

Reclamation Manual

Directives and Standards

Repayment Format and Content Requirements

1. **Purpose of this Appendix.** To provide format and content presentation requirements for repayment data in the Statement of Project Construction Cost and Repayment (SPCCR). The objective of establishing standardized requirements is to ensure consistent data presentation so the Bureau of Reclamation may consolidate the data in a meaningful way for presentation to Reclamation users, project beneficiaries, and other external entities.
2. **SPCCR Summary Statement – General Repayment Column Content and Format Requirements.** Regions must use the columnar format displayed in the table below for all SPCCR summary statements. They have the flexibility to change the order of the rows according to their needs. Regions can prepare supplemental summaries if they have a need to present summary information by irrigation district or by power feature, but such summaries cannot replace this required summary statement. The table presents several primary group headings. This appendix discusses detailed presentation requirements for each group.

| Repayment | Support Schedule | Project Total | Irrigation | Power | Municipal and Industrial (M&I) | Recreation | Flood Control | Continue (See note 1) | Non-reimb. Safety of Dams (SOD) Costs (See note 2) |
|-----------------------------------|------------------|---------------|------------|-------|--------------------------------|------------|---------------|-----------------------|--|
| Repayment Realized | | \$ | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Anticipated Future Repayment | | | | | | | | | |
| Total Repayment | | | | | | | | | |
| Other Credits | | | | | | | | | |
| Total Repayment and Other Credits | | | | | | | | | |
| Excess of Repayment over Cost | | | | | | | | | |
| | | | | | | | | | |

Note 1: Every project purpose identified for a project, including each non-reimbursable project purpose, requires a separate column heading.

Note 2: Record SOD repayment under the project purpose that makes the repayment. No repayment will appear in the Non-reimbursable SOD Costs column.

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- A. **Include All Repayment and Credits.** The SPCCR must report all repayment coverage. This requirement includes both executed and proposed repayment contracts, other revenue generating transactions, repayment offsets (realized and anticipated income), and other credits applied toward the repayment of project construction expenditures.
- B. **Single Purpose Projects or Features.** No supporting schedules are required when the entire amount reported on a line associates with a single feature that has a single purpose allocation, for example, an irrigation canal or a power plant.
- C. **Zero Balances.** The region may omit line items with a zero balance from the statement.
- D. **Allocations.** Allocated repayments to authorized project purposes, irrigation divisions, and other repayment entities in accordance with executed and proposed contract repayment provisions that are consistent with the allocation of the cost of the associated facilities, or such other methods as provided in the approved payout plan. Show unidentified sources for repayment of future development costs under the Anticipated Future Repayment group. Show allocations for pumping power as line entries when needed for clarification or when material to the project.
- (1) **Irrigation Suballocations.** Further allocate repayments or credits allocated to irrigation to divisions. Group costs and credits pertaining to Warren Act (February 21, 1911; ch. 141, 36 Stat. 925; 43 USC 523) contracts in a single column with appropriate heading which in some instances may be a “Storage Division.”
 - (2) **Costs Not Covered.** Report any cost not covered by existing repayment arrangements under the Anticipated Future Repayment group or under the Other Credits group. Allocate these costs to the appropriate project purpose. Report the authorization as a footnote.
 - (3) **Asset Transfers.** If the project transferred assets and the corresponding repayment responsibility, e.g., transmission lines to Western Area Power Administration (Western), include the costs in the cost section under the Property, Plant, and Equipment (PP&E) group of the SPCCR and include an offset under the Other Credits group as required.
 - (4) **Long Term Asset Revenue Presentation.** If the SPCCR reports long term asset costs, such as the acquisition cost of power income rights of water users, show power revenues realized and anticipated, as a return thereof, under the repayment section in the power allocation column of the summary statement.

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- (5) **Deficits.** Do not show negative income under repayment with a resulting unauthorized excess of cost over repayment.
- (6) **Unique Allocations.** Refer to Appendix C, Paragraph 2.E. for authorized situations when the SPCCR may contain a unique allocation column. If the SPCCR allocates costs to a unique allocation column, the SPCCR must also present repayment realized and anticipated future repayment associated with that allocation in that column.

3. Repayment Realized Group – Group Content and Format Requirements.

| Line Item | Support Schedule | Project Total | Project Purpose 1 | Project Purpose 2 | Non-reimb. SOD Costs |
|---|------------------|---------------|-------------------|-------------------|----------------------|
| Repayment Realized | | | | | |
| Repayment Contracts – Matured | | \$ | \$ | \$ | \$ |
| Rehabilitation and Betterment Contracts – Matured | | | | | |
| Repayment of Other Physical Property | | | | | |
| Contributions | | | | | |
| Excess of Income over Expense | | | | | |
| Power Revenues | | | | | |
| Irrigation Water Service and Rentals | | | | | |
| M&I Water Service and Rentals | | | | | |
| Repayment Realized from Other Sources | | | | | |
| Other – Capitalized Operation and Maintenance (O&M) | | | | | |
| Other – Capitalized Equipment | | | | | |
| Other – Buildings | | | | | |
| Other – Aid to Irrigation | | | | | |
| Other (specify source) | | | | | |
| Colorado River Development Fund | | | | | |
| Loans – Drought Emergency Assistance – Matured | | | | | |

- A. **Data Source.** The repayment realized information reported on the SPCCR must agree with what Reclamation’s accounting system reports and the balances must tie back to the General Ledger (GL) account. Footnote and support, by other historical documentation, any repayment information not available in the accounting system.

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- B. Separate Revenues by Type.** Show the amount applicable to specific revenues separately by type of revenue, such as power revenues or repayment contracts. In addition, show separately the amount applicable to equipment purchased with water users' advances. The distribution of non-specific charge-offs to functions, divisions, and repayment entities will follow the distribution of costs based upon the pertinent authorized repayment requirements.
- (1) **Contracts.** The Repayment Contracts – Matured line item pertains to contracts executed pursuant to the Reclamation Act of 1902 (June 17, 1902; ch. 1093, 32 Stat. 388; 43 USC 391), and the Reclamation Project Act of 1939 (August 4, 1939; Pub. L 76-260; ch. 418, sec 9(c)(1) and 9(d), 53 Stat. 1194). Continue to report fully matured and repaid contracts as both cost and repayment items. Such repayment accomplishments are significant; do not delete from the SPCCR after completion.
 - (a) Include net revenue under water service contracts executed pursuant to the Reclamation Project Act of 1939 (August 4, 1939; Pub. L. 76-260; ch. 418, sec 9(c)(2) and 9(e), 53 Stat. 1194) in the amount reported under Excess of Income Over Expense.
 - (b) Use a separate line titled SOD Repayment Contracts – Matured to record repayment received for reimbursable portions of capitalized SOD costs.
 - (2) **Contributions.** Report contributions as a separate line on the summary statement. Provide the detailed information on supporting schedule, Schedule E – *Repayment Realized*. Paragraph 6 identifies the supporting schedule requirements.
 - (3) **Prepayments or Deductions.** Certain projects, for example the Colorado River Storage Project and Participating Projects, had their allocations developed by deducting certain “prepaid” contributions or Colorado River Development Fund charges before applying a formula to the balance. In order to have a consistent presentation of all the varying methods of allocating costs, the outline for the SPCCR must show those prepaid deductions as repayment.
 - (4) **Excess of Income Over Expense.** Excess of Income Over Expense will include the portion of revenues retained in GL 3310.A0000 (Cumulative Results of Operations – Operating), categorized as Net Revenue Pending Distribution at the reporting date, which may in part accrue to the United States (U.S.) as a partial return of reimbursable construction cost. This balance will include only those revenues not disclosed on another specific repayment realized line item. The summary statement must recognize such net income as Repayment Realized.

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- (5) **Other – Capitalized O&M.** In most instances, Reclamation law requires O&M costs be repaid in the year incurred, including those that Reclamation capitalizes. The SPCCR must include capitalized O&M costs because Reclamation considers them part of our construction costs. Appendix C provides the reporting requirements in each of the appropriate sections. Report capitalized O&M repayment received on a separate line titled Other – Capitalized O&M.
- (6) **Other – Aid to Irrigation.** For some projects, Reclamation law, as amended, authorizes Reclamation to consider ability-to-pay when allocating irrigation capital investment repayment responsibility. When legislation authorizes aid to irrigation and the irrigation’s capital investment repayment exceeds the irrigator’s ability to repay, Reclamation has authority to transfer the repayment responsibility for the excess amount to other project purpose beneficiaries, most commonly power. The process of allocating irrigation’s capital investment repayment responsibility and the amount allocated to another project purpose are most commonly referred to as aid to irrigation; however, regions may use another term that accurately describes the transfer of repayment responsibility.
- (7) **Other – Specify.** Present amounts received from unique repayment arrangements or sources on a separate line titled Other with a source identifier. Report all aid to irrigation repayments received on a separate line titled Other – Aid to Irrigation, or another title that accurately reflects this activity.
- (8) **Minor Amounts.** The SPCCR may consolidate minor amounts of non-operating income or incidental revenues such as grazing leases and building rentals. This includes front-end and tail-end credits associated with incidental revenues. The supporting schedule must contain a listing of the component amounts by source. The totals must agree with the related GL balances as of the date of the report.

4. Anticipated Future Repayment Group – Group Content and Format Requirements.

- A. **Lines that Mirror the Repayment Realized Group.** Most of the line items in this group are very similar to those in the Repayment Realized group, Paragraph 3.B. above. For these lines, report the balances that are not yet due or are unpaid. There are several different lines in this group also. The table on the following page includes the most common examples.

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| Line Item | Support Schedule | Project Total | Project Purpose 1 | Project Purpose 2 | Non-reimb. SOD Costs |
|--|------------------|---------------|-------------------|-------------------|----------------------|
| Anticipated Future Repayment | | | | | |
| Repayment Contracts – Un-matured | | \$ | \$ | \$ | \$ |
| Future Repayment Contracts | | | | | |
| Rehabilitation and Betterment Contracts – Un-matured | | | | | |
| Future Repayment of Other Physical Property | | | | | |
| Contributions – Anticipated | | | | | |
| Excess of Income over Expense | | | | | |
| Power Revenues | | | | | |
| Irrigation Water Service & Rentals | | | | | |
| M&I Water Service & Rentals | | | | | |
| Other (specify source) | | | | | |
| Anticipated Future Repayment from Other Sources | | | | | |
| Colorado River Development Fund | | | | | |
| Unfunded Depreciation | | | | | |
| Loans – Drought Emergency Assistance – Un-matured | | | | | |

- (1) **Power Revenues.** Future power revenues to be applied to repayment, reported on the power revenues line, must be in an amount sufficient to reflect full recovery of costs allocated to this project purpose.
- (2) **Water Service Contracts.** In many instances, there is no specific payout period for all project costs to be recovered through irrigation and M&I water service contracts executed pursuant to the Reclamation Project Act of 1939 (August 4, 1939; Pub. L. 76-260; ch. 418, sec 9(c)(2) and 9(e), 53 Stat. 1194). Water service contracts are generally renewable for the continued recovery of unpaid project costs. In those cases, estimated future revenues reported on the irrigation water service contracts line and the M&I water service contracts line will be the amount sufficient to reflect full recovery of costs allocated to these activities.
- (3) **SOD Repayment Contracts.** Use a separate line titled SOD Repayment Contracts – Un-matured to identify anticipated repayment due for reimbursable SOD construction work.

B. Future Repayment Contracts. The Anticipated Future Repayment group includes a line titled Future Repayment Contracts. Include all contracts under negotiation or expected to be negotiated pursuant to the Reclamation Project Act of 1939 (August 4, 1939; Pub. L. 76-260; ch. 418, sec 9(c)(1) and 9(d), 53 Stat. 1194) on this line. Specify the contract authorities that apply to each line item recorded in this section. The Reclamation Safety of Dams Act of 1978 (November 2, 1978; Pub. L. 95-578; 92 Stat. 2471; 43 USC 506), Rehabilitation and Betterment Act (October 7, 1949; Pub. L. 81-335; ch. 650, 63 Stat. 724), and Amend Small Reclamation Projects Act of

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1966 (September 2, 1966; Pub. L. 89-553; 80 Stat. 350) are examples of other contract authorities that support amounts reported in this section. Project specific legislation will also apply to amounts reported in this section.

- C. **Aid to Irrigation.** Record the amount of anticipated future repayment associated with aid to irrigation in the Irrigation allocation column with a separate line item such as Power Revenues – Aid to Irrigation.

 - D. **Construction in Abeyance (CIA).** Record an entry in the Anticipated Future Repayment group equal to any CIA balances or permanent impairments requiring de-authorization reported under the PP&E group and Other Charges group in the cost section. Record the entry on a separate line titled Construction in Abeyance. The allocation between project purposes must match the PP&E group and Other Charges group allocation in the cost section. This anticipated repayment line must remain on the SPCCR until Congress de-authorizes the project or project feature that generated the costs.

 - E. **Unfunded Depreciation.** Use a line titled Unfunded Depreciation to report the total of the reimbursable capitalized equipment and building construction balances to be repaid annually based upon the annual depreciation expense, plus the balance of the non-reimbursable capitalized equipment and building construction balances.

 - F. **Minor Differences.** Show minor costs not yet adjusted on the repayment contracts as future repayment rather than Excess of Cost Over Repayment. The latter category is intended primarily for those projects with repayment problems pending before Congress.
5. **Other Credits Group – Group Content and Format Requirements.** The table below includes line items most commonly found in SPCCR preparation. It may be necessary to include additional line categories to meet unique situations encountered on a particular project.

| Line Item | Support Schedule | Project Total | Project Purpose 1 | Project Purpose 2 | Non-reimb. SOD Costs |
|---|------------------|---------------|-------------------|-------------------|----------------------|
| Other Credits | | | | | |
| Repayment Reduction Authorized | | \$ | \$ | \$ | \$ |
| Charge Offs Authorized by Congress | | | | | |
| Non-reimbursable Construction Expense (1) | | | | | (2) |
| Cost assumed or to be assumed: | | | | | |
| By _____ Project | | | | | |
| By _____ Agency | | | | | |
| (1) Cite the legislative authority for non-reimbursable costs as a footnote on the summary statement and/or on the supporting schedule. | | | | | |
| (2) Offset the non-reimbursable SOD costs here. | | | | | |

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- A. **Other Federal Agency Costs.** In cases where the reimbursable cost of the project includes costs incurred by other agencies (such as the U.S. Army Corps of Engineers) not recorded in Reclamation's accounts, show the non-reimbursable portion on the Other Credits – Non-reimbursable line in this group. This is particularly true of the Pick-Sloan Missouri Basin Program. While Reclamation does not record these costs, the costs are included in the SPCCR.
- B. **Costs Assumed by another Federal Agency.** Costs funded by another Federal agency are not true repayments because the other Federal agency usually incurs the costs directly rather than transferring funds to Reclamation. Nevertheless, when other Federal agencies' expenditures contribute to the construction of a Reclamation-owned asset, include these amounts in the Other Credits group.
- C. **Asset Transfers.** Show Reclamation costs for assets, such as the transmission lines and related repayment responsibility, transferred to Western as an offset in this group. If Reclamation completed the cost transfers, the balance in GL account 3310.C0000 (Cumulative Results of Operations – Capital Assets) must agree with the cost allocation. If Reclamation has not completed the transfers, increase this line amount to the amount of the allocation, with the balance in GL account 3310.C0000 and Balance to Complete shown in the supporting schedule.
- D. **Appropriated Funds – Repayment.** Report Federal funds applied as repayment of costs incurred in this group.
- E. **Non-reimbursable Amounts.** Offset non-reimbursable amounts reported in the cost section by a matching non-reimbursable amount under the Other Credits group in the repayment section. Cite the legal authority cited in the cost section here as well.
- F. **Costs Assumed by Other Projects.** The amount reported as Costs Assumed by Other Projects must offset the related amount of construction costs so allocated. Show repayment of other agency costs (Corollary Costs) in this Other Credits group.
6. **Supporting Schedules – Specific Requirements.** Each supporting schedule must equal the corresponding group (for example the repayment realized group) presented in the summary statement repayment section; present the schedule letter and title for each supporting schedule at the top of each page of the schedule. The regions determine the format used for the supporting schedule, except the schedule letter and title must be consistent with format established in Appendix C, Paragraph 8.A. Use the following standardized supporting repayment schedule letters and names whenever included in a SPCCR package:
- A. **Schedule E – Repayment Realized.** For each significant contribution amount, this supporting schedule must show the contributor(s) name, date, purpose, and amount. Follow the total with a summary of total amounts relating to each benefiting division keyed to the listing, together with the project features to which the contributions apply.

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Minor contributions under 10 percent of total cost may be summarized showing the project feature or features to which the contribution applies and the total amount applicable to each feature.

B. Schedule F – Anticipated Future Repayment.

C. Schedule G – Other Credits.