



# Iowa Department of Transportation

Office of Motor Carrier Services  
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## FINANCIAL CERTIFICATION FOR IOWA INTRASTATE MOTOR CARRIERS OF LIQUID (NON-DAIRY) COMMODITIES OR REGULAR ROUTE PASSENGERS

Carrier Name \_\_\_\_\_

Address \_\_\_\_\_

We have reviewed applicable financial records of this carrier to verify their ability to comply with financial fitness requirements as outlined in Iowa Department of Transportation Administrative Rule 524.10.

Using generally accepted accounting procedures, we have reviewed available financial documentation and feel that this motor carrier has demonstrated financial capacity to meet the minimum ratios as shown below.

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*Current Ratio:* (Minimum of 1.2:1)

$\frac{\text{Current Assets}}{\text{Current Liabilities}} = \underline{\hspace{2cm}}$

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*Projected Operating Ratio:* (Maximum of 95)

a. *New Operation (Use 5 Yr. Projection)*       $\frac{\text{Operating Expenses}}{\text{Operating Revenue}} \times 100 = \underline{\hspace{2cm}}$   
b. *Existing Operation (Use 1 Yr. Projection)*

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*Working Capital Ratio:* (Minimum 12 days capital)

$\frac{\text{Current Assets less Current Liabilities}}{\text{Average Daily Operating Expenses}} = \underline{\hspace{2cm}}$

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Please be advised that, while our initial review has indicated that this firm has the financial capability to meet the minimum standards of the Department of Transportation, this is not an opinion audit of verified financial statements. Projection of any evaluation of preliminary financial documents or internal control procedures is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

This report is intended only for the use of the regulatory staff of the Iowa Department of Transportation. This form must be signed by a representative of a financial/lending institution or CPA.

Company \_\_\_\_\_

Signed: \_\_\_\_\_ Title: \_\_\_\_\_ Date: \_\_\_\_\_

***This form is to be completed and returned with application to Motor Carrier Services.***