



UNITED STATES DEPARTMENT OF COMMERCE  
National Oceanic and Atmospheric Administration  
OFFICE OF FINANCE AND ADMINISTRATION

JAN 30 1997

MEMORANDUM FOR: David Murdock  
Chief, Administrative Services Division

FROM: *R. J. Dominick*  
R. J. Dominick  
Director, Finance Office

SUBJECT: Useful Lives

Please review the following proposed changes to the useful lives of the various types of property and provide your concurrence and/or comments by close of business February 7, 1997:

| Object Class | Property                     | NFC Years | Proposed Years |
|--------------|------------------------------|-----------|----------------|
| 3110         | Inventory                    | 10        | 0              |
| 3111         | Office Furniture/Equipment   | 8         | 5              |
| 3112         | ADP Equipment                | 8         | 3              |
| 3113         | Aircraft                     | 15        | 20             |
| 3114         | Ships and Launches           | 20        | 25             |
| 3115         | Motor Vehicles               | 6         | 5              |
| 3116         | Telecommunications Equip.    | 8         | 10             |
| 3117         | Other                        | 10        | 10             |
| 3119         | ADP & Tele. Software         | 5         | 5              |
| 3130         | Capital Leases               | 10        | *              |
| 3131         | Lease to purchase - ADP      | 8         | *              |
| 3132         | Lease to purchase - Telecom. | 8         | *              |

\* Assets under capital leases are depreciated according to guidelines in Chapter 15 of the DOC Accounting Principles and Standards Handbook.

The above proposed changes have been discussed with KPMG Peat Marwick, and are in keeping with the proposed DOC Accounting Principles and Standards Handbook, Chapter 12.

Questions concerning the proposed useful lives may be directed to Lois Coleman or Frank Greci at (301)413-8795.

