



U.S. Department
of Transportation
**Federal Transit
Administration**

REGION III
Delaware, District of
Columbia, Maryland,
Pennsylvania, Virginia,
West Virginia

1835 Market Street
Suite 1910
Philadelphia, PA 19103
215-656-7100
215-656-7260 (fax)

February 15, 2024

Ms. Julie Mussog
Chief Financial Officer
Metropolitan Washington Council of Governments
777 North Capitol Street NE, Suite 300
Washington, DC 20002

Re: FY 2025 Indirect Cost Rate Proposal

Dear Ms. Mussog:

The Federal Transit Administration (FTA) has reviewed the Metropolitan Washington Council of Governments' (MWCOG) recent indirect cost proposal, as requested. As the Cognizant Agency for Indirect Costs, FTA concurs with MWCOG's use of a fixed rate with carryforward of 57.71% for the period of July 1, 2024 to June 30, 2025. This rate should be applied to direct salaries and wages, as specified in your Indirect Cost Rate Proposal.

As an agency receiving less than \$35 million in annual direct federal funding, MWCOG is required to develop a plan every year and maintain the plan and all related supporting documentation for audit. MWCOG is not required to submit the plan for federal approval unless specifically requested to do so by FTA, or there is a change in accounting system or methodology, or the rate exceeds the last approved rate by more than 20 percent. The scope of FTA's review of future rates is based on the policies outlined in FTA's Circular 5010.1E.

Attached to this letter is the Indirect Cost Negotiation Agreement formally concurred and incorporated herein. FTA has completed and signed the attached agreement form. Please sign the agreement form and return a countersigned copy to our office. The countersigned document serves as your organization's record of FTA's concurrence with the FY 2025 indirect cost rate and should be provided to FTA and other Federal agencies to reflect the concurred rate, terms, and effective dates.

If you have any questions, please contact Kelly Tyler at (202) 366-3267 or email at Kelly.Tyler@dot.gov.

Sincerely,

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Terry Garcia Crews
Regional Administrator

cc: Anna Douglas, MWCOG

Enclosure

**INDIRECT COST NEGOTIATION AGREEMENT
BETWEEN THE
METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS
AND THE
FEDERAL TRANSIT ADMINISTRATION**

This agreement is made and entered between Metropolitan Washington Council of Governments (MWCOCG) and the United States Department of Transportation, Federal Transit Administration (FTA), the cognizant Federal agency for indirect costs under government-wide Uniform Administrative Requirements and Cost Principles, 2 CFR 200.

The indirect cost rates concurred and contained herein are for use and may be charged to grant awards, cooperative agreements and contracts with the Federal Government, to which 2 CFR 200 Subpart E and Appendix VII applies, subject to the limitations contained in Section II.A of this agreement, as well as the grants management guidelines included in FTA's Circular 5010.1E.

The indirect cost rates were concurred by FTA in accordance with the authority contained in Appendix G of FTA Circular 5010.1E.

Section I: Rate

Type: Fixed with Carry Forward Adjustment

Effective Period: July 1, 2024 to June 30, 2025

Rate: 57.71 percent

Base: Direct salaries and wages

Applicable To: All programs not specifically exempted, or limited by law, or otherwise not applicable because special operating factors necessitate special indirect cost rates.

Section II: General

A. Limitations

The rates contained in this agreement may be subject to statutory or administrative limitations and are reimbursable through grant, contract, or other agreement only to the extent that funds are available. Acceptance of these rates is predicated on these conditions: (1) Only costs incurred by MWCOCG were included in its indirect cost pool as finally accepted and are allowable under the governing cost principles; (2) The same costs that have been treated as indirect costs are not claimed as direct costs; (3) Similar types of costs have been accorded consistent accounting treatment, and (4) The information provided by MWCOCG which was used to establish the rates are not later found to be materially incomplete or inaccurate by the Federal Government. In such situations, the agreement will be subject to reopening, and the rates may be adjusted and refunds made if the proposal included unallowable costs.

B. Accounting Changes

This agreement is based on the accounting system to be in effect during the agreement period. Changes in the method of accounting for costs that affect the amount of reimbursement resulting from the use of these rates require prior concurrence of FTA. Such changes include, but are not limited to, changes in the charging of a particular type of cost from indirect to direct. Failure to obtain concurrence may result in cost disallowances.

C. Fixed Rate with Carryforward

This agreement and concurrence is for fixed rate with carryforward indirect cost rates and is based on an estimate of the costs for the period covered by the rates. When the actual costs for this period are determined, an adjustment will be made to the rates for the subsequent Fiscal Years to compensate for the difference between the costs used to establish the fixed rates and actual costs as required under 2 CFR 200 Appendix VII.

D. Use by Other Federal Agencies

The rates in this Agreement were concurred in accordance with the authority in 2 CFR 200 Subpart E and Appendix VII, and should be applied to grants, contracts, and other agreements covered by this regulation, subject to any limitations in Section I or II.A above. Copies of this document may be provided to other Federal Agencies as a means of notifying them of this agreement.

E. Other

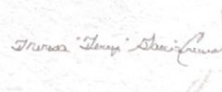
If any Federal contract, grant, or other agreement is reimbursing indirect costs by means other than the concurred rates in this agreement, MWCOG shall notify FTA.

Metropolitan Washington
Council of Governments


Julie Mussog
Chief Financial Officer

2-15-24
Date

U. S. Department of Transportation
Federal Transit Administration

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Terry Garcia Crews
Regional Administrator

Date