

Amending Provisional Indirect Cost (IDC) Rates for Non-Profit Organizations for which the Federal Motor Carrier Safety Administration (FMCSA) is the Cognizant Agency

Question:

May currently effective and approved provisional indirect cost rates for a given year be revised before final indirect cost rates are approved for the fiscal year?

Answer:

Yes, previously approved provisional rate types for any year that a provisional rate is provided may be amended to reflect changed circumstances prior to the negotiation of a final rate. The revised provisional rate must be approved by the Cognizant Agency. When the FMCSA is the Cognizant Agency, the organization must formally request and document a revision of a previously approved provisional rate and provide the supporting documentation outlined below. The request for an amended provisional rate must be directed to:

US Department of Transportation
Federal Motor Carrier Safety Administration
West Bldg W63-123
Attn: Patricia Dickerson – Grants Management Office
1200 New Jersey Avenue, SE
Washington, DC 20590

1. The request for amending a currently effective, approved, provisional indirect cost rate must include the following information:
 - a) Year-to-date (YTD) indirect cost pool and direct cost base costs and end-of-year projections
 - b) Comparison of previously budgeted cost information to projected costs
 - c) Indirect cost cash in-flow analysis
 - d) Signed Certificate of Indirect Costs

2. Generally, FMCSA will only revise previously approved provisional rates when:
 - a) The amendment request is received by the Grants Management Office (GMO) prior to the start of the third quarter of the organization's fiscal year
 - b) The documented cost fluctuations affect Total Organizational Revenues by 10 percent (10%) or more
 - c) The organization would incur financial hardship in waiting until the final indirect cost rate was established to adjust for any cost variances

The GMO determination on provisional rate amendment requests will be made on a case-by-case basis, in coordination with the regional FMCSA staff and Headquarters Program Managers.