



Florida Department of Transportation

FDOT offers a free Job Cost Accounting System Review for:

- 1) Consultants in business for less than one year;**
- 2) Consultants who have reorganized to the extent that their most recent audit is no longer valid; or**
- 3) Consultants who have established and operated a job cost accounting system for a period of less than one year**

Technically qualified firms that wish to pursue projects with fees of any amount (including \$500,000 or greater) **that meet one of the criteria noted above and do not have a CPA issued audit to submit** may request a Job Cost Accounting System (JCAS) Review, to be conducted by the FDOT Procurement Office.

In order to qualify for the accounting system review, you must provide certification of the establishment of an accounting system that separates and accumulates direct and indirect costs, and identifies and records labor charges and expenditures for specific projects or jobs. Certification of job cost accounting system is included in the attached Accounting System Requirements Checklist.

To request a Job Cost Accounting System Review in lieu of submitting a CPA issued audit, you must:

- 1) Have established an adequate job cost accounting system;
- 2) Read and certify the Accounting Systems Requirements Checklist; and
- 3) Forward the Checklist (below), along with a projected overhead, direct expense, and FCCM rate, to the FDOT Professional Services Qualification Administrator, Carliayn Kell, at carliayn.kell@dot.state.fl.us.

The projected overhead, direct expense, and FCCM rates must be supported by an estimate of direct labor, fringe benefits, general overhead, and direct expense costs for the first, upcoming fiscal year of operation. The Department's Procurement Office will initiate the Job Cost Accounting System Review and assess the capability of the consultant's accounting system to meet the Department's audit requirements and to support potential billings made to the Department and other clients. Based on a determination of accounting system adequacy, the Procurement Office will review the cost estimates, make appropriate disallowances if necessary, and establish interim reimbursement rates for use during the consultant's first year of operation. After completion of the first fiscal year of operation, the consultant is required to submit a Reimbursement Rate Audit Report prepared by an independent Certified Public Accountant as part of the annual renewal Request for Qualification package submission.

Consultants requesting technical qualification only, subconsultants pursuing contracts with fees of less than \$500,000, or consultants qualifying solely to perform appraisal services or to prepare or review business damage estimates under Work Group 22, are not required to submit an audit report or to request an accounting system review.



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Accounting System Requirements Checklist

Consultant Name: _____ Federal ID Number: _____
Contact Person: _____ Phone Number: _____

Accounting System Questionnaire

Refer to http://www.fdot.gov/procurement/pdf/Job_Cost_Accounting_System_Primer.pdf

Fiscal Year End used by firm?

Statements on cash or accrual basis?

Yes or No
Response

1. Primer –the first step to understanding job cost accounting
 - a. Have you reviewed and do you understand the Primer? _____
2. Labor Costs (Time Sheets)
 - a. Do all employees keep accurate time sheets? _____
 - b. Do time sheets show time spent on specific projects and indirect functions? _____
 - c. Do employees sign time sheets? _____
 - d. Are time sheets reviewed and signed by supervisors? _____
 - e. Are pay roll expenditures distributed to appropriate accounts based on time sheets? _____
 - f. Is a payroll register prepared for every pay period? _____
3. Expenditures
 - a. Are all expenditures identified and recorded in the General Ledger as indirect or direct costs? _____
 - b. Are all direct costs recorded as direct charges in project records regardless of eligibility for reimbursement? _____
4. Accounting for Costs and Expenses
 - a. Does the General Ledger separate direct cost from indirect (overhead)? _____
 - b. Are job cost records maintained for every project? _____
 - c. Can your system generate Job Cost Reports showing current and project-to-date totals for hours and dollars? _____
 - d. Does your chart of accounts differentiate direct and indirect costs? _____



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Accounting Questionnaire cont.

Yes or No
Response

5. Reconciliations

- a. Do the job cost records and labor distribution records reconcile to the general ledger (see flowchart in Primer)?

6. Allowability of Costs

- a. Are direct and indirect expenses, such as travel, mileage, interest, certain advertising costs, etc. limited or excluded in reports in accordance with Section 11.061, Florida Statutes, and Section 31.2, Federal Acquisition Regulations (https://www.acquisition.gov/far/current/html/Subpart%2031_2.html#wp1095552)?

Certification

It is hereby certified that the accounting system for this firm separates direct and indirect costs, charges direct costs to specific projects, and meets all other minimum requirements set forth in Department Guidelines and that all information contained hereon is true and correct. This firm hereby requested a review of the established accounting system.

Signature

Date

Printed Name and Title

Company Name