



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

MAY 18 2004

Memorandum

To: Chief Financial Officers

From:  Daniel Fletcher, Associate Director
Office of Financial Management

Subject: Guidance for the Preparation of Required Supplementary Stewardship Disclosures – Deferred Maintenance

The Statement of Federal Financial Accounting Standards #6, "Accounting for Property, Plant, and Equipment," requires annual disclosure of the estimated cost to remedy accumulated deferred maintenance on Interior plant, property, and equipment (PP&E) for both General and Stewardship PP&E. Deferred maintenance information for financial statement reporting includes both (a) deferred maintenance information used to support the Department's Five-Year Deferred Maintenance and Capital Improvement Plan and (b) information on deferred maintenance that has not been included in the Five-Year Plan due to expected resolution after five years or other differences in definition.

Attached is the Excel spreadsheet to be used by bureaus to enter required deferred maintenance information. The spreadsheet should be updated on the Citrix Server / Remote Explorer/ FY 2004 Financial Statements, Deferred Maintenance Folder. Bureaus without access to the Citrix Server may send/fax the completed spreadsheet to the Office of Financial Management (PFM), attention Charlene Hutchinson, MS 5412 MIB, fax (202) 208-6940. The data may also be transmitted electronically to Ms. Hutchinson at Charlene_Hutchinson@ios.doi.gov.

Available Budget Five-Year Plan data has been entered into this spreadsheet for reference. Bureaus should complete the financial reporting section, providing information for deferred maintenance related to both General Assets and Stewardship Assets. Note that since the amount reported for financial reporting purposes includes both budgetary amounts and any other long-term amounts, the financial statement total must equal or exceed the Five-Year estimates. In addition, ranges must be provided; the high and low estimates should not be equal. Bureaus should also include the same data reported to the Department for deferred maintenance in bureau reports, including high and low ranges.

Bureaus should collect and update FY 2004 deferred maintenance information for the period ending June 30 to be included in bureau July 31 submissions. Due to the compressed year-end timeframes, only material adjustments should be made to deferred maintenance information after August 15, 2004. PFM should be notified promptly by E-Mail or, for those bureaus without access to E-Mail, by telephone, after bureau data has been entered on the Citrix Server.

Any questions concerning this request should be directed to Charlene Hutchinson, Office of Financial Management on (202) 208-3964.

Attachment

cc: Bureau Deputy CFOs
Bureau Finance Officers
FSGT.

Blue Text - is from the Bureau's Budget Submission. This is provided and should be correct as is and is provided for reference only. This is a 5 year estimate only.

Brown Text - to be provided by the Bureau. This should include the Bureau's total Deferred Maintenance for all years - both the next five years and beyond. Thus the Financial Statement totals must equal or exceed the Budget estimates.

Note: The F/S estimate must be split between General and Stewardship. In addition, a range MUST be provided. The "High" amount cannot be the same as the "Low" amount.

Shaded cells should be left blank.

Deferred Maintenance - FY 2004
(In \$thousands)

Bureau	Type of Deferred Maintenance	Item(s) Covered Note (1)	Condition Category Note (2)	5 Year Deferred Maintenance			Estimated Range of Deferred Maintenance for 2004				Total		
				Plan FY2003	Enacted (3) FY2004	Request FY2005	General PP&E Low	High	Stewardship PP&E Low	High	Low	High	
BLM	Budget	5 Year Maintenance and Construction Funding											
		MLR -Deferred	A,B,C,D	G,F,P	\$13,600	\$11,503							
		O&C - Deferred	A,B,C,D	G,F,P	1,097	1,104							
		Wildland Fire Preparedness-Def Maint&Constr	A,B,C,D	G,F,P	12,294	12,374							
	F/S	Financial Statement Estimated Deferred Maintenance											
		Roads Bridges and Trails	A,B,C,D	G,F,P				0	0	0	0	0	0
		Roads and Trails											
		Irrigation, Dams and Other Water Structures	A,B,C,D	G,F,P				0	0	0	0	0	0
		Dams, Bridges, and Major Culverts	A,B,C,D	G,F,P									
		Buildings (e.g Administration, Education, Housing, Historic Buildings	A,B,C,D	G,F,P				0	0	0	0	0	0
		Administrative Sites and Buildings	A,B,C,D	G,F,P									
		Other Structures (eg Recreation sites, Hatcheries, etc.)	A,B,C,D	G,F,P				0	0	0	0	0	0
		Total BLM			26,991	24,981	0	0	0	0	0	0	0
	USGS	Budget	5 Year Maintenance and Construction Funding										
Facilities Operations & Maintenance - Deferred:													
a. Facilities			A,B,C,D	G,F,P	1,713	1,777							
b. Equipment			A,B,C,D	G,F,P	460	396							
		c. Maint. Mgt. Systems & Condition Assmts.			810	810							
F/S		Financial Statement Estimated Deferred Maintenance											
		Roads Bridges and Trails	A,B,C,D	G,F,P				0	0	0	0	0	0
		Irrigation, Dams and Other Water Structures	A,B,C,D	G,F,P				0	0	0	0	0	0
		Buildings (e.g., Administration, Education, Housing, Historic Buildings	A,B,C,D	G,F,P				0	0	0	0	0	0
		Other Structures (e.g., Recreation sites, Hatcheries, etc.)	A,B,C,D	G,F,P				0	0	0	0	0	0
		Total USGS			2,983	2,983	0	0	0	0	0	0	0
FWS	Budget	5 Year Maintenance and Construction Funding											
		Maintenance - Refuges											
		a. Deferred Projects			64,921	74,817							
		b. Deferred Equipment Replacement			9,119	9,179							
			Sub Total		74,040	83,996							
		Hatcheries											
		a. Deferred Projects			10,516	12,789							
		b. Deferred Equipment Replacement			700	1,500							
			Sub Total		11,216	14,289	0						
			Law Enforcement-Deferred Maintenance			318	613	150					

Shaded cells should be left blank.

Deferred Maintenance - FY 2004
(In \$thousands)

Bureau	Type of Deferred Maintenance	Item(s) Covered Note (1)	Condition Category Note (2)	5 Year Deferred Maintenance			Estimated Range of Deferred Maintenance for 2004								
				Plan FY2003	Enacted (3) FY2004	Request FY2005	General PP&E		Stewardship PP&E		Total				
							Low	High	Low	High	Low	High			
F/S	Financial Statement Estimated Deferred Maintenance														
	Roads Bridges and Trails	A,B,C,D	P				295,531	399,836	115,497	156,261	411,028	556,097			
	Irrigation, Dams and Other Water Structures	A,B,C,D	P				213,511	288,868	82,155	111,151	295,666	400,019			
	Buildings (e.g., Administration, Education, Housing, Historic Buildings)	A,B,C,D	P				175,789	237,833	16,025	21,681	191,814	259,514			
	Other Structures (e.g., Recreation Sites, Hatcheries, etc.)	A,B,C,D	P				105,194	142,322	2,471	3,342	107,665	145,664			
	Total FWS						85,574	98,898	150	790,025	1,068,859	216,148	292,435	1,006,173	1,361,294
NPS	Budget														
	5 Year Maintenance and Construction Funding														
	a. Facility - Repair and Rehab	A,B,C,D	G,F,P	77,771	98,480										
	b. Dams and Dam Safety	A,B,C,D	G,F,P	2,682	2,700										
F/S	Financial Statement Estimated Deferred Maintenance														
	Roads Bridges and Trails	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Roads and Bridges	A,B,C,D	G,F,P												
	Trails and Walks	A,B,C,D	G,F,P												
	Irrigation, Dams and Other Water Structures	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Marine Waterways	A,B,C,D	G,F,P												
	Buildings (e.g. Administration, Education, Housing, Historic Buildings)	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Special Features (e.g., Monuments, Memorials, etc.)	A,B,C,D	G,F,P												
	Other Structures (e.g., Recreation Sites, Hatcheries, etc.)	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Total NPS						80,453	101,180	0	0	0	0	0	0	
BIA	Budget														
	5 Year Maintenance and Construction Funding														
	Construction														
	a. Education														
	1. Facilities FI&R	A,B,C,D	G,F,P	163,306	148,161										
	2. Employee Housing Repair	A,C,D	G,F,P	3,100	3,119										
	3. Replacement School Construction			124,409	141,354										
	Sub Total			292,634	0										
	b. Public Safety & Justice	A,B,C,D	G,F,P	5,013	5,044										
	c. Gen'l Administration Constr - Deferred														
F/S	Financial Statement Estimated Deferred Maintenance														
	Roads Bridges and Trails	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Irrigation, Dams and Other Water Structures	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Buildings (e.g., Administration, Education, Housing, Historic Buildings)	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Other Structures (e.g., Recreation Sites, Hatcheries, etc.)	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Total BIA						297,647	5,044	0	0	0	0	0		
BOR	Budget														
	5 Year Maintenance and Construction Funding														
	Power Facilities	D	P-G												
	Dam Facilities	D	P-G												
	Fish Facilities	D	G												
	Canal Facilities	D	P-G												
	Bridges	D	F-G												
	Roads	D	P												
	Universal Accessibility														
	Life Safety Code	D	F												
	Other	D	P-G												

Shaded cells should be left blank.

Deferred Maintenance - FY 2004
(In \$thousands)

Bureau	Type of Deferred Maintenance	Item(s) Covered Note (1)	Condition Category Note (2)	5 Year Deferred Maintenance			Estimated Range of Deferred Maintenance for 2004								
				Plan FY2003	Enacted (3) FY2004	Request FY2005	General PP&E		Stewardship PP&E		Total				
							Low	High	Low	High	Low	High			
F/S	Financial Statement Estimated Deferred Maintenance														
	Roads Bridges and Trails	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Bridges	A,B,C,D	P,G												
	Tunnels	A,B,C,D	G,F,P												
	Irrigation, Dams and Other Water Structures	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Dams	A,B,C,D	G,F,P												
	Power	A,B,C,D	G,F,P												
	Canals	A,B,C,D	G,F,P												
	Fish Facilities	A,B,C,D	G,F,P												
	Buildings (e.g., Administration, Education, Housing, Historic)														
	Buildings	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Other Structures (e.g., Recreation Sites, Hatcheries, etc.)	A,B,C,D	G,F,P				0	0	0	0	0	0			
	Other	A,B,C,D	G,F,P												
	Total BOR						0	0	0	0	0	0			
	Grand Total						\$493,648	\$233,086	\$150	\$790,025	\$1,068,859	\$216,148	\$292,435	\$1,006,173	\$1,361,294

Possible Summary Categories

- Roads and Bridges
- Dams**
- Power Facilities**
- Education Facilities
- Housing Facilities
- Other Facilities
- Refuges
- Hatcheries

Note (1) Category:

- A - Critical Health and Safety Deferred Maintenance: A facility deferred maintenance need that poses a serious threat to public or employee safety
- B - Critical Resource Protection Deferred Maintenance: A facility deferred maintenance need that poses a serious threat to natural or cultural resources.
- C - Critical Mission Deferred Maintenance: A facility deferred maintenance need that poses a serious threat to a bureau's ability to carry out its assigned mission.
- D - Compliance and other Deferred Maintenance: A facility deferred maintenance need that will improve public or employee safety, health, or accessibility: compliance with codes, standards, laws, complete unmet programmatic needs and mandated programs; protection of natural or cultural resources to a bureau's ability to carry out its assigned mission.

Note (2) Condition Assessment:

- Good - Facility/equipment condition meets established maintenance standards, operates efficiently, and has a normal life
- Fair - Facility/equipment condition meets minimum standards but requires additional maintenance or repair to prevent further deterioration, increase operating efficiency, and to achieve normal life expectancy
- Poor - Facility/equipment does not meet most maintenance standards and requires frequent repairs to prevent accelerated deterioration and provide a minimal level of operating function. In some cases that includes condemned or failed facilities.

Based on periodic condition assessments, and indicator of condition is the percent of facilities and items of equipment in each of the good, fair, or poor categories.

Note (3) With recissions