

Office of Audit Checklist: Annual Overhead Rate Analysis

The following checklist is for the annual overhead rate analysis submission from a consulting firm, subconsultant, or subcontractor. Listed is the minimum required documentation that the Office of Audit needs to begin the annual overhead rate analysis. An auditor may need to request more information to complete the analysis.

Not charging overhead costs:

- Independent Auditor's Report on financial statements and accompanying management letter, if it applies
- Financial Statements
 - Balance Sheet
 - Income Statement
 - Profit & Loss Statement
- If sole proprietorship, a copy of the most recent tax return
- Fee Schedule or Billing Rate Schedule

Cognizant Overhead Audit from your home state DOT audit office:

- Overhead Calculation
- Cognizant letter from the home state DOT audit office
- [MnDOT Overhead Questionnaire](#) or AASHTO Internal Control Questionnaire
 - Other written policies as required throughout the Questionnaire
- Independent Auditor's Report on financial statements and accompanying management letter, if it applies
- Financial Statements
 - Balance Sheet
 - Income Statement
 - Profit & Loss Statement
- National Compensation Matrix
- [Certification of final indirect costs](#)
- Common Control Rent – related party rent, if it applies (Excel workpaper)
- An example of an employee timesheet
- [Paycheck Protection Program \(PPP\) Certification form](#)

CPA Overhead or Cognizant Review from MnDOT Audit:

- Complete CPA audited overhead rate report, including the overhead calculation
- [MnDOT Overhead Questionnaire](#) or AASHTO Internal Control Questionnaire

- ___ Other written policies as required throughout the Questionnaire
- ___ Independent Auditor’s Report on financial statements and accompanying management letter, if it applies
- ___ Financial Statements
 - ___ Balance Sheet
 - ___ Income Statement
 - ___ Profit & Loss Statement
- ___ National Compensation Matrix (Excel)
- ___ [Certification of final indirect costs](#)
- ___ Common Control Rent – related party rent, if it applies (Excel workpaper)
- ___ Approval letters from other states, if available
- ___ An example of an employee timesheet
- ___ [Paycheck Protection Program \(PPP\) Certification form](#)

In-House Overhead Rate Analysis:

- ___ [MnDOT Overhead Questionnaire](#) or AASHTO Internal Control Questionnaire
- ___ Other written policies as required throughout the Questionnaire
- ___ Overhead calculation and supporting workpapers
- ___ Reconciliation of overhead to the financial statements
- ___ Independent Auditor’s Report on financial statements and accompanying management letter, if it applies
- ___ Financial Statements
 - ___ Balance Sheet
 - ___ Income Statement
 - ___ Profit & Loss Statement
- ___ General Ledger
- ___ [Certification of final indirect costs](#)
- ___ National Compensation Matrix
- ___ Common Control Rent – related party rent, if it applies (Excel workpaper)
- ___ Approval letters from other states, if available
- ___ An example of an employee timesheet
- ___ [Paycheck Protection Program \(PPP\) Certification form](#)