

November 12, 2015

County Administrators
City and Town Managers
Planning District Commissions
Metropolitan Planning Organizations

Dear Ladies and Gentlemen:

Federal Highway Administration (FHWA) will be providing training on the development of an indirect cost allocation plan (ICAP) and discussing the new requirements of 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards to include sub-recipient monitoring.

When: Tuesday, December 8, 2015 and Wednesday, December 9, 2015. 8:30 am - 4:30 pm

Where: Virginia State Police Training Academy at 7700 Midlothian Turnpike, North Chesterfield, VA 23235, Phone: (804) 674-2000

Cost: Free (Lunch will also be provided both days at no cost)

Registration: Please email Helen Dickinson at helen.dickinson@vdot.virginia.gov the following information:

- Name and Title of registrant, Agency Name, Phone Number and Email Address

Directions: Attached to this email are the map and directions to the venue if you decide to register. Park in Parking Lot B and enter the South Wing of the Academy. Signs will be posted to direct you to the training room.

Important: Once you arrive at the gate, there will be a Duty Sergeant stationed. Please tell the Duty Sergeant you are here to attend the FHWA's ICAP Training. He/she will request your name and photo identification. Once your identity is verified, you will be allowed in.

Description: This course will describe the FHWA Policy on Stewardship and Oversight of LPAs and the legislative background for oversight and sub-recipient monitoring. The course will cover sections of the Uniform Guidance in 2 CFR 200 that relate to pass-through entity responsibilities and indirect costs. This course will describe the 7 Step process in developing an indirect cost allocation plan in accordance with 2 CFR 200 Subpart E and Appendix V and VII. Participants will receive instruction

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on the benefits and disadvantages of claiming indirect costs through the Federal aid program. A discussion on the available resources and examples will be provided by the instructor. Participants will become familiar with the different methodologies in claiming indirect costs through the FHWA and they will be able to discuss their thoughts on the most appropriate approach for their program. Examples will be provided on calculating indirect cost rates and applying the rate to direct project costs. The course will include an overview of the documentation requirements when submitting an indirect cost allocation for FHWA approval.

Objectives: Upon completion of the course, participants will be able to:

- Understand the State's responsibilities for proper stewardship and oversight of pass-through funds.
- Know the documentation requirements for preparing an indirect cost allocation plan.
- Prepare an indirect cost allocation plan.
- Differentiate between direct and indirect costs.
- Understand the difference between a Central Service Cost Allocation Plan and Indirect Cost Rate and how these two concepts relate to each other.
- Understand the roles and responsibilities of Federal Cognizant Agency.

Course material includes:

- Presentation Slides
- 2 CFR 200 – Sections applicable to Indirect Costs
- 2 CFR 200 Subpart E- Cost Principles
- 2 CFR 200 Appendix VII – State/Local/Tribal Indirect Cost Allocation Plans

We have limited seating, so first come first served. We will allow two registrants per organization to attend. No CPE will be provided for this class, but a certificate acknowledging attendance will be provided by FHWA at a later date. Thank you very much for your partnership with VDOT and if you have any questions, please contact Ms. Helen Dickinson at helen.dickinson@vdot.virginia.gov or 804-786-5580.

Sincerely,

Janice S. Long
Controller