Washington State Department of Transportation

Memorandum

June 30, 2016

TO: Erik Jonson, Contracting Services Manager

FROM: Schatzie Harvey, Agreement Compliance Audit Manager

SUBJECT: ABC Engineering Indirect Cost Rate
for Fiscal Year Ended December 31, 2015

We have completed our review of ABC Engineering Indirect Cost Rate for the above referenced fiscal year. We reviewed the documentation supporting the rate for compliance with criteria contained in the Federal Acquisition Regulations (FAR), Subpart 31.

Based on our review we are issuing this memo establishing the ABC Engineering Indirect Cost Rate for fiscal year ending December 31, 2015, at 150.25% of direct labor (rate includes 0.25% Facilities Capital Cost of Money). ABC Engineering provided an FHWA Certificate of Final Indirect Costs indicating all costs included in the indirect cost rate schedule comply with FARs. Our review included a site visit to the firm.

Costs billed to agreements will still be subject to audit of actual costs, based on the terms and conditions of the respective agreement.

This was not a cognizant review. Any other entity contracting with the firm is responsible for determining the acceptability of the Indirect Cost Rate.

If you have any questions, feel free to call me at (360) 705-7006, or via email at harveys@wsdot.wa.gov.

Cc: Steve McKerney
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