

Reclamation Manual

Directives and Standards

Subject:	Statement of Project Construction Cost and Repayment (SPCCR)
Purpose:	To establish standardized Bureau of Reclamation-wide content, format, and due-date requirements for SPCCR preparation. This Directive and Standard (D&S) addresses Reclamation's need to present the relationship between project cost and repayment, in a consistent manner between regions and projects that is easily understood by Reclamation employees, project beneficiaries, and other interested parties. This standardized presentation will benefit Reclamation by providing a consistent tool for use in management's decision-making process, and the presentation of project cost and repayment status to outside interested entities.
Authority:	The Reclamation Act of 1902 (June 17, 1902; ch. 1093, 32 Stat. 388; 43 U.S.C. § 391), and acts amendatory and supplementary thereto, and the Water Conservation and Utilization Act (August 11, 1939; Public Law 398; ch. 717, 53 Stat. 1418).
Approving Official:	Director, Management Services Office
Contact:	Business Analysis Division (BAD), Mail Stop 84-27410, 303-445-3430

1. **Scope.** This D&S applies to all Reclamation projects that have capital investment costs allocated to one or more reimbursable project purposes.
2. **Overview** of Appendices to this D&S:
 - A. **Appendix A** – *Commissioner's Memorandum – Managing for Excellence – Implementation of Team 25 Recommendations.*
 - B. **Appendix B** – *Statement of Project Construction Cost and Repayment (SPCCR) Table of Contents.*
 - C. **Appendix C** – *Cost Format and Content Requirements.*
 - D. **Appendix D** – *Repayment Format and Content Requirements.*
 - E. **Appendix E** – *Graphing Format and Content Requirements.*
 - F. **Appendix F** – *Glossary.*
 - G. **Appendix G** – *Reclamation Instructions, Series 480, Part 496 – Statement of Project Construction and Repayment.* Historical Reclamation Instructions, 9/13/1977.
 - H. **Appendix H** – *FAST General Ledger (GL) Crosswalk to FFS U.S. Standard General (SGL)Ledger Accounts.*

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- I. **Appendix I** – *1988-1997 FFS SGL Account Changes Crosswalk.*
 - J. **Appendix J** – *Statement of Project Construction Cost and Repayment (SPCCR) Table FAST General Ledger (GL) Crosswalk to FFS U.S. Standard General Ledger (SGL).*
3. **Background.**
- A. The passage of the Reclamation Act of 1902, established the requirement that water users repay construction costs of projects from which they receive benefits. Consequently, Reclamation has been accumulating construction-cost and repayment data, since the first reimbursable project began. Reclamation created the SPCCR to capture cost and repayment data, by project, for internal use only. The latest policy document with procedures and requirements for SPCCR preparation was developed in 1977, as part of the Reclamation Instructions. This historical document, which is superseded in its entirety by this D&S, is presented in Appendix G for reference purposes only.
 - B. Based upon the 2006 – 2007 Managing for Excellence initiative and the resulting Action Item 25 recommendations, Commissioner Robert W. Johnson’s memorandum required standardized SPCCRs to facilitate better management of existing infrastructure, to increase knowledge and understanding of the repayment status of those facilities, and to increase transparency of construction costs. (See Appendix A).
4. **Accounting Changes.** Reclamation must retain cumulative construction cost and repayment data. This data must be supported by accounting ledgers with crosswalks that document changes to historical data elements. Standardized Federal accounting requirements have precipitated the need for Reclamation to change standard general ledger (SGL) account numbers and other accounting data elements over time. Appendices H, I, and J provide historical Reclamation accounting ledger elements and crosswalks for reference in support of cumulative SPCCR accounting data:
5. **Roles and Responsibilities.**
- A. **Regional Directors.** Regional directors are responsible for ensuring that project construction costs are allocated and recovered in accordance with applicable legislative requirements and the SPCCRs are prepared in accordance with this D&S.
 - B. **Regional Managers.** Regional managers assigned to each of the functional areas that support the SPCCR effort, including finance, economics, repayment, etc., are accountable to the regional directors for ensuring that:
 - (1) All SPCCRs for fiscal year (FY) 2006 and prior are finalized by September 30, 2007. The format changes in this D&S do not apply to SPCCRs prepared as of FY 2006 and prior.

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- (2) All required SPCCRs for FY 2007 and subsequent FYs are completed and distributed by the due date as established in Paragraphs 9.A. and 9.B. of this D&S.
- (3) All SPCCRs comply with the form and content requirements of this D&S.
- (4) The data contained in all SPCCRs is accurate and complete, and all amounts can be tied to the official audited accounting records. If amounts cannot be tied to the official audited accounting records, footnotes will be provided to document and explain any differences.
- (5) All SPCCRs are reviewed, at least once, by a manager or management designee other than the preparer.
- (6) All SPCCRs are signed by the preparer and the reviewer.
- (7) The required supporting documentation is available for audit and future reference.
- (8) The region implements procedures to ensure that outside-entity data needed for completion of an SPCCR is obtained in a timely manner or that estimates are utilized such that the impacted SPCCR is completed by the due date.
- (9) All SPCCRs are posted to the region's intranet site within 15 days after the SPCCR completion due date and that all final SPCCRs are retained on the site.
- (10) The SPCCR allocations, future cost and revenue estimates, and reimbursability determinations are accurate and supported.
- (11) Water service contracts are reflected in the appropriate SPCCR repayment sections.

C. SPCCR Preparer. The SPCCR preparer is responsible for:

- (1) Developing a thorough understanding of the purpose and uses of the SPCCRs.
- (2) Understanding the nature of SGL accounts included in the SPCCR and developing the core competencies necessary to report them accurately in the SPCCRs.
- (3) Understanding the basic development and operation of projects for which SPCCRs are being prepared.
- (4) Coordinating with the appropriate external and internal staff responsible for project management, accounting, repayment, and rate-setting, when applicable, to

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ensure the most current and accurate data is correctly included in the SPCCRs and that authorizing legislative allocations and repayment are properly reflected..

- (5) Ensuring that the SPCCR data ties to the required financial documentation as provided in Paragraphs 7.B. through 7.D. of this D&S.
 - (6) Obtaining required external data that must be provided by another agency, or establishing estimates in the event current data is not available from the external agency in a timely manner.
 - (7) Completing the SPCCRs in a timely manner to allow for management review and approval prior to the due date.
 - (8) Maintaining the supporting documentation required in Paragraphs 7.C., D., and G. of this D&S and an original signed copy of each SPCCR.
 - (9) SPCCR distribution as required in Paragraphs 10.A. through 10.D. of this D&S.
6. **Required Annual SPCCRs.** A separate SPCCR is required annually for any authorized reimbursable construction project, division, or unit that has:
- A. Construction costs allocated to one or more reimbursable authorized project purposes, such as irrigation, municipal and industrial (M&I) water, or power.
 - B. Been authorized but has not initiated advance planning. The SPCCR must show the latest approved data. Identify any data not available as “NA.”
 - C. Completed the first year of advance planning.
 - D. Rehabilitation and betterment (R&B), safety of dam, salinity, or other authorized construction activity. Report these construction costs either:
 - (1) As part of the associated project’s SPCCR; or
 - (2) As a separate SPCCR if the construction work is unaffiliated with an existing construction project.
 - E. Active repayment status.
 - F. Not been deauthorized.
 - G. Has not been transferred in title to a non-Federal entity.
7. **Optional SPCCRs.** Regions must prepare SPCCRs for projects or activities, not classified as required in Paragraphs 5.A. through 5.F., if a cost-benefit analysis or other special

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circumstances support the preparation of such a SPCCR. If a SPCCR is prepared for such a project or program, the requirements identified in this D&S and the associated appendices apply. SPCCRs are not required for:

- A. Any Reclamation construction activities not defined as a project, i.e., general investigations, nonconstruction loan program, soil and moisture conservation, halogeton weed control, technical records and as-built drawings, delivery of water to Mexico.
- B. Non-reimbursable construction projects.
- C. Fully repaid reimbursable construction project after the **final** SPCCR has been completed, except when material statutory credits have accrued. Incidental revenues collected after a project is fully repaid are referred to as statutory credits. Statutory credits must be tracked. The **final** SPCCR must be updated to include material statutory credit collections. The revised amounts must be reflected in the *Consolidated Regional SPCCR Summary* prepared in the same year as the revision and continues to be included in subsequent year's, *Consolidated Regional SPCCR Summary*.

8. General SPCCR Requirements.

- A. **Minimum SPCCR Format Requirements.** At a minimum, each SPCCR will include:
 - (1) Table of Contents;
 - (2) Summary Statement; and
 - (3) Supporting Schedules (when there is more than one single-purpose feature or a feature is allocated to more than one purpose); and
 - (4) Graphic Displays of Total Costs and Total Repayment.
- B. **Minimum SPCCR Cost Content Requirements.** All project costs, i.e., incurred, estimated future construction costs, and other charges must be included in the SPCCR.
- C. **Minimum SPCCR Repayment Content Requirements.** Repayment data presented must equal total costs.
- D. **Cost Data Source Documentation.** Reclamation cost data must be supported by and reconcile to the existing financial reporting system general and subsidiary ledgers. The FY end 730 Report – *Cost File Summary* (or a comparable successor report) must be the basis for all cost data reported on the SPCCR. In cases where historical cost data cannot be supported by the financial reporting system, a footnote that explains the nature of the cost data is required. Any cost data obtained from another Federal entity must be footnoted as to the source.

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- E. **Cost and Repayment Allocation Support Documentation.** The allocations and distribution of cost and repayment to the several purposes, divisions, and repaying entities must be consistent with legislative provisions, actual or expected contract relationships, and official administrative determinations. Regions must maintain:
- (1) Supporting documentation for allocations between project purposes and
 - (2) Distribution of costs to divisions and repayment entities.
- F. **Table of Contents Requirements.** The required standard format for the SPCCR table of contents is provided in Appendix B. This standard format includes all required supporting schedules. Each SPCCR table of contents will include the complete list of standard supporting schedules with an asterisk (*) to indicate inclusion.
- G. **Summary Statement Content Requirements.**
- (1) The summary statement must show total construction costs, their allocation among project purposes, total repayments, and the allocations thereof to purposes, divisions or irrigation districts, or other entities in the project's plan for cost repayment. All reported amounts must be rounded to the nearest dollar. Include a separate column on the summary statement for each project purpose for which costs are allocated. An unidentified **Other** column is **not to be used**. All columns must clearly identify the project purpose or authority costs being reported.
 - (2) It is recognized that varying conditions between Reclamation's many projects require some flexibility as to form and content of the summary statement and supporting schedules. However, requirements must be followed as provided in Appendix C, Appendix D, and Appendix E. These appendices provide requirements pertaining to titles, schedule numbers, content, format, and graphing.
 - (3) Each SPCCR summary page must include the following sections and groups:
 - (a) **Cost.**
 - (i) Property, Plant, and Equipment (PP&E);
 - 1st Land and Land Rights
 - 2nd Plant in Service
 - 3rd Construction in Progress

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- (ii) Corollary Construction Costs;
- (iii) Estimated Cost to Complete Construction; and
- (iv) Other Costs.

(b) **Repayment.**

- (i) Repayment Realized;
- (ii) Anticipated Future Repayment; and
- (iii) Other Credits (includes and offset for non-reimbursable costs).

- H. **Supporting Schedule Requirements.** Supporting schedules are required for cost and repayment data shown on the Summary Statement when there is more than one single-purpose feature or a feature is allocated to more than one purpose. These schedules must show the feature and applicable allocation formulas. The supporting schedules must also reference available allocation support resource documents, such as contract numbers and date, and/or *Definite Plan Report* and date. In the case of projects where the allocation of costs is performed through a separate process and the results are transferred to the SPCCR, reference to the allocation process will meet the disclosure requirement. The allocation must be available upon request. While the supporting schedule numbers and titles must follow a standard format, the content shall be organized as needed to meet each project's presentation needs. More specific information is provided in Appendix C and Appendix D.
- I. **Graphic Presentation Requirements.** Each SPCCR is to include a graphic section. This section is to provide the detailed summary and support schedule information in a more user-friendly manner. At a minimum, each SPCCR is required to include two graphs; one that shows total costs and the allocation of those costs between project purposes and one that shows total repayment to date by project purpose. The required graphing line-item data source, style, and color/pattern format are presented in Appendix E.
9. **Consolidated Regional SPCCR Summary Requirements.** An annual Consolidated Regional SPCCR Summary is required for each region, except for the Denver and Washington Office regions. The Consolidated Regional SPCCR Summary must display a summary total of all cost and repayment group subtotals obtained from the current-year SPCCR summary statements plus the subtotals obtained from prior-year "final" SPCCRs. The required SPCCR Summary Statement format must be used for the Consolidated

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Regional SPCCR Summary except that only the subtotals and totals need to be displayed. The Consolidated Regional SPCCR Summary must be posted to the regional intranet within 15 days after the SPCCR due date.

10. Due Date.

- A. All SPCCRs and accompanying graphs are due by June 30th of the following FY.
- B. Regions shall implement procedures to ensure all SPCCRs, including those that incorporate data from other Federal agencies (e.g., Western Area Power Administration (Western), Corps of Engineers (Corps), etc.), are completed by the due date. If final audited data is unavailable, the regions shall use preliminary data or estimates established in a rational and systematic manner. Regions will true-up preliminary data or data estimates in the subsequent SPCCR.

11. Distribution.

Each SPCCR must be distributed as indicated below. The distribution is to include intranet posting and hard copy versions when necessary. Supporting schedules for the Central Valley Project, the Pick-Sloan Missouri Basin Program, and any other large, integrated, or basin-wide projects must be distributed. Retain all other supporting schedules in the preparing office, subject to call for special inquiries.

- A. Western (only power project SPCCRs for Western's power systems upon request).
- B. Reclamation's external contract auditors. Send electronic copy of all SPCCRs to the CFO audit liaison upon completion. Send in Spreadsheet format.
- C. Project beneficiaries (upon request).
- D. External entities (upon request).
- E. Post to regional intranet site.

12. Related References.

- A. **RM [FIN 04-20](#)** – *Standard General Ledger (SGL) Chart of Accounts.*
- B. **RM [FIN 07-20-10\(B\)\(2\)](#)** – *Plant Accounting – General Property, Plant, and Equipment.*
- C. **RM [FIN – 07-20B\(4\)](#)** – *Plant Accounting – Land.*
- D. **RM [FIN 07-24](#)** – *Plant Accounting – Construction in Progress (CIP).*
- E. **RM [FIN 07-20-10\(B\)\(8\)](#)** – *Plant Accounting – Construction in Abeyance.*

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- F. RM [FIN 07-20-10\(B\)\(9\)](#) – *Plant Accounting – Non-traditional Assets.*
- G. RM [FIN 07-20-10\(B\)\(12\)](#) – *Plant Accounting – Investigations and Development.*
- H. RM [FAC 06-03](#) – *Safety of Dams (SOD) – Modification Reports for Congressional Review.*
- I. RM [PEC 03-01](#) – *Crediting of Incidental Revenues.*
- J. Other RM PEC [Policy](#) and [D&S](#).