



United States Department of Agriculture  
Rural Development

MAY 3 2006

Mr. Steven M. Patch  
Lally, Cummings, Palmer & Patch  
P. O. Box 1066  
Jackson, Michigan 49204-1066

Dear Mr. Patch:

We have received a copy of your firm's peer review, accompanying letter of comment, and Michigan Society of CPAs' acceptance letter. We wish to commend your firm on receiving an unqualified opinion.

We would like to remind you that in accordance with 7 CFR Part 1773, Policy on Audits of RUS Borrowers (Part 1773), as revised May 21, 2001, a certified public accountant auditing Rural Utilities Service borrowers must undergo a peer review of their accounting and audit practice within 36 months of the date of issuance of the previous peer review report or such additional times as designated by the peer review executive committee. The peer review report and any accompanying letter of comments should be submitted within 60 days of the date such report and letter of comment are released by the peer review group. Your firm should maintain its review year from review to review. Requirements concerning the submission of peer review reports may be found in Part 1773, paragraph 1773.5.

If you have any questions concerning our peer review requirements, please contact us at (202) 720-5227.

Sincerely,

A handwritten signature in cursive script that reads "Diana C. Alger".

DIANA C. ALGER  
Chief, Technical Accounting  
and Auditing Staff  
Program Accounting Services Division

1400 Independence Ave, SW - Washington, DC 20250-0700

Web: <http://www.rurdev.usda.gov>

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