

**SAFE HARBOR RATE  
CONSULTANT CERTIFICATION OF ELIGIBILITY;  
CONTRACT COSTS AND FINANCIAL MANAGEMENT SYSTEM  
FOR FEDERAL-AID HIGHWAY PROJECTS**

Consultant Name: \_\_\_\_\_

Check one of the following options as it applies to your firm that is completing this certification:

- Prime Consultant                       Subconsultant

Local Agency (if applicable): \_\_\_\_\_

Contract # (if applicable): \_\_\_\_\_

Check one of the following contract methods of payment:

- Specific Rate of Compensation               Actual Cost-Plus-Fixed Fee  
 Lump Sum     Cost Per Unit of Work

Federal Project #: \_\_\_\_\_

Subconsultant's Participating Contract Dollar Amount: \$\_\_\_\_\_

Subconsultant's Estimated % of Work to be Performed (Specific Rate of Compensation): \_\_\_\_\_ %

Prime Consultant's Contract Dollar Amount: \$\_\_\_\_\_

Safe Harbor Rate (Indirect Cost Rate): **110%**  
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**Certification of Eligibility:**

I, the undersigned, certify that the firm is eligible to use the safe harbor indirect cost rate as the firm:

1. Does not have relevant contract cost history to use as a base for developing a Federal Acquisition Regulation (FAR) of Title 48, Code of Federal Regulations (CFR) Part 31-Contract Cost Principles and Procedures (48 CFR Part 31 often referred to as "Federal cost principles") compliant indirect cost rate (ICR).

OR

2. Does not have a previously accepted ICR by a cognizant agency, or with an audited/accepted ICR, and does not have an existing contract with a provisional rate.
3. Has not developed an indirect cost rate in compliance with the Federal cost principles.

**Certification of Contract Costs:**

I, the undersigned, certify that I have reviewed the cost proposal for the above contract and to the best of my knowledge and belief:

1. All costs included in the cost proposal are allowable in accordance with the Safe Harbor Rate requirements and Federal cost principles.

2. The cost proposal does not include any costs which are expressly unallowable with the Safe Harbor Rate requirements and the Federal cost principles.
3. All direct costs (direct labor/billing rates and other direct costs) included in this cost proposal are reasonable, allowable, and allocable to the contract in accordance with the Safe Harbor Rate requirements; generally accepted accounting principles (GAAP); Federal cost principles; Title 23 United States Code (U.S.C.) Chapter 1-Federal-Aid Highways Section 112-Letting of Contracts (23 U.S.C. 112); Title 23 CFR Chapter 1-Federal Highway Administration, Department of Transportation Part 172- Procurement, Management, and Administration of Engineering and Design Related Service (23 CFR Part 172); and terms and conditions of the contract.

All costs must be applied consistently and fairly to all contracts regardless of contract or client type. Documentation for these costs must be in compliance with applicable federal and state requirements. All documentation of compliance must be retained in the project files for 3 years after contracting agency makes final payment and all pending matters are closed.

**Certification of Financial Management System:**

I, the undersigned, certify that our financial management system **in place for this contract and moving forward** meets the standards for the Safe Harbor Rate requirements and financial reporting, accounting records, internal and budget control as set forth in 23 CFR Part 172 and 48 CFR Part 31. These standards require consulting firms have an accounting system adequate to accumulate, and track allowable, allocable, and reasonable direct labor and other direct costs by contract; segregate indirect costs, and remove unallowable costs.

**Certification of Cost Reimbursements on Contracts:**

I, the undersigned, also understand that failure to comply with 48 CFR Part 16.301-3 or knowingly charge unallowable costs to a Federal-aid highway program (FAHP) may result in possible penalties and sanctions as provided by the following:

- Sanctions and Penalties - 23 CFR Part 172.11(c)(4)
- False Claims Act - 31 U.S.C. Sections 3729-3733
- Statements or entries generally - 18 U.S.C. Section 1001
- Major Fraud Act - 18 U.S.C. Section 1031

**Consultant Certifying:**

Name\*: \_\_\_\_\_ Title\*: \_\_\_\_\_

Signature \*: \_\_\_\_\_ Date of Certification (mm/dd/yyyy): \_\_\_\_\_

Email\*: \_\_\_\_\_ Phone Number \*: \_\_\_\_\_

\*An executive or financial officer of the contractor’s organization who has authority to represent the financial information utilized to establish the proposal submitted in conjunction with the contract.

**ALSO REQUIRED**

Attach a copy of your completed:

## **Safe Harbor Rate Questionnaire for Evaluating Consultant's Financial Management System**

Distribution: 1) Original to Caltrans A&I  
2) Caltrans Division of Procurement and Contracts (DPAC) Contract Files or Local Agency Project Files