



Washington State
Department of Transportation



Indirect Cost Rate (ICR) Training

Process to Create Your Indirect Cost Rate (ICR) Schedule

(Module 2)

Getting from A to B Overview

First - Finalize your Labor Distribution Report (LDR). Further details to follow.

Third – Finalize your Financial Statements (Income Statement, Balance Sheet, etc.).

Fifth – List unallowable items in the firm’s adjustment column.

Second – Perform adjusting entries to the General Ledger (GL) accounts.

Fourth – Build the Financial Statement (Income Statement) column on your Indirect Cost Rate (ICR) Schedule.

Last – Add the total of all columns in the accepted amount column and calculate your rate.

A

B



Process to Create Your Indirect Cost Rate (ICR) Schedule

- Labor Distribution Report (LDR) Definition – A report showing the distribution of labor hours and dollars by designated labor categories (direct, indirect, paid time off, etc) in which an employee worked.
- The firm should start the Indirect Cost Rate (ICR) Schedule process by finalizing their LDR.
- The LDR is created by combining the firm’s payroll register and employees’ timesheets.
- If the firm performs monthly reconciliations, then those reconciliations can be rolled up to create the firm’s annual LDR - **See Module 5.**

Examples of LDR’s on the following slides

- a) Single member firm with draws working less than 2,080 hours per year.
- b) Single member firm with draws working more than 2,080 hours per year, which results in uncompensated overtime.
- c) Ten person firm with staff payroll and uncompensated overtime **(This example is helpful to keep in mind as your firm grows from draws to payroll)**



Labor Distribution Report (LDR) Example 1₄

Single Person Firm Standard LDR																				
Example 2	Total Draws Taken For	Hourly Rate (based on 2080)	Total Hrs. Worked	Direct Hours	Direct \$	Direct OT Hours	OT \$ at 1.5	Indirect - Office Hrs	Office \$	B&P Labor	B&P \$	Holiday Hrs	Holiday \$	Vacation Hrs	Vacation \$	Sick Hrs	Sick \$	Total \$ Column	Uncomp. O/T	Owner Paid Draws
Owner 1	\$75,000	\$41.67	1,800	1,338	\$55,750.00	0	\$0.00	390	\$16,250.00	72	\$3,000.00	0	\$0.00	0	\$0.00	0	\$0.00	\$75,000.00	\$0.00	\$75,000
	Total		1,800	1,338	\$55,750.00	0	\$0.00	390	\$16,250.00	72	\$3,000.00	0	\$0.00	0	\$0.00	0	\$0.00	\$75,000.00	\$0.00	\$75,000
	*Owner draws \$6,250 per month																			

Single Person Firm With Draws Working Less Than 2,080 Hours Per Year

- The owner drew \$6,250 per month.
- The owner worked 1,800 hours during the year.

Hourly Rate Computation

- 1) Add total draws during the year ($\$6,250 \times 12 \text{ months} = \$75,000$ yearly compensation).
- 2) Divide total draws by the total number of hours worked during the year to compute the hourly rate ($\$75,000 / 1,800 \text{ hours} = \41.67 hourly rate).

Labor Distribution (LDR) Computation

- 1) Fill in each labor category with the hours from the owner's timesheets.
- 2) Multiply each set of hours by the hourly rate previously calculated.
- 3) Add each category dollar amount together to arrive at the total dollar amount (\$75,000).
- 4) The total dollar amount column (\$75,000) should equal the owner draws total (\$75,000), therefore no uncompensated overtime will be recorded.

There should be no uncompensated overtime recorded and/or reported!



Labor Distribution Report (LDR) Example 2 5

Single Person Firm Standard LDR																				
Example 1	Total Draws	Hourly Rate (based on 2080)	Total Hrs. Worked	Direct Hours	Direct \$	Direct OT Hours	OT \$ at 1.5	Indirect - Office Hrs	Office \$	B&P Labor	B&P \$	Holiday Hrs	Holiday \$	Vacation Hrs	Vacation \$	Sick Hrs	Sick \$	Total \$ Column	Uncomp. O/T	Owner Paid Draws
Owner 1	\$150,000	\$72.12	2,124	1,600	\$115,384.62	0	\$0.00	390	\$28,125.00	62	\$4,471.15	72	\$5,192.31	0	\$0.00	0	\$0.00	\$153,173.08	\$3,173.08	\$150,000
		Total	2,124	1,600	\$115,384.62	0	\$0.00	390	\$28,125.00	62	\$4,471.15	72	\$5,192.31	0	\$0.00	0	\$0.00	\$153,173.08	\$3,173.08	\$150,000
*Owner draws \$12,500 per month																				

Single Person Firm With Draws Working More Than 2,080 Hours Per Year, Which Results In Uncompensated Overtime

- The owner drew \$12,500 per month.
- The owner worked 2,124 hours during the year.

Hourly Rate Computation

- 1) Add total draws during the year (\$12,500 x 12 months = \$150,000 yearly compensation).
- 2) Divide total draws by the standard 2,080 hours per the year (\$150,000 / 2,080 hours = \$72.12 hourly rate).

Labor Distribution (LDR) Computation

- 1) Fill in each labor category with the hours from the owner's timesheets.
- 2) Multiply each set of hours by the hourly rate previously calculated.
- 3) Add each category dollar amount together to arrive at the total dollar amount (\$153,173.08).
- 4) Since the owner worked more than the standard, the total dollar amount (\$153,173.08) calculated will be more than the owner draws (\$150,000). The variance is the uncompensated overtime (\$3,173.08) worked during the year.

There will be uncompensated overtime due to the fact the owner worked over the standard 2,080 hours!



Labor Distribution Report (LDR) Example 3 6

Ten Person Firm Standard LDR																			
Example 3	Salary / Hourly	Hourly Rate (based on 2080)	Total Hrs. Worked	Direct Hours	Direct \$	Direct OT Hours	Direct OT \$ at 1.5	Indirect - Office Hours	Indirect - Office \$	B&P	Holiday	Vacation	Sick						
A. Adams	\$95,834	\$46.07	2,112	1,811	\$83,440.0	0	\$0.00	72.5	\$3,340.37	0	\$0.00	80	\$3,685.9	128	\$5,897.4	20	\$921.48	\$97,285.28	\$145,120
B. Bigsby	Hourly	\$30.00	828	125	\$3,750.00	22	\$990.00	605.5	\$18,165.00	66	\$1,965.00	25	\$840.00	0	\$0.00	4	\$120.00	\$25,830.00	\$0.00
C. Colton	\$143,692	\$69.08	2,298	1,512	\$104,453.0	0	\$0.00	403	\$27,840.33	55	\$3,799.5	8	\$6,079.2	161	\$11,122.3	78.5	\$5,422.99	\$158,717.49	\$15,025.49
D. Dean	\$143,692	\$69.08	2,246	1,710	\$118,131.4	0	\$0.00	295	\$20,379.39	0	\$0.00	4	\$3,315.9	185	\$12,780.3	8	\$552.66	\$155,159.73	\$11,467.73
E. Edwards	Hourly	\$17.00	148	13	\$221.0	14	\$357.00	134.5	\$2,286.50	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	\$2,864.50	\$0.00
F. Franks	\$92,700	\$44.57	2,118	1,175	\$52,366.5	0	\$0.00	691.75	\$30,829.44	0	\$0.00	8	\$3,921.9	123.75	\$5,515.2	39	\$1,738.13	\$94,371.27	\$1,671.27
G. Grant	\$102,375	\$49.22	2,167	1,062	\$52,270.3	0	\$0.00	742	\$36,520.31	0	\$0.00	80	\$3,937.5	246	\$12,107.8	37	\$1,821.09	\$106,657.03	\$1,003
H. Hewitt	Hourly	\$27.35	2,133	522	\$14,276.7	0	\$0.00	1300	\$35,555.00	123	\$3,364.0	80	\$2,188.0	88.5	\$2,420.4	19.75	\$540.16	\$58,344.39	\$0
I. Irvin	Hourly	\$45.00	768	0	\$0.0	6	\$405.00	708	\$31,860.00	0	\$0.00	20	\$900.0	35	\$1,575.0	0	\$0.00	\$34,740.00	\$0.00
J. Johnson	Hourly	\$15.00	372	103	\$1,545.0	0	\$0.00	276	\$4,140.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	\$5,685.00	\$0.00
Total			15,190	8,933	\$438,454.12	42	\$2,792.00	\$,228	\$210,910.33	244	\$9,128.00	512	\$24,808.59	907	\$51,418.58	206	\$11,116.51	\$739,654.74	\$0.00

Ten Person Firm With Staff Payroll And Uncompensated Overtime

- The firm has a mix of hourly and salary employees.
- The firm has a mix of employees working over/under the standard 2,080 hours per year.

Hourly Rate Computation

- For salary employees, divide total salary by the standard 2,080 hours per year. For example, A. Adams hourly rate is $\$95,834 / 2,080 \text{ hours} = \46.07 hourly rate.
- For hourly employees, the hourly rate from payroll will be added in the hourly rate column.

Labor Distribution (LDR) Computation

- Fill in each labor category with the hours from the employees' timesheets.
- Multiply each set hours by the hourly rate previously calculated or added from payroll.
- Add each category dollar amount together to arrive at total dollar amount for both hourly and salary employees (\$739,654.74).
- For hourly employees, the total dollar amount should match the total paid to the employee through payroll. No uncompensated overtime should be reported for hourly employees.
- For salary employees, if the employee worked more than the standard, the total dollar amount will be more than the total paid to the employee through payroll. The variance is the uncompensated overtime worked during the year.

Uncompensated Overtime should only be recorded and reported for salaried employees and/or owners!



Process to Create Your Indirect Cost Rate (ICR) Schedule

- After the Labor Distribution Report (LDR) has been finalized, the firm will need to perform adjusting entries to the General Ledger (GL) (The GL is built from your “Chart of Accounts” – See Module 4) accounts for:
 - Accruals
 - Deferrals
 - Reimbursements
 - Recording error corrections
 - May not apply to cash basis firms
- Once the adjusting entries have been performed, then the firm can finalize the firm’s Income Statement.
 - The Income Statement is the basis to the creation of the firm’s Indirect Cost Rate (ICR) Schedule.
 - Once the Income Statement is finalized, you can create your firm’s ICR schedule.



Indirect Cost Rate (ICR) Schedule

Process to Create Your Indirect Cost Rate (ICR) Schedule

- The creation of the Indirect Cost Rate (ICR) Schedule commences with the addition of the Income Statement figures to the first column of the ICR Schedule - See Module 4.

- First, add the direct/indirect labor expenses from the finalized Income Statement.
- Second, verify the labor totals equal the labor totals on the LDR.
- Third, add the fringe benefits

**ABC Engineering
Indirect Cost Rate Schedule
For the Year Ended December 31, 2013**

Description	Financial Statement Amount	ABC A dj.	WSDOT A dj.	Ref.	Accepted Amount	%
Direct Labor					\$432,206	100.00%
Indirect Costs:						
Fringe Benefits						
Vacation Pay	\$51,419					11.90%
Sick Pay	11,117					2.57%
Holiday Pay	24,869					5.75%
Payroll Taxes	120,125					27.79%
Health Insurance	25,490					5.90%
Workers' Comp. Insurance	15,980					3.70%
Profit Sharing (401-k)	150,240					34.76%
Severance	5,400					1.25%
Fringe Benefit Adjustment	0					0.00%
Total Fringe Benefits		\$0	\$0		\$404,640	93.62%
General Overhead						
Indirect Labor	\$198,249					45.87%
Payroll Variance Account	(36,355)					-8.41%
Bid & Proposal Labor	9,129					2.11%
Advertising Labor	4,005					0.93%
Public Relations Labor	2,580					0.60%
Direct Selling Labor	10,312					2.39%
Education/Research Labor	3,010					0.70%
Incentive Bonus	65,000					15.04%
Rent	98,000					22.67%
Maintenance & Repairs	18,340					4.24%
Automobile	16,420					3.80%
Travel	25,600					5.92%
Travel - Meals	42,000					9.72%
Insurance	23,789					5.50%
Telephone	11,125					2.57%
Utilities	9,671					2.24%
Taxes & Licenses	38,900					9.00%
Depreciation & Amortization	22,140					5.12%
Dues & Subscriptions	6,500					1.50%

**ABC Engineers
Income Statement
December 31, 2013**

Financial Statements in U.S. Dollars

Revenue		
4000 - Sales	2,143,974	2,143,974
Net Sales		
Cost of Sales		
5000 - Direct Labor	432,206	
5021 - Reimbursable Travel	5,250	
5030 - Consultant Expense	25,320	
5075 - Other Direct - Mileage/Parking	6,523	
Cost of Sales	469,299	
Gross Profit (Loss)	1,674,675	
Expenses		
6000 - Indirect Labor	198,249	
6005 - Payroll Variance	(36,355)	
6010 - B&P Labor	9,129	
6015 - Advertising Labor	4,005	
6020 - Direct Selling Labor	10,312	
6025 - Public Relations Labor	2,580	
6030 - Education/Research Labor	3,010	
6040 - Vacation Pay	51,419	
6041 - Sick Pay	11,117	
6042 - Holiday Pay	24,869	
6050 - Severance Pay	5,400	
6070 - Bonus Pay	65,000	
6100 - Advertising	25,550	
6150 - Public Relations	18,240	
6200 - Direct Selling	9,400	
6250 - Employee Training/Recruiting	2,100	
6400 - Worker's Comp Insurance	15,980	
6450 - Health Insurance	25,490	
6500 - Insurance	23,789	
6800 - Professional Fees	38,000	
6805 - Taxes & Fees	38,900	
6700 - Automobile	18,420	
6710 - Maintenance & Repair	18,340	
6750 - Travel	25,600	
6755 - Travel - Meals	42,000	

ABC Engineering

Employee	Hourly Rate (based on 2080)	Total Hrs. Worked	Direct Hours	Direct \$	Direct OT Hours	Direct OT \$ at 1.5	Indirect - Office Hrs	Indirect - Office \$	B&P Labor	B&P \$	Advertising Labor	Advertising \$	Public Relations Labor	Public Relations \$	Direct Selling Labor	Direct Selling \$	Education Labor	Education \$	Holiday Hrs	Holiday \$	Vacation Hrs	Vacation \$	Sick Hrs	Sick \$	Total \$ Column	Uncomp. O/T	
A. Adams	\$95.834	\$46.07	2,175	1,811	\$83,440.08	0	\$0.00	72.5	\$3,340.37	0	\$0.00	0	\$0.00	56	\$2,580.15	0	\$0.00	7	\$322.52	80	\$3,685.92	128	\$5,897.48	20	\$921.48	\$100,188.00	\$4,354.00
B. Bigsby	Hourly	\$30.00	836	125	\$3,750.00	22	\$990.00	500.5	\$15,015.00	66	\$1,965.00	0	\$0.00	0	\$0.00	105	\$3,150.00	8	\$240.00	28	\$840.00	0	\$0.00	4	\$120.00	\$26,070.00	\$0.00
C. Colton	\$143.692	\$69.08	2,261	1,512	\$104,453.03	0	\$0.00	303	\$20,932.06	55	\$3,799.55	0	\$0.00	0	\$0.00	57	\$3,937.71	6	\$414.50	88	\$6,079.28	161	\$11,122.31	78.5	\$5,422.99	\$156,161.43	\$12,469.43
D. Dean	\$143.692	\$69.08	2,256	1,710	\$118,131.40	0	\$0.00	295	\$20,379.39	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	10	\$690.83	48	\$3,315.97	185	\$12,780.30	8	\$552.66	\$155,850.55	\$12,158.55
E. Edwards	Hourly	\$17.00	155	13	\$221.00	14	\$357.00	134.5	\$2,286.50	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	7	\$119.00	0	\$0.00	0	\$0.00	0	\$0.00	\$2,983.50	\$0.00
F. Franks	\$92.700	\$44.57	2,125	1,175	\$52,366.59	0	\$0.00	691.75	\$30,829.44	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	7	\$311.97	88	\$3,921.92	123.75	\$5,515.20	39	\$1,738.13	\$94,683.25	\$1,983.25
G. Grant	\$102.375	\$49.22	2,190	1,062	\$52,270.31	0	\$0.00	689	\$33,911.72	0	\$0.00	0	\$0.00	0	\$0.00	63.5	\$3,223.83	10	\$492.19	80	\$3,937.50	246	\$1,107.81	37	\$1,821.09	\$107,764.45	\$5,389.45
H. Hewitt	Hourly	\$27.35	2,139	522	\$14,276.70	0	\$0.00	1300	\$35,555.00	123	\$3,364.05	0	\$0.00	0	\$0.00	0	\$0.00	6	\$164.10	80	\$2,188.00	88.5	\$2,420.48	19.75	\$540.16	\$58,508.49	\$0.00
I. Irvin	Hourly	\$45.00	855	0	\$0.00	6	\$405.00	708	\$31,860.00	0	\$0.00	89	\$4,005.00	0	\$0.00	0	\$0.00	3	\$135.00	20	\$900.00	35	\$1,575.00	0	\$0.00	\$38,880.00	\$0.00
J. Johnson	Hourly	\$15.00	382	103	\$1,545.00	0	\$0.00	276	\$4,140.00	0	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	8	\$120.00	0	\$0.00	0	\$0.00	0	\$0.00	\$5,805.00	\$0.00
Total			15,377	8,033	\$430,454.12	42	\$1,752.00	4,970	\$198,249.47	244	\$9,128.60	89	\$4,005.00	56	\$2,580.15	228	\$10,311.54	72	\$3,010.10	512	\$24,868.59	967	\$51,418.58	206	\$11,116.51	\$746,894.66	\$36,354.67

Indirect Cost Rate (ICR) Schedule

Process to Create Your Indirect Cost Rate (ICR) Schedule

- Once the financial statement column is completed, the firm can now make the necessary adjustments (See Module 6) for unallowable expenses.
 - First, add the firm's adjustments for unallowable expenses under the firm's adjustments column.
 - Second, in the reference column, add the reference letters pertaining to each adjustment.
 - Third, add explanation and FAR references for each adjustment in the reference section at the bottom of the schedule.



ABC Engineering- In Process
"Indirect Cost Rate still subject to WSDOT Audit"

References Add the dollar amount in each reference, as an expense account can have multiple adjustments.

ABC Adjustments:

- A Unallowable costs of \$24,612 idle capacity per 48 CFR 31.205-17(c)
- B Lodging (\$1,600), Meal (\$42,000), and Mileage (\$3,200) rates in excess of federal travel regulation unallowable per 48 CFR 31.205-46(a)(2).
- C Inadequate supporting documentation unallowable per 48 CFR 31.201-2(d).
- D Key person life insurance for \$6,000 unallowable per 48 CFR 31.205-19(e)(2)(v).
- E Unallowable taxes and licenses per 48 CFR 31.205-41.
- F Amortization of goodwill for \$7,000 unallowable per 48 CFR 31.205-49.
- G Costs of memberships in civic and community organization unallowable per 48 CFR 31.205-1(f)(7).
- H Public relations (\$1,957) and advertising (\$11,615) unallowable per 48 CFR 31.205-1.
- I Entertainment unallowable per 48 CFR 31.205-14.
- J Legal Costs in relation to litigation unallowable per 48 CFR 31.205-47(f)(5).
- K Interest unallowable per 48 CFR 31.205-20.
- L Contributions unallowable per 48 CFR 31.205-81.
- M Promotional Marketing unallowable per 48 CFR 31.205-1 and 31.205-38.
- N Unsupported direct selling costs of \$18,800, no documentation available to demonstrate and support "person to person" selling unallowable per 48 CFR 31.205-38(b)(5).
- O Fringe Benefit adjustment; directly associated cost to unallowable Advertising (\$17,360), Public Relations (\$8,120) and Direct Selling Labor (\$2,920) unallowable per 48 CFR 31.201-6(a).
- P Auto Allowance payments of \$12,000 unallowable per 48 CFR 31.205-6(m)(2) and 31.201-2(d), documentation of mileage log not available and unable to support and show segregation of business and personal use. Associated costs for vehicle unallowable per 48 CFR 31.205-46(d) and 31.205-6(m)(2). Associated costs include Insurance (\$1,000), Maintenance (\$997), and Depreciation (\$664).
- Q Bonus payments of \$65,000 unsupported and not performance based unallowable per 48 CFR 31.205-6 and 2010 AASHTO Audit Guide, Chapter 7, Section 7.12 C
- R Labor Variance Account to show the uncompensated overtime labor adjustment. Labor Variance account is an offset account to balance to payroll.- \$48,708.88
- S Severance payment does not follow company's established severance policy, \$5,400 is unallowable per 48 CFR 31.205-6(g).

General Tips – Indirect Cost Rate (ICR)₁₀

General Tips to Assist with The Process:

- WHAT NOT TO DO
 - We see some firms who create the Indirect Cost Rate (ICR) Schedule before reconciling labor, creating the Labor Distribution Report (LDR), and/or finalizing the financial statements. This process is backwards and creates more work for the firm. The figures must be correct prior to building the ICR Schedule.
- Your LDR form can be used for monthly labor reconciliations and at year end, the monthly reconciliations can be rolled up into an annual worksheet – **See Module 5.**
- If your firm's payroll cycle is different from your firm's fiscal year, you will need to complete a reconciliation and an adjusting entry. **See Example.**



Reconciliation – Payroll Cycle Example

Payroll Adjusting Entries to Align the Payroll Cycle with the Firm's Fiscal Year

- The firm in this example has the following periods:
 - Payroll Cycle (Bi-Weekly, 26 paychecks) runs from 12/23/12 to 12/21/13.
 - Fiscal Year runs from 1/1/13 to 12/31/13.

Labor Matches

Payroll Adjusting Entries

- The firm will need to adjust out the wages paid from 12/23/12 to 12/31/12, as the labor was performed in the previous fiscal year.
- The firm will also need to adjust in the wages earned from 12/22/13 to 12/31/13, as the labor was performed in the current fiscal year.
- After the two adjusting entries are calculated, the firm will show the adjustments to arrive at the adjusted payroll total.
- The adjusting entries will align payroll with the labor reported on the firm's Indirect Cost Rate (ICR) Schedule.
- Disclaimer:** This is only one type of method to reconcile labor. The adjusting entries are for your reconciliation **ONLY!**

YEAR-END LABOR RECONCILIATION Example for Bi-Weekly Pay Cycle Payroll Register from Paychex (Check dates 12/23/12 to 12/21/13)

Regular Pay	\$	705,230
Overtime	\$	1,752
Bonus	\$	65,000
Severance	\$	5,400
	\$	777,382
12/24/12 - 12/31/12 Accrual Adj	\$	(19,794)
12/22/13 - 12/31/13 Accrual Adj	\$	23,353
	\$	(65,000)
	\$	(5,400)
	\$	710,541

Fiscal Year 2013 Income Statement (P&L)

Direct Labor	\$432,206
Vacation	\$51,419
Sick	\$11,117
Holiday	\$24,869
Indirect	\$227,285
Payroll Variance	(\$36,355)
	\$710,541

Labor Distribution Report - 2013

Direct Labor	\$430,454
Direct OP Premium	\$1,752
Office Labor	\$198,249
B&P Labor	\$9,129
Advertising Labor	\$4,005
Public Relations Labor	\$2,580
Direct Selling Labor	\$10,312
Education Labor	\$3,010
Holiday	\$24,869
Vacation	\$51,419
Sick	\$11,117
Labor Totals on LDR	\$746,896
Payroll Variance (Uncompensated OT)	(\$36,355)
Total	\$710,541

Indirect Cost Rate Schedule - 2013 - Column for Financial Statement Amount

Direct Labor	\$432,206
Vacation/Sick/Holiday Pay	\$87,405
Indirect Labor	\$198,249
B&P Labor	\$9,129
Adv Labor	\$4,005
Public Relations	\$2,580
Direct Selling	\$10,312
Ed/Research Labor	\$3,010
	\$746,896 Ties to LDR
	(\$36,355)
	\$710,541 Balance with Adjusted Payroll

Labor Matches

Bi-Weekly Pay Cycle (26 paychecks)			
12/23/2012	12/21/2013	260	2080
Accrual Delete From FY2012 Pay			
12/24/2012	12/31/2012	(6)	(48)
Accrual Add From FY2014 Pay			
12/22/2013	12/31/2013	7	56
	Total		2088
Fiscal Year 2013			
1/1/2013	12/31/2013	261	2088

	12/24-12/31, 2012	12/22-12/31, 2013
Adams	\$46.00 (\$2,211.36)	2,579.92
Bigsby	\$30.00 (\$1,440.00)	1,680.00
Colton	\$69.00 (\$3,315.44)	3,868.48
Dean	\$69.00 (\$3,315.44)	3,868.48
Edwards	\$17.00 (\$816.00)	952.00
Franks	\$44.57 (\$2,139.36)	2,756.32
Grant	\$49.22 (\$2,362.56)	2,756.32
Hewitt	\$27.35 (\$1,312.40)	1,531.60
Irvin	\$45.00 (\$2,160.00)	2,520.00
Johnson	\$15.00 (\$720.00)	840.00
Total Accrual Adj	(\$17,794.00)	

Be Sure to Visit Us OnLine

Our website is filled with educational material and guidance for all firms. We have published several interpretive guidance documents to further assist firms. The website below provides guidance on the following topics and we are in the process of adding further topics:

- Small Firms
- Labor
- Uncompensated Overtime
- Direct Selling, Public Relations, Advertising and Bid & Proposal
- Allowable Bonus
- Auto Expense
- Meals
- Airfare

Please check our website on a regular basis for updates.

URL – <http://www.wsdot.wa.gov/Audit/guides.htm>

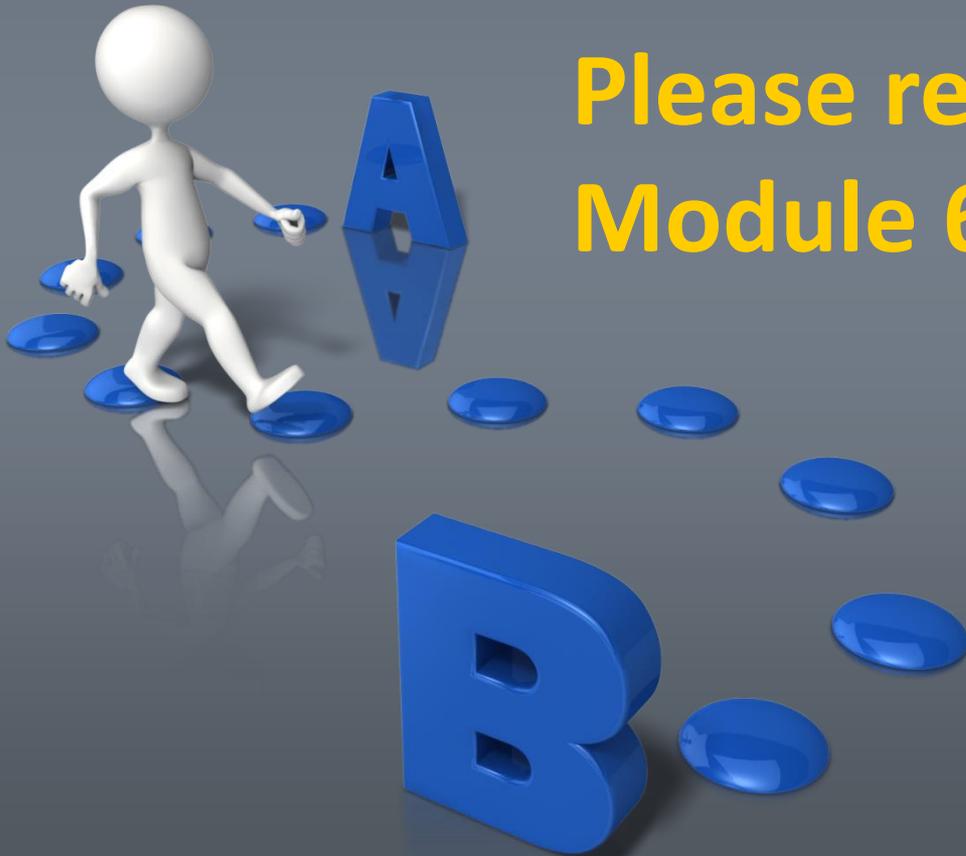
WSDOT Safe Harbor Program:

URL –

<http://www.wsdot.wa.gov/Audit/SafeHarbor.htm>



For Additional Guidance
and Contact Information –
Please refer to the end of
Module 6!





Questions? Comments?

We are happy to help you!