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UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
WASHINGTON, D.C. 20240
June 10, 1998

In Reply Refer To:
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EMS TRANSMISSION 6/15/98
Instruction Memorandum No. 98-122
Expires: 9/30/99

To: All Field Officials

From: Director

Subject: Deferred Maintenance

DD: 7/17/98; 10/15/98

In order to maintain an unqualified financial statement audit opinion for Fiscal Year 1998, the Bureau of Land Management (BLM) must implement the deferred maintenance standard contained in the Statement of Federal Financial Accounting Standards (SFFAS) No. 6, Accounting for Property, Plant, and Equipment. An additional requirement has also been imposed by the Assistant Secretary, Policy, Management and Budget, through his commitment to provide Congress the comprehensive 5-year deferred maintenance and capital improvements project lists to accompany the Fiscal Year 2000 President's Budget.

To meet the SFFAS No. 6 deferred maintenance reporting standard, a detailed project plan has been developed and is transmitted as Attachment 1 to this Instruction Memorandum. Each State and Center Director must ensure that the work identified in each task is performed on time and that the data contained in the Facilities Inventory and Maintenance Management System (FIMMS) are accurate and current on September 30, 1998.

Attachment 2 contains Department of the Interior (DOI) guidance for preparing the 5-year deferred maintenance and capital improvements plan. To ensure uniformity among Bureaus, the DOI has provided common definitions for operations, annual maintenance, deferred maintenance, and capital improvements; criteria for ranking deferred maintenance and capital improvements; requirements for conducting facility condition assessments; and formats for developing the 5-year plan. The summary and project forms have been cut out of the DOI's guidance and modified for BLM's use and your convenience.

In addition to specific tasks identified in the deferred maintenance implementation project plan, State engineers and FIMMS coordinators need to provide oversight in several areas, including:

- Ensuring the completion of and conversion to version 3.0 of the FIMMS software.

- Ensuring that the 5-year deferred maintenance project lists are provided to Rob Roudabush, Washington Office (WO-880) by July 17, 1998. The three separate lists must include BLM's highest priority deferred maintenance projects funded through the Management of Land and Resources (MLR) and the Oregon and California (O&C) Grant Lands appropriations and a capital improvement list funded through the Construction account. Excluded are projects funded by recreation fee receipts, the pipeline fund, Federal Highway Administration, emergency supplemental funding, other contributed sources, etc.
- Ensuring that all corrective maintenance projects that will be completed by the end of Fiscal Year 1998, regardless of funding source, are removed from FIMMS to facilitate accurate deferred maintenance calculations for current year financial reporting.
- Ensuring that the facility condition assessment field in FIMMS for dams, bridges, and recreation sites has been updated in accordance with BLM's planned schedule.
- Ensuring thorough coordination with the Recreation Fee Pilot Program so we can answer congressional questions on facility operations, annual and deferred maintenance, and capital improvement accomplishments and future needs.
- Ensuring that the summary reports identified in the project plan are provided to Frank Ciesel in the National Applied Resource Sciences Center (RS-110) by October 15, 1998.

I want to personally emphasize to State, Field Office, and Center managers that the effort outlined herein should be given a very high priority as it will not only facilitate an unqualified financial statement audit opinion for BLM, but will also set the stage for additional maintenance funding beginning in Fiscal Year 2000. The overall goal of this effort is to improve the quality and protect the public investment in managing public land facilities. Each State must evaluate its staffing level and staffing skills mix to ensure that it has adequate survey and design, contract preparation, and contract inspection capabilities to accomplish this growing workload.

Questions relating to SFFAS No. 6 can be directed to Betty Buxton, National Business Center Staff, at 202-452-5181, and questions relating to FIMMS, the 5-year plan, and other maintenance issues can be directed to Rob Roudabush, WO-880, at 202-452-7716.

Signed by:
Pat Shea (nrh)
Director

Authenticated by:
Robert M. Williams
Directives, Records

& Internet Group, WO540

2 Attachments

- 1 - General Property, Plant, and Equipment - Property Classes (10 pp)
- 2 - Department of the Interior Guidance (39 pp)