

SUMMARY OF THE AUDIT GUIDE FOR WAGE RATE DETERMINATION (WRD) OVERHEAD CALCUALTION PROCESS OVERVIEW v. 09/07/2018

Estimated Agreement Value	Current ODOT Prequalified?	Overhead Rate	Review	Docs Required
< \$50,000	N/A	N/A	PM negotiates as Lump Sum w/Procurement support	None
≥ \$50,000	Yes	Accept ODOT Rate	None	ODOT Letter of Concurrence; Associated Audit Report; Supporting Indirect Cost Schedule

If no ODOT Letter of Concurrence is currently in place:

ODOT Prequalified in last 5 years	Requested Rate	Docs Req'd	Review	Overhead Rate
Yes	Any	Previous ODOT Letter of Concurrence; Current 3 rd Party FAR 31 Audit Report; Associated Audit Report; Supporting Indirect Cost Schedule	Verify rate is in alignment	Accept prior approved ODOT rate; If not aligned, accept FAR rate.
No	< Average Overhead rate as published by ODOT	Current 3 rd Party FAR 31 Audit Report; Indirect Cost Schedule	None	Accept rate supported by FAR Rate or indirect cost schedule
No	> Average Overhead rate as published by ODOT	Current 3 rd Party FAR 31 Audit Report; Indirect Cost Schedule; Detailed Financial Statements; Detailed GL	Desk Review	No errors noted during review - accept rate supported by FAR rate or indirect cost schedule - otherwise discuss mutually agreed rate.

If no 3rd Party FAR 31 Audit Report or supporting indirect cost schedule is available, State's Safe Harbor overhead rate (currently 110%) will apply.

In addition, all firms will need to provide 2 detailed payroll reports for each person listed on the following WRD form. Wage determination will be established with agreement that compensation adjustments of the lesser of the actual wage change or the average percentage increase Authority Personnel receive (approved by the Board in the Annual Budget at the November Board meeting of the previous year) in a given 12 month period are deemed reasonable / customary. Any adjustments that exceed that level must be approved by CRAA, in advance and in writing.