
DCMS Tip Sheet

October 27, 2020

Volume 1 Edition 20

Greetings from DCAMM Contractor Certification!

This tip sheet addresses a deficiency that can occur during the application intake process.

Financial Statements

Financial statements are written records that communicate the business activities and the financial performance of a company. Acceptable financial statements must contain a Balance Sheet, Income Statement, Cash Flow Statement and notes.

The financial statement requirement is a frequent problem and can cause delays for our certification applicants.

- Financial statements must be prepared by a Certified Public Accountant (CPA) who is licensed at the time of preparation. Out-of-state licensed CPAs are acceptable.
 - Statements prepared by IRS certified financial preparers are not accepted
 - Tax returns are not accepted
 - QuickBooks or internally prepared documents are NOT accepted
- In-house prepared balance sheet and statement of income are only accepted if the applicant company has provided a CPA prepared consolidated financial statement (e.g. parent company financials or combined affiliated company financials) and the consolidated statement does not provide break out financial information for the applicant.
- The CPA's cover letter must be dated and signed.
- The CPA must be independent and cannot be an employee of the company.
- You must submit your most recent financial statement. If your financials are in the process of being prepared you can upload last year's statement, just for the sake of submitting your application.
- Draft or preliminary financial statements are not accepted.
- Prime applications require either an Audited or Reviewed CPA prepared financial statement. Compiled financials are not acceptable.
- Small Prime and Filed Sub-Bidder applications require either an Audited, Reviewed or Compiled CPA prepared financial statement.

If you have any questions do not hesitate to contact Certification at 857-204-1305 or certification.DCAMM@mass.gov.

If you would like to be added to our Email List [click here](#)

Reminder: Applications are due 90 days prior to expiration for the current certificate