

*State of Washington  
Department of Transportation  
Notice to Consultants*

*Process Changes – Consultant Contracts*

Boilerplate

WSDOT is utilizing a new boilerplate agreement for consultant contracting. The new document includes a number of improvements and updates. WSDOT last updated the boilerplate in 2006. Consultants should pay special attention to the new language included in Section V – Payment Provisions. WSDOT has adopted a new process regarding company Indirect Cost Rate (ICR) information submission that requires firms to submit their ICR information within 180 days of their Fiscal Year End (FYE) closing date.

Rate Approval/Renewal Process

The rate approval/ renewal process for WSDOT consultant agreements has been modified. The new process for rate approval/renewal is outlined below.

WSDOT has been chosen as one of the ten states across the nation to test the **“Safe Harbor”** indirect cost rate program. Further details can be found at: <http://www.wsdot.wa.gov/audit/>. If your firm (regardless of size) is currently working on an existing agreement and your rates are due for re-negotiation, or if you have been approved for work on a new agreement – your firm shall submit a request for an Indirect Cost Rate (ICR) review to [consultantrates@wsdot.wa.gov](mailto:consultantrates@wsdot.wa.gov) and the WSDOT Consultant Services Office (CSO) will then contact the WSDOT Internal Audit Office (IAO) with a request for a rate review. After the WSDOT IAO receives the request from CSO, they will determine if billing rates will be based upon Safe Harbor or an ICR.

Qualified and Agreed Use of the Safe Harbor Program

If the Consultant qualifies for Safe Harbor and agrees to the use of the Safe Harbor program for their rates, the Consultant will then submit for review and approval their proposed rates to WSDOT CSO at [consultantrates@wsdot.wa.gov](mailto:consultantrates@wsdot.wa.gov). Proposed rates must be submitted in one of the following formats:

Safe Harbor Letter:

<http://www.wsdot.wa.gov/NR/rdonlyres/94EBD10F-DBAF-4383-B2D7-14E0EBA1CC62/0/SafeHarbor.pdf>

ANTE with imputed rate:

[http://www.wsdot.wa.gov/NR/rdonlyres/FBFF1BD0-C4B6-45A3-855B-C9DCB9AFBC1C/0/ANTE\\_Imputed.pdf](http://www.wsdot.wa.gov/NR/rdonlyres/FBFF1BD0-C4B6-45A3-855B-C9DCB9AFBC1C/0/ANTE_Imputed.pdf)

Not Qualified/Not Agreed Use of the Safe Harbor Program

If the Consultant does not qualify for Safe Harbor or chooses not to use the Safe Harbor program, the Consultant shall undergo a desk review to verify allowability of ICR costs. Upon successful conclusion of the review, the Consultant will be provided with a WSDOT acceptance



letter of their indirect cost rate. Upon receipt of the WSDOT Audit acceptance letter the Consultant shall submit an annual not to exceed (ANTE) table which uses that approved ICR and negotiated fee percentage to [consultantrates@wsdot.wa.gov](mailto:consultantrates@wsdot.wa.gov) for rate review and approval. Proposed rates must be submitted utilizing the following format:

ANTE with ICR:

[http://www.wsdot.wa.gov/NR/rdonlyres/509F2563-1CE8-4E13-960C-6C8AD1DD7C77/0/ANTE\\_ICR.pdf](http://www.wsdot.wa.gov/NR/rdonlyres/509F2563-1CE8-4E13-960C-6C8AD1DD7C77/0/ANTE_ICR.pdf)

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Questions about any of the topics covered above can be directed to the WSDOT Consultant Services Office (CSO) at [consultantrates@wsdot.wa.gov](mailto:consultantrates@wsdot.wa.gov) and/or the WSDOT Internal Audit Office (IAO), Martha Roach, Agreements Compliance Manager at [roachma@wsdot.wa.gov](mailto:roachma@wsdot.wa.gov).

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