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STATE OF CONNECTICUT
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BULLETIN

AUDIT REQUIREMENTS for SCHOOL CONSTRUCTION PROJECT GRANT

FORM SCG-3075

TO: Superintendents of Schools
School Business Managers
First Selectman/Mayor

FROM: Michelle H. Gilman, Commissioner
Department of Administrative Services

A handwritten signature in blue ink that reads "Michelle H. Gilman".

DATE: January 29, 2024

SUBJECT: Audit Documentation Requirements for School Construction Project Grants

In accordance with Connecticut General Statutes Sections 10-286e, 10-287(a), and 10-287i, audits are required of school construction grants prior to final payment. These audits are coordinated through the Department of Administrative Services (DAS) School Construction Audit Unit.

The purpose of this bulletin is to provide guidance to school districts concerning the documentation requirements associated with these audits. The attached "Audit Documentation and Record Retention Guidelines" should be distributed to appropriate management and financial personnel involved with school construction projects and grants. We recommend that appropriate district personnel, especially fiscal officers and staff, review and maintain these guidelines.

For questions concerning these guidelines or other matters pertaining to the audits of school construction grants, please contact:

Brian Green
Director of Internal Audit
Department of Administrative Services
450 Columbus Blvd -Suite 1101
Hartford, CT 06103
das.schoolconstructionaudit@ct.gov

Attachment

cc: Eleanor Michael, Deputy Commissioner
Jolita Lazauskas, CFO, Business Office

DEPARTMENT OF ADMINISTRATIVE SERVICES (DAS)
SCHOOL CONSTRUCTION PROJECT GRANTS
AUDIT DOCUMENTATION AND RECORD RETENTION GUIDELINES

LIST OF DOCUMENTATION AND RECORDS TO BE MAINTAINED FOR AUDIT PURPOSES

While all project records shall be maintained until the required statutory audit has been completed, the following summarizes the major records and documentation that shall be needed for the audit of a school building project. The items noted on this list include, but are not limited to, the entirety of records and documentation that may be required for audit purposes. **The documentation below should encompass the project period:**

1. General ledger, project ledger, or other subsidiary ledgers of project costs.
2. Cash Disbursement Journals, payment vouchers, paid invoices, contracts, and other documents related to a project.
3. Detailed schedule of project costs with associated vendor names as reported to the DAS. This should reconcile to #1 above (General ledger, project ledger, or other subsidiary ledgers of project costs).
4. Audited Financial Statements.
5. Building Committee Minutes.
6. Documentation of "Other Funding" and refunds associated with the project.
7. Documentation of site or facility acquisition costs (if applicable), including closing statements and land and/or building appraisals, Real Estate Contracts, and /or Purchase Agreements.
8. Documentation supporting project costs, including:
 - 8.a Construction contract with bid specifications
 - 8.b Evidence of public bidding (newspaper invoices or ads)
 - 8.c Bidding summaries (bid tabulation) for all contracts
 - 8.d Original bid documents for any purchase of \$10,000 or more
 - 8.e State contract utilized with state contract number
 - 8.f All change orders (including final OGA eligibility determination letters)
 - 8.g All addenda
 - 8.h Contractor's Applications for Payment (Contractor Invoices)
 - 8.i Subcontractor invoices (for projects with a Construction Manager)

Projected enrollment data which supports the highest eight-year projected student enrollment figure submitted to the Department.

9. Documentation to support "gross floor area," such as blueprints or architectural drawings identifying existing and new floor area.
10. Project Drawings and Specifications with an original date stamp from the Office of Grants Administration sign-off meeting.
11. Schedules identifying any ineligible or limited eligible items as reported on FORM SCG-4000 Ineligible Costs and limited Eligible Costs Worksheet (ICW).
12. Official offering statements for all bond issues, if applicable.
13. Supporting documentation for all derived or prorated amounts.
14. Correspondence files.
15. Documentation of any lawsuits, arbitration, or mediation between Local Education Agencies (LEAs) and contractors.
16. Expense reconciliation between original contracts and settlements should also be available.

NOTE: (10-287(b)(2)) All orders and contracts for architectural services shall be awarded from a pool of not more than the four most responsible qualified proposers after a public selection process. Such process shall, at a minimum, involve requests for qualifications, followed by requests for proposals, including fees, from the proposers meeting the qualifications criteria of the request for qualifications process. Following the qualification process, the awarding authority shall evaluate the proposals to determine the four most responsible qualified proposers using those criteria previously listed in the requests for qualifications and requests for proposals for selecting architectural services specific to the project or school district. Such evaluation criteria shall include due consideration of the proposer's pricing for the project, experience with work of similar size and scope as required for the order or contract, organizational and team structure, including any subcontractors to be utilized by the proposer, for the order or contract, past performance data, including, but not limited to, adherence to project schedules and project budgets and the number of change orders for projects, the approach to the work required for the order or contract and documented contract oversight capabilities, and may include criteria specific to the project. Final selection by the awarding authority is limited to the pool of the four most responsible qualified proposers and shall include consideration of all criteria included within the request for proposals. As used in this subdivision, "most responsible qualified proposer" means the proposer who is qualified by the awarding authority when considering price and the factors necessary for faithful performance of the work based on the criteria and scope of work included in the request for proposals.

DOCUMENT RETENTION GUIDELINES

The above-noted records and documentation, as well as any other documentation associated with the project, must be maintained by the district **until notified, in writing, by DAS that the project has been audited** and records associated with the project **are no longer required** by DAS or until final payment has been processed by DAS.