

MDOT Financial Prequalification Questionnaire

For Users of the Safe Harbor Rate

Name of Company: _____

Taxpayer Identification Number: _____

Michigan Headquarters Address (Do Not Use P.O. Box Number): _____

Company Website: _____

Fiscal Year End: _____

Time Period Covered: _____

Address where Accounting Records are Located: _____

Please include the following items as **attachments** to the Financial Prequalification Questionnaire (FPQ):

- General Purpose Financial Statements (*Company Supplied*)
- Current chart of accounts and crosswalk that demonstrates how costs are “rolled up” into the amounts included in the financial statements (*Company Supplied*)
- Sample of current completed timesheet (*Company Supplied*)
- Sample of current project cost report from the cost accounting system (*Company Supplied*)
- The company’s bonus policy (*Company Supplied*)
- If vehicle expenses are billed directly, a copy of an actual mileage log sheet for a vehicle with typical travel for firm business. (*Company Supplied*)
- Other written policies, as requested throughout this FPQ (*Company Supplied*)
- Support for labor rates of individuals that are, or might be, assigned to MDOT projects. This support must include a listing of the employees by name, job title/classification, and actual current pay rate: and a company officer must certify the labor rates (*Company Supplied*)
- If the company received a Paycheck Protection Program (PPP) loan through the Federal Coronavirus Aid, Relief, and Economic Security Act complete this [Worksheet](#).

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Please identify the company's primary contact(s) for accounting questions:

Name: _____

Title: _____

Number of Years in this Capacity: _____

Number of Years with this Company: _____

Phone Number: _____

E-mail Address: _____

Mailing Address (if different than headquarters address previously listed):

Please attach additional page(s) if there is more than one primary contact for accounting questions.

Please identify the individual(s) who completed the FPQ:

Name: _____

Title: _____

Phone Number: _____

E-mail Address: _____

Please attach additional page(s) if there is more than one person completed the FPQ.

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A. Background Information

A.1. Year Established. When was the company formed? _____

A.2. Business Form. What form of business entity is the company?

- Sole Proprietorship
 Partnership
 C Corporation
 Limited Liability Company
 S Corporation
 Other: _____

A.3. Parent/Subsidiary. Is the company a subsidiary of any other company or part of a controlled group?

- Yes
 No

If yes, please explain:

A.4. Common Ownership. Does the company own or control any other company or legal entity (e.g., trust or foundation) through common ownership? (*AASHTO Guide* Section 8.23.B)

- Yes
 No

If yes, please explain:

A.5. Ownership. Please identify the stockholders, partners, or other owners with greater than five percent ownership of the company and their respective percentages of ownership. Identify all company officers including titles.

Table 1: Company Ownership

Name	Title	Ownership Percentage
		%
		%
		%
		%
		%
		%
		%
		%
		%
		%
		%
		%
		%
		%

A.6. Services Provided. What types of services does the company provide? (e.g., architectural, engineering design)

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

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A.7. Locations. How many offices does the company operate in Michigan, and where are these offices located?

1. Number: _____

2. Locations:

A.8. Number of Employees.

1. How many employees (including managers and principals) does the company currently employ globally?

a. Full time: _____ b. Part time: _____

2. Has this number changed since the last fiscal year?

Yes No

If yes, please explain:

A.9. Revenue Sources.

1. For the most recent fiscal year, what percentage of the company's revenue was generated from the following?

a. State government: _____% c. Local government: _____%

b. Federal government: _____% d. Commercial/private: _____%

2. Please specify all revenues earned as either a prime consultant or subconsultant:

GAAP Company Revenues

	As a Prime Consultant	As a Subconsultant	Total
Revenues from MDOT Projects			
Revenues from Other Customers			
Total Company Gross Revenue			

GAAP Net Company Revenues

	As a Prime Consultant	As a Subconsultant	Total
*Net Revenues from MDOT Projects			
Net Revenues from Other Customers			
Total Company Net Revenue			

NOTE: Consultants with Net MDOT revenue of \$500,000 or greater, calculated from the consultant's previous fiscal year, must submit a FAR compliant Overhead Rate Audit completed by an independent CPA. The FPQ for Audited Indirect Cost Rates must be completed and submitted to MDOT no later than six (6) months following the consultant's fiscal year end.

**Net MDOT revenue is defined as all monies paid directly or indirectly to a consultant by MDOT, for the consultant's fiscal year, for any work performed for MDOT as both a prime consultant and as a subconsultant, minus any monies paid by the consultant to its subconsultant(s) for MDOT work performed during the consultant's fiscal year.*

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A.10. Contract Mix.

1. What percentage of the company's **MDOT** revenue was generated from the following contract payment types?

- a. Lump sum: _____% b. Cost plus (time and materials): _____%
- c. Cost plus fixed fee: _____% d. Other: _____%

If other, please explain:

2. What percentage of the company's **non-MDOT** revenue was generated from the following contract payment types?

- a. Lump sum: _____% b. Cost plus (time and materials): _____%
- c. Cost plus fixed fee: _____% d. Other: _____%

If other, please explain:

A.11 Countries/States the Company is Currently Doing Business In. How many countries and states is the company currently doing business in?

1. Countries: _____ 2. States: _____

Please provide a list of the countries and states:

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B. Accounting: General Background

B.1. Fiscal Year End. Has the company used the same fiscal year end for the past two years?

Yes No

If no, please explain:

B.2. Accounting Method/Basis.

1. What basis of accounting does the company use to prepare general purpose financial statements?

Cash Accrual Hybrid

If hybrid, please explain:

B.3. Accounting Processes. Please insert written descriptions of accounting processes that address the following topics.

(Please see Attachment A of the instructions for guidance when completing the process descriptions.)

1. Accounting System
2. Billing (including labor charging)
3. Recording time Worked/Timesheet Preparation
4. Recording and Tracking Indirect Time (leave, holiday, etc.)
5. Recording Overtime
6. Compliance with FAR Part 31^(†) and applicable Cost Accounting Standards
7. Recording Direct and Indirect Costs
8. Overhead/Indirect Cost Rate Development
9. Developing Billing Rates; including In-House Billing Rates (such as daily usage rates) and Certified Labor Rates
10. Recording Allowable/Unallowable Costs
11. Policy and procedures for vehicle costs – including procedures for accounting for vehicle costs and policy for vehicle mileage reimbursements.

^(†) FAR Part 31 is codified at Title 48 of the CFR Part 31, which is available at:

<https://www.acquisition.gov/content/part-31-contract-cost-principles-and-procedures>

B.4. Fraud, Abuse, and Contract Violations. Is the company's management aware of any instances of fraud, illegal acts, abuse, or violations of contracts provisions or grant agreements?

Yes No

If yes, please explain:

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B.5. Knowledge of FAR Part 31. Are appropriate personnel within the company familiar with FAR Part 31?

Yes. Please identify the personnel names and titles:

No. If no, please explain:

B.6. Audits/Examinations. Within the past three years, has a CPA or governmental agency performed an independent audit, review, attestation, or compilation of the company's financial data or any phase of operations?

Yes. If yes, please complete the following (if applicable). No

a. **Financial Statements:** Audit Review Compilation

Attestation Other (please explain): _____

Name of CPA or Agency: _____

Primary Contact: _____

Fiscal Year End Covered: _____

b. **Indirect Cost Rate:** Audit Review Compilation

Attestation Other (please explain): _____

Was the indirect cost rate calculated in accordance with FAR Part 31? Yes No

Name of CPA or Agency: _____

Primary Contact: _____

Fiscal Year End Covered: _____

c. **Project Audits:** Audit Review Compilation Attestation

Other (please explain): _____

Name of CPA or Agency: _____

Primary Contact: _____

Fiscal Year End Covered: _____

B.7. Past Indirect Cost Rate. Within the past three years, has the company had an indirect cost rate (other than the Safe Harbor Rate) accepted by a cognizant agency or State Department of Transportation?

Yes No

B.8. Paycheck Protection Program. Did the company receive a Paycheck Protection Program (PPP) loan through the Federal Coronavirus Aid, Relief, and Economic Security Act?

Yes. If yes, please complete the PPP Loan [Worksheet](#).

No

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C. Accounting System(s)

C.1. Accounting Software.

1. What type of accounting software does the company use?

- Internally Developed System Please explain: _____
 Commercial System Name of vendor: _____
 Hybrid System Please explain: _____

2. Please describe any significant manual processes used outside of the automated accounting system to record transactions:

3. Was the accounting system updated within the last year?

- Yes No

If yes, please describe the accounting updates:

C.2. Job Costing. Does the company have a job-cost accounting system?

- Yes No

If no, please explain what type of system is used to determine project costs:

C.3. Integration.

1. Can the accounting general ledger interface with the job-cost ledger?

- Yes No N/A (no job-cost ledger used)

2. Can billings be prepared from, or reconciled to, reports generated from the company's job-cost system?

- Yes. If yes, please explain:

- No. If no, please explain:

3. Please describe any manual processes that occur outside of the automated accounting system to prepare billing packages:

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C.4. Accounting Records. Which of the following types of records does the company maintain to support financial transactions?

	<u>Yes</u>	<u>No</u>	<u>If no, please explain:</u>
1. General ledger	<input type="checkbox"/>	<input type="checkbox"/>	_____
2. Cash disbursements/accounts payable journal.	<input type="checkbox"/>	<input type="checkbox"/>	_____
3. Cash receipts/accounts receivable journal	<input type="checkbox"/>	<input type="checkbox"/>	_____
4. Job/Project-cost ledger	<input type="checkbox"/>	<input type="checkbox"/>	_____
5. Labor distribution reports	<input type="checkbox"/>	<input type="checkbox"/>	_____
6. Employee expense reports	<input type="checkbox"/>	<input type="checkbox"/>	_____
7. Payroll registers	<input type="checkbox"/>	<input type="checkbox"/>	_____

C.5. Direct and Indirect Expenses. Is the general ledger capable of containing separate direct and indirect accounts for the following?

1. Labor costs Yes No

If no, please explain:

2. Non-labor expenses Yes No

If no, please explain:

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2. Are bank statements reconciled?

Yes. If yes, how frequently: Monthly Quarterly Semi-annually Annually

Name and title of the person performing this reconciliation:

No. If no, please explain:

C.9. Budgeting. Does the company use a budgeting system for project planning and oversight?

Yes No

If yes, does the company prepare variance reports to compare budgeted amounts to actual amounts on projects, and are the reports distributed to appropriate management personnel?

Yes No

If no, please explain:

C.10. Cost Allocation. Does the company use cost allocation methods consistently for all contracts, including commercial contracts as well as for state and federal government contracts? (*AASHTO Guide*, Sections 5.3 and 10.5)

Yes No

If no, please explain:

C.11. Allocation Base(s). When computing indirect cost rates, the company uses: (*AASHTO Guide* Section 4.7)

A single base for cost allocation

Description of base:

Multiple bases for cost allocation

Description of bases:

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D. Information Technology (IT) Systems

D.1. IT Risk Assessment. Has the company's management conducted an IT system risk assessment within the past three years?

Yes. If yes, please provide a copy of the IT system risk assessment.

No. If no, please explain:

D.2. IT Security Review. Are system security and application access logs enabled and reviewed periodically?

Yes No

If no, please explain:

D.3. IT Electronic Data Safeguards. If documents are retained in electronic format, are they stored in a format that cannot easily be modified, removed, or replaced, and does a mechanism/audit trail exist to track all such events?

Yes No

If no, please explain:

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E. Accounting – Payroll and Timekeeping

E.1. Payroll Service. Does the company use an external payroll service?

Yes No

If yes, please explain:

E.2. Pay Cycle. What is the company's standard pay cycle?

Bi-weekly Monthly 1st & 15th Other (please explain): _____

If the company uses more than one pay cycle, please explain:

E.3. Payroll Register. Does the payroll register include the following data?

	<u>Yes</u>	<u>No</u>	<u>If no, please explain</u>
1. Employee Name.	<input type="checkbox"/>	<input type="checkbox"/>	_____
2. Employee ID number.	<input type="checkbox"/>	<input type="checkbox"/>	_____
3. Gross pay	<input type="checkbox"/>	<input type="checkbox"/>	_____
4. Payroll deductions	<input type="checkbox"/>	<input type="checkbox"/>	_____
5. Net pay	<input type="checkbox"/>	<input type="checkbox"/>	_____
6. Check amount	<input type="checkbox"/>	<input type="checkbox"/>	_____
7. Hourly rate	<input type="checkbox"/>	<input type="checkbox"/>	_____
8. Pay period	<input type="checkbox"/>	<input type="checkbox"/>	_____
9. Normal hours for pay period	<input type="checkbox"/>	<input type="checkbox"/>	_____
10. Overtime hours for pay period	<input type="checkbox"/>	<input type="checkbox"/>	_____

E.4. Timekeeping System.

1. Does the company use an electronic timekeeping system?

Yes No

If yes, please provide an explanation of its operation, and provide system documentation:

2. Are all employees, including managers and owners/principals, responsible for signing their own timesheets?

Yes No

If no, please explain:

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3. Are all employee timesheets approved by supervisors?

Yes No

If no, please explain:

4. Is there a certification and approval process required for all time worked by owners and principals?

Yes. If yes, please provide a narrative describing the process:

No. If no, then how is owners and principals' time accounted for and billed to projects?

5. How are timesheet coding errors detected and corrected?

6. How do timesheets identify work performed outside a contract's original scope of services?

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F. Labor Cost Accumulation

F.1. Direct & Indirect Labor. Can the company's timesheets include reporting codes for both direct and indirect hours?
(AASHTO Guide, Chapter 6.)

Yes. If yes, do all employees, including managers and principals, record direct and indirect time on their timesheets?

No. If no, please explain the process used to segregate direct and indirect labor hours.

F.2. Work Week. Please identify the company's normal hours of operation (e.g., M-F 8:00 am to 5:00 pm):

F.3. Uncompensated Overtime.

1. Does the company record all hours (including hours in excess of 40) worked by all employees, including managers, principals, and/or all salaried personnel regardless of whether the employees are exempt from overtime pay or whether all direct labor hours are billed to specific contracts? (AASHTO Guide, Section 5.4)

Yes. If yes, which of the following methods does the company use to account for *uncompensated overtime*—the hours worked without additional compensation in excess of an average of 40 hours per week by direct-charge employees who are exempt from the Fair Labor Standards Act?
(AASHTO Guide Section 5.4.F.2)

Effective Rate Method: using this method, effective hourly pay rates are computed weekly, based on actual time charges.

Please explain:

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- Salary Variance Method: Under this method, salaried employees' labor costs are allocated at standard hourly rates for every hour worked and overhead is reduced for the appropriate portion of labor costs generated by uncompensated overtime hours. **Standard rates are generally computed as the total salary costs paid to the salaried employee divided by the estimated number of hours the employee will work that fiscal year.**

What was the total dollar amount of the salary/payroll variance for the year?
\$ _____

- Other. Please explain:

- No. If no, please explain:

2. Does the company bill labor for salaried employees at the rates recorded in the system?

- Yes No

Please explain:

F.4. Contract Modifications/Time Tracking. How does the company segregate work performed under a basic agreement/contract from work performed for contract changes/modifications?

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G. Labor Billings and Project Costing

G.1. Premium Overtime. Does the company pay overtime at a premium to any employees?

Yes. If yes, please complete steps G.1.1 and 2. No

1. What premium rate is paid, and what categories of employees are eligible for this rate?

Time-and-a-half for all non-exempt employees

Other. Please explain:

2. How is the overtime premium accounted for and billed?

As part of direct labor and overhead is applied to the overtime premium

As an other direct cost and overhead is not applied to the overtime premium

As an indirect labor cost and the overtime premium is included in the indirect cost rate

Other. Please explain:

G.2. Allocation of Overtime Costs. Are overtime costs allocated to contracts consistently, regardless of the type of contract (lump sum versus actual cost) or customer (government versus commercial)?

Yes No

If no, please explain:

G.3. Cost Allocation versus Billing. If the company pays a principal or an employee at a rate in excess of a contract's maximum hourly labor rate, where will the excess cost be allocated/charged?

G.4. Contract/Purchased Labor. Does the company invoice/bill contract labor directly to any customers?

Yes No N/A

If yes, please complete the following: Contract labor is billed-

As part of direct labor and overhead is applied to the contract labor

As an other direct cost and overhead is not applied to the contract labor

Other. Please explain:

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H. Expense Accumulation and Billing (Please fill out and attach the “Direct Cost Summary”)

H.1. Credits Associated with Direct Costs. Is the indirect cost pool relieved/reduced for credits/reimbursements received for direct costs?

Yes No

If no, please explain:

H.2. Design/Build Stipends. Has the company received a stipend from any state DOT in connection with design/build efforts?

Yes No

If yes, please explain how the company records the stipend in the accounting system:

H.3. Non-billable Costs. Describe the accounting treatment for direct costs not billable to clients. (Where/how are these costs recorded in the accounting system?)

H.4. Authorization. How does the company ensure that costs are not billed to government projects prior to proper authorization?

H.5. Vehicle Expenses. Does the company provide vehicles to employees for business purposes?

Yes No

1. If yes, are the vehicles leased or owned?

Leased Owned

2. Identify the total number of vehicles owned or leased by your company.

Leased _____ Owned _____

3. Are mileage logs maintained for all vehicles?

Yes No

If no, please explain:

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4. Is mileage separated by direct and indirect classifications, and is mileage incurred in connection with unallowable activities tracked?

Yes No

If no, please explain:

5. What recovery/billing rate is used for company vehicle mileage reimbursement?

\$_____ per mile.

6. How was the recovery/billing rate developed?

H.6. Computer Expenses.

1. Are the company's computer expenses incurred as a result of: (select one)

Outside Services Company Ownership Both

2. Does the company compute a charge rate for computers?

Yes No

a. If yes, what is the charge rate? _____

b. How was the charge rate developed?

3. How are computer expenses treated?

Direct Indirect Combination Direct/Indirect

If combination direct/indirect, please provide an explanation:

4. Are computer usage logs maintained and coded by job/project?

Yes No

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H.7. Printing and Reproduction Costs.

1. How are printing and reproduction expenses treated?

In House: Direct cost Indirect cost Combination of direct and indirect

If you marked combination of direct and indirect, please explain:

Outside vendor: Direct cost Indirect cost Combination of direct and indirect

If you marked combination of direct and indirect, please explain:

2. For in-house services, are usage logs maintained and coded by job/project?

Yes No

If no, please explain:

3. Is usage segregated by direct and indirect classifications?

Yes No

If no, please explain:

4. If these costs are incurred through the use of an outside vendor, are the invoices coded by job/project when received?

Yes No

If no, please explain:

H.8. Telephone Costs.

1. How is the expense for telephone service recorded and billed?

Direct cost Indirect cost Combination of direct and indirect

If you marked combination of direct and indirect, please explain:

2. Does the company maintain a telephone log to record toll calls? Yes No

3. Are the calls job-coded by direct and indirect classifications? Yes No

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H.9. Activities Ineligible for Cost Reimbursement. Did any of the company’s employees, including principles and/or owners, engage in activities for lobbying, advertising, public relations, charity, and/or entertainment?

Yes No

If yes, please identify the employees who engaged in these activities, and describe how the associated costs were tracked and accounted for in relation to the submitted indirect cost rate.

Table 2: Unallowable Activities

Employee Name or ID & Title/Classification:	Activities:	Accounting Treatment:

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I. Compensation for Owners and Employees

I.1. Bonuses.

1. Did the company pay, or accrue for, bonuses earned by owners or employees during the period covered by the latest indirect cost rate schedule?

Yes No

If yes, were the bonuses included in the submitted indirect cost rate schedule?

Yes No N/A

Was any portion of these bonuses excluded from the submitted indirect cost rate schedule?

Yes No N/A Comment: _____

2. Does the company have a written bonus plan?

Yes. Please provide a copy of the plan.

No. Please describe how bonuses are determined and how this is communicated to employees:

3. Are all employees eligible for the bonuses?

Yes No

If no, please explain:

Note: The bonus plan cannot be based on profit distribution. (AASHTO Guide Section 7.11.A-C; and FAR 31.201-3, FAR 31.201-4, and FAR 31.205-6(a)(6)(ii)(B))

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J. Related-Party Transactions

J.1. Related Employees. Please complete Table 3: Employees Related to Company Others for all **employees** who are related to the parties listed in Table 1, as shown in A.5.

Table 3: Employees Related to Company Owners

	Name or ID:	Title/Position:	Wages/Salary:	Bonus:	Other Compensation:	Total Compensation:
			\$	\$	\$	\$
1	Total Hours Worked During Year: _____	Job Duties: _____ Name of Related Person: _____ Relationship (e.g., spouse, parent, child, sibling, in-law): _____				
			\$	\$	\$	\$
2	Total Hours Worked During Year: _____	Job Duties: _____ Name of Related Person: _____ Relationship (e.g., spouse, parent, child, sibling, in-law): _____				
			\$	\$	\$	\$
3	Total Hours Worked During Year: _____	Job Duties: _____ Name of Related Person: _____ Relationship (e.g., spouse, parent, child, sibling, in-law): _____				
			\$	\$	\$	\$
4	Total Hours Worked During Year: _____	Job Duties: _____ Name of Related Person: _____ Relationship (e.g., spouse, parent, child, sibling, in-law): _____				
			\$	\$	\$	\$
5	Total Hours Worked During Year: _____	Job Duties: _____ Name of Related Person: _____ Relationship (e.g., spouse, parent, child, sibling, in-law): _____				
			\$	\$	\$	\$
6	Total Hours Worked During Year: _____	Job Duties: _____ Name of Related Person: _____ Relationship (e.g., spouse, parent, child, sibling, in-law): _____				

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J.2. Related Vendors. Please complete Table 4: Vendors Related to Company Owners for all **vendors** related to the parties listed in Table 1, as shown in A.5.

Table 4: Vendors Related to Company Owners

Name:	Contact Information:	Relationship:	Products/Services Provided:	Total Payments During Year:

J.3. Property or Facilities Leased from Related Parties.

1. Does the company rent or lease property and/or facilities from another entity or individual?

- Yes No

If yes, are any of the company’s owners/stockholders, or members of their immediate family, also owners/stockholders of the other entity (Common Control)?

- Yes No

If yes, please explain:

2. If your company rents/leases facilities from a related party (*common control, see below*), then prepare and submit documentation for the cost of ownership claimed in the indirect cost rate schedule. Is the related party cost of ownership calculation attached?

- Yes. If yes, please attach ownership documentation.
 No. If no, please explain:

As noted in *AASHTO Guide* Section 8.23.B and FAR 31.205-36, *common control exists when, in the relationship between a consultant and another company that is involved in real-property renting, leasing arrangements, or joint ventures, a principal or person with management responsibilities or significant influence in the A/E firm either—*

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1. Owns 50 percent or more of the other company,
2. Also is a principal or person with management responsibilities or significant influence in the other company,
3. Has a family member who he or she might exert influence or control over because of the family relationship and who is a principal or has management responsibilities or significant influence in the other company, or
4. Has a family member who might control or influence him or her because of the family relationship and who is a principal in or has management responsibilities or significant influence in the other company.

J.4. Other Related-Party Transactions. Did the company engage in any transactions with related parties other than those identified and described in J.1 through J.3?

Yes No

If yes, please complete Table 5.

Table 5: Other Related-Party Transactions

Name:	Contact Information:	Relationship:	Products/Services Provided:	Total Payments During Year:

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K. Other Questions

K.1. Life Insurance. Does the company pay life insurance for officers/principals? (FAR 31.205-19(e)(2)(v))

Yes No

If yes, please complete steps K.1.1 through 3.

1. Have any costs associated with this life insurance been included on the indirect cost rate schedule?

Yes No

If yes, note total amount: _____

2. Please identify the beneficiary of the life insurance:

Company/surviving partners Officer/principal's family

Other (specify) _____

3. Please identify the type(s) of the life insurance:

Term Whole life Universal life Endowments (annuities)

Accidental death Other (please explain): _____

K.2. Suspension or Debarment. Has the company, its parent, subsidiary, or any owner, stockholder, officer, partner, or employee of the company been suspended or debarred from doing business by any State or the Federal government?

Yes No

If yes, please explain in detail:

K.3. Updates for Changes to FAR Part 31. Does the company have an existing process designed to provide timely updates to company policies and procedures to accommodate changes in the FAR Subpart 31.2 cost principles?

Yes No

K.4. Risk Assessment. Does the company have a process for assessing risks that may result from changes in cost accounting systems or processes?

Yes No

K.5. Communications of Federal Highway Administration (FHWA)/DOT Requirements. How does information flow from the FHWA/state DOTs to appropriate management personnel? (i.e., How are relevant updates to state DOTs' procedures or federal regulations disseminated to project managers and accounting personnel?) Please provide a written copy of the process.

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Management Representation and Certification

I, the undersigned, hereby certify that the following is true and accurate:

1. I am an owner and/or officer of this company and am duly authorized to sign this representation and certification on behalf of the aforementioned company, and that through my signature the company is responsible for this Management Representation and Certification.
2. I certify that to the best of my knowledge and belief this Financial Prequalification Questionnaire (FPQ) and attachments are a complete and accurate representation of the aforementioned company's cost accounting and billing practices.
3. I certify that I have reviewed this proposal to establish final indirect cost rate(s) and to the best of my knowledge and belief: (1) All costs included in this proposal are allowable in accordance with cost principles of the Federal Acquisition Regulation (FAR) of title 48, Code of Federal Regulations (CFR), part 31; and (2) This proposal does not include any costs which are expressly unallowable under applicable cost principles of the FAR of 48 CFR part 31.
4. All known material transactions or events that have occurred affecting the company's ownership, organization and indirect cost rates have been disclosed.
5. For the annual accounting period represented by the overhead cost rate included with this submission, and the two (2) annual accounting periods preceding the annual accounting period represented by the overhead cost rate included with this submission: Any documentation related to our accounting system, internal control, financial information and overhead cost rate, from any independent audit, examination, compilation, or review of the overhead cost rate will be made available to MDOT or its representatives to audit, examine, review, assess, inspect, investigate, copy, and/or scan if MDOT or its representative deems it necessary. In addition, any CPA working papers resulting from any independent audit, examination, compilation, or review will be made available to MDOT or its representatives to audit, examine, review, assess, inspect and/or investigate. Any such audit(s), examination(s), review(s), assessment(s), inspection(s), investigation(s) performed as part of, or as a result of the information provided as part of this prequalification process will allow MDOT to make financial adjustment to charges for which this company has requested reimbursement via an MDOT service contract, and require this company, in a Prime Consultant and/or Subconsultant role, to be directly liable for any monies owed MDOT. The abovementioned audit, examination, review, assessment, inspection, and/or investigation and its corresponding potential liability is separate and distinct from those contract audits performed by MDOT, however, any irregularities determined may involve a review of charges made to existing contracts or contracts that have been closed out by MDOT, for the period of time stated above. By submitting this application, this company agrees to comply with the Audit and Record Keeping language provided in the Michigan Department of Transportation Consultant Prequalification Application Instructions.
6. I acknowledge that the information in this FPQ and attachments are being submitted for the express purpose of seeking and being eligible to be awarded contracts with the Michigan Department of Transportation, and that these contracts may include federal funding.

Printed Name

Electronic Signature

Title

Date Completed

Note: The representations on this FPQ were made by, and are the responsibility of, the company's management.