

CERTIFICATION OF FINAL INDIRECT COSTS – FOR A SAFE HARBOR INDIRECT COST RATE

Firm Name: _____

I, the undersigned, certify that I have reviewed the proposal to establish the Safe Harbor rate.

The firm is electing to use the SAFE HARBOR INDIRECT COST RATE of 120% of direct labor with a field rate, when applicable, of 90% of direct labor. To the best of my knowledge and belief:

- a) The firm has not had a FAR compliant indirect cost rate previously accepted by any other state agency.*
- b) The firm will provide reports as required by the SAFE HARBOR RATE program on their progress toward compliance with the cost principles of the Federal Acquisition Regulations (FAR) of title 48, Code of Federal Regulations (CFR), part 31.*

All known material transactions or events that have occurred affecting the firm's ownership, organization and prior & current indirect cost rates have been disclosed.

The firm agrees to follow the 'Path to Compliance'. Steps noted below:

The Pathway must include:

- A timekeeping system which includes the Internal Controls described in chapter 6 of AASHTO Uniform Audit & Accounting Guide*
- An accounting system which separates indirect costs and direct costs*
- An accounting system which separates allowable and unallowable cost*
- A compliant job cost system which is general ledger driven*
- Training for accounting personnel and key management on Part 31 of the Federal Acquisition Regulations, Contract Cost Principles and Procedures*
- A strong written internal control policy with a policy and procedures manual*

*Signature: _____

*Name of Certifying Official (Print): _____

*Title: _____

Date of Certification (mm/dd/yyyy): _____

*Note: This form is to be completed by an individual executive or financial officer of the consultant at a level no lower than a Vice President or Chief Financial Officer, or equivalent, who has the authority to represent the financial information utilized to establish the indirect cost rate proposal submitted in conjunction with the agreement.