

SRTC

SPOKANE REGIONAL TRANSPORTATION COUNCIL



Calendar Year 2023 Indirect Cost Plan

Spokane Regional Transportation Council
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Adopted 10.13.2022

INDIRECT COST PROPOSAL CERTIFICATION STATEMENT

This is to certify that I have reviewed the Indirect Cost proposal submitted herewith and to the best of my knowledge and belief:

All costs included in this proposal, 10/13/22, to establish billing or final indirect costs rate for January – December 2023 are allowable in accordance with the requirements of the Federal awards to which they apply and the provisions of 2 CFR Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards. Unallowable costs have been adjusted for in allocating costs as indicated in the Indirect Cost proposal.

All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between the expenses incurred and the agreements to which they are allocated in accordance with applicable requirements. Further, the same costs that have been treated as indirect costs have not been claimed as direct costs. Similar types of costs have been accounted for consistently and the Federal Government will be notified of any accounting changes that would affect the predetermined rate.

I declare that the foregoing is true and correct.

Signature on file

Lois Bollenback, Executive Director
Spokane Regional Transportation Council

Date

Purpose

This document serves as the Calendar Year (CY) 2023 Indirect Cost Allocation Plan for the Spokane Regional Transportation Council (SRTC) and was prepared in accordance with the policies and procedures contained in 2 CFR Part 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirement for Federal Awards. The 2023 Indirect Cost Plan will be effective for the months of January through December 2023.

Methodology

A consistent approach has been followed in the treatment of direct or indirect costs; in no case have costs charged as direct costs to programs been included as indirect costs. Actual expenditure information used to prepare the plan was obtained from financial statements. SRTC has not made any significant changes to the accounting treatment of any expense category or to its accounting system for CY 2023. The expenses will continue to be allocated between direct and indirect costs as described in the approved CY 2023 Indirect Cost Plan. The CY 2023 indirect rate calculation is based on the approved 2023 budget. Based on this amount, the new indirect cost rate will be 47% of total direct salaries and wages. This proposal is for a fixed rate, with any over/under cost recovery amount adjusted for in a following year.

For CY 2023, SRTC will continue using Vision Municipal Solutions software for financial accounting and payroll processes. Vision MS is designed with the WA State Auditor's Office BARS reporting codes to provide seamless reporting for annual audits. The general ledger provides the capability of tracking overall expenses by calendar year and fiscal year, enabling an overall audit by either period. Salaries for hours worked, fringe benefits, and direct costs for each work element will be recorded in the appropriate task code.

The non-worked hours paid (vacation, holiday, sick leave, jury duty) and benefits will be prorated among the work elements. To accomplish the proration of the non-worked salary and benefits, these amounts will be accumulated in an independent function code number. At the end of each month, the non-worked salary and fringe benefit totals in this function code will be prorated to the Unified Planning Work Program (UPWP) work elements based on the amount of each employee's time in each work element. This will be done through a spreadsheet program from which actual billings will be prepared.

The proposed indirect cost percentage rate is of the "fixed rate with carry-over" type. Any over/under recovery for a specific year is carried forward to a following calendar year to be used as an adjustment to the following year's rate.

Expenses that are directly identifiable to a specific work element within SRTC are classified as "direct costs" and charged to the specific work elements to which they relate. Expenses that are not directly identifiable to a specific work element are classified as "indirect costs" and are recovered as a fixed percentage rate of total salaries and wages.

Development of the CY 2023 Indirect Rate

The CY 2023 indirect cost is based on a calculated 2023 total of indirect costs of \$432,615 plus a 2021 adjustment of \$7,267, and a direct salary base of \$928,233, yielding an indirect cost rate of 49%. This information is documented in the Appendix in **Table 1: Total Proposed Indirect Costs for CY 2023**. Table 1 also demonstrates that unallowable costs associated with SRTC staff interaction with state and federal officials are not included in the calculated indirect cost rate.

$$\$439,882 / \$928,233 = 47\%$$

CY 2021 shows an under-recovery amount of \$7,267. This information is documented in the Appendix in **Table 2: CY 2021 Indirect Cost Recovery Analysis Worksheet**.

SRTC will use this indirect cost rate of 47% for the January - December 2023 billings, as reflective of anticipated expenditures.

Indirect Cost Rate Assumptions

In reviewing the operations of SRTC, part or all of the time of two employees was determined to be of an indirect support nature rather than a direct salary cost:

- Administrative Services Manager – 100%
- Administrative-Executive Coordinator – 100%

Estimates of the time spent on these activities were made and the salary and fringe benefit costs involved were calculated from the approved CY 2023 budget. Based on the line items of expense in the CY 2023 budget the following classifications of costs as direct or indirect were developed:

DIRECT	INDIRECT	
Advertising	Advertising	Registration/Schooling
Computer Hardware	Computer Hardware	Rentals –Eqpt/Buildings/Facilities
Contractual Professional Services	Contractual Professional Services	Software
Direct Fringe Benefit Expenses	Dues, Subscriptions, Memberships	Software/Equipment Maintenance
Direct Salary Expenses	Indirect Fringe Benefit Expenses	State Audit Charges
Education Series / Guest Speakers	Indirect Salary Expenses	Telephone
Operating Supplies	Interfund Reprographics	Termination Sick Leave/Vacation Pay
Postage	Interfund Services*	Travel
Printing	Lease of Equipment	Unemployment
Publications	Online IT Services	
Registration/Schooling	Operating Supplies	
Rentals –Eqpt/Buildings/Facilities	Permits/Fees	
Software	Postage	
Software/Equipment Maintenance	Printing	
Telephone	Property/Liability Insurance	
Travel / Training / Conferences	Publications	

* Prorated share of Spokane County Treasurer Office costs for Treasury Services. These expenses are distributed by a standardized formula to all organizations using County Treasury services. The remaining interfund items are charged at standard rates to all users based on the amount of the service or products used or purchased.

Capital Expenditures were classified as allowed or not allowed, without prior approval from the grantor agencies, using the 2 CFR Part 200-Uniform Administrative Requirements, Cost Principles, and Audit

Requirement for Federal Awards. These line items will be funded entirely from additional local funds in CY 2023 unless prior approval is sought for specific equipment acquisitions.

Inconsistently Treated Costs

Line items such as Software, Operating Supplies, Equipment Maintenance, and Advertising are treated on a case-by-case basis within this proposal. The items will be purchased either for a specific contract or project or for general use. Expenditures will be specifically coded to show for what they will be used. SRTC proposes to treat those purchases that are made directly for a specific work element within the UPWP as a direct cost, while those purchases for general purpose programs are an indirect cost.

Salary and fringe benefit expenses are also treated as both a direct and an indirect cost, depending on the nature of the activity incurring the cost. A separate payroll cost accounting code and budget will be established to record actual employee time worked in the indirect cost activities to provide support for the indirect cost amounts and to avoid treating any specific salary expense as both a direct and an indirect charge. The related fringe benefit expenses for the indirect salary charges are also accounted for separately.

All other costs in this proposal are treated consistently as direct or indirect costs for all grants. The indirect cost rate will be used in billing all federal and state grants and contracts executed by SRTC.

APPENDIX

Table 1: CY 2023 Indirect Cost Proposal Worksheet

Table 2: CY 2021 Indirect Cost Recovery Analysis Worksheet

Table 3: Schedule of Federal Funds Expenditures for Calendar Year 2022

TABLE 1: SPOKANE REGIONAL TRANSPORTATION COUNCIL - CY 2023 INDIRECT COST PROPOSAL WORKSHEET

CY 2023 BUDGET:

Type	Description	Cost Type	INDIRECT	UNALLOWABLE	TRANSP.	Costs Classified:			
			6760-87100 44414	6760-87100 44415	6770-87173 & grants 44402-28	TOTAL	Direct to All Activ.	Indirect to All Activ.	TOTAL
Salaries and Fringe Benefits:									
	Salaries and Wages	D/I	152,608	6,048	922,185	1,080,841	928,233	152,608	1,080,841
	Fringe Benefits	D/I	61,988	4,608	310,668	377,264	315,276	61,988	377,264
	Total Salaries/Fringe Bene.		214,595	10,656	1,232,853	1,458,105	1,243,510	214,595	1,458,105
Other Expenditures:									
Contractual/Professional Services:									
	Legal Services	I	25,000			25,000	0	25,000	25,000
	Consultant Services	D/I			325,000	325,000	325,000	0	325,000
	State Audit Charges	I	17,000			17,000	0	17,000	17,000
	Misc. Prof Services	D/I		1,608	142,548	144,156	144,156	0	144,156
Materials and Services									
	Publications	D/I		150	350	500	500	0	500
	Postage	D/I	300			300	0	300	300
	Operating Supplies	D/I	2,500	2,000	0	4,500	2,000	2,500	4,500
	Minor Equipment	D		1,000		1,000	1,000	0	1,000
	Telephone	D/I	4,440	600	720	5,760	1,320	4,440	5,760
	Advertising	D/I			3,120	3,120	3,120	0	3,120
	Rent - Office	I	84,500	31,500		116,000	31,500	84,500	116,000
	Rent - Mtg Rooms	D/I	400		100	500	100	400	500
	Lease - Copier	D/I	2,550			2,550	0	2,550	2,550
	Prop/Liability Ins.	I	17,000			17,000	0	17,000	17,000
	Printing	D/I	250		500	750	500	250	750
	Unemployment	I	0			0	0	0	0
	Treasury Svc	D/I	4,860			4,860	0	4,860	4,860
Travel, Training, and Staff Development									
	Mileage & Parking	D/I	200		2,200	2,400	2,200	200	2,400
	Travel/Training	D/I	2,500	2,750	39,350	44,600	42,100	2,500	44,600
	Registration	D/I	750	200	5,850	6,800	6,050	750	6,800
	Dues, Subs., Memberships	D/I		10,709		10,709	10,709	0	10,709
IT Operations									
	IT Management	D/I	28,400			28,400	0	28,400	28,400
	Software	D/I	14,440	0	26,200	40,640	26,200	14,440	40,640
	Hardware-New and Replacement	D		55,500	4,500	60,000	60,000	0	60,000
	Hardware-Repairs, Maint, Upgrades	D/I		0		0	0	0	0
	Online Services	D/I	12,930			12,930	0	12,930	12,930
	Total Other Expenditures		218,020	106,017	350,438	674,475	456,455	218,020	674,475
	TOTAL		432,615	116,673	1,583,291	2,332,580	1,899,965	432,615	2,332,580

Adjustment for (Over)/Under Recovery of Indirect Costs in CY 2021 (from Table 2)

will be made in the CY 2023 IDC Plan

Total Indirect Costs To Be Recovered in CY 2023

7,267
439,882

Proposed Indirect Cost Allocation Rates for CY 2023

47%

Expenditure Types Codes are: I = Indirect Cost Pool Charges D = Direct Charges D/I - Direct Charges and Indirect Cost Pool

TABLE 1 (cont.) SPOKANE REGIONAL TRANSPORTATION COUNCIL - CY 2023 INDIRECOT COST PROPOSAL WORKSHEET

CY 2023 ESTIMATED REVENUES:

FEDERAL FUNDS:		TOTAL
	FHWA PL & FTA Funds	1,152,140
	STBG Project Funds	100,000
	Metropolitan Transportation Planning	350,000
	Electrification of Transportation Systems (ETS)	<u>850,000</u>
	TOTAL FEDERAL FUNDS	<u>2,452,140</u>
STATE FUNDS:		
	WSDOT - Transportation Studies	0
	RTPO	<u>144,651</u>
	TOTAL STATE FUNDS	<u>144,651</u>
LOCAL FUNDS:		
	Spokane County Treasury proceeds	6,000
	SRTC Cash Reserves	105,000
	Local Jurisdictions	<u>274,789</u>
	TOTAL LOCAL FUNDS	<u>385,789</u>
	TOTAL PROPOSED REVENUES	<u><u>2,982,580</u></u>

TABLE 2: SPOKANE REGIONAL TRANSPORTATION COUNCIL - CY 2021 INDIRECT COST RECOVERY ANALYSIS WORKSHEET

Type	Description	Cost Type										TOTAL	Costs Classified:					
			87100	87100	87171	87172	98724	98770	98771	98766	98774		98799	Direct to All Activ.	Indirect to All Activ.	TOTAL		
Salaries and Benefits:																		
51000	Salaries/Wages	D/I	146,217.59	548.75	245,740.62	321,600.80	0.00	180,698.46	0.00				894,806.22	748,588.63	146,217.59	894,806.22		
52000	Fringe Benefits	D/I	75,885.76	148.24	88,843.13	88,699.33	0.00	58,883.00	0.00				312,459.46	236,573.70	75,885.76	312,459.46		
	Total Sal/Fringe Bene.		222,103.35	696.99	334,583.75	410,300.13	0.00	239,581.46	0.00	0.00	0.00	0.00	1,207,265.68	985,162.33	222,103.35	1,207,265.68		
Other Expenditures:																		
51620	Move Staff	D/I	20,620.66	0.00									20,620.66	0.00	20,620.66	20,620.66		
53102	Publications	D/I	0.00	0.00									0.00	0.00	0.00	0.00		
53103	Postage	D/I	121.00	0.00									121.00	0.00	121.00	121.00		
53104	Software	D/I	13,216.29	0.00	17,712.03								30,928.32	17,712.03	13,216.29	30,928.32		
53201	Operating Supplies	D/I	477.50	2,686.62		1,605.70							4,769.82	4,292.32	477.50	4,769.82		
53502	Minor Equipment	D	0.00	3,516.80									3,516.80	3,516.80	0.00	3,516.80		
54101	Prof. Services	D/I	55,800.20	0.00		183.12							55,983.32	183.12	55,800.20	55,983.32		
54105	Legal Services	I	31,090.00	0.00									31,090.00	0.00	31,090.00	31,090.00		
54120	State Audit Charges	I	14,476.80	0.00									14,476.80	0.00	14,476.80	14,476.80		
54201	Contactual Services	D/I	9,351.33	5,424.66		16,545.90			58,738.22	477,302.53			567,362.64	558,011.31	9,351.33	567,362.64		
54209	Online Services	D/I	14,071.95	0.00									14,071.95	0.00	14,071.95	14,071.95		
54301	Telephone	D/I	6,591.58	0.00	494.88	387.63							7,474.09	882.51	6,591.58	7,474.09		
54401	Travel/Mileage	D/I	7,795.90	40.70		718.43							8,555.03	759.13	7,795.90	8,555.03		
54451	Advertising	D/I	825.03	0.00	851.39	1,180.70							2,857.12	2,032.09	825.03	2,857.12		
54501	Rentals/Leases	D/I	93,081.06	0.00									93,081.06	0.00	93,081.06	93,081.06		
54601	Prop/Liability Ins.	I	14,509.00	0.00									14,509.00	0.00	14,509.00	14,509.00		
54803	Equip. Maint.	D/I	223.01	681.92									904.93	681.92	223.01	904.93		
54820	Software Maintenance	D/I	0.00	0.00	15,704.57								15,704.57	15,704.57	0.00	15,704.57		
54902	Registration	D/I	728.50	325.00	999.00	784.00							2,836.50	2,108.00	728.50	2,836.50		
54904	Dues,Subs.,Memberships	D/I	275.00	9,256.12									9,531.12	9,256.12	275.00	9,531.12		
54908	Permits/Fees	D/I	0.00										0.00	0.00	0.00	0.00		
54909	Printing	D/I	58.84										58.84	0.00	58.84	58.84		
55120	IG Services - General	D											0.00	0.00	0.00	0.00		
59100	IF Charges	D/I	249.20										249.20	0.00	249.20	249.20		
	Total Other Expenditures		283,562.85	21,931.82	35,761.87	21,405.48	0.00	0.00	0.00	58,738.22	477,302.53	0.00	898,702.77	615,139.92	283,562.85	898,702.77		
	TOTAL		505,666.20	22,628.81	370,345.62	431,705.61	0.00	239,581.46	0.00	58,738.22	477,302.53	0.00	2,105,968.45	1,600,302.25	505,666.20	2,105,968.45		

TABLE 2 (cont.)

		TOTAL INDIRECT EXPENDITURES		505,666.20
Indirect Costs charged to SRTC Projects:CY 2020 approved indirect cost rate - 64%		2021		
	RECOVERED:	1st Half	2nd Half	
44402	TS Reg. Transp. Plan Update	20,018.69	15,863.43	35,882.12
44404	Congestion Management Process	470.49	675.23	1,145.72
44405	TS Program Mgmt/Administration	59,586.23	69,007.50	128,593.73
44423	Public/Stakeholder Participation & Education	9,223.45	10,092.57	19,316.02
44424	Systems Analysis & Information Management	41,528.62	49,028.58	90,557.20
44426	Transportation Improvement Plan	12,577.89	2,508.60	15,086.49
44428	Planning Consultation & Studies	18,612.84	5,608.83	24,221.67
44429	RTPO Planning Functions	906.62	3,107.01	4,013.63
44415	Transportation Coordination	227.55	167.88	395.43
98724-44429	HSTP Grant			0.00
98772-44402/26/28	MTP Update - FY 2022		58,802.19	58,802.19
98771-44402/26/28	MTP Update - FY 2021	67,347.42	71,164.54	138,511.96
98710-43412	Reimbursable	-	-	0.00
		-	-	0.00
				0.00
		<u>230,499.80</u>	<u>286,026.36</u>	<u>516,526.16</u>
			TOTAL INDIRECT COSTS RECOVERED FROM PROJECTS	<u>516,526.16</u>
			Amount Under-Recovered in CY 2021	10,859.96
			Amount Under-Recovered in CY 2020	<u>(18,127.01)</u>
			Amount to be Adjusted in CY 2023 - Under-Recovered	<u>(7,267.05)</u>

Expenditure Types Codes are:

I = Indirect Cost Pool Charges D = Direct Charges D/I = Direct Charges and Indirect Cost Pool

L = Locally funded items only (no federal funds)

Table 3 for Indirect Cost Plan - Schedule of Federal Funds Expenditures for Calendar Year 2021

Item	1st Half CY 2021		2nd Half CY 2021		Consolidated	1st Half	2nd Half	1st Half	2nd Half	STBG	Total
	PL	FTA	PL	FTA	PL/FTA Funds	STBG	STBG	STBG	STBG	Funds	Federal Funds
Federal Revenue	337,176	104,912	258,180	135,820	836,088	170,627	325,282	97,068	100,642	693,619	1,529,708
Required Local Match	45,519	14,163	34,854	18,336	112,872	23,035	43,913	13,104	13,587	93,639	206,511
Additional Local	7,104	2,210	5,440	2,862	17,616	3,595	6,853	253,642	58,001	322,091	339,707
Total	389,799	121,285	298,474	157,018	966,576	197,257	376,049	363,813	172,229	1,109,348	2,075,925
Total Salaries	179,798	55,011	144,918	76,509	456,236	97,605	188,358	-	-	285,963	742,199
Total Benefits	66,013	18,972	42,342	22,050	149,377	32,305	53,208	-	-	85,512	234,889
Total Other	19,928	9,344	11,221	5,668	46,161	-	4,517	363,813	172,229	540,559	586,720
Total IDC's	124,060	37,958	99,993	52,791	314,803	67,347	129,967	-	-	197,314	512,117
Total	389,799	121,285	298,474	157,018	966,576	197,257	376,049	363,813	172,229	1,109,348	2,075,925
Direct Salaries/Wages				394,644	394,644					247,358	642,002
Direct Fr. Benefits				129,211	129,211					73,968	203,179
Other Direct Expend				39,929	39,929					467,584	507,513
Indirect Cost Plan				272,305	272,305					170,677	442,982
Total Federal Revenues					836,089					959,587	1,795,676

Per the Uniform Administrative Requirements (SuperCircular) 200.425 Audit Services (a) A reasonably proportionate share of the costs of audits required performed in accordance with, the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507), as implemented by requirements of the Part, are allowable.

However, the following audit costs are unallowable. Any costs of auditing a non-Federal entity that is exempted from having an audit conducted under the Single Audit Act and Subpart F-Audit Requirements of this Part because its expenditures under Federal awards are less than \$750,000 during the non-Federal entity's fiscal year.