

Date: September 7, 2001

From: Director, Office of Asset Enterprise Management (004B)

Subj: Administrations' and Staff Offices' Capital Asset Management Focal Point / Activities

To: See Attached List

1. VA is making steady progress toward having a comprehensive capital asset management program. In order to maximize the functional and financial value of our capital assets, we must continue to strengthen the coordination and oversight of our asset-related processes and policies throughout the Department. As referenced in the June 6, 2001, concept of operations paper for the formation of the Office of Asset Enterprise Management (OAEM), this memorandum requests: (1) the identification of a focal point for capital asset management activities within your organization; and (2) information about your existing capital asset policies and processes.
2. A focal point, or centralized capital asset function, needs to be identified within your organization to interface with and complement the OAEM. This focal point will be responsible for working closely with the OAEM to ensure capital assets are managed in a strategic, fiscally sound manner throughout the Department. Currently, capital asset management responsibilities within VA are supported in varying degrees and often spread across multiple organizational entities. A focal point is needed to bridge the oversight responsibilities of the OAEM with the operational responsibilities for capital assets within the Administrations and Staff Offices. This focal point will perform a crucial function by:
  - Ensuring conformity to Departmental capital asset policies and procedures;
  - Instituting internal procedures for investments both above and below the threshold;
  - Coordinating submission of their organization'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.
3. In addition, in order to better understand the current capital asset management activities throughout the Department, please submit the following information about your organization's capital asset functions:
  - Formal approved documentation (directives, handbooks, etc.) concerning capital asset management, for all categories of capital assets;
  - Review and approval process for new capital assets;
  - Process for review of legacy IT, equipment, and real property;
  - Portfolio and performance management activities; and
  - Long-term capital asset plans/planning process.

Information provided should address your organization's capital asset policies, processes, and procedures for all capital investments including investments above the threshold that require Strategic Management Council approval as well as internal mechanisms for handling below threshold investments. This information should differentiate between capital asset management activities within VACO and those for which the field is responsible. *(If you are referencing material, e.g. existing handbooks, please ensure it is readily available online and cite the Website address, or provide a copy of this material.)*

4. Please provide a name, telephone number, and title for a point of contact regarding your capital asset management focal point by September 21, 2001.
5. If you have any questions or concerns, please feel free to call me at 273-7647 or have a member of your staff contact James Sullivan at 273-5254.

/s/

Anatolij Kushnir

Addressees:

Under Secretary for Health (10)

Under Secretary for Memorial Affairs (40)

Acting Principal Deputy Assistant Secretary for Information and Technology (005)

Principal Deputy Assistant Secretary for Management (004)