



**United States
Department of
Agriculture**

Farm and Foreign
Agricultural
Services

Farm Service
Agency

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BCD-86
EOD-155
DDOD-174

NOTICE TO THE TRADE

**To: VENDORS SELLING COMMODITIES TO KANSAS CITY COMMODITY
OFFICE (KCCO)**

SUBJECT: FINANCIAL REQUIREMENTS

Background

As required by FAR Part 9.104-3(a), all vendors must demonstrate adequate financial resources to perform the contract. This may include, but is not limited to, the financial protection against losses as set forth in FAR Part 28.

The Notice(s) to the Trade numbers BCD-66, EOD-139, DDOD-161, stated the Dun and Bradstreet (D&B) business analysis report or the latest financial statements will be reviewed to determine financial responsibility.

Financial Requirements

By **January 31, 2005**, and each January 1st, thereafter, we request all vendors submit their current audit or review level financial statements to D&B. In addition, please notify your KCCO Marketing Specialist when the financial information has been submitted to D&B. The D&B web address is <https://eupdate.dnb.com/default.asp?cmid=IOG200047>. The financial statements submitted to D&B should be no more than 16 months old. If the financial information submitted to D&B is sufficient to evaluate and determine financial responsibility, no further documentation or information will be required from the vendor.

If the financial information available through the D&B business analysis report is insufficient to complete a satisfactory review of the vendor's financial responsibility or for any reason a vendor does not provide to D&B the financial information, the vendor must submit their current financial statements to the appropriate KCCO Marketing Specialist by January 31, 2005, and each January 1st thereafter.



The financial statement submitted must be at the audit or review level prepared by an independent Certified Public Accountant or an independent public accountant in accordance with the standards established by the American Institute of Certified Public Accountants. These statements must be prepared according to generally accepted accounting principles. At a minimum, the statement should include a balance sheet, profit and loss statement, statement of cash flow, statement of retained earnings and any notes to the financial statement. For partnerships, the last fiscal year statement of the partnership and each partner will be required. For individuals, financial statements that include all personal and business assets and liabilities will be required on the historical cost basis. The financial statements submitted to the Marketing Specialist should be no more than 16 months old.

Due to the short time frame, for this year only, a vendor who does not have an audit or review level financial statement to submit by January 31, 2005, may submit compiled statements to the appropriate Marketing Specialist by January 31, 2005. These compiled statements must include at a minimum, a balance sheet, profit and loss statement, statement of cash flow, statement of retained earnings and any notes to the financial statement. However, by January 1, 2006, all vendors must submit audit or review level financial statements to either D&B or the appropriate Marketing Specialist.

It is highly recommended that all vendors submit their audit or review level financial statements to D&B as this information impacts the D&B Business Report. Failure to submit the required financial information to D&B or the appropriate Marketing Specialist may result in the Contracting Officer determining the vendor non-responsible.

George W. Aldaya
Director

