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FDM 8-10-20, Cost Accounting Requirements and Principles (revised 8/25/08)

Field Rate Accounting

Construction Contract Administration Accounting

Per 48 CFR Part 31.203(f): "Separate cost groupings for costs allocable to offsite locations may be necessary to permit equitable distribution of costs on the basis of the benefits accruing to the several cost objectives." In some cases projects involve consultants working in the Department's provided office(s) for an extended period of time over consecutive months. WisDOT will require the application of field rate accounting, in accordance with FAR, to individual positions when all of the following conditions apply:

1. Contracts are advertised and solicited as requiring field rate accounting.
2. Contracts for construction contract administration more than eighteen consecutive months in duration.
3. Contracts involving one or more full time assigned consultant staff. Assigned is defined as working on the project full time. Field rate accounting does not apply to consultant staff working less than full time on the project.

If the firm's cost accounting policy requires field rate accounting that is more restrictive than WisDOT policy (items 1-3 above), WisDOT will require the use of that company's policy related to field rate accounting practices for these contracts. This applies whether or not the project was advertised requiring field rate accounting.

Sub-consultants are required to use field rate accounting if all of the above conditions in the WisDOT policy (items 1-3 above) apply to the sub-consultant's contract with the prime consultant. If the sub-consultant's cost accounting policy requires field rate accounting that is more restrictive than WisDOT policy (items 1-3 above), WisDOT will require the use of that company's policy related to field rate accounting practices for these contracts. This applies whether or not the project was advertised requiring field rate accounting

Project Office Accounting

Per 48 CFR Part 31.203(f): "Separate cost groupings for costs allocable to offsite locations may be necessary to permit equitable distribution of costs on the basis of the benefits accruing to the several cost objectives." In some cases contracts involve consultants assigned to Department's Office(s) for an extended period of time over 12 consecutive months. WisDOT will require the application of project office accounting, in accordance with FAR, to individual positions when all of the following conditions apply:

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1. Contracts are advertised and solicited as requiring project office accounting.
2. Contracts for services (for example: design, real estate, utilities, STOC, administrative) where consultant staff is assigned to a contracted position(s) in a WisDOT provided office(s), full time, for twelve (12) or more consecutive months. Project office accounting does not apply to consultant staff working less than full time in the Department office(s).
3. Contracts involving one or more full time assigned consultant staff. Assigned is defined as assigned to Department's Office full time for the length of the contract.

If the firm's cost accounting policy requires field rate accounting that is more restrictive than WisDOT policy (items 1-3 above), WisDOT will require the use of that company's policy related to field rate accounting practices for these contracts. This applies whether or not the project was advertised requiring field rate accounting.

Sub-consultants are required to use field rate accounting if all of the above conditions in the WisDOT policy (items 1-3 above) apply to the sub-consultant's contract with the prime consultant. If the sub-consultant's cost accounting policy requires field rate accounting that is more restrictive than WisDOT policy (items 1-3 above), WisDOT will require the use of that company's policy related to field rate accounting practices for these contracts. This applies whether or not the project was advertised requiring field rate accounting.