



**NORTH CAROLINA DEPARTMENT OF TRANSPORTATION
OFFICE OF INSPECTOR GENERAL
CONSULTANT, UTILITY, RAILROAD & TURNPIKE UNIT**

I. DATA TO BE INCLUDED WITH THE CONSULTANT'S/SUB-CONSULTANT'S PROPOSAL (PRIME AND SUBS)

- A. Statement of Company Policy (for Personnel, Vacation, Sick Leave, Overtime, Pay Raise Policies, Travel and Subsistence Reimbursement, etc.)
- B. Chart of Accounts
- C. Financial Statements for the last fiscal year
- D. Overhead Audit – [http://audit.transportation.org/Documents/AudAcctgGuide2012\(SPG-complete\).pdf](http://audit.transportation.org/Documents/AudAcctgGuide2012(SPG-complete).pdf)
- E. **Internal Control Questionnaire (ICQ), Certification of Final Indirect Costs** letter (CCL) and **Certification of Premium Overtime Policy** must be completed each fiscal year and submitted with the overhead computation.

II. PROPOSAL PREPARATION WITH ACCOMPANYING DOCUMENTATION (PRIME AND SUBS)

- A. **Direct Labor** – *MUST* be presented as follows: Man-hours by employee name, job classifications and raw salary rates. **The Contracting Officer must verify that the primary names proposed match the employees who were proposed on the Letter of Interest. There may be occasional differences due to employee turnover, relocations, etc.**
- B. **Overhead** (should be expressed as a percentage of Direct Labor)
- C. **Fee** (should be expressed as a percentage of Direct Labor and Overhead)
- D. **Direct Non-Salary Costs** – Job related expenses which are required directly in the performance of project services such as travel, subsistence, long distance telephone, reproduction, printing, etc. These should be itemized as to quantities and unit costs in arriving at the amounts.

The rates used in developing the proposed expenses incurred in-house should be supported by historical cost and/or pricing data. The rates used in developing the proposed expenses incurred by outside parties should show how they were established including names and phone numbers of vendors that supplied price quotes and receipts, invoices, etc. if available.

The proposed non-salary costs must be the lower of the consultant's actual cost or the Department's maximum allowable rates available here:

<https://connect.ncdot.gov/projects/Roadway/Private%20Engineering%20Firm%20Resources/Maximum%20Allowable%20Non-Salary%20Direct%20Costs.pdf>

The consultant may only propose non-salary costs that are normally captured as direct expenses in their accounting system. Items normally charged to overhead by the consultant may not be proposed as direct expenses.

EXAMPLE OF A STANDARD PROPOSAL:

CLASSIFICATION	EMPLOYEE	MAN-HOURS	HOURLY RATE	TOTAL
Project Manager	Jane Doe	10	\$50.00	\$500.00
Sr. Engineer	John Doe	40	\$40.00	\$1,600.00
CADD	Adam Smith	80	\$20.00	\$1,600.00
Clerical	Eve Smith	20	\$15.00	\$300.00
TOTAL DIRECT LABOR				\$4,000.00
OVERHEAD RATE		130.00%	<i>(applied to DL)</i>	\$5,200.00
SUB-TOTAL				\$9,200.00
FEE		9.00%	<i>(applied to DL and OH)</i>	\$828.00
COST OF CAPITAL		1.23%	<i>(applied to DL)</i>	\$49.20
SUB-TOTAL				\$10,077.20
DIRECT NON-SALARY COSTS:				
TYPE	QUANTITY	UNIT PRICE	TOTAL	
Mileage	500	\$0.56	\$280.00	
Reproduction	100	\$0.04	\$4.00	
Per Diem	5	\$110.80	\$554.00	
TOTAL DIRECT NON-SALARY COSTS				\$838.00
GRAND TOTAL				\$10,915.20

Note:

All agreements submitted to the Department require the consultant to maintain all books, documents, papers, accounting records and other information pertaining to costs incurred on projects for a period of three (3) years from the date of final payment and to make such materials available at its offices at all reasonable times during the contract for inspection by the State.

It is preferred that job costs be segregated by tasks (Hydro, Roadway, Structures, etc.).

Any questions may be directed to the Consultant, Utility, Railroad & Turnpike Unit:

John Stroud, Manager	(919) 707-4580	jestroud@ncdot.gov
Shanna Cofield, Lead Auditor	(919) 707-4579	slcofield@ncdot.gov
Geavonda Chestnut, Lead Auditor	(919) 707-4597	gchestnut@ncdot.gov
Rosalyn Dobbin, Senior Auditor	(919) 707-4583	rddobbin@ncdog.gov