

**Amendment 80 Non-AFA Trawl Gear  
Catcher/Processor**

**Data Verification**

**Report Prepared for Pacific States Marine  
Fisheries Commission**

**2010 Calendar Year Data**

**December 2011**

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## Executive Summary

### Background

The Bering Sea and Aleutian Islands (BSAI) Amendment 80 program was developed to create a quota system that grants exclusive harvesting and processing rights to non-pollock trawl groundfish species among trawl fishery sectors, and facilitate the formation of harvesting cooperatives in the non-American Fisheries Act trawl catcher/processor sector. The groundfish species in the BSAI directly affected by Amendment 80 include:

- Atka mackerel
- Aleutian islands pacific ocean perch
- Flathead sole
- Pacific cod
- Rock sole
- Yellowfin sole

The Amendment 80 program was finalized in the fall of 2007, with quota allocated based on the catch history of each individual vessel. An economic data collection program was implemented as part of Amendment 80 to better understand the economic impacts on the industry.

Economic data reports (EDRs) were developed to aid the North Pacific Fishery Management Council (Council) and National Marine Fisheries Service (NMFS) in assessing the performance of the program and developing amendments necessary to mitigate any unintended consequences. The EDRs are intended to gather information to help monitor how costs and economic returns of various stakeholders in BSAI non-pollock trawl groundfish species affected by Amendment 80. In order to ensure that the data submitted by respondents in the EDRs is accurate, the Council specified that EDR data be subject to mandatory data verification procedures. NMFS has contracted with Pacific States Marine Fisheries Commission (PSMFC) for administration of the data collection. PSMFC has contracted RSM McGladrey (RSM) to perform data verification procedures on variables selected by NMFS.

### Roles of Participants

*National Marine Fisheries Service (NMFS)* - specification of verification protocols and selection of variables to be inspected by RSM.

*Pacific States Marine Fisheries Commission (PSMFC)* - collector and manager of data collected through the EDRs.

*RSM McGladrey (RSM)* - perform data verification procedures for a selection of variables.

*Participants in the Amendment 80 program* - provide support for values of the variables submitted with their EDR.

## Scope of Work

For the 2010 year-end Amendment 80 EDRs, the following procedures will be performed:

1. NMFS performed a selection of 30 variables (15 common to all vessels and 15 specific to individual vessels) and provided classification criteria for verification findings, and RSM will perform data verification procedures for the selected variables.
2. RSM will request all EDR respondents to provide supporting documentation for each of the variables selected by NMFS.
3. RSM will review the supporting documentation provided (if any), compare the values obtained from the documentation provided to the initial value included in the EDR, correct the initial value (if necessary) and report on the type of support provided by the vessels according to classification criteria.

The findings and results of the data verification procedures performed will be included later in this report.

## Key Objectives

- To obtain and analyze documentation to support the variables selected by NMFS
- Identify and update any changes to the initial value based on the supporting documentation provided
- Classify and report on the type of support provided by the respondents based on the data verification procedures performed

Each of these objectives will be discussed in the findings and results and conclusion sections of this report.

*McGladrey & Pullen, LLP*

# Data Verification Procedures

## Variable Selection

NMFS selected 30 variables (15 common to all vessels and 15 specific to individual vessels) to perform data verification procedures. Since the fleet of Amendment 80 consists of only 21 vessels, individual vessels were required to submit supporting documentation for all variables selected for the respective vessel.

### Common variables to all vessels selected by NMFS were as follows:

1. Table 3, #1 – 2010 Revenues: Total FOB Alaska revenue, including custom processing and sales of inventory produced prior to this year (in dollars).
2. Table 3, #1 – 2010 Revenues: Total fishery product sales (in metric tons).
3. Table 3, #4 – 2010 Revenues – Pacific Cod: Quantity of QS shares leased by other vessels (in metric tons).
4. Table 3, #4 – 2010 Revenues – Pacific Cod: Royalty revenue from QS shares leased by other vessels (in dollars).
5. Table 3, #4 – 2010 Revenues – Pacific Ocean Perch: Quantity of QS shares leased by other vessels (in metric tons).
6. Table 3, #4 – 2010 Revenues – Pacific Ocean Perch: Royalty revenue from QS shares leased by other vessels (in dollars).
7. Table 3, #4 – 2010 Revenues – Atka Mackerel: Quantity of QS shares leased by other vessels (in metric tons).
8. Table 3, #4 – 2010 Revenues – Atka Mackerel: Royalty revenue from QS shares leased by other vessels (in dollars).
9. Table 5, #19 – Expenses – Pacific Cod: Quantity of QS shares leased from other vessels (in metric tons).
10. Table 5, #19 – Expenses – Pacific Cod: Royalty costs paid for QS shares leased from other vessels (in dollars).
11. Table 5, #19 – Expenses – Pacific Ocean Perch: Quantity of QS shares leased from other vessels (in metric tons).
12. Table 5, #19 – Expenses – Pacific Ocean Perch: Royalty costs paid for QS shares leased from other vessels (in dollars).
13. Table 5, #19 – Expenses – Atka Mackerel: Quantity of QS shares leased from other vessels (in metric tons).
14. Table 5, #19 – Expenses – Atka Mackerel: Royalty costs paid for QS shares leased from other vessels (in dollars).
15. Table 6, a – Calendar Year 2010 Labor: Fishing (deck crew) – Number of employees in 2010.

### Specific variables to individual vessels selected by NMFS were as follows:

16. Table 2.2 – Vessel Characteristics: Fuel consumption – Steaming (not fishing or processing) - fully loaded with product - Annual Fuel Consumption (in gallons).
  - EDR records for five (5) Amendment 80 vessels selected for validation audit

17. Table 5, #2 – Expenses: Processing labor expenses, including bonuses and payroll taxes but excluding benefits and insurance (in dollars).
  - EDR records for one (1) Amendment 80 vessel selected for validation audit
18. Table 5, #5 – Expenses: Recruitment, travel, benefits and other employee related costs excluding food and provisions and other employee costs already provided in EDR table 5; items #1 - #3 (in dollars).
  - EDR records for one (1) Amendment 80 vessel selected for validation audit
19. Table 5, #11 – Expenses: Product and packaging materials (in dollars).
  - EDR records for one (1) Amendment 80 vessel selected for validation audit
20. Table 5, #17 – Expenses: Fisheries landing taxes, including Shared Fisheries Business Tax and Fishery Resource Landing Tax (in dollars).
  - EDR records for one (1) Amendment 80 vessel selected for validation audit
21. Table 2 – Vessel Characteristics: Fuel consumption – Fishing and/or processing – Annual Fuel Consumption (in gallons).
  - EDR records for seven (7) Amendment 80 vessels selected for validation audit
22. Table 5, #13 – Expenses: Observer fees and other fishery monitoring and reporting costs (in dollars).
  - EDR records for one (1) Amendment 80 vessel selected for validation audit
23. Table 2.3, #1 – Vessel Characteristics: Freezer Space – How much freezer space (measured in pounds of product) did the vessel have at the beginning of the calendar year 2010.
  - EDR records for twelve (12) Amendment 80 vessels selected for validation audit
24. Table 2.3, #2 – Vessel Characteristics: Freezer Space – What is the maximum freezing capacity of this vessel in pounds per hour.
  - EDR records for eleven (11) Amendment 80 vessels selected for validation audit
25. Table 5, #7 – Expenses: Fishing gear leases, repairs, and purchases fully expensed in the calendar year 2010 (in dollars).
  - EDR records for one (1) Amendment 80 vessel selected for validation audit
26. Table 5, #16 – Expenses: Insurance (vessel insurance, P&I, and other insurance associated with the operation of this vessel (in dollars).
  - EDR records for one (1) Amendment 80 vessel selected for validation audit
27. Table 2.2 – Vessel Characteristics: Fuel consumption – Fishing and/or processing – Average Gallons of Fuel per Hour.
  - EDR records for six (6) Amendment 80 vessels selected for validation audit
28. Table 2.2 – Vessel Characteristics: Fuel consumption – Steaming (not fishing or processing) – empty (transiting) - Annual Fuel Consumption (in gallons).
  - EDR records for four (4) Amendment 80 vessels selected for validation audit

29. Table 2.2 – Vessel Characteristics: Fuel consumption – Steaming (not fishing or processing) – empty (transiting) - Average Gallons of Fuel per Hour.
  - EDR records for five (5) Amendment 80 vessels selected for validation audit
30. Table 2.2 – Vessel Characteristics: Fuel consumption – Steaming (not fishing or processing) - fully loaded with product - Average Gallons of Fuel per Hour.
  - EDR records for five (5) Amendment 80 vessels selected for validation audit

## **Description of Findings**

RSM classified and summarized the results of the data verification procedures based on the following criteria. The value and supporting documentation for both the original value (as identified in the EDR form) and the final value (as identified in the audit process) are classified.

### **Support Analysis Code**

#### **Supported by Documentation**

1. Initial/Corrected value is supported by documentation and the final reported value is substantiated by complete records.

#### **Estimates Unsupported by Documentation**

4. Initial/Corrected value is based on an estimate and not derived from records. No method to assess the reasonableness of the final reported value

#### **Estimates Supported by Documentation**

5. Initial/Corrected value cannot be reported precisely as specified in the EDR and must be estimated. The estimate is based on original documentation and sound assumptions and logic.
6. Initial/Corrected value cannot be reported precisely as specified in the EDR and must be estimated. The estimate is based on original documentation, but flawed assumptions and logic.

#### **Initial Value is Incorrect/Corrected Based on Documentation**

2. Initial value is supported by documentation; however, the respondent did not correctly calculate the value reported on the EDR and the initial value was corrected to match the documentation.
3. Initial/Corrected value is supported by documentation; however, the respondent did not interpret the question correctly and the initial value was corrected based on new supporting documentation.
7. Initial value is reported correctly based on original documentation, but the value is corrected based on updated documentation.
8. Initial value is unsubstantiated; the initial value is corrected based on new documentation.

#### **No Data Reported**

9. No data is reported, however, data should be applicable to this vessel or the reported data is incorrect and the value is not correct. There is no corrected value available for this variable.
10. No data is reported as this variable is not applicable to this vessel.

## Data Verification Findings and Results

### Variable

1. Table 3, #1 – 2010 Revenues: Total FOB Alaska revenue, including custom processing and sales of inventory produced prior to this year (in dollars).

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	17	81%	20	95%
7	3	14%	0	0%
10	1	5%	1	5%
<b>Total</b>	<b>21</b>	<b>100%</b>	<b>21</b>	<b>100%</b>

### Support Analysis Code in () below and Description of Support Provided:

- (1) Seventeen vessels provided support for the initial value which was substantiated by complete records. Sixteen vessels provided an income statement exported from the companies' accounting system and one vessel provided an Excel spreadsheet detail which substantiated the value recorded.
- (7) Three vessels provided support for the initial value which was subsequently adjusted and a revised income statement was provided that substantiated the new value recorded. The corrected support analysis was updated to a (1).
- (10) One vessel did not fish during the year and, therefore, did not have any fishery product sales. Thus, this variable was not applicable to this vessel.

### Variable

2. Table 3, #1 – 2010 Revenues: Total fishery product sales (in metric tons).

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	18	86%	20	95%
7	2	10%	0	0%
10	1	5%	1	5%
<b>Total</b>	<b>21</b>	<b>100%</b>	<b>21</b>	<b>100%</b>

### Support Analysis Code in () below and Description of Support Provided:

- (1) Eighteen vessels provided support for the initial value which was substantiated by complete records. All vessels provided a sales report exported from the companies' accounting system which substantiated the value recorded.
- (7) Two vessels provided support for the initial value which was subsequently adjusted and a revised sales report exported from the companies' accounting system was provided that substantiated the new value recorded. The corrected support analysis was updated to a (1).
- (10) One vessel did not fish during the year and, therefore, did not have any fishery product sales. Thus, this variable was not applicable to this vessel.



**Variable**

3. Table 3, #4 – 2010 Revenues – Pacific Cod: Quantity of QS shares leased by other vessels (in metric tons).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	4	19%
10	17	81%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) Four vessels provided support for the initial value which was substantiated by complete records. All vessels provided an actual invoice which substantiated the value recorded.
- (10) Seventeen vessels did not lease QS for Pacific Cod to other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

4. Table 3, #4 – 2010 Revenues – Pacific Cod: Royalty revenue from QS shares leased by other vessels (in dollars).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	4	19%
10	17	81%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) Four vessels provided support for the initial value which was substantiated by complete records. All vessels provided either an actual invoice or income statement exported from the companies' accounting system which substantiated the value recorded.
- (10) Seventeen vessels did not lease QS for Pacific Cod to other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

5. Table 3, #4 – 2010 Revenues – Pacific Ocean Perch: Quantity of QS shares leased by other vessels (in metric tons).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	2	10%
10	19	90%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) Two vessels provided support for the initial value which was substantiated by complete records. Both vessels provided an actual invoice which substantiated the value recorded.
- (10) Nineteen vessels did not lease QS for Pacific Ocean Perch to other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

6. Table 3, #4 – 2010 Revenues - Pacific Ocean Perch: Royalty revenue from QS shares leased by other vessels (in dollars).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	2	10%
10	19	90%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) Two vessels provided support for the initial value which was substantiated by complete records. Both vessels provided an actual invoice which substantiated the value recorded.
- (10) Nineteen vessels did not lease QS for Pacific Ocean Perch to other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

7. Table 3, #4 – 2010 Revenues – Atka Mackerel: Quantity of QS shares leased by other vessels (in metric tons).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	4	19%
10	17	81%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) Four vessels provided support for the initial value which was substantiated by complete records. All vessels provided an actual invoice which substantiated the value recorded.
- (10) Seventeen vessels did not lease Atka Mackerel to other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

8. Table 3, #4 – 2010 Revenues – Atka Mackerel: Royalty revenue from QS shares leased by other vessels (in dollars).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	4	19%
10	17	81%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) Four vessels provided support for the initial value which was substantiated by complete records. All vessels provided an actual invoice which substantiated the value recorded.
- (10) Seventeen vessels did not lease Atka Mackerel to other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

9. Table 5, #19 – Expenses – Pacific Cod: Quantity of QS shares leased from other vessels (in metric tons).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	1	5%
10	20	95%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an actual invoice which substantiated the value recorded.
- (10) Twenty vessels did lease Pacific Cod from other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

10. Table 5, #19 – Expenses – Pacific Cod: Royalty costs paid for QS shares leased from other vessels (in dollars).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	1	5%
10	20	95%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an income statement exported from the company's accounting system which substantiated the value recorded.
- (10) Twenty vessels did lease Pacific Cod from other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

11. Table 5, #19 – Expenses – Pacific Ocean Perch: Quantity of QS shares leased from other vessels (in metric tons).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	1	5%
10	20	95%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an actual invoice which substantiated the value recorded.
- (10) Twenty vessels did not lease Pacific Ocean Perch from other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

12. Table 5, #19 – Expenses – Pacific Ocean Perch: Royalty costs paid for QS shares leased from other vessels (in dollars).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	1	5%
10	20	95%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an actual invoice which substantiated the value recorded.
- (10) Twenty vessels did not lease Pacific Ocean Perch from other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

13. Table 5, #19 – Expenses – Atka Mackerel: Quantity of QS shares leased from other vessels (in metric tons).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	1	5%
10	20	95%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an actual invoice which substantiated the value recorded.
- (10) Twenty vessels did not lease Atka Mackerel from other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

14. Table 5, #19 – Expenses – Atka Mackerel: Royalty costs paid for QS shares leased from other vessels (in dollars).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	1	5%
10	20	95%
<b>Total</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an actual invoice which substantiated the value recorded.
- (10) Twenty vessels did not lease Atka Mackerel from other vessels during the year. Therefore, this variable was not applicable to these vessels.

**Variable**

15. Table 6, a – Calendar Year 2010 Labor: Fishing (deck crew) – Number of employees in 2010.

<b>Support Analysis Code</b>	<b>Initial Reporting</b>		<b>Corrected Reporting</b>	
	<b># of Vessels</b>	<b>% of Total</b>	<b>As Corrected # of Vessels</b>	<b>As Corrected % of Total</b>
1	16	76%	16	76%
5	0	0%	4	19%
8	4	19%	0	0%
10	1	5%	1	5%
<b>Total</b>	<b>21</b>	<b>100%</b>	<b>21</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) Sixteen vessels provided support for the initial value which was substantiated by complete records. All vessels provided a listing of employees which substantiated the value recorded.
- (5) Four vessels corrected value cannot be reported precisely as specified in the EDR and must be estimated. The estimate is based on sound assumptions and logic. The four vessels provided a spreadsheet with estimated allocation of crew members.
- (8) Four vessels did not enter an initial value for this variable in their respective EDRs. This was corrected based on a subsequent estimate that was logical and sound. Therefore, the corrected value was updated to a (5).
- (10) One vessel did not fish during the year and, therefore, did not have any employees. Therefore, this variable was not applicable to this vessel.

**Variable**

16. Table 2.2 – Vessel Characteristics: Fuel consumption – Steaming (not fishing or processing) - fully loaded with product - Annual Fuel Consumption (in gallons).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
5	5	100%
<b>Total</b>	<b>5</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (5) Five vessels provided documentation to support the total gallons of fuel consumed during the year while steaming and fully loaded. These were estimates based on sound assumptions and a logical approach. For each of the vessels, the total number of gallons consumed was then allocated to each activity (fishing/processing, steaming-empty, steaming-full) based on the number of days that the vessel was engaged in each activity, taking into consideration the average number of gallons consumed performing each activity.

**Variable**

17. Table 5, #2 – Expenses: Processing labor expenses, including bonuses and payroll taxes but excluding benefits and insurance (in dollars).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	1	100%
<b>Total</b>	<b>1</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an income statement exported from the companies' accounting system which substantiated the value recorded.

**Variable**

18. Table 5, #5 – Expenses: Recruitment, travel, benefits and other employee related costs excluding food and provisions and other employee costs already provided in EDR table 5; items #1 – #3 (in dollars).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	1	100%
<b>Total</b>	<b>1</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an income statement exported from the companies' accounting system which substantiated the value recorded.



**Variable**

19. Table 5, #11 – Expenses: Product and packaging materials (in dollars).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	1	100%
<b>Total</b>	<b>1</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an income statement exported from the companies' accounting system which substantiated the value recorded.

**Variable**

20. Table 5, #17 – Expenses: Fisheries landing taxes, including Shared Fisheries Business Tax and Fishery Resource Landing Tax (in dollars).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	1	100%
<b>Total</b>	<b>1</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an income statement exported from the companies' accounting system which substantiated the value recorded.

**Variable**

21. Table 2.2 – Vessel Characteristics: Fuel consumption – Fishing and/or processing - Annual Fuel Consumption (in gallons).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
5	7	100%
<b>Total</b>	<b>7</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (5) Seven vessels provided documentation to support the total gallons of fuel consumed during the year while fishing and/or processing. These were estimates based on sound assumptions and a logical approach. For each of the vessels, the total number of gallons consumed was then allocated to each activity (fishing/processing, steaming-empty, steaming-full) based on the number of days the vessel was engaged in each activity, taking into consideration the average number of gallons consumed performing each activity.

**Variable**

22. Table 5, #13 – Expenses: Observer fees and other fishery monitoring and reporting costs (in dollars).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
1	1	100%
<b>Total</b>	<b>1</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an income statement exported from the companies' accounting system which substantiated the value recorded.

**Variable**

23. Table 2.3, #1 – Vessel Characteristics: Freezer Space – How much freezer space (measured in pounds of product) did the vessel have at the beginning of the calendar year 2010.

<b>Initial Reporting</b>			<b>Corrected Reporting</b>	
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>	<b>As Corrected # of Vessels</b>	<b>As Corrected % of Total</b>
4	2	17%	3	25%
5	6	50%	9	75%
7	2	17%	0	0%
8	2	17%	0	0%
<b>Total</b>	<b>12</b>	<b>100%</b>	<b>12</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (4) Two vessels' value is based on an estimate and not derived from records. There is no method to assess the reasonableness of the final reported value. Both values are based upon an estimate from the chief engineer.
- (5) Six vessels provided documentation to support the freezer space at the beginning of the year. These were estimates based on sound assumptions and a logical approach.
- (7) Two vessels' initial value is reported correctly based on original documentation, but the value was corrected based on updated documentation. One vessel was updated to a (4) and the other vessel was updated to a (5). The former was based on an estimate from the chief engineer while the latter was based on sound assumptions and a logical approach.
- (8) Two vessels' initial value is unsubstantiated; the initial values were corrected based on new documentation. The vessels were updated to a (5) as they were based on sound assumptions and a logical approach.

**Variable**

24. Table 2.3, #2 – Vessel Characteristics: Freezer Space – What is the maximum freezing capacity of this vessel in pounds per hour.

<b>Initial Reporting</b>			<b>Corrected Reporting</b>	
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>	<b>As Corrected # of Vessels</b>	<b>As Corrected % of Total</b>
4	3	27%	3	27%
5	4	36%	8	73%
8	4	36%	0	0%
<b>Total</b>	<b>11</b>	<b>100%</b>	<b>11</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (4) Three vessels' value is based on an estimate and not derived from records. There is no method to assess the reasonableness of the final reported value. All values are based upon an estimate from the chief engineer.
- (5) Four vessels provided documentation to support the maximum freezing capacity. These were estimates based on sound assumptions and a logical approach. The estimate of the maximum freezer capacity was based on the highest production trip for the year, which was supported by production reports for the vessel, divided by the total number of days for the trip divided by 24 hours.
- (8) Four vessels' initial value is unsubstantiated; the initial values were corrected based on new documentation. The vessels were updated to a (5) as they were based on sound assumptions and a logical approach.

**Variable**

25. Table 5, #7 – Expenses: Fishing gear leases, repairs, and purchases fully expensed in the calendar year 2010 (in dollars).

<b>Initial Reporting</b>		
<b><i>Support Analysis Code</i></b>	<b><i># of Vessels</i></b>	<b><i>% of Total</i></b>
1	1	100%
<b>Total</b>	<b>1</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an income statement exported from the companies' accounting system which substantiated the value recorded.

**Variable**

26. Table 5, #16 – Expenses: Insurance (vessel insurance, P&I, and other insurance associated with the operation of this vessel (in dollars).

<b>Initial Reporting</b>		
<b><i>Support Analysis Code</i></b>	<b><i># of Vessels</i></b>	<b><i>% of Total</i></b>
1	1	100%
<b>Total</b>	<b>1</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (1) One vessel provided support for the initial value which was substantiated by complete records. The vessel provided an income statement exported from the companies' accounting system which substantiated the value recorded.

**Variable**

27. Table 2.2 – Vessel Characteristics: Fuel consumption – Fishing and/or processing – Average Gallons of Fuel per Hour.

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
4	1	17%
5	5	83%
<b>Total</b>	<b>6</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (4) One vessel's value is based on an estimate and not derived from records. There is no method to assess the reasonableness of the final reported value. The value is based upon an estimate from the chief engineer.
- (5) Five vessels provided documentation to support the average gallons of fuel per hour while fishing and/or processing. These were estimates based on sound assumptions and a logical approach. For each of the vessels, the total number of gallons consumed was then allocated to each activity (fishing/processing, steaming-empty, steaming-full) based on the number of days the vessel was engaged in each activity, taking into consideration the average number of gallons consumed performing each activity.

**Variable**

28. Table 2.2 – Vessel Characteristics: Fuel consumption – Steaming (not fishing or processing) – empty (transiting) – Annual Fuel Consumption (in gallons).

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
5	4	100%
<b>Total</b>	<b>4</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (5) Four vessels provided documentation to support the annual fuel consumption while steaming (empty). These were estimates based on sound assumptions and a logical approach. For each of the vessels, the total number of gallons consumed was then allocated to each activity (fishing/processing, steaming-empty, steaming-full) based on the number of days that the vessel was engaged in each activity, taking into consideration the average number of gallons consumed performing each activity.

**Variable**

29. Table 2.2 – Vessel Characteristics: Fuel consumption – Steaming (not fishing or processing) – empty (transiting) – Average Gallons of Fuel per Hour.

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
4	1	20%
5	4	80%
<b>Total</b>	<b>5</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (4) One vessel's value is based on an estimate and not derived from records. There is no method to assess the reasonableness of the final reported value. The value is based upon an estimate from the chief engineer.
- (5) Four vessels provided documentation to support the average gallons of fuel per hour while steaming (empty). These were estimates based on sound assumptions and a logical approach. For each of the vessels, the total number of gallons consumed was then allocated to each activity (fishing/processing, steaming-empty, steaming-full) based on the number of days the vessel was engaged in each activity, taking into consideration the average number of gallons consumed performing each activity.

**Variable**

30. Table 2.2 – Vessel Characteristics: Fuel consumption – Steaming (not fishing or processing) - fully loaded with product – Average Gallons of Fuel per Hour.

<b>Initial Reporting</b>		
<b>Support Analysis Code</b>	<b># of Vessels</b>	<b>% of Total</b>
4	1	20%
5	4	80%
<b>Total</b>	<b>5</b>	<b>100%</b>

**Support Analysis Code in () below and Description of Support Provided:**

- (4) One vessel's value is based on an estimate and not derived from records. There is no method to assess the reasonableness of the final reported value. The value is based upon an estimate from the chief engineer.
- (5) Four vessels provided documentation to support the average gallons of fuel per hour while steaming (fully loaded). These were estimates based on sound assumptions and a logical approach. For each of the vessels, the total number of gallons consumed was then allocated to each activity (fishing/processing, steaming-empty, steaming-full) based on the number of days the vessel was engaged in each activity, taking into consideration the average number of gallons consumed performing each activity.

## Conclusion

The quality of the information submitted in the EDRs is important as the information will be used to analyze the impact of the Amendment 80 rationalization program. Overall, the data verification procedures found that the information was mostly supported by original documentation or were based on estimates that were based on original documentation and sound assumptions and logic. However, some of the vessels could only provide estimates from the vessel personnel and were not able to provide original supporting documentation. Moreover, some of the variables selected were not applicable to the majority of the vessels in the fleet.

The results of the data verification procedures performed discussed in the findings section discuss the basis for the initial value and the support provided if the initial value was corrected based on updated documentation. Based on the key objectives listed earlier in the report, here are several other observations that were noted through the data verification procedures that were performed:

1. Errors in submitted information did not indicate a directional bias in the data. The corrected information was made as a result of new information that was received subsequent to the preparation of the original EDR or based on updated estimates or guidance on how to derive the variable.
2. The support provided was consistent with the types of support provided during the prior year EDR data verification project.

## Thank You

This project was made possible only through the collaborative effort of PSMFC, NMFS and the owners and management companies of the vessels. We would like to extend our gratitude to the following who helped make this project a success:

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