

Arkansas Department of Transportation
Supplement to ARDOT Paycheck Protection Program (PPP) Policy

ARDOT will apply the PPP-adjusted Indirect Cost Rate to all new contracts executed until the Consultant obtains an approved rate for the subsequent fiscal year. Special consideration may be allowed for a negotiated rate for consultants who submit a subsequent year audit with a rate less than the unadjusted Indirect Cost Rate in the prior year. The PPP-adjusted rate shall remain in effect for the life of the affected contracts or until the credit is fully recovered. To utilize a new Indirect Cost Rate on the affected contracts, consultants shall submit a Certification of Recovery of PPP Loan Credit to ARDOT. The Certification shall be signed by the designated company official certifying that the amount of PPP loan credit has been fully recovered. The Consultant shall maintain all records concerning the recovery of the PPP loan credit and make the records available to ARDOT or FHWA if requested.

If the amount recovered through contracts written during the period in which the adjusted rate was in use does not equal or exceed the amount of the PPP loan credit, ARDOT will not pursue additional recovery unless required by federal direction. Contracts executed in subsequent years will use the new Indirect Cost Rate calculated for those years in accordance with 48 CFR Part 31.

The amount of credit recovered for the affected contracts should be calculated as the indirect cost reimbursement at the unadjusted rate less the indirect cost reimbursement at the PPP-adjusted rate for contracts which are required to be consistent with FAR31 cost principles; however, if and when FHWA provides guidance regarding a calculation to determine the credit recovered that is inconsistent with this guidance, ARDOT shall adopt the updated FHWA guidance.

CERTIFICATION OF RECOVERY OF PPP LOAN CREDIT

Firm Name: _____

I, the undersigned, certify that the firm named above has fully recovered the amount of the PPP Loan Credit through application of a reduced Indirect Cost Rate. To the best of my knowledge and belief, the firm has maintained all records concerning the recovery of the PPP Loan Credit and will make these records available to ARDOT or FHWA if requested.

Signature: _____

Name of Certifying Official* (Print): _____

Title: _____

Date of Certification (mm/dd/yyyy): _____

*The "Certifying Official" must be an individual executive or financial officer of the firm at a level no lower than a Vice President or Chief Financial Officer, or equivalent, who has the authority to represent the financial information utilized to establish the indirect cost rate for use under agency contracts.