

Information Regarding Data Verification for the Alaska Groundfish Cost, Earnings and Employment Survey

Thank you in advance for completing the questionnaires that we have provided to you. In order to ensure that each company is consistently and accurately completing the questionnaires we have requested that a certified public accounting firm perform certain procedures to portions of the completed questionnaires. This verification was requested by representatives of the industry to ensure that the information collected is consistent across firms and industry sectors. The accounting firm will work for NMFS through a contract with the Pacific States Marine Fisheries Commission, and you will not be responsible for the accounting firm's fees.

The purpose of the procedures is to verify that a consistent approach was used by each company and that the information provided in the questionnaires agrees to the accounting records of the company. We will provide the accounting firm with a detailed set of procedures that they are required to follow in order to verify certain numbers or information.

We understand that you may be concerned about confidentiality as a result of allowing an outside accounting firm to review your accounting records. Attached is Rule 301 of the AICPA Code of Ethics for CPA firms. A CPA is specifically prohibited from disclosing any confidential client information without the specific consent of the client. In addition to requiring the CPA to keep all information related to the survey confidential, we will also require that the accounting firm return to us all working documents and records.

In order to make the accounting firm's work as efficient and non-intrusive to your company as possible, could you please prepare the questionnaires with the following in mind:

1. Keep a file with all of the supporting information used in completing the questionnaires.
2. If any expenses in the questionnaire reflects allocations of costs from related companies (i.e., for services provided by a parent company), keep all of the supporting documentation showing how those costs were calculated.
3. Make sure that the information agrees to the company's highest level of financial information generated. For this purpose the highest level of financial information is defined in order as;
a) audited financial statements, b) reviewed financial statements, c) compiled financial statements, and d) tax returns.

The accounting firm will contact you to set up an appointment to perform their work. At that time they will provide you with a list of accounting records they will need.

Thank you again for your assistance in the survey process. We are striving to create an economic database that can be depended upon to produce accurate and reliable information.