

Association of Communication Engineers/USDA RUS School & Symposium

The Financial Requirement Statement (FRS)

RUS Form 481

George Oyegoke

Southern Division Engineering Branch

Rural Utilities Service

Telecommunications Program

George.Oyegoke@usda.gov

(202) 720-0688

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- Financial Requirement Statement (FRS)
www.usda.gov/rus/telecom/publications/forms.htm
- Instructions for completing Form 481

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RUS Initial Review

- FRS was completed properly, especially Column 6, which shows the disbursements
- Copy 4 Page was submitted and signed by an authorized person
- Certification section was completed and signed
- Advance conditions have been satisfied

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Construction

- Contracts
 - Only approved contracts listed on the FRS
 - 773 contracts requested under Approved Work Orders
 - OFM listed separately on the FRS

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Construction

- Contracts
 - Amount requested for each item on the FRS does not exceed maximum allowable amount
 - Approved for Advance Amount
 - 100% - OFM
 - 95% - OSP Contracts
 - 90% - All other contracts

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Sample FRS

Approved Purposes	Withheld Amount (RUS Use) (1)	Total Approved for Advance (2)	Total Advances to Date (3)	Advances Now Requested (4)	Advances Currently Approved (RUS Use) (5)	Total Disbursements & Credits As of <u>March 10</u> (6)
OSP Ct. A-1X	5,000	95,000	30,000	70,000		30,000
OSP Ct. A-1X (OFM)		10,000	0	10,000		10,000
SE Ct. A-2	1,000	9,000	2,000	7,000		10,000
ENG Ct. A-3E	3,000	27,000	27,000			33,750
COE Ct. A-4 (F)		45,000	45,000			45,000

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Construction

- Approved Work Orders
 - RUS Form 771/771a submitted supports amount requested on the FRS
 - Form 771a certified by borrower and licensed engineer (consultant)/RUS-approved staff engineer
 - Form 771a initialed by the GFR

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Construction

- Approved Work Orders
 - Only completed projects (placed in service) are listed on the RUS Form 771a
 - Each project on the Form 771a should be:
 - Part of approved Engineering Design
 - Less than maximum allowable amount
 - Supported by a detailed project description
 - List all material and labor (if applicable) costs

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Construction

- **Approved Work Orders**
 - RUS Form 245 (ENG Special Services Ct.) is only used for services not covered by an existing RUS Form 217 (ENG Contract)
 - ENG services covered by Form 245 must be included in the labor amount of the respective project
 - Received within 1 year of project completion

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Construction

- Approved Work Orders (Annual Limits)
 - OSP:
 - \$500,000 or 10% of previous calendar year OSP total construction (whichever is greater)
 - COE:
 - \$500,000
 - SE & Buildings:
 - \$250,000 for each category

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Construction

- Work Orders Fund
 - Only approved on a case-by-case basis
 - Minor construction only
 - Borrower must indicate what specific project the work order fund will be used for
 - Closed upon receipt of FRS and Forms 771

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Engineering

- Pre-Loan Engineering
 - Supported by invoices for amount requested on the FRS
- Contracts
 - Only approved ENG Ct. and ENG FAP should be listed on the FRS
 - In certain cases, where the 245 Ct. is approved in DC, the Ct. should be listed on the FRS

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Operating Equipment

- Supported by Invoices
- Includes:
 - Vehicles
 - Work Equipment
 - Test Equipment
 - Office Equipment
 - Office Furniture

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Common mistakes that cause delays

- Authorized signature
- Copy 4 (Page 4) of Form 481
- Invoices for pre-loan engineering, vehicle, work equipment, etc.

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Common mistakes that cause delays cont'd

- Loan/note to advance funds from
- Annex “A” Form for FFB advance
- Financial reporting

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Questions ???