

# Required Supplementary Information

# Deferred Maintenance

The Department of the Interior owns, builds, purchases, and contracts services for assets such as schools, office buildings, roads, bridges, dams, irrigation systems, and reservoirs. These assets are used to support the Department's stated mission. Interior's assets include some deteriorating facilities for which repair and maintenance have not been funded. Current and prior budgetary restraints require that repair and maintenance on these assets be postponed for future years. Interior refers to this unfunded repair and maintenance of facilities and infrastructure as deferred maintenance.

Inadequately funded maintenance may result from reduced budgets, diversion of maintenance funds for emergency responses, and competition for resources from other program needs. Deterioration of facilities can adversely impact public health and safety, reduce employees' morale and productivity, and increase the need for costly major repairs or early replacement of structures and equipment. Undue wear on facilities may not be immediately noticeable to users, but inadequate maintenance can require that a facility be replaced or undergo major reconstruction before the end of its expected useful life.

Due to the scope, nature, and variety of the assets entrusted to the Department, as well as the nature of deferred maintenance itself, exact estimates of deferred maintenance cannot be determined at this time and may never be fully determinable. Interior has calculated estimates of deferred maintenance based on data from a variety of systems, procedures, and data sources. However, the accumulation of deferred maintenance cost estimates is not the primary purpose of many of these sources, so the Department acknowledges that the reliability of these sources as a basis for deferred maintenance estimates can vary greatly.

Interior's current estimate for deferred maintenance includes property categories such as building facilities, fixed and heavy equipment, bridges and roads, dams, irrigation systems, and reservoirs. The estimate generally includes costs for items such as (1) construction contract administration and inspection; (2) construction materials; (3) transportation; (4) removal of existing appurtenances, e.g., guard rails, furnishings, and equipment items that are not physically attached to property, along with related storage, inventorying, and tagging; (5) fixed equipment; (6) employee costs; and (7) indirect costs and/or contract support costs. The estimate excludes costs for items such as routine maintenance of facilities and infrastructures. In addition, the estimate generally excludes vehicles and most other categories of operating equipment.

Initial studies indicate that the estimated amounts needed to fund the correction of deferred maintenance throughout the Department may range from approximately \$7 to \$11 billion (*Figure 31*).

**Figure 31**

<b>Estimated Deferred Maintenance (in millions)</b>			
	<i>Estimated Range of Deferred Maintenance General PP&amp;E</i>	<i>Estimated Range of Deferred Maintenance Stewardship PP&amp;E</i>	<i>Total Estimated Range of Deferred Maintenance</i>
Bureau of Indian Affairs	\$2,965 to \$3,041	\$110 to \$110	\$3,075 to \$3,151
Bureau of Land Management	\$90 to \$90	\$103 to \$191	\$193 to \$281
Bureau of Reclamation	\$28 to \$28	-	\$28 to \$28
Fish and Wildlife Service	\$768 to \$1,038	-	\$768 to \$1,038
National Park Service	\$2,867 to \$6,452	\$179 to \$298	\$3,046 to \$6,750
U.S. Geological Survey	\$50 to \$90	-	\$50 to \$90
<b>Total</b>	<b>\$6,769 to \$10,741</b>	<b>\$392 to \$599</b>	<b>\$7,161 to \$11,339</b>