



Chapter 17 Appendices

Appendix K: Guidance for the Preparation of Stewardship Disclosures



United States Department of the Interior

OFFICE OF THE SECRETARY
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Memorandum

To: Heads of Bureaus and Offices
Bureau Chief Financial Officers
Museum Program Executive Committee

From: R. Schuyler Leshor, Director, Office of Financial Management and
Deputy Chief Financial Officer

For Debra E. Sonderman, Director, Office of Acquisition and Property Management

Subject: Guidance for the Preparation of Stewardship Disclosures

1. Stewardship Disclosures
2. Bureau Museum Property Management Data

This memorandum serves as the guidance for the preparation of the Required Supplementary Stewardship Information (RSSI) section of the FY 2003 Report on Performance and Accountability (PAR). All data requested here is identical to the data that should be included in each bureau's annual accountability report. In addition, museum collections, which are subject to stewardship disclosures, are subject to other reporting requirements and guidance for reporting museum management data to comply with all applicable mandates is provided in Section II of this memorandum.

Section I – Required Supplementary Stewardship Information Guidance

Stewardship reporting requirements encompass two different types of information. Stewardship Assets include Stewardship Land (e.g., public domain land and land used as parks, refuges, etc.) and Heritage Assets (e.g., national treasures such as historic structures, museum property, etc.). Stewardship investments cover three types of activities that do not create Federal assets, but which are expected to have a long-term benefit to the nation. This includes investments in research and development, investments in human capital (e.g., education programs) and investments in non-federal physical property (e.g., building or providing property, plant, and equipment to state, local, and tribal governments, and insular areas). Disclosures on these assets and investments are required in both the PAR and bureau reports.

The due date for the completion of the PAR is November 15, 2003. Accordingly, the completion dates for all sections of the report have been accelerated. In order to meet these accelerated dates, the Department and bureaus will prepare a complete and presentable draft of the



Department and bureau reports with third quarter data. A **complete** RSSI section is due as of **August 15, 2003**, with data as of June 30. Updated fourth quarter data must be available by October 15 for inclusion in the report; otherwise, third quarter data will appear in the final report. Meeting these accelerated dates may require changes in procedures, changes in annual reporting dates from the field, and increased use of estimates.

Based upon a review of the FY 2002 disclosures, a number of significant revisions to the Stewardship disclosures are needed to make the disclosures fully compliant with Federal reporting requirements specified in SFFAS #8. In the FY 2003 report, there will be increased emphasis on the completeness of required stewardship disclosures, including:

1. Condition of stewardship assets, including museum property,
2. Discussion of the methods of additions and disposals of stewardship assets, and
3. Discussion of the outputs and outcomes of stewardship investment programs.

To facilitate preparation of the bureau FY 2003 RSSI data, we have attached a copy of draft charts and tables that will be included in the section; bureaus must use standard charts and tables in the bureau-level reports. The text, charts, and tables provided for the Department PAR will constitute the minimum disclosure by the bureau; bureaus may, at their discretion, provide expanded information in their reports. To assist bureaus in the preparation of the new charts/graphs, they will be posted on the Citrix Server.

As in the past, the Office of Financial Management (PFM) will prepare the RSSI section of the PAR and the Office of Acquisition and Property Management (PAM) will prepare the museum and Native American Graves Protection and Repatriation Act (NAGPRA) portions of the RSSI.

FY 2003 Required Supplementary Stewardship Section

Museum collections are heritage assets subject to stewardship disclosures. Other reporting requirements also apply and guidance for reporting museum management data to comply with all applicable mandates is provided in Section II of this memorandum.

A. Federal Stewardship Assets

Federal Stewardship Land (Chart A) is defined as land owned by the Federal government that was not acquired for or in connection with other property, plant, and equipment. Certain assets, such as National Parks, can be defined as both stewardship land and heritage assets. Thus, these are reported both by number of acres under stewardship land and as number of physical units (e.g., parks). The stewardship land section of the RSSI for FY 2003 will include specific discussions of the condition of the land, how additions were acquired, and how withdrawals were handled.



For the categories of stewardship land included in Chart A, bureaus are required to provide the additions and withdrawals of Federal acres during the fiscal year; the number of Federal acres at the end of the year; the total number of non-Federal acres, and the condition of the Federal land. In addition, where applicable, the number of units; and the number of miles may be reported. Federal stewardship land will be reported in terms of physical units rather than cost, fair value, or other monetary value.

Bureaus are also requested to discuss these categories narratively, providing issues of interest to the public such as major acquisitions or withdrawals that occurred during the fiscal year.

B. Heritage Assets are defined as property, plant, and equipment that are unique because of historical or natural significance, cultural, educational or artistic importance, or significant architectural characteristics. Heritage assets are generally expected to be preserved indefinitely. Categories of “heritage assets” include:

Non-collectible Heritage Assets:

- Buildings and Structures
 - Memorials
 - Landmarks
 - Monuments
 - Parks
 - Battlefields
 - Preserves
 - Sea/Lakeshores
 - Parkways
 - Rivers and Systems
 - Recreational Areas
 - Historic Landmarks
- Collectible Heritage Assets
 - Library Collections (Chart C)
 - Museum Collections (See Section II of this memorandum)

Chart B lists the categories of non-collectible heritage assets to be used in the PAR. For reporting consistency, the categories of heritage assets in Chart B include assets common to most bureaus. If Bureaus wish to make additions to these categories for clear and concise reporting, please notify the PFM contacts included at the end of this memorandum.

Bureaus should enter on Chart B the number of units as of September 30, 2002; additions and withdrawals by unit; the ending balance for each unit as of September 30, 2003; and the condition of these assets (good, fair, poor).



SFFAS #6, Paragraph 61 states that no amounts of heritage assets acquired through donation are to be recognized in the cost of heritage assets. However, the assets' fair value, if known and material, will be disclosed in notes to the statement of net cost in the year received. If fair value is not known or reasonably estimable, information related to the type and quantity of assets received are to be disclosed in the text in the year received. If fair value is not known or reasonably estimable, information related to the type and quantity of assets received shall be disclosed.

Bureaus should enter the number of units as of September 30, 2002; additions and withdrawals by unit; the ending balance for each unit as of September 30, 2003; and the condition of these assets (good, fair, and poor).

Museum property and library collections are components of heritage assets, but due to the significance of the collections are highlighted separately. See Section II for the Museum Property Section. Library collections (Chart C) are to be reported only if they are "special collections" intended for preservation in perpetuity. Typical circulating libraries do not require disclosure.

C. Stewardship Investments - Stewardship investments are substantial investments made by the Federal government for the benefit of the nation. For the RSSI, stewardship investment categories are:

Research and Development (Chart D) – expenses incurred to support the search for new or refined knowledge and ideas and for the application and use of such knowledge and ideas and the application or use of such knowledge and ideas for the development of new or improved products and processes with the expectation of maintaining or increasing national economic productive capacity or yielding other future benefits. Research and development is composed of basic, applied, and developmental research. Chart D contains the minimum reporting requirements for investments in research and development.

Human Capital (Chart E) - education and training programs financed by the Federal government for the benefit of the public. Investment in human capital excludes education and training expenses for the training of Federal employees. Listed below are the minimum reporting requirements of investments in human capital for bureaus. If additions or deletions to this list are required, please notify the PFM contacts included at the end of this memorandum.

Bureau of Indian Affairs

X School Operations



- X Adult Education
- X Post-Secondary Education
- X Scholarships
- X Other Educational Programs
- X Job Corps Program

Bureau of Reclamation

- X Job Corps Program

Fish and Wildlife Service

- X Job Corps Program

National Park Service

- X Job Corps Program

Investment in Non-Federal Physical Property (Chart F) – expenses incurred by the Federal government for the purchase, construction, or major renovation of physical property owned by or given to state and local governments or Insular Areas. Minimum reporting includes the following (SFFAS #8, Chapter 5, Paragraph 87): annual investment, including a description of federally-owned physical property transferred to state and local governments. Reporting shall be at a meaningful category or level such as:

Bureau of Indian Affairs - Schools, dormitories, other infrastructures, and the Indian reservation and roads program.

Bureau of Reclamation - Construction or improvement of structures/facilities used in state and local irrigation projects, water management projects, and water quality improvement projects.

Fish and Wildlife Service - Grants for the purchase, construction, or major renovation of physical property owned by state and local governments.

Central Utah Project Completion Act – Investments in fish and wildlife improvements on non-federal properties due to Federal reclamation projects.

Office of Insular Affairs – Capital improvement grants to U.S. insular areas.

Deferred Maintenance of Stewardship Assets

Deferred maintenance is maintenance that was not performed when it should have been or was scheduled to be performed and which, therefore, was put off or delayed for a future period. If applicable to stewardship assets in your bureau, please ensure that the information



on deferred maintenance of stewardship assets is consistent with the bureau's overall deferred maintenance information, and that data on deferred maintenance of stewardship assets is distinguishable from deferred maintenance of general property, plant, and equipment.

Section II - Bureau Museum Property Management Data for FY 2003 – Charts G-J

Departmentwide data on management of Interior's museum collections are collected to support preparation of the PAR, to track bureau progress in improving accountability and use of these mission-critical heritage assets, and to support oversight responsibilities of the Office of Acquisition and Property Management (PAM).

Core data content for your ABureau Museum Property Management Summary Report@ is prescribed in Part 411 of the Departmental Manual (411 DM 2.3B). Please ensure that the prescribed formats are used for reporting all bureau museum property data. Refer to Charts G-J for prescribed formats for reporting museum data.

Review of past-year reports revealed several opportunities for more complete compliance with applicable mandates. We also request specific data on topics of priority interest.

Status of museum collections' cataloging, condition, and deferred maintenance

- ***Number of museum collection objects cataloged.*** Report the number of objects cataloged in bureau collections at all locations. Report the total number of objects separately for those collections in bureau facilities and in non-federal facilities.
- ***Condition of museum collections.*** Report the condition of collections in two ways.
 1. For those collections that are cataloged, indicate the number for which condition is recorded on the catalog record. Of those, report the numbers that are in good, fair, or poor condition according to bureau catalog records. We recognize that precise definitions will vary due to the high number of catalogers working with multiple systems over several decades. To the extent possible, correlate available records to "good," meaning in stable, usable condition; "fair," meaning in need of minor repair or cleaning to bring to usable condition; or "poor," meaning in need of major conservation treatment to stabilize. If catalog notations of condition are not accessible, or do not reasonably correlate with the above definitions, do not count them among the items for which condition is recorded.
 2. For all locations housing collections, provide the number of locations (in bureau facilities or other facilities), the number of locations that have been assessed using 411 DM standards, and the number of those that are in good, fair, or poor condition. Facilities that meet 70% or more of 411 DM standards are "good;" those that meet between 50% and 70% of standards are "fair;" and facilities that meet less than 50% of 411 DM standards are "poor."



Deferred Maintenance of Collections

Deferred maintenance is maintenance that was not performed when it should have been or was scheduled to be performed and which, therefore, was put off or delayed for a future period. Ensure that the information on deferred maintenance of museum collections is consistent with the bureau's overall deferred maintenance information, and that data on deferred maintenance of museum and other stewardship assets are distinguishable from deferred maintenance of general property, plant, and equipment. List deferred maintenance related to museum facilities separately from deferred maintenance such as conservation surveys, conservation treatments, re-packaging collections for long-term storage, etc. Include only those deferred maintenance costs for which data are substantiated by unit-level planning documents prescribed in 411 DM 2.1B.

Museum Property Accountability Contacts

Accountability for all Government property, including museum property, is delegated to "accountable officers" and "custodial officers." For all locations that hold bureau museum property (bureau facilities or other facilities), provide the name, address, telephone number, and Internet address for each accountable and custodial officer responsible for the museum property housed at the locations listed. For museum property housed in non-bureau facilities, list the bureau accountable and custodial officers who are responsible for oversight of management of the Government property.

Native American Graves Protection and Repatriation Act

NAGPRA items are among the most sensitive objects in museum collections and are, therefore, among the priorities identified in Departmental policy [411 DM 2.1A (2)]. Please report the following bureau NAGPRA:

- Total funds expended on NAGPRA compliance activities during FY2002, including costs associated with consultation with tribes, repatriation, and accommodation of concerns identified in consultation with tribes; indicate if this amount is included in the total provided for museum property activities, or if the NAGPRA amount is in addition to museum program expenditures;
- Total number (for all years) of Notices of inventory completion¹ and/or Notices of intent to repatriate² that your bureau has submitted for publication in the Federal Register, and the total numbers of human remains, funerary objects, sacred objects, and objects of cultural patrimony included in the notices; and
- Briefly discuss current issues, recent accomplishments, and/or next steps related to bureau NAGPRA compliance.

Bureaus with Heritage Assets will include a similar Stewardship Assets section in the bureau annual report. The data presented in the PAR and the bureau report must be consistent. If



bureaus would like to include any narrative comments in the RSSI, the comments should be e-mailed to the contacts listed below.

RSSI Contacts

To assist with the collection and consolidation of the RSSI materials, each bureau is requested to designate a contact point for the information requested. It is suggested that the primary contact be a member of the Financial Statements Guidance Team; bureaus may designate additional contacts for the different functions (i.e., museum, investments, etc.). Bureau contact information (name, telephone number, and e-mail address, and, if more than one contact is designated, their responsibility) should be e-mailed to the contacts listed below, as appropriate, no later than June 2, 2003.

Questions concerning this data call should be directed to:

Museum Property Management and NAGPRA:
rowilson@os.doi.gov

Stewardship Assets and Investments:
[Deborah L. Smith@ios.doi.gov](mailto:Deborah.L.Smith@ios.doi.gov) and [Charlene Hutchinson@ios.doi.gov](mailto:Charlene.Hutchinson@ios.doi.gov)

or

Charlene Hutchinson, PFM, on 202-208-3964, Debbie Smith, PFM, on 202-208-3250, or Ronald C. Wilson, PAM, on 202-208-3438.

Thank you for your assistance.

Attachments

cc: Deputy Chief Financial Officers
Interior Museum Property Committee
Bureau Finance Officers
Bureau Federal Preservation Officers
Bureau Management Control Coordinators
Property Management Partners

**NOTE: THE TEMPLATES REFERENCED ABOVE CAN BE FOUND ON:
XA:\BUREAU INFORMATION\STEWARDSHIP\2003\RSSI TEMPLATES FOR 2003**