



BULLETIN

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Overhead Submissions

The consultant shall have a current approved FAR overhead rate(s) on file with PennDOT in order to perform work on PennDOT projects. Approved FAR overhead rate(s) are valid up to eighteen months from the consultant's audit fiscal year end. In order to obtain PennDOT approval of their overhead rate(s), consultants must submit the following documentation to PennDOT:

- **Cognizant approved indirect cost rate(s)** if available (see Publication 93, Section 3.6.3 for Cognizant Audit requirements). If the consultant has received a cognizant letter, the only additional documentation required is the Contractor Cost Certification below.

OR

- **Audit report** disclosing the results of an indirect cost rate(s) FAR audit performed by an independent CPA in accordance with Generally Accepted Government Auditing Standards. It is highly recommended that the CPA also utilize the guidance provided in the latest edition of the AASHTO Uniform Audit and Accounting Guide to perform the audit of the indirect cost rate(s). The FAR audit report shall be provided at no direct cost to PennDOT. The consultant may submit an unaudited FAR overhead rate(s) statement but will be limited to being a subconsultant on PennDOT projects with direct plus indirect costs for each subconsultant agreement limited to a maximum of \$250,000.
- **Contractor Cost Certification/Certification of Final Indirect Costs** (FHWA Order 4470.1A Appendix A) - The form is available in the ECMS file cabinet, Publication 93 Appendix 3C, or the [AASHTO Uniform Audit and Accounting Guide \(UUAG\)](#) Appendix F.
- **Compensation Analysis** - The [National Compensation Matrix \(NCM\)](#) Executive Compensation Compliance Worksheet OR a complete compensation analysis prepared in accordance with all criteria outlined in the AASHTO UAAG Section 7.5.
- **AASHTO Internal Control Questionnaire (ICQ)** with the following attachments:
 - Final fiscal year end trial balance that reconciles to the overhead schedule. If accounts on the overhead statement include multiple expense accounts, indicate which expense accounts on the trial balance make up the overhead statement account.
 - Overhead rate schedule showing the calculation of the overhead rate(s) and showing excluded unallowable amounts as per [FAR 31](#).
 - The Company's policies for vacation and sick leave.
 - The Company's bonus policy.

The UAAG, the updated ICQ, and the NCM are available at <http://audit.transportation.org>.

Additional information may be requested by the PennDOT negotiator and shall be provided by the consultant in a timely manner.