

Amendment 80 Non-AFA Trawl Gear
Catcher/Processor
Data Verification

Report Prepared for
Pacific States Marine Fisheries Commission

2013 Calendar Year Data

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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 are affected by Amendment 80. In order to ensure 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 McGladrey LLP (McGladrey) to perform data verification procedures on variables selected by NMFS.

Participant Roles

National Marine Fisheries Service - specification of verification protocols and selection of variables to be inspected by McGladrey LLP.

Pacific States Marine Fisheries Commission - collector and manager of data collected through EDRs.

McGladrey LLP - 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 EDRs.

Scope of Work

For the 2013 year-end Amendment 80 EDRs, the following procedures will be performed:

1. NMFS performed a selection of 11 variables for general validation across 25 reporting vessel entities, an additional 29 individual data values across 13 variables and 11 vessels selected by NMFS as potentially misreported for verification, and provided classification criteria for verification findings. McGladrey will perform data verification procedures for the selected variables.
2. McGladrey will request all EDR respondents to provide supporting documentation for each of the variables selected by NMFS.
3. McGladrey 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 LLP

Data Verification Procedures

Variable Selection

NMFS selected 11 variables on which to perform general data verification procedures. Since the fleet of Amendment 80 consists of only 25 vessels, all individual vessels were required to submit supporting documentation for each of these variables (except if the vessel was inactive during the year). In addition, 29 individual data entries were selected for verification (across 13 variables and 11 vessels) as outliers/anomalies, indicating potential misreporting. *Please note, under Data Verification Findings and Results section, the total number of vessels will not always equal 25. This is due to the fact that certain vessels were not selected to be verified for certain variables during the year.*

Variables selected by NMFS for general validation were as follows:

1. Table 4 – Capital Expenditures: A. Fishing gear expenditures
2. Table 4 – Capital Expenditures: D. Other capital expenditures related to vessel operations
3. Table 5 – Expenses: 1. Fishing labor (deck crew – excludes benefits and insurance)
4. Table 5 – Expenses: 2. Processing labor (excludes benefits and insurance)
5. Table 5 – Expenses: 3. All other employees labor (officers, engineers – excludes benefits and insurance)
6. Table 5 – Expenses: 4. Food and provisions not paid by crew
7. Table 5 – Expenses: 6. Lease expenses for vessel and onboard equipment
8. Table 5 – Expenses: 7. Fishing gear leases, repairs and purchases fully expensed during 2013
9. Table 6 – Average number of Positions: A. Deck crew
10. Table 6 – Average number of Positions: B. Processing
11. Table 6 – Average number of Positions: C. Employees onboard (engineers, officers, cooks)

Variables selected by NMFS for outlier/anomaly verification were as follows:

12. Table 2.5 – Number of days: Vessel Activity for fishing in the AM80 Fishery (1 record)
13. Table 2.5 – Number of days: Vessel Activity for fishing in all other fisheries (3 records)
14. Table 2.5 – Number of days: Vessel Activity for processing in the AM80 Fishery (1 record)
15. Table 2.5 – Number of days: Vessel Activity for processing in all other fisheries (3 records)
16. Table 2.5 – Number of days: Vessel Activity for traveling and offloading (1 record)
17. Table 4 – Capital Expenditures: B. Processing gear expenditures (2 records)
18. Table 4 – Capital Expenditures: C. Other gear expenditures (1 record)
19. Table 5 – Expenses: 9. Freight, storage and other sales costs for non-FOB sales (1 record)
20. Table 5 – Expenses: 11. Product and packaging materials (2 records)
21. Table 5 – Expenses: 15. General administrative costs associated with vessel operations (2 records)
22. Table 5 – Expenses: 16. Insurance (excluding employee health insurance) (1 record)
23. Table 5 – Expenses: 17. Fishing landing taxes (1 record)
24. Table 6 – 3. Did the vessel use a crew or revenue share system to pay processing or nonprocessing crew in calendar year 2013? (6 records)

Description of Findings

McGladrey classified and summarized the results of the data verification procedures based on the following criteria. The value and supporting documentation for both the initial value (as identified in the EDR form) and the corrected value (as identified in the review process) are classified.

Support Analysis Code

Supported by Documentation

1. Initial/corrected value supported by documentation and final reported value substantiated by complete records.

1T. Initial value blank or N/A when value should be zero; initial value corrected to zero.

Estimates Unsupported by Documentation

4. Initial/corrected value cannot be reported precisely as specified in the EDR and must be estimated. Estimate based on original documentation, but flawed assumptions and logic.

Estimates Supported by Documentation

5. Initial/corrected value cannot be reported precisely as specified in the EDR and must be estimated. Estimate based on original documentation and sound assumptions and logic.

Reported Value Unsupported by Documentation

7. Reported value is "best guess," not derived from records, no valid value is available.

Initial Value Incorrect/Corrected Based on Documentation

2. Initial value supported by documentation; however, respondent did not correctly calculate or state the value reported in the EDR, and the initial value was corrected to match the documentation.

2T. Initial value supported by documentation; however, the value reported in the EDR is an observable typographic error on respondent's part. The initial value was corrected to match documentation.

3. Initial/corrected value supported by documentation; however, respondent did not interpret the question correctly and the initial value was corrected based on new supporting documentation.

6. Initial value reported correctly based on original documentation, but the value was corrected based on updated documentation.

8. The initial value is unsubstantiated and the initial value is corrected based on new documentation.

No Data Reported

9. No data reported; however, data should be applicable to this vessel or the reported data and value are incorrect. No corrected value available for this variable.

10. No data reported or amount reported is zero, as this variable is not applicable to this vessel.

Data Verification Findings and Results

Data Verification Findings and Results for General Validation

Variable 1: Table 4 – Capital Expenditures: A. Fishing gear expenditures

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	15	79%	15	79%
10	4	21%	4	21%
Total	19	100%	19	100%

Support analysis code in (#) below and description of support provided:

- (1) Six vessels provided support for the initial values, which were substantiated by the income statement exported from the accounting system. Eight vessels provided the general ledger from the accounting system and one vessel did not have capital expenditures for fishing gear in 2013.
- (10) Four vessels did not participate in the AM80 Fishery during the year; thus, this variable was not applicable to these vessels.

Variable 2: Table 4 - Expenditures: D. Other capital expenditures related to vessel operations

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	12	66%	14	78%
2T	1	6%	0	0%
8	1	6%	0	0%
10	4	22%	4	22%
Total	18	100%	18	100%

Support analysis code in (#) below and description of support provided:

- (1) Seven vessels provided support for the initial values, which were substantiated by the income statement exported from the accounting system. Five vessels provided support for the initial values, which were substantiated by the general ledger detail from accounting to support the applicable capital expenditures.
- (2T) One vessel provided support for the initial values; however, the values reported are an observable typographic error on the respondent's part. The corrected support analysis was updated to a (1). This vessel provided a general ledger detail from accounting to support the applicable capital expenditures.
- (8) One vessel had an initial value that was unsubstantiated, which was corrected based on the general ledger detail from accounting to support the applicable capital expenditures. The corrected support analysis was updated to a (1).
- (10) Four vessels did not participate in the AM80 Fishery during the year; thus, this variable was not applicable to these vessels.

Variable 3: Table 5 – Expenses: 1. Fishing labor (deck crew – excludes benefits and insurance)

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	18	85%	19	90%
6	1	5%	0	0%
10	2	10%	2	10%
Total	21	100%	21	100%

Support analysis code in (#) below and description of support provided:

- (1) Five vessels provided support for the initial values, which were substantiated by 2013 payroll total reports. Six vessels provided total crew wage/labor reports; one vessel provided a general ledger detail from accounting; and six vessels used total wages and payroll taxes from the income statement exported from the accounting system, and allocated the fishing labor expense based on average employees.
- (6) One vessel's initial value was reported correctly based on original documentation but failed to consider payroll taxes; thus, it was corrected with updated documentation. The corrected support analysis was updated to a (1). The total crew wage report was used to substantiate the fishing labor expense.
- (10) Two vessels did not participate in the AM80 Fishery during 2013; thus, this variable was not applicable.

Variable 4: Table 5 – Expenses: 2. Processing labor (excludes benefits and insurance)

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	17	80%	19	90%
2T	1	5%	0	0%
6	1	5%	0	0%
10	2	10%	2	10%
Total	21	100%	21	100%

Support analysis code in (#) below and description of support provided:

- (1) Five vessels provided support for the initial values, which were substantiated by 2013 payroll total reports. Five vessels provided total crew/wage reports, one vessel provided a general ledger detail from accounting, six vessels used total wages and payroll taxes from the income statement exported from the accounting system, and allocated the processing labor expense based on average employees.
- (2T) One vessel provided support for the initial values; however, the values reported are an observable typographic error on the respondent's part. The corrected support analysis was updated to a (1). The vessel provided total crew/wage report.
- (6) One vessel's initial value was reported correctly based on original documentation but failed to consider payroll taxes; thus, it was corrected with updated documentation. The corrected support analysis was updated to a (1). The total crew wage report was used to substantiate the processing labor expense.
- (10) Two vessels did not participate in the AM80 Fishery during 2013; thus, this variable was not applicable.

Variable 5: Table 5 – Expenses: 3. All other employees labor (officers, engineers – excludes benefits and insurance)

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	18	85%	19	90%
6	1	5%	0	0%
10	2	10%	2	10%
Total	21	100%	21	100%

Support analysis code in (#) below and description of support provided:

- (1) Five vessels provided support for the initial values, which were substantiated by 2013 payroll total reports. Six vessels provided total crew wage/labor reports, one vessel provided a general ledger detail from accounting, and six vessels used total wages and payroll taxes from the income statement exported from the accounting system and allocated the other employees labor expense based on average employees.
- (6) One vessel's initial value was reported correctly based on original documentation but failed to consider payroll taxes; thus, it was corrected with updated documentation. The corrected support analysis was updated to a (1). The total crew wage report was used to substantiate the other employees' labor expense.
- (10) Two vessels did not participate in the AM80 Fishery during 2013; thus, this variable was not applicable.

Variable 6: Table 5 – Expenses: 4. Food and provisions not paid by crew

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	18	85%	19	90%
2T	1	5%	0	0%
10	2	10%	2	10%
Total	21	100%	21	100%

Support analysis code in (#) below and description of support provided:

- (1) Twelve vessels provided income statements exported from the accounting system to substantiate the food and provisions expenses not paid by crew. Three vessels provided calculations to support that food is paid for by the crew, which is taken out of the crew's pay, and three of the vessels provided general ledger details from accounting.
- (2T) One vessel provided support for the initial values; however, the value reported is an observable typographic error on the respondent's part. The corrected support analysis was updated to a (1). The vessel provided a general ledger detail from accounting substantiating the food and provisions expenses not paid by crew.
- (10) Two vessels did not participate in the AM80 Fishery during 2013; thus, this variable was not applicable.

Variable 7: Table 5 – Expenses: 6. Lease expenses for vessel and onboard equipment

Support Analysis Code	Initial Reporting		Corrected Reporting	
	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	17	77%	18	82%
8	1	5%	0	0%
10	4	18%	4	18%
Total	22	100%	22	100%

Support analysis code in (#) below and description of support provided:

- (1) Fourteen vessels provided support for the initial values, which were substantiated by the income statement provided by the accounting department. Two vessels provided profit and loss reports and one vessel provided general ledger details from accounting to support the lease expenses for the year.
- (8) One vessel had an initial value that was unsubstantiated, which was corrected based on the general ledger detail from accounting to support the lease expenses. The corrected support analysis was updated to a (1).
- (10) Four vessels did not have lease expenses during the year, as this item was not applicable to the vessel selected.

Variable 8: Table 5 – Expenses: 7. Fishing gear leases, repairs and purchases fully expensed during 2013

Support Analysis Code	Initial Reporting		Corrected Reporting	
	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	19	90%	19	90%
10	2	10%	2	10%
Total	21	100%	21	100%

Support analysis code in (#) below and description of support provided:

- (1) Thirteen vessels provided support for the initial values, which were substantiated by the income statement exported from the accounting system. Six vessels provided general ledger details.
- (10) Two vessels did not participate in the AM80 Fishery during the year; thus, this variable was not applicable to these vessels.

Variable 9: Table 6 – Average number of Positions: A. Deck crew

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	20	83%	20	83%
10	4	17%	4	17%
Total	24	100%	24	100%

Support analysis code in (#) below and description of support provided:

- (1) Nine vessels provided support for the initial number, substantiated with the total crew labor/wage report. Four vessels calculated the initial number by taking total F/V employees divided by the number of vessels to arrive at estimated employees (EE) per vessel and then applied the applicable average number of EEs per position in calendar year 2012: Crew 21 percent, Processing 62 percent and Other 17 percent. Two vessels made an estimate based on a representative trip. Two vessels provided an average number of positions onboard Excel report. Two vessels substantiated the number using the average crew list from three random trips of the year, and one vessel substantiated the number using the average of the crew lists from the first trip, middle trip and last trip of the year.
- (10) Four vessels did not participate in the AM80 Fishery during 2013; thus, this variable is not applicable.

Variable 10: Table 6 – Average number of Positions: B. Processing

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	19	79%	20	83%
8	1	4%	0	0%
10	4	17%	4	17%
Total	24	100%	24	100%

Support analysis code in (#) below and description of support provided:

- (1) Nine vessels provided support for the initial number, substantiated with the total crew labor/wage report. Four vessels calculated the initial number by taking total F/V employees divided by the number of vessels to arrive at EE per vessel and then applied the applicable average number of EEs per position in calendar year 2012: Crew 21 percent, Processing 62 percent and Other 17 percent. Two vessels made an estimate based on a representative trip. One vessel provided an average number of positions onboard Excel report. Two vessels substantiated the number using the average crew list from three random trips of the year, and one vessel substantiated the number using the average of the crew lists from the first trip, middle trip and last trip of the year.
- (8) One vessel's initial value was corrected based on new documentation. The corrected support analysis was updated to a (1). The vessel provided the average number of positions onboard Excel report to support the average number of processing positions.
- (10) Four vessels did not participate in the AM80 Fishery during 2013; thus, this variable is not applicable.

Variable 11: Table 6 – Average number of Positions: C. Employees onboard (engineers, officers, cooks)

Support Analysis Code	Initial Reporting		Corrected Reporting	
	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	18	75%	20	83%
8	2	8%	0	0%
10	4	17%	4	17%
Total	24	100%	24	100%

Support analysis code in (#) below and description of support provided:

- (1) Nine vessels provided support for the initial number, substantiated with the total crew labor/wage report. Four vessels calculated the initial number by taking total F/V employees divided by the number of vessels to arrive at EE per vessel and then applied the applicable average number of EEs per position in calendar year 2012: Crew 21 percent, Processing 62 percent and Other 17 percent. Two vessels made an estimate based on a representative trip. Two vessels substantiated the number using the average crew list from three random trips of the year, and one vessel substantiated the number using the average of the crew lists from the first trip, middle trip and last trip of the year.
- (8) Two vessels' initial values were corrected based on new documentation. The corrected support analysis was updated to a (1). The vessels provided the average number of positions onboard Excel report to support the average number of processing positions.
- (10) Four vessels did not participate in the AM80 Fishery during 2013; thus, this variable is not applicable.

Data Verification Findings and Results for Outlier/Anomaly Verification

Variable 12: Table 2.5 – Number of days: Vessel Activity for fishing in the AM80 Fishery (1 record)

Support Analysis Code	Initial Reporting		Corrected Reporting	
	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	1	100%	1	100%
Total	1	100%	1	100%

Support analysis code in (#) below and description of support provided:

- (1) One vessel provided support substantiating the days with a tracking log.

Variable 13: Table 2.5 – Number of days: Vessel Activity for fishing in all other fisheries (3 records)

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	3	100%	3	100%
Total	3	100%	3	100%

Support analysis code in (#) below and description of support provided:

- (1) One vessel provided support substantiating the days with a tracking log. Two vessels provided support substantiating the days with vessel production reports.

Variable 14: Table 2.5 – Number of days: Vessel Activity for processing in the AM80 Fishery (1 record)

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	1	100%	1	100%
Total	1	100%	1	100%

Support analysis code in (#) below and description of support provided:

- (1) One vessel provided support substantiating the days with a tracking log.

Variable 15: Table 2.5 – Number of days: Vessel Activity for processing in all other fisheries (3 records)

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	3	100%	3	100%
Total	3	100%	3	100%

Support analysis code in (#) below and description of support provided:

- (1) One vessel provided support substantiating the days with a tracking log. Two vessels provided support substantiating the days with vessel production reports.

Variable 16: Table 2.5 – Number of days: Vessel Activity for traveling and offloading (1 record)

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	1	100%	1	100%
Total	1	100%	1	100%

Support analysis code in (#) below and description of support provided:

- (1) The one vessel substantiated the number of days with a year-to-date daily status report.

Variable 17: Table 4 – Capital Expenditures: B. Processing gear expenditures (2 records)

Support Analysis Code	Initial Reporting		Corrected Reporting	
	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	1	50%	2	100%
8	1	50%	0	0%
Total	2	100%	2	100%

Support analysis code in (#) below and description of support provided:

- (1) One vessel provided support for the initial value, which was substantiated by the income statement exported from the accounting system.
- (8) One vessel had an initial value that was unsubstantiated, which was corrected based on the general ledger from the accounting system. The corrected support analysis was updated to a (1).

Variable 18: Table 4 – Capital Expenditures: C. Other gear expenditures (1 record)

Support Analysis Code	Initial Reporting		Corrected Reporting	
	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	1	100%	1	100%
Total	1	100%	1	100%

Support analysis code in (#) below and description of support provided:

- (1) One vessel provided support for the initial value, which was substantiated by the income statement exported from the accounting system.

Variable 19: Table 5 – Expenses: 9. Freight, storage and other sales costs for non-FOB sales (1 record)

Support Analysis Code	Initial Reporting		Corrected Reporting	
	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	1	100%	1	100%
Total	1	100%	1	100%

Support analysis code in (#) below and description of support provided:

- (1) The vessel provided support for the initial value, which was substantiated by complete records. The vessel provided the general ledger detail from accounting showing all freight costs to substantiate the value recorded.

Variable 20: Table 5 – Expenses: 11. Product and packaging materials (2 records)

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	1	50%	2	100%
2T	1	50%	0	0%
Total	2	100%	2	100%

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 the income statement from accounting to substantiate the value recorded.
- (2T) One vessel provided support for the initial values; however, the values reported are an observable typographic error on the respondent’s part. The corrected support analysis was updated to a (1). This vessel provided a Product & Packaging Materials schedule from data extracted from the accounting system to substantiate the value.

Variable 21: Table 5 – Expenses: 15. General administrative costs associated with vessel operations (2 records)

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	1	50%	2	100%
2T	1	50%	0	0%
Total	2	100%	2	100%

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 the general ledger detail from accounting showing all administrative costs to substantiate the value recorded.
- (2T) One vessel provided support for the initial values; however, the values reported are an observable typographic error on the respondent’s part. The corrected support analysis was updated to a (1). This vessel provided an extract of G&A expenses from the income statement extracted from the accounting system to substantiate the value.

Variable 22: Table 5 - Expenses: 16. Insurance (excluding employee health insurance) (1 record)

Initial Reporting			Corrected Reporting	
Support Analysis Code	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	1	100%	1	100%
Total	1	100%	1	100%

Support analysis code in (#) below and description of support provided:

- (1) One vessel provided support for the initial value, which was substantiated by the income statement exported from the accounting system.

Variable 23: Table 5 – Expenses: 17, Fishing landing taxes (1 record)

Support Analysis Code	Initial Reporting		Corrected Reporting	
	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	0	0%	1	100%
6	1	100%	0	0%
Total	1	100%	1	100%

Support analysis code in (#) below and description of support provided:

- (6) One vessel's initial value was reported correctly based on original documentation; however, it was corrected as the original amount was an estimate of taxes due supported by a calculation. The corrected support analysis was updated to a (1). The initial and correct amounts were fully supported, and the corrected amount was substantiated by the DOR tax statement.

Variable 24: Table 6 – 3. Did the vessel use a crew or revenue share system to pay processing or nonprocessing crew in calendar year 2013? (6 records)

Support Analysis Code	Initial Reporting		Corrected Reporting	
	# of Vessels	% of Total	As Corrected # of Vessels	As Corrected % of Total
1	3	50%	6	100%
3	3	50%	0	0%
Total	6	100%	6	100%

Support analysis code in (#) below and description of support provided:

- (1) Three vessels provided support for the initial number, and all processing crew were paid on a crew share system in 2013.
- (3) For three vessels, the initial value and corrected value were supported by documentation; however, the question was not interpreted correctly and the initial value was corrected based on supporting documentation.

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 information was supported mostly by original documentation or based on estimates of the original documentation and sound assumptions and logic. It was also noted that some of the variables selected were not applicable to all of the vessels in the fleet.

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

1. The majority of support provided was consistent with the types of support provided during the prior year EDR data verification project. The support was organized and complete for purposes of McGladrey's review. McGladrey noted for Table 6 – Average number of Positions, support provided was not consistent amongst respondents. McGladrey recommends that additional verbiage and guidance be provided to the EDR respondents as to how to calculate Table 6 – Average number of Positions.
2. EDR respondents were in compliance with the procedures, as support was provided in a timely fashion and follow-up questions were addressed as requested.
3. Errors in submitted information did not appear to indicate a directional bias in the data. The corrected information was made as a result of new information received subsequent to the preparation of the original EDR or based on updated estimates or guidance on how to derive the variable.

Thank You

This project was made possible only through the collaborative efforts 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:

Name	Organization
Dave Colpo	Pacific States Marine Fisheries Commission
Geana Tyler	Pacific States Marine Fisheries Commission
Brian Garber-Yonts	National Marine Fisheries Service
Vessel Owners	