



U.S. Department
of Transportation
**Federal Transit
Administration**

REGION IX
Arizona, California,
Hawaii, Nevada, Guam,
American Samoa,
Northern Mariana Islands

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November 20, 2023

Derek Hansel
Chief Financial Officer
Metropolitan Transportation Commission
375 Beale St Ste 800
San Francisco, CA 94105

Attn: Suzanne Bode, Assistant Director,
Financial Reporting and Operational
Accounting

Re: FY 2024 Indirect Cost Rate Approval

Dear Mr. Hansel:

The Federal Transit Administration (FTA) has reviewed the Metropolitan Transportation Commission's (MTC) indirect cost rate proposal (ICRP) for Fiscal Year (FY) 2024, as requested. As the federal cognizant agency for indirect costs, the FTA approves a Fixed rate for the period of July 1, 2023 to June 30, 2024, i.e. the MTC's FY 2024. The approved rate is indicated in the attached rate agreement and, if utilized, should be applied as specified in the ICRP, also hereby approved.

Review and approval of future rates is based on the policies outlined in [FTA Circular 5010.1E](#). Please consult this document for specific guidance and review thresholds, including changes in accounting systems, methodologies, and increases of 20% or more from the most recent FTA approved indirect cost rate(s) resulting from a financial management oversight (FMO) review. (The most recent FMO review of the MTC supported the FTA's approval of 50.57% in FY 2023.)

Please see the attached rate agreement electronically signed by the FTA. Please countersign to fully execute it, return a copy to our office, and upload the fully-executed agreement to the Recipient Documents in TrAMS. The executed agreement serves as your organization's indirect cost rate approval and should be provided to the FTA and other federal agencies to reflect the approved rate, terms, and effective dates. Consistent with [2 CFR 200.415\(b\)\(1\)](#), the agreement should be signed by either the chief executive officer or chief financial officer.

FTA Region 9 provides annual rate agreements, consistent with federal government standards. Recipients seeking approval of indirect cost rates must submit complete and submit documentation of their requests either

- within six months prior to the beginning of each of the governmental unit's fiscal years in which it proposes to claim central service costs (for CAPs, per [2 CFR Appendix V to Part 200 D.4.](#)), or
- within six months after the close of the governmental unit's fiscal year (for ICRPs, per [2 CFR Appendix VII to Part 200 D.1.d.](#)).

If you have any questions or comments, please do not hesitate to contact me at 202-573-6829 (voice/text) or darin.allan@dot.gov.

Sincerely,

Darin Allan
Director, Office of Financial Management and
Program Oversight

Attachment