

CONNECTICUT STATE DEPARTMENT OF EDUCATION
Division of Finance and Internal Operations
Bureau of School Facilities

Request for School Construction Progress Payments (ED046)

General Instructions
(Revised 5/09)

How are school construction grant payments requested?

School construction grant payments are requested by the district via the electronic submission of Form ED046. The electronic ED046 can be accessed on the Project Menu of the School Construction Grant Management System (SCGMS) at www.csde.state.ct.us.

When should Form ED046 be submitted?

Grant payments may be requested once a grant commitment has been obtained for the project. Until a grant commitment is authorized, districts are unable to electronically submit payment requests (Form ED046).

Minimum Criteria for Payment of Architectural Design Costs:

- **Grant commitment**

Additional Criteria for Payment of Construction Costs:

- **Architectural plan approval** – Architectural plans are required to be approved by SDE in order to process payment requests for construction costs. Please note that architectural plans may be approved one phase at a time for a multi-phase project. Progress payments can be made for construction costs on an approved phase only.
- **Start of Construction Date** – If the district is reporting expenditures for construction, **a start of construction date must be entered into SCGMS**. For purposes of the grant calculation, start of construction is defined as the date that the initial construction contract is executed.

Payment requests for construction expenditures will not be approved for payment processing without the start of construction date.

Timing of requests:

Form ED046 is due on or before the first of the month. Thereafter, payment requests may be submitted no sooner than every other month.

How and when is payment made?

After receipt of Form ED046, a project file review is performed by SDE. Any project or payment issues are identified and communicated to the Superintendent or RESC Director. A response from the district regarding the issues is anticipated by the time of the next payment request. Some issues need to be resolved immediately in order for the payment request to be processed. Payment is made via wire transfer to the appropriate Reich and Tang subaccount on or about the fifteenth of the following month.

Example: Payment requests submitted on or before November 1 will receive a progress payment or about December 15.

SPECIFIC FORM INSTRUCTIONS**Top-Right - Payment Request for (Month/Year)**

Complete for the Month/Year that the grant payment will be made.

Upper left - School District; School Name; State Project Number; Payment Request Number; Project Costs Authorized by GA/SDE

This information is pre-filled with current data from the SCGMS. Please note that the 'Project Costs Authorized by GA/SDE' are the total project costs currently authorized by the General Assembly (GA) or SDE.

Column Descriptions:**Col. 1 - Previous Estimated Project Costs**

For an initial payment request, this column is pre-filled with current data from the SCGMS. The data may correspond with the initial costs submitted on the project application (Form ED049). After the initial payment request, costs in this column will be replaced by the costs in column 2 of the previous payment request. Costs in column 1 may not be edited or revised by the district.

Col. 2 - Revised Estimated Project Costs

For all payment requests, column 2 is pre-filled with current data from SCGMS. The data may be revised by the district with each payment request. Costs in this column should reflect current estimated project costs or, when the project is complete, final project costs. The district may edit costs as appropriate by typing over the data that appears and then clicking on "update changes". The revised costs reported in this column will replace costs in column 1 on the next payment request.

Significant cost revisions should be accompanied by Form ED049R, Notice of Change to School Construction Project, and a written explanation. Please note that C.G. S. Sec. 10-283(a) requires all projects that change in cost or scope, to a degree determined by the commissioner, be resubmitted to the Governor and General Assembly for reauthorization. SDE will review all cost revisions for significant changes from the project cost amount and scope authorized.

Col. 3 - Reported Project Expenditures Prior to This Request

This column will be blank on the initial payment request. Thereafter, Col. 3 will be pre-filled with the cumulative project expenditure amounts from column 4 of the previous payment request. Expenditures in column 3 may not be edited or revised by the district.

Col. 4 - Cumulative Project Expenditures Through Month of Request

Please complete this column with accumulated project expenditures paid, incurred and anticipated through the close of the month indicated in the 'Payment Request for (Month/Year)', top right of the form. The amounts reported in this column should reflect total accumulated expenditures, not incremental expenditures. Costs reported in this column will replace costs in column 3 on the next payment request.

Project expenditures should be classified as eligible, limited eligible and ineligible. SDE will compute the progress payment based on accumulated expenditures and subtract previous payments made in order to derive the current progress payment due.

Line Item Descriptions - ELIGIBLE COSTS:

- Line 1 **Architectural Design** - Eligible project costs associated with architectural design and planning through preparation of bid documents. Development of final plans may also include land surveys, engineering services, soil study services, and roofing consultants. Architectural design and planning costs do not include construction management services, however. (Construction management services may be reported on line 3).
- Line 2 **Site Acquisition** - Eligible costs of the site acquisition only. Appraisal fees should be reported on line 4. Please note that eligibility for these costs is limited to the lower of: (1) actual purchase costs or (2) the higher of two independent appraisals. Appraisals and purchase documentation must be submitted to SDE and approved prior to payment of any of these costs.
- Line 3 **Facility Purchase** - Eligible costs of the facility acquisition only. Appraisal fees should be reported on line 4. (See 'Site Acquisition' above for appraisal and purchase requirements for payment).
- Line 4 **Other Professional Fees** - Eligible professional fees associated with the project. Professional fees may include engineering (not reported on line 1), legal, appraisal, financing costs other than interest, and construction management fees.
- Line 5 **Construction** - Eligible project construction costs including contractor costs. Do not include ineligible or limited eligible construction costs. Please refer to the projects Ineligible and Limited Eligible Costs worksheet for assistance with determination of ineligible and limited eligible costs.
- Line 6 **School Readiness Costs** - Eligible construction costs for the portion of the building used for a state-approved School Readiness program.
- Line 7 **Full Day Kindergarten/Reduced Class Size Reduction** - Eligible construction costs

for the portion of the building used for full day kindergarten or class size reduction to 18 students in grades K through 3.

Line 8 **Equipment/Furnishings** - Eligible equipment and furnishings included within the scope of the project. Do not include ineligible equipment and furnishings.

Line Item Descriptions - LIMITED ELIGIBLE COSTS:

Line 10 **Outdoor Athletic Facilities and Tennis Courts** - Eligible development costs for outdoor athletic facilities (e.g. tennis courts; tracks; football, baseball, softball, soccer, and hockey fields, etc.). Elementary school playgrounds are not generally classified as outdoor athletic facilities and eligible site work for those playgrounds may be reported on line 4. Replacement of outdoor athletic facilities is generally ineligible. Relocation of outdoor athletic facilities may be a limited eligible cost or an ineligible cost. Ineligible costs are identified on the Ineligible and Limited Eligible Costs worksheet.

Line 11 **Natatorium** - All eligible construction costs, including allocated architectural design and planning fees, for a natatorium. Natatorium costs generally include the swimming pool, pump room and **dedicated** shower/locker facility.

Line 12 **Auditorium Seating Area** - Construction costs for the seating area (not stage area) portion of an auditorium and the costs of installed seats. PLEASE COMPLETE THE AUDITORIUM SEATING AREA SECTION FIRST IF YOU ARE REPORTING AUDITORIUM SEATING AREA COSTS.

Line 13 **Eligible Gymnasium Seating Area** - Construction costs for the seating area of the gymnasium and the costs of installed seats or bleachers. Recent projects typically utilize retractable bleachers (instead of fixed theater style seating) in gymnasiums. If retractable bleachers are part of the project, only the bleacher and installation costs should be reported on this line.

Line Item Descriptions - INELIGIBLE COSTS:

Note: Please refer to the project's Ineligible and Limited Eligible Costs worksheet when completing the Ineligible Costs section of Form ED046. Ineligible costs are identified during the plan review process on the worksheet. The ineligible amount for Line 21, Contingency, is in addition to the ineligible costs on the worksheet.

Line 15 **Ineligible Site Acquisition** – Purchase price paid in excess of the higher of two independent appraisals.

Line 16 **Ineligible Facility Purchase** – Purchase price paid in excess of the higher of two independent appraisals.

- Line 17 **Ineligible Construction** – Costs estimated at the time of grant application as updated for ineligible costs identified during plan review on the Ineligible Costs worksheet Costs. Ineligible costs on the worksheet should be also be updated for ineligible amounts from change orders during construction.
- Line 18 **Ineligible School Readiness** – Ineligible construction costs for the portion of the building used for the state-approved School Readiness program.
- Line 19 **Ineligible Full Day Kindergarten/Reduced Class Size Reduction** – Ineligible construction costs for the portion of the building used for full day kindergarten or class size reduction to 18 students in grades K through 3.
- Line 20 **Unauthorized Cost Increase** – Amount of cost increase which requires General Assembly reauthorization. Unauthorized cost increases are ineligible for grant payments until reauthorized.
- Line 21 **Contingency** - Costs budgeted as project contingency amounts. Please do not report expenditures on this line; report only the budgeted contingency amount. As the budgeted contingency amount is utilized, reduce the line 21 amount (Col. 2) and report the corresponding expenditures in the appropriate line item of Form ED046 (Col. 2).
- Line 22 **Other** - All other ineligible costs not reported in lines 15 through 21.

Other Line Item Descriptions:

- Line 25 **Percentage Expended Through Payment Month** – A percentage of cumulative expenditures to total estimated project costs is computed by SCGMS.

Please contact the Bureau of School Facilities at 860-713-6480 if you have any questions.