

Reclamation Manual

Directives and Standards

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| Subject: | Reporting Deferred Maintenance and Repairs (DM) of the Bureau of Reclamation's Reserved Works Assets |
| Purpose: | The purpose of this Directive and Standard (D&S) is to establish standardized processes and procedures to identify, track, document, and report DM of assets owned, operated, and maintained by Reclamation, known as reserved works. The benefits of this D&S are to identify the data sources, establish the reporting schedule, and the report format for consistent reporting of DM across Reclamation |
| Authority: | Reclamation Act of 1902 (ch. 1093, 32 Stat. 388); Federal Accounting Standards Advisory Board Statement of Federal Financial Accounting Standard (SFFAS) 6: Accounting for Property, Plant and Equipment (PP&E); SFFAS 8: Supplementary Stewardship Reporting; SFFAS 11: Amendments to Accounting for Property, Plant, and Equipment Definitional Changes (Amends SFFAS 6 and 8); SFFAS 14: Amendments to Deferred Maintenance Reporting (Amends SFFAS 6 and 8); SFFAS 16: Amendments to Accounting for Property, Plant and Equipment Multi-use Heritage Assets (Amends SFFAS 6 and 8); SFFAS 25: Reclassification of Stewardship Responsibilities and Elimination of the Current Services Assessment; SFFAS 29: Heritage Asset and Stewardship Land; Technical Release 9: Implementation Guide for SFFAS 29: Heritage Assets and Stewardship Land; SFFAS 40: Definitional Changes Related to Deferred Maintenance and Repairs (Amends SFFAS 6); SFFAS 42: Deferred Maintenance and Repairs (Amends SFFAS 6, 14, 29, and 32); Department of the Interior Policy on Deferred Maintenance, Current Replacement Value and Facility Condition Index in Life-Cycle Cost Management, 2008; Department Acquisition, Assistance, and Asset Policy (DOI AAAP-0031): Changes to Deferred Maintenance and Repairs Reporting by the Statement of Federal Financial Accounting Standards 42, 2015 |
| Approving Official: | Director, Dam Safety and Infrastructure |
| Contact: | Asset Management Division, 86-67200 |

1. Introduction.

- A. Issuance of the SFFAS 6, Accounting for Property, Plant, and Equipment, established the standards for disclosing DM associated with federally funded and constructed assets. Reclamation is required to disclose the amount of DM as part of the Department of the Interior consolidated Agency Financial Report (AFR), Required Supplemental Information (RSI). According to SFFAS 42, DM consists of maintenance and repairs that were not performed when they should have been or were

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scheduled to be and are put off or delayed for a future period. Reclamation considers repairs as part of maintenance for the purposes of this D&S, and in order to establish consistent terminology throughout Reclamation, references to DM shall include repairs. Budget and staffing limitations, inclement weather, reservoir restrictions, or higher priority maintenance activities are some examples of reasons to defer maintenance. DM represents Reclamation's maintenance backlog.

- B. Approximately one-third of Reclamation's constructed assets, referred to as reserved works, are operated and maintained by Reclamation personnel or by contract. The remaining two-thirds of Reclamation's constructed assets, referred to as transferred works (Reclamation retains title of all constructed assets pursuant to the Reclamation Act of 1902 Sec. 6), are operated and maintained under a transfer agreement by operating entities responsible for funding, managing, and performing operation and maintenance (O&M) of Reclamation owned facilities.

2. Applicability.

- A. This D&S applies to regional, area, and field office staff responsible for management and oversight of any reserved works maintenance-related activity that was scheduled to be completed but was deferred, regardless of reason or funding source.
- B. This D&S applies only to reserved works assets, including heritage assets that are designated as a National Historic Landmark (NHL), and reserved works assets that house collectible heritage assets. Reclamation is constrained from comprehensively identifying or estimating DM on transferred works assets since O&M is planned and managed by operating entities; therefore, reporting of DM on transferred works assets does not apply under this D&S.
- C. This D&S does not apply to Safety of Dams risk reduction actions. Safety of Dams risk reduction actions are managed through processes set forth in the following Reclamation Manual D&Ss: Reclamation Dam Safety Program (FAC 06-01) and Annual Reporting for Dam Safety, Security, and Related Operations (FAC 01-06).

3. Requirements and Responsibilities.

Regional Directors are responsible to ensure deferred maintenance and repairs are reported by their Area and Facility Managers and provided in the approved format and time period to the Director, Dam Safety and Infrastructure for consolidation and inclusion in the annual Reclamation Budget Review Committee (BRC) Regional Notebook and the Required Supplementary Information (RSI) section of the Department's Agency Financial Report as required by the Department Policy [DOI-AAAP-0031](#).

- 4. **DM Reporting Sources.** Potential new DM, in addition to any prior DM that has not started, will be reported and documented in the following source materials, as appropriate:

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- A. **Regional BRC Notebooks.** The extraordinary maintenance tables from the Regional BRC Notebooks will be used to determine new DM activities for reporting that are not funded or commenced as scheduled in the notebook formulation year.
- B. **Dam Safety Information System and Power Review Information System.** Category 1 and 2 water and power maintenance-related recommendations from facility reviews (reserved works high- and significant- hazard dams), Associated Facility Review of Operation and Maintenance examinations (reserved works water facilities other than high- and significant-hazard dams), and Power Reviews of Operation and Maintenance, which would result in physical changes to the facility or equipment, will be used when appropriate as sources to report DM. Recommendations related to perform training, examination, or study, such as Underwater Examination or Arc Flash Study, would not be reported as DM.
- (1) Activities and cost estimates originating from current, incomplete maintenance-related O&M recommendations not started by the “original scheduled completion date” are DM.
 - (2) Maintenance-related recommendations that do not have the “original scheduled completion date” field filled in with a date by the end of the next fiscal year following the fiscal year in which the review or examination was initially completed are DM.
 - (3) Maintenance-related recommendations related to safety deficiencies that will result in physical changes to facility or equipment will be reported as DM if they meet the conditions listed in Paragraphs 4. B. (1) or (2).
- C. **Capital Asset and Resource Management Application (CARMA)/MAXIMO MAXIMO™.** CARMA is Reclamation’s deployment of the MAXIMOTM software, which is a comprehensive enterprise asset management database used for asset lifecycle and maintenance management.
- (1) For those locations or offices using CARMA, a preventive maintenance (PM) work order identified in CARMA with a frequency 1 year or greater, with a past due target finish date or Skipped PM (SKPM) status will be DM. The reporting requirement does not apply to non-maintenance- related activities, such as physical examinations by personnel or writing/reviewing of standard operating procedures. Work orders that are in-progress will not be reported, as they are no longer considered deferred.
 - (2) CARMA corrective maintenance (CM) or modifications (MOD) work order types, with a past due target finish date will be DM. Work orders with work order status work request (WR) will not be reported as DM since the activity has not yet been reviewed or approved. Work orders that are in-progress will not be reported, as they are no longer considered deferred.

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- D. **Financial and Business Management System (FBMS).** FBMS is an integrated suite of software applications designed to streamline financial and administrative functions across all Department bureaus. Real Property Maintenance Management (RPMM) work orders in released status, that are not associated with a CARMA work order and have not been started by the scheduled finish date, will be reported as DM.
- E. **Manual Maintenance Management System.** Facilities not using FBMS or CARMA for maintenance management systems are required to report DM using existing O&M files and documentation.
- F. **Management Discretion.** Management discretion can be used to add activities that have not been identified through DM Reporting Sources listed in Paragraphs 4. A. through 4. E., this discretion can be exercised by a regional director, or area or field manager.

For reporting purposes, once work has been re-initiated, the work activity will not be reported as DM, but will be tracked as in-progress in the quarterly report until the activity is complete. For activities that include design in the scope, the activity is considered to have started when the design work begins. Construction activities scheduled to start following design completion and subsequently postponed will be DM. If the activity includes only construction, it is considered initiated once the construction contract is awarded or force account work begins.

5. DM Reporting Schedule.

- A. The reporting schedule follows the requirements set forth in DOI-AAAP-0031. Due dates may change based on the annual data call for RSI information from the Department's PFM.
- B. Regional offices will submit consolidated regional DM reports to the Director, Dam Safety and Infrastructure, using the information described in Appendix A. Offices responsible for regional reporting will transmit a memorandum, signed by the manager of the reporting office, with the third quarter DM report submission. The regional director will transmit a signed memorandum with the regional fourth quarter DM report submission. The reporting schedule is as follows:
 - (1) first quarter – none required;
 - (2) second quarter – none required;
 - (3) third quarter – last workday of June; and
 - (4) fourth quarter – last workday in September.

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6. **Definitions.** The following definitions will be used to document and report maintenance-related activities under this D&S.
- A. **Deferred Maintenance and Repairs or DM.** Per SFFAS 42, maintenance and repairs that were not performed when they should have been or were scheduled to be and which are put off or delayed for a future period.
 - B. **Heritage Assets.** PP&E that are protected under the National Historic Preservation Act because they have historical significance; are of cultural, educational, or scientific value; or have significant architectural or historical engineering or technological characteristics. Heritage assets are generally expected to be preserved indefinitely. There are two categories of heritage assets: non-collectible heritage assets and collectible heritage assets.
 - (1) Non-collectible heritage assets include, but are not limited to, asset classes such as buildings and structures, archeological sites, memorials, and monuments that are formally designated as NHL, or are listed in the National Register of Historic Places (NRHP), or are eligible for listing in the NRHP. However, for the purposes of this D&S, only maintenance and repairs related to maintaining the historic status of reserved works assets that have been federally, congressionally, or departmentally designated as an NHL will be considered for reporting as Stewardship PP&E Heritage Asset DM. All other activities will be reported as general PP&E.
 - (2) Collectible heritage assets, also known as museum property or museum collections, include archaeological objects, artwork, archives, historical objects, ethnographic items, and natural history specimens. For the purposes of this D&S, only maintenance and repair activities related to the storage of museum property at reserved works assets will be considered for reporting as Stewardship PP&E Heritage Asset DM, all other activities will be reported as general PP&E.
 - C. **Maintenance and Repairs.** Per SFFAS 42, activities directed toward keeping assets in an acceptable condition. These activities include preventive maintenance; replacement of parts, systems, or components; and other activities needed to preserve or maintain the asset. Maintenance and repairs, as distinguished from capital improvements, exclude activities directed toward expanding the capacity of an asset or otherwise upgrading it to serve needs different from, or significantly greater than, its current use.
 - D. **Replacement.** The substitution or exchange of an existing facility, facility component, or item of equipment for another having the capacity to perform the same function. The scope of a replacement activity can vary from the construction of a new facility to the purchase and installation of replacement parts.

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- E. **Reserved Works.** Reclamation-owned facilities for which Reclamation manages and performs O&M, either through Reclamation personnel or through a maintenance contract.
 - F. **Transferred Works.** Reclamation-owned facilities for which the responsibility to manage and perform O&M has been transferred by contract or agreement to a non-federal operating entity.
7. **Review Period.** Certification by the originating office will not exceed 4 years

RECLAMATION MANUAL TRANSMITTAL SHEET

Effective Date: _____

Release No. _____

Ensure all employees needing this information are provided a copy of this release.

Reclamation Manual Release Number and Subject

Summary of Changes

NOTE: This Reclamation Manual release applies to all Reclamation employees. When an exclusive bargaining unit exists, changes to this release may be subject to the provisions of collective bargaining agreements.

Filing instructions

Remove Sheets

Insert Sheets

All Reclamation Manual releases are available at <http://www.usbr.gov/recman/>

Filed by: _____

Date: _____