



United States Department of Agriculture
Rural Development

JAN 26 2012

SUBJECT: Rural Utilities Service Audit Requirements

TO: RUS Broadband Initiatives Program Awardees

FROM: KENNETH ACKERMAN *Kenneth M. Ackerman*
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for KENNETH KUCHNO *Samuel Kuchno*
Director
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In accordance with 7 CFR Part 1773 (Part 1773), Policy on Audits of RUS Borrowers, all awardees must submit audited financial statements that are comparative and that are performed in accordance with generally accepted government auditing standards (GAGAS) and this part. Audits performed in accordance with GAGAS must be performed by an audit organization with a current peer review. Bulletin 1773-1 has been issued to present Part 1773 in a more user friendly format.

- Each borrower must establish an annual “as of” audit date not more than twelve months after the date of receipt of the first advance of funds;
- Comparative financial statements must be prepared and audited for the twelve months ending “as of” the audit date and for the twelve months immediately preceding that period; and
- Each awardee must furnish the auditor’s report, report on compliance and on internal control over financial reporting, and management letter to RUS within **120 days** of the audit date
 - Furnish three copies of the report by mail to AA-PARA, RUS, U.S. Department of Agriculture, Washington, DC 20250-1523; or optionally,
 - Submit the electronic file through Broadband Collection and Analysis System (BCAS)*

Instructions for uploading an electronic copy of your audit are provided in the enclosure. If you have any questions please do not hesitate to contact Ms. Gueck Lim at 202-720-1922.

* Please note at this time BCAS is not compatible with Internet Explorer 9

Enclosures

1400 Independence Ave, S.W. · Washington DC 20250-0700
Web: <http://www.rurdev.usda.gov>

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights,
1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call (800) 795-3272 (Voice) or (202) 720-6382 (TDD).

Uploading Audit into BCAS

1. Log into BCAS
2. Click on "Action" (See Figure 1)
3. Click on "Upload Audit" (See Figure 3)
4. Click on "Upload Audit" (See Figure 4)
5. Select Year and Click on "Browse" to find the audit file (See Figure 4)
6. Click on "Upload Audit" (See Figure 4)

If you receive a message such as Figure 2, we do not have your As of Audit Date in our system. Please contact the Technical Accounting and Auditing Staff with the information needed so that we may update the system and grant you access to uploading your company's audit.

Electronic filing must be in a Portable Document Format (PDF). All required components of the audited financial statement must be contained in one file including the auditor's report, report on compliance and on internal control over financial reporting, and management letter. Access to BCAS is dependent upon the user's level 2 eAuth ID. If, upon review, the submission is determined to be incorrect or incomplete, the awardee will be asked to correct the audit and resubmit the entire audit package.