



ALABAMA DEPARTMENT OF TRANSPORTATION

Local Transportation Bureau

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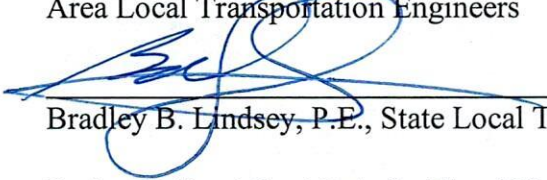
Kay Ivey
Governor

John R. Cooper
Transportation Director

September 11, 2024

LOCAL TRANSPORTATION BUREAU MEMORANDUM 2024-11

TO: County Engineers
Metropolitan Planning Organizations
Regional Planning Organizations
Area Local Transportation Engineers

FROM: 
Bradley B. Lindsey, P.E., State Local Transportation Engineer

RE: Project Indirect Cost Rate for Fiscal Year 2025

The Alabama Department of Transportation (ALDOT) applies an indirect cost rate to the qualifying projects it administers. On October 2, 2023, Memorandum 2024-03 was issued by this office outlining the indirect cost rate will increase in two steps to 15.00% by October 1, 2024.

Therefore, effective October 1, 2024, the indirect cost rate will increase from 14.00% to 15.00%.

In accordance with the agreement with FHWA, the indirect cost rate will be applied to the following:

- Allowable transactions for all Federal Aid projects (let through State Services or locally), except those projects funded as pass-through projects, enhancement projects, and projects in large urban areas using urban attributable funds.
- Allowable transactions for Special Work Authorizations (SWAs).

Please make estimate adjustments to qualifying projects submitted to this office for letting after October 1, 2024.

Contact this office if you should have any questions concerning this matter.

C: Mr. Edward N. Austin, P.E., Chief Engineer
Mr. Clay P. McBrien, P.E. Assistant Chief Engineer, Policy & Planning
Mr. Jeff Hornsby, Chief Financial Officer
Mr. Joe Lister, P.E., State Office Engineer