

Data Elements for Asbestos-Related Cleanup Liability Estimate
Guidance on Acceptable Supporting Documentation
Office of Financial Management, Department of the Interior

Background

Beginning in FY 2013, the Department must report a liability for asbestos-related cleanup costs for Department-owned real property assets in its financial statements. The Department has developed a methodology to estimate the liability that involves eight data elements included in FBMS that are described below:

- **Legal Interest** - legal ownership of the asset. In FBMS there are the following types of legal interest and only "G" is included in the asbestos liability report:

G	DOI Owned
L	Leased
S	State Government Owned
F	Foreign Government Owned
M	Museum Trust
X	GSA Provided
Z	Grant/Cooperative Agreement

- **User Status** - the status of the asset usage, including "A = Active", "I = Inactive", "E = Excess", and "D = Disposed". "D = Disposed" status is excluded from the asbestos liability.
- **DOI Asset Code/Main Usage Type** - The DOI Asset Code provides information on whether the asset is a building (code starts with "35") or a structure (code starts with "40"). The DOI Asset Code is important because some of the structures at the DOI Asset Code level are exempted from the asbestos liability where the building material used is not likely to contain asbestos.
- **Asbestos Survey** - A Y/N field in FBMS. This field was created to identify if an asbestos building materials survey was performed to determine the presence, quantity, condition, and location of asbestos containing building materials for the purpose of designing and implementing an abatement plan. The hazardous building materials are to be abated in order to comply with federal, state, and local environmental/safety laws and regulations prior to the start of any renovation or demolition activities.
- **Asbestos Present** - A Y/N field in FBMS. Assets with "Y" will be included in the asbestos liability, whereas an "N" will exclude the asset from the liability.
- **Renovation Complete** - If this field is checked, it means that an asset with ACM (asbestos-containing material) has been completely renovated and no additional cost related to asbestos cleanup will be incurred at asset disposal. The asset with this field checked will be excluded from the asbestos liability.
- **Construction Completion Date** - The date that the asset was built. This date determines whether the higher cost factor (pre-1980) or the lower cost factor (1980 and after) is applied to the total square footage of the asset to determine the asbestos liability.

- **Gross Square Footage** - gross square footage of the asset. The asbestos liability is determined by multiplying the appropriate cost factor by the total square footage.

The estimation methodology relies on having valid data for these attributes. Interior' bureaus recently conducted a targeted internal control review (ICR), including data validation review, to help determine the reliability of the preliminary asbestos estimate. Afterwards, PFM inquired about the types of documentation that were found acceptable by bureaus. Bureaus had been given latitude in designing tests of controls and objectively determining accuracy of the data in FBMS. Bureaus provided the name or description of the source documentation that was relied upon to verify each data elements. The results of the ICR indicate that there is a lack of consistency in material provided in support of these data elements.

The Department is now beginning a planned statistical sample analysis with contractor support to determine the extent of error in the estimate. To assist in the statistical sample analysis, PFM developed a list of authoritative sources and other acceptable documentation for supporting each of the data elements. PFM is providing the sample for which supporting documentation is needed and will be collected through bureau audit points-of-contact. In the event that bureaus have more reliable or alternative documentation beyond those listed, other forms of support may be used, and a report of documentation provided must be provided to PFM.

Location and Types of Evidence

Generally, supporting documentation may be found in the official real property master file, the real property acquisition file, the financial records for real property, field station comprehensive planning documents or other appropriate sources. The official real property master file and field station comprehensive planning documents include basic documentation that supports the cost, DOI asset type, the date the asset was placed into service, the asset's useful life, subsequent acquisition, addition or betterment, disposal or transfer, etc. The real property acquisition file may include title papers, method of acquisition, site maps and surveys, blueprints, construction photographs, inspection reports, maintenance records, and more. The financial records that may have been retained for real property may include purchase documents such as an invoice and settlement agreement that will support the legal interest and construction completion date.

The evaluation of the data used in estimating the asbestos liability involves examining the supporting documentation for information in FBMS. The term documentation (or supporting documentation) is referring to valid and relevant evidence. Evidence may be quantitative or qualitative; it may be objective or subjective; it may be absolutely compelling or be only mildly persuasive. Taken together, we are looking for sufficient evidence that supports the eight critical data elements reported in the system. In general, the most reliable evidence is documentation that is externally generated and externally distributed (or circulated). An example would be a deed prepared by the seller's attorney, reviewed by a title company, and recorded with the local government. In this example the documentation is generated or prepared outside the organization, widely distributed and examined by third parties. Other less reliable but acceptable evidence may be documentation prepared internally and not reviewed or examined by another party.

Table of Acceptable Supporting Documentation

For each of the critical data elements, the list below identifies authoritative sources and other acceptable documentation, not in order of reliability or acceptability. In most cases, supporting

documentation as shown below, or as determined by the Regional CFO and Accountable Property Officer to be equivalent to or greater evidence of data validity, is expected.

Attributes	Authoritative Source	Other Acceptable Documentation
Legal Interest (Legal Status)	Land acquisition appraisal or other realty records	For certain bureaus, Public Law (organic act or enabling legislation) decrees that all buildings within a unit boundary are assumed to be government owned.
	Title or deed	To support an exemption for a leased facility, a copy of the lease (or correspondence with the lessor).
	Contract for construction	Architectural, facility manager, or engineering inventory, condition assessment or evaluation report.
	Transfer-of-property documents (from other agencies)	Statement from subject matter expert or field station manager (e.g., Superintendent's memo) may be obtained.
User Status	Disposal record (to support exemption)	Photo
	Comprehensive/General Management Plan or local asset business plans	Statement from subject matter expert or field station manager (e.g., Superintendent's memo) may be obtained.
	Architectural, facility manager, or engineering inventory, condition assessment or evaluation report.	If exempt, proper documentation (for disposing property, plant, and equipment)
DOI Asset Code/Main Usage Type - the asset code provides information on whether the asset is a building (code starts with 35") or a structure (code starts with "40"). This field is only relevant to determine if the asset is exempt (e.g., earthen dam) or non-exempt (e.g., a building). Also the DOI Asset Code will determine whether the cost factor or the average survey cost is applied to determine the asbestos	Real property file records	Photograph

liability.		
	Architectural, facility manager, safety or OSHA compliance officer, fire safety inspector, or engineering inventory, condition assessment, safety inspection or evaluation report.	List of classified structures documentation (for historic structures)
	Federal Highway's Road Inventory Program (RIP) documentation.	
	Construction or rehabilitation plans stating current National Fire Protection Code Occupational Classification.	Statement from subject matter expert or field station manager (e.g., Superintendent's memo) may be obtained.
Asbestos Survey – only provide material for this element if an asbestos survey has been conducted.	Asbestos-Containing Material (ACM) survey	If survey conducted and asbestos found then provide the abatement cost estimate (by an independent, qualified contractor)
Asbestos Present – the estimation methodology assumes there is asbestos present. Only provide information for this element if a survey was conducted and no evidence of asbestos was found.	Asbestos-Containing Material (ACM) survey	Provide survey from an independent, qualified contractor that states no evidence of asbestos.
Renovation Complete – if “yes” provide documentation that supports the renovation included removal of any asbestos.	Contractor's final report	Construction documents and/or contract
Construction Completion Date (year built) [This field is only relevant for buildings. Supporting documentation needs only to clearly distinguish whether buildings were built before or after 1980.]	Land acquisition appraisal or other real property acquisition file records	Historic photographs or documents, news articles, annual work planning documents or field station comprehensive planning documents.

	Title or deed	Technical drawings
	Contract for construction	List of classified structures documentation (for historic structures)
	Transfer of property documents (from other agencies)	Asbestos or other survey completed by contractor
	Legal documents filed in public records	Architectural, facilities, or engineering inventory, condition assessment or evaluation report.
		Other internet documentation (if reliable)
		Property cards
		Statement from subject matter expert or field station manager (e.g., Superintendent's memo)
Square Footage [This field is only relevant for buildings.]	Technical drawings	
	Asbestos survey	Satellite photography (e.g., Google Earth with estimated square footage).
	List of classified structures documentation (for historic structures)	Photo with scale reference to estimate square footage
	Architectural, facility manager, safety or OSHA official, or engineering inventory, condition assessment or evaluation report.	Statement from subject matter expert or field station manager (e.g., Superintendent's memo)

If, after an exhaustive search, copies of authoritative documentation cannot be found for any of these fields, please prepare and submit a Certification Statement from the field station manager (see Attachment). To complete the form, enter the sample number and the information that identifies the record being sampled. Then, for each attribute, please indicate, to the best of your knowledge, the correct information with explanation to support your assertion. For the attributes that you have documentation for or are not applicable to the sample, please enter "Not Applicable" on the appropriate line. If FBMS report has yes (Y) for Survey Conducted then the Environmental survey information must be included, along with signatures.