

Process for A&E Agreements

New Agreements & Renegotiation of Agreements

Consultant Services and Internal Audit Office

CSO solicits consultants for various services needed

CSO receives submittals from interested firms in accordance with the advertisement.

Upon completion of the scoring exercise, CSO transmits an Award Letter to the qualified consultant(s) as well as an "Unsuccessful" letter to the firms who did not qualify. Internal Audit Office (IAO) is cc'd on all letters.

- The Award Letter(s) instruct the qualified firms to submit, electronically to the IAO, the applicable financial information (or CPA reports), in preparation of the indirect cost rate review.

- **Firms respond by submitting to CSO:**
Hourly Rates Statement (HRS)
OR
Actuals Not to Exceed (ANTE) Table (with recently approved Indirect Cost Rate per IAO)
- CSO reviews the submitted information and determines the applicable "next steps" to be taken (Acceptance? Edits needed?)
- CSO approves HRS, and communicates to the firm. The IAO and the Agreement File is cc'd on all letters.

- **Firms respond by submitting to IAO:**
- CPA reports, cognizant indirect cost rate letters, or indirect cost rate schedules for desk review.
- Note – for renegotiation of rates, firms will be directed to send all indirect cost rate schedules or CPA reports to the IAO.
- The IAO will issue an accepted rates letter once a desk review is completed, or when a CPA report is accepted.
- The IAO letters are sent to the firm, and CSO is cc'd on all letters.
- The IAO rates letters are used for the indirect cost rate in the ANTE table. This process applies to primes as well as subconsultants. This process applies to all new agreements, as well as renegotiation of agreement rates.

CSO will communicate all final rates to the firm by letter, and cc the IAO and the Agreement File on all letters.

The letters should include the agreement number(s), and will also include Exhibit D from the agreement. Exhibit D will show the indirect cost rate taken from the IAO letters.

For emergency situations, exceptions, or in situations when the IAO is unable to issue an indirect cost rate for the firm, CSO will discuss each exception with the IAO in advance of taking any sort of action. Note – Provisional rate agreements may be considered in future for these exceptions, but this is not an option at this time.

Agreement(s) production is initiated and execution by the firm and State follow.

CSO provides WSDOT Audit with cc: of CSO email to TRAINS (End)