

UNITED STATES DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

Date

MEMORANDUM FOR: Real Property Management Division (RPMD)

FROM: Insert CWIP Project Manager’s Name

CWIP Project Manager

Insert CWIP Activity Manager’s Name

CWIP Activity Manager

SUBJECT: Initial Determination for Construction Work-in-Progress (CWIP)

REFERENCE: NOAA’s CWIP Policy and Procedures Manual

According to NOAA’s CWIP Policy and Procedures Manual, CWIP is a temporary holding account used to track costs during the design and construction activities of property, plant and equipment (PP&E). In order to be considered a CWIP activity, a construction project must meet the criteria for capitalization and result in a constructed asset. CWIP can be either real or personal property, or internal use software. Real Property is defined as land and permanent improvements to the land such as buildings and structures.

|  |
| --- |
| **Project Summary** |
| Contract or Project Title |
| Instructions: Complete one determination form for each property in the project. Attach all determination forms to this memo. Summarize the determination in this table. |
| **Property ID** | **Work on this property includes a CWIP component?****Yes/No** | **CWIP Database Activity Title**Enter a unique and descriptive Activity Title for entry into the CWIP Database, the Activity Title can include the Project Title |
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|  |  |  |
|  |  |  |

Instructions: Complete this form for each real property included in a project, copy and paste to create as many forms as needed. Include only one property per form. Summarize the determination in the table on the cover sheet. For additional instructions refer to the Instructions and Definitions for Real Property CWIP Determination. At any point where a non-CWIP determination is made, bypass the remainder of the form. Assemble all forms into a single document file with a cover page and a signature page.

**Project Location:** Insert the Project's Property Name and Complete Address

**Description of the Activity:**

Insert description of the Scope of Work. Relate description to Sustainment, Restoration, and Modernization. Provide sufficient detail to validate determination. Differentiate between CWIP and non-CWIP scope of the project.

[Expand as required].

**Property, Plant, or Equipment (PP&E):**

To qualify as a CWIP activity, an asset must meet **all** of the criteria to be classified as capitalizable property, plant, or equipment (PP&E). Check the following capitalizable PP&E criteria that apply to this project:

[ ]  Total estimated CWIP cost of project (per property) equals $200,000 or more, CWIP portion only

[ ]  Service life is estimated to be 2 years or more

[ ]  Is not intended for sale or transfer

[ ]  Is intended to be used or available for use

Is the asset capitalizable PP&E? (All boxes are checked) [ ]  Yes[ ]  No If no, this is not CWIP.

**Will this project:**

Increase useful life of the asset, or increase size or performance capability? [ ]  Yes[ ]  No

If no, this is not CWIP.

If new construction, response to this question is “yes”.

**Is this activity: (**Refer to definitions on page 4, multiple boxes may be checked which signifies a split-cost project.)

[ ]  Sustainment? (this is not CWIP)

[ ]  Restoration or Modernization? (CWIP)

[ ]  New Construction? (CWIP)

**For new construction and additions:**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Property ID of existing property****(For additions only)\*** | **Estimated NEW Gross Square Footage** | **Estimated Cost** | **Estimated Useful Life**  | **Estimated Placed In Service Date or BOD** |
|       |       |       |       |       |

\*Put N/A for Property ID if all new construction.

**For work at existing facilities**

For determination, each Property ID must be evaluated independently.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Property ID** | **Estimated** **Total Cost $** | **Estimated****CWIP portion of****Cost $** | **Estimated Non-CWIP portion of** **Cost $** | **Estimated Useful Life \*** | **Estimated Placed In Service Date or BOD** |
|       |       |       |       |       |       |

\*Enter estimated useful life of new work.

**Will this project result in an existing asset being demolished or permanently removed from service?**

[ ] Yes[ ]  No

If yes, insert a description of the asset(s) being demolished or being permanently removed from service. Include Property ID.

**Estimated start date for this project is:**  Date

For improvements made to leased properties it is assumed that these costs will be made with a lump-sum payment.  (As opposed to being amortized in the lease). If not, consultation with the Real Property Management Division is required.  There are constraints specific to authority and scoring under OMB Circular, A-11.   Confirm the improvement will be paid for lump sum:

 [ ] Yes[ ]  No [ ]  N/A

**CWIP Determination Signature Page**

Based upon my review of NOAA’s CWIP Policy and Procedures Manual this memorandum documents my initial determination as to whether the above activity/activities qualify as CWIP activity. If determined to be CWIP activity, the provisions outlined within the CWIP Manual will be followed to account for appropriate expenditures. My signature certifies that my required annual CWIP training is current.

LO or SO making the determination:

Signed : \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CWIP Project Manager: Print or type name

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CWIP Activity Manager: Print or type name

Based on the information provided in this Determination the Real Property Management Division

[ ]  does not concur

[ ]  concurs

with the Determination(s).

RPMD has reviewed the ownership status of the property/properties and has determined it/they are leased. Therefore the estimated useful life is revised to .

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Real Property Management Division: Print or type name

cc: Activity Manager/Project Manager

L/SO CFO

Finance Office – Financial Statements Branch (FO – FSB)

OCAO - RPMD