



**American Public Transportation Association
1300 I Street NW
Suite 1200 East
Washington, D.C. 20005**

The American Public Transportation Association (APTA) is a trade association representing the public transportation industry. With an annual budget in excess of \$30 million and a staff of 72 full-time employees, APTA provides numerous services to its 1,600 member organizations representing bus, rail transit, commuter rail systems, and intercity passenger rail, as well as the business organizations responsible for planning, designing, constructing, financing, operating and supplying transit systems.

Statement of Purpose

APTA is a 501(c)(6) not-for-profit trade association. Its revenue derives from member dues, conference fees, various federal grants, and some fee-based services. APTA allocates indirect costs to many of the services and activities in which it engages, but it has not always been consistent in how and to which services/activities indirect costs are allocated.

APTA seeks a qualified consulting firm to evaluate, refine, and formalize its indirect cost allocation methodology and MTDC framework to ensure consistency, compliance with federal cost principles, audit readiness, and support for future NICRA submissions.

SCOPE OF WORK

The scope of work includes five separate tasks.

1. Assessment of Cost Treatment Methodology (Indirect Pool and MTDC Base)

The selected consultant shall review APTA's current cost allocation practices and prior NICRA-related feedback to assess compliance with applicable federal cost principles and indirect cost rate requirements. The work should include the following tasks:

- a. Evaluate the treatment of major cost categories and determine appropriate classification as:
 - Allowable or unallowable costs
 - Included in the indirect cost pool
 - Included in the Modified Total Direct Cost (MTDC) base
 - Excluded from both the indirect pool and MTDC base
- b. Review and resolve known inconsistencies in current practice, including but not limited to:
 - Lobbying expenses
 - Non-employee travel
 - Other identified cost treatment issues
- c. Develop clear, standardized guidance that can be consistently applied and maintained in an audit-ready format.

2. MTDC Framework Development and Application

The consultant shall define and document APTA's MTDC framework and confirm appropriate inclusions and exclusions in accordance with federal regulations and NICRA expectations. The work should including the following tasks:

- a. Define the MTDC base structure applicable to APTA
- b. Develop guidance distinguishing standard and non-standard cost treatment scenarios, including:
 - Participant support costs
 - Non-employee travel
 - Subawards and applicable thresholds
- c. Clarify applicability across funding sources
- d. Eliminate ambiguity in current allocation and cost treatment practices.

3. Indirect Cost Allocation Policy Development

The consultant shall develop a formal, comprehensive indirect cost allocation policy suitable for operational implementation and audit reliance. The policy shall include:

- Allocation methodology
- MTDC definition and application
- Cost allowability framework
- Documentation standards
- Audit support requirements
- Roles, responsibilities, and governance considerations

The policy must align with applicable federal cost principles and NICRA requirements and be suitable for both operational and audit purposes.

4. Controls, Reconciliation, and NICRA Support

The consultant shall assess current controls and identify gaps affecting compliance, reconciliation accuracy, and audit readiness. The work should include the following tasks:

- a. Evaluate existing reconciliation and review processes
- b. Identify control deficiencies and process risks
- c. Recommend standardized procedures and controls
- d. Develop documented procedures suitable for inclusion in standard operating procedures (SOPs)
- e. Provide guidance supporting future NICRA submissions and audit inquiries.

5. Automation Readiness Assessment

The consultant shall assess the current allocation process to identify opportunities and limitations related to automation. The work should include the following tasks:

- a. Evaluate processes suitable for automation versus those requiring manual review
- b. Define business rules and control requirements necessary to support compliant automation
- c. Identify areas requiring professional judgment and establish guidance for consistent application

- d. Provide recommendations to support future system or workflow enhancements.

Summary of Key Deliverables

Based on the Scope of Work above, the consultant shall provide the following deliverables:

1. Documented cost treatment matrix identifying:
 - a. Indirect pool costs
 - b. MTDC base costs
 - c. Excluded costs
2. Defined MTDC framework and supporting guidance
3. Formal, audit-ready indirect cost allocation policy
4. Findings and recommendations report, including:
 - a. Identified gaps
 - b. Risk assessment
 - c. Corrective action recommendations
5. Documented procedures for controls, reconciliation, and NICRA support
6. Automation readiness assessment and recommendations

Term of Contract

Following the Notice to Proceed, APTA expects the work to be completed within two months. This will enable APTA to implement recommendations for this fiscal year and for preparation of the 2027 budget. Some additional support services may be requested as needed.

REQUIREMENTS FOR PROPOSAL PREPARATION

Responses to this RFP should address the following:

- Relevant experience and qualifications in application of federal requirements to the finances of trade associations with specific work in recommends approaches and policies for allocation of indirect expenses.
- Understanding of the scope of work and tasks at hand.
- Identification and qualifications of key staff working on this project.
- Cost proposal, including an hourly or fixed amount for follow-up advisory services

Evaluation Process

Responses to this RFP will be evaluated based on the following criteria and weightings:

Criteria	Weighting (%)
Relevant Experience and Qualifications	30%
Technical Approach & Project Understanding	30%
Cost Proposal	25%
Project Management and Staffing	15%

CONTRACTUAL TERMS AND CONDITIONS

APTA's standard terms and conditions are Attachment A.

PROCESS SCHEDULE

Proposals are due to APTA by COB on **June 15, 2025**. It is anticipated that an award will be made shortly thereafter, with NTP by August 1, 2026.

Dan Deng, APTA's Director Grants & Accounting, will be available to respond to questions directed to him. Applicants may be requested to participate in one or more virtual meetings prior to award of a contract.

POINT OF CONTACT

Dan Deng, Director, Grants & Accounting for APTA, shall be the point of contact and manager for this contract. All correspondence, including submission of proposals, shall be addressed to him.

Dan Deng
Director, Grants & Accounting
American Public Transportation Association
1300 I Street, NW
Washington, DC 20005
ddeng@apta.com / 202-496-4867

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ATTACHMENT A

APTA Standard Contract Terms

I. Confidentiality

Contractor acknowledges and confirms that any oral or written information exchanged in connection with this agreement is confidential. Contractor shall maintain confidentiality and shall not divulge to any third party the information without prior written approval by APTA.

II. Term & Termination

This Agreement shall commence on the date of its execution and shall remain in full force and effect for a period of ___ expiring on _____ (the initial "Term"). This Agreement may be terminated after thirty (30) days upon written notice given by either party. If this Agreement is so terminated, APTA shall be liable only for work performed prior to the date of termination.

This Agreement may be terminated for cause by either Party if the other Party materially fails to perform its obligations under this Agreement, does not commence correction of such nonperformance within 10 business days of receipt of written notice and/or fails to diligently complete such correction thereafter. The respective rights and obligations of the Parties predating such termination shall survive termination of this Agreement.

III. Rights in the Program

All deliverables, original ideas, publication rights, and any and all materials developed in connection with this Agreement shall be the sole property of APTA, and will remain so in perpetuity, whether or not copyrighted. Contractor agrees neither to assert any rights at common law or equity, nor to establish any claim to statutory copyright of these materials or ideas. Except for its internal use, Contractor shall not publish or reproduce such materials or ideas in whole or in part, or in any manner or form, nor authorize others to do so without the written consent of APTA.

Contractor warrants that it owns, or has the legal right to use any intellectual property needed to carry out the Statement of Work required by this Agreement. In addition, Contractor agrees that it will, at its own expense, defend and protect such works from any claims that the works infringe the intellectual property rights of others, and agrees to indemnify APTA, its officers, employees, and members and hold them harmless for any and all liability for claims, demands, losses, costs, damages, and expenses of every kind and description, including attorneys' fees, arising out of or in connection with such infringement claims or any other breach or claimed breach of this Agreement.

IV. Assignability

Except as provided herein, Contractor shall not assign any interest in this Agreement, shall not transfer any interest in the same (whether by assignment or novation) and shall not sublet or underlet the performance of any part of the Statement of Work, without the prior written consent of APTA. Claims for money due or to become due to contractor from APTA under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be provided promptly to APTA.

V. Modification of Agreement

This Agreement supersedes all previous Agreements, communications, and understandings, oral or written, between the parties with respect to the subject hereof except to the extent expressly incorporated herein.

The term “Agreement” as used herein includes any written amendments, modifications or supplements later made in accordance herewith. If any provision or portion of the Agreement is invalid under any applicable statute or rule of law, it is to that extent to be deemed omitted, and the remainder of the Agreement shall remain in force.

VI. Indemnification

Each Party shall indemnify the other Party and its directors, officers, agents, and employees against any and all loss, liability, damage, expense, or claim, including but not limited to attorneys’ fees, directly or indirectly, arising from or directly related to any negligent act or omission or any other breach of obligation or duty under this Agreement or under applicable law and there shall be no third-party beneficiaries of this Agreement.

VII. Laws Governing

This Agreement shall be constructed in accordance with, and governed by, the laws of the District of Columbia without regard to its conflicts of law principles.

VIII. Relationship

The relationship between the Parties is and shall be that of independent contractors. The performance by each party of its duties and obligations under this Agreement does not and shall not constitute a partnership, joint venture, agency or fiduciary relationship. As an independent contractor, Contractor shall pay all taxes arising from this Agreement including state and local sales and use taxes.

IX. Force Majeure

In no event, shall either Party be responsible or liable for any failure or delay in the performance of its obligations herein arising out of or caused by any forces beyond its control, including, acts of God, any government restrictions, acts of war or terrorism, hostilities, civil disturbances, revolutions, strikes, lockouts, or nuclear or natural catastrophes. Contractor shall return the amounts paid in advance by APTA and Contractor shall have no further obligation to perform.

X. Standard of Care

Notwithstanding any clause in this Agreement or otherwise to the contrary, Contractor shall perform its services consistent with the professional skill, quality and care ordinarily exercised by members of the same profession currently practicing in the same or similar locality under the same or similar circumstances. Contractor shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project. The full extent of Contractor's responsibility with respect to the Services shall be to perform in accordance with the above standards and to remedy any material deficiencies or defects in the Deliverables at Contractor's own expense, provided that Contractor is notified by APTA, in writing, of any such deficiency or defect within a reasonable period after discovery thereof, but in no event later than 30 days after Contractor's completion or termination of the Services. Contractor makes no other representations, warranties or guarantees, either express or implied, including any implied warranties of fitness for a particular purpose, merchantability, informational content or otherwise.

XI. Mutual Waiver of Consequential Damages

Notwithstanding anything in this Agreement to the contrary, and to the fullest extent permitted by law, in no event shall either Party be liable to the other for any indirect, incidental, special, consequential, or punitive damages whatsoever (including, without limitation, lost profits, loss of revenue, loss of use or interruption of business) arising out of or related to this Agreement, even if advised of the possibility of such damages.

XII. Risk Allocation and Restriction of Remedies

The Parties have evaluated the respective risks and remedies under this Agreement and agree to allocate the risks and restrict the remedies to reflect that evaluation. APTA agrees to restrict its remedies under this Agreement against Contractor, its parents, affiliates and subcontractors, and their respective directors, officers, shareholders, and employees, ("Contractor Covered Parties"), so that the total aggregate liability of the Contractor Covered Parties shall not exceed the actual paid compensation for the services. This restriction of remedies shall apply to all suits, claims, actions, losses, costs (including attorney's fees) and damages of any nature arising from or related to this Agreement without regard to the legal theory under which such liability is imposed. Claims must be brought within one calendar year from performance of the services unless a longer period is required by law.

XIII. Electronic Signature

Any electronic signature shall be treated in all respects as having the same legal effect as an original handwritten signature.

XIV. Authority to Execute Agreement

Execution of this Agreement by the Contractor is authorized, and signature(s) of each person signing on behalf of the Contractor have been made with complete and full authority to commit the Contractor to all terms and conditions of this Agreement, including each and every representation and certification contained herein, attached hereto, and collectively incorporated by reference herein, or as may be required by the terms and conditions hereof.