

## Required Financial Documents

A supplier's supporting financial information is used to determine the supplier's expected quality, potential capacity, and ability to meet the market demand for the duration of its contract.

- Suppliers that submit **individual** tax returns that include business taxes are required to submit the Schedule C (the profit and loss statement) from their 1040 tax return for the immediate three years prior to the date on which the bid is submitted. In addition to the tax return information, these suppliers are also required to submit a compiled balance sheet (statement of financial position), a statement of cash flow (statement of changes in financial position) and a statement of operations (income statement) for the past three years prior to the date on which the bid is submitted. Suppliers are also required to submit a copy of their current credit report, which must have been completed within 90 days prior to the date on which the supplier submits its bid. The credit report must be prepared by Experian, Equifax, or TransUnion.
- **Limited partnerships and other partnerships** must submit their Schedule L, from their 1065 U.S. Return of Partnership Income, from the immediate three years prior to the date on which the bid is submitted. This form is required in addition to the financial documents required of suppliers that submit individual tax returns.
- Suppliers that submit **corporate** tax returns are required to submit the Schedule L (balance sheet) from their tax return for the immediate three years prior to the date on which the bid is submitted. In addition to the tax return information, these suppliers are also required to submit a statement of cash flow (statement of changes in financial position), and a statement of operations (income statement) for the immediate three years prior to the date on which the bid is submitted. Suppliers are also required to submit a copy of their current credit report, which must have been completed within 90 days prior to the date on which the supplier submits its bid. The Credit Report must be prepared by Experian, Equifax or TransUnion.
- All documents that are not prepared as part of a tax return must be certified as accurate by the supplier and must be prepared on an accrual or cash basis of accounting.
- Suppliers that are **publicly traded companies** must submit a copy of their 10-K filing reports with the Securities Exchange Commission for the immediate three years prior to the date on which the bid is submitted. If a supplier is a wholly owned subsidiary of a publicly traded company, it must submit the parent company's 10-K filing, in addition to its own financial information that every

corporate company must submit.

- **New suppliers** are required to submit projected financial statements to substitute for any year for which they do not have past financial information because they were not in business as a DMEPOS supplier.
- For **networks**, the primary supplier must submit to the CBIC (Competitive Bidding Implementation Contractor) the certified financial statement of each network, and all hard copy documents in one complete package.
- If a supplier is submitting bids as **more than one type of entity** (for example, as a network and also as an individual supplier), separate financial statements must be submitted to support each entity.