

From: Peterson, Paul R
Sent: Tuesday, September 13, 2011 12:12 PM
To: DefMaint
Subject: Exposure Draft



Attached please find my comments on the DM & R Exposure Draft

Paul Peterson P.E.

BLM NOC Supervisory Civil Engineer

Word Version of Request for Comments**Deferred Maintenance and Repairs - Exposure Draft****Comments Requested by September 16, 2011**

Name of Respondent:**Organization Represented:**

Q1. The Board proposes to eliminate the requirement to report condition information. Refer to paragraphs 13, 14, and 17 of the proposed standards and paragraph A8 in Appendix A - Basis for Conclusions for a discussion and related explanation.

Do you agree or disagree with the Board's proposal to no longer require condition reporting? Please provide the rationale for your answer.

Disagree: Condition reporting for bridges, buildings, dams, and other key infrastructure which directly affects public safety provides the audit with a measure of the effectiveness of the allocated budget to maintain those critical assets.

Comment: Disagree

Q2. The proposed standards would require that DM&R estimates for beginning and ending balances be presented with an explanation of significant changes in estimates. Refer to paragraph 14.f. and g. of the proposed standard and paragraph A20 in Appendix A - Basis for Conclusions for a discussion and related explanation.

- a) **Do you agree or disagree that DM&R estimates for beginning and ending balances should be presented? Please provide the rationale for your answer.**

Agree: This measure would show the effectiveness of the use of the Deferred Maintenance funds for each agency.

Comment: Agree

- b) **Do you agree or disagree with the requirement to explain significant DM&R changes? Please provide the rationale for your answer.**

Agree: This explanation is required to determine if the change is due to a change in reporting methodology or an actual change in DM needs and why those needs have changed.

Comment: Agree

Q3. The proposed standards state that entities should apply reported methods and reporting formats consistently unless management determines that changes are necessary and if changes to methods or formats are necessary, such changes should be explained. Refer to paragraph 11 of the proposed standards and paragraphs A10 and A11 in Appendix A - Basis for Conclusions for a discussion and related explanation.

Agree: This explanation is required to determine if the change is due to a change in reporting methodology or an actual change in DM needs and why those needs have changed

Comment: Agree

Do you agree or disagree that entities should apply reported methods and reporting formats consistently? Please provide the rationale for your answer.

Agree: This would best be handled by using a shared definition of protocols. I do not recommend adopting a unified IT system for the inventory, the coordination would be too costly to implement

Comment: Agree

Do you agree or disagree with requiring an explanation if entities change methods or formats? Please provide the rationale for your answer.

Agree: This explanation is required to determine what methodology is being used by the agency to report on the inventory.

Comment: Agree

Q4. The proposed standards would require entities to provide narrative information describing M&R policies and other non-financial information including any significant changes to policies and other factors from the prior year. Refer to paragraphs 13 and 14, items a. through f. of the proposed standards and paragraphs A11 and A17, respectively in Appendix A - Basis for Conclusions for a discussion and related explanation.

Do you agree or disagree with each of the above referenced requirements? Please provide the rationale for your answer.

Disagree: With the varied missions and policies which the federal government is mandated to maintain would difficult to apply this data to an accounting report.

Comment: Disagree

Q5. The proposed standards state that communication with and consideration of input from professionals in diverse disciplines is necessary to effectively compile and report DM&R. Refer to paragraph 11 of the proposed standards and paragraphs A15 and A16 in Appendix A - Basis for Conclusions for a detailed discussion and related explanation. .

Do you agree or disagree that communication with and consideration of input from professionals in diverse disciplines is necessary to effectively compile and report DM&R? Please provide the rationale for your answer.

Agree: For constructed assets it is imperative to have engineers, planners, operations, and, budget analysts communicating effectively to understand the DM issue in regard to the agency mission, agency constructed infrastructure, and agency budget.

Comment: Agree

Q6. The proposed standards would eliminate the option to report a range of DM&R estimates and the distinction between critical and non-critical amounts. The reported amount of DM&R may be disaggregated in a variety of ways without explicit mention in the standards. Refer to paragraph 14 of the proposed standards and to paragraphs

A18 and A19 in Appendix A - Basis for Conclusions for a discussion and related explanations.

- a. **Do you agree or disagree with eliminating the option to report a range of DM&R estimates? Please provide the rationale for your answer.**

Disagree: The estimate of DM is not a fixed number and changes each day, to put a single cost on the DM provides a false accounting number.

Comment:

- b. **Do you agree or disagree with eliminating the distinction between critical and non-critical DM&R estimates? Please provide the rationale for your answer.**

Agree: It's doubtful if all agencies reported the same on this item.

Comment:

Q7. The proposed standards would be effective beginning in fiscal year 2015 with earlier implementation permitted.

Do you agree or disagree with the proposed effective date? Please provide the rationale for your answer.

The impact of these changes to my agency does not seem to be a heavy one, but is there a basis for this year?

Comment: