Seismic Retrofit                | 8        | 3,825,000         | 300,000             |
| 22   | Long Beach    | CA | Seismic Upgrade of Bldg 126OP                  | 10       | 3,863,000         | 362,500             |
| 22   | Los Angeles   | CA | Bldg 256 Seismic Retrofit                      | 12       | 3,533,439         | 314,655             |
| 22   | Sepulveda     | CA | Bldg 2, Demolition                             | 19       | 3,681,000         | 164,000             |
| 22   | Long Beach    | CA | Demolition of Bldgs 3, 5(P), 13, 47, & T162(P) | 22       | 3,974,975         | 198,700             |
| 22   | Los Angeles   | CA | Renovate CCU                                   | 102      | 3,498,260         | 320,160             |
| 22   | Los Angeles   | CA | Renovate HICU/SICU                             | 103      | 3,082,400         | 278,400             |
| 22   | San Diego     | CA | Hemodialysis Remodel                           | 113      | 3,142,750         | 2,848,750           |
| 22   | Loma Linda    | CA | Remodel Outpatient Services                    | 124      | 2,345,000         | 2,345,000           |
| 22   | San Diego     | CA | Prosthetics Space Remodel                      | 126      | 1,261,500         | 1,120,500           |
| 22   | Loma Linda    | CA | Modernize Veterinary Medical Unit              | 162      | 3,391,000         | 3,391,000           |
|      |               |    | <b>Total</b>                                   |          | <b>38,603,324</b> | <b>11,883,665</b>   |

| VISN | Location   |    | Description                               | Priority | Total Est. Cost      | Planned Obligations  |
|------|------------|----|---|----------|----------------------|----------------------|
| 23   | Des Moines | IA | Consolidation of Acute Bed Services to DM | 27       | 1,960,000            | 163,000              |
| 23   | St. Cloud  | MN | Expand Ambulatory Care, Bldg 1            | 84       | 3,995,500            | 3,675,000            |
| 23   | Omaha      | NE | ICU to 2nd Floor Outpatient Clinic        | 98       | 6,200,436            | 5,286,000            |
| 23   | Fargo      | ND | Medicine Nursing Unit Renovation          | 112      | 3,881,004            | 3,554,208            |
| 23   | Iowa City  | IA | Construct Research Bldg                   | 166      | 3,996,135            | 163,944              |
|      |            |    | <b>Total</b>                              |          | <b>20,033,075</b>    | <b>12,842,152</b>    |
|      |            |    | Miscellaneous                             |          |                      | 13,276,247           |
|      |            |    | <b>Grand Total</b>                        |          | <b>\$534,395,995</b> | <b>\$265,000,000</b> |