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January 20, 2023

Re: FUNDS TRANSFERS ON ACTIVE A&E CONTRACTS - INSTRUCTIONS AND  
SUBMISSION

To Whom It May Concern:

These instructions are specific to Architectural and Engineering Services contracts with the Maryland Department of Transportation State Highway Administration (MDOT SHA). The purpose of this letter is to provide instructions to consultants on the process to submit requests for funds transfers on active Architectural & Engineers (A&E) contracts. Note that Disadvantaged Business Enterprise (DBE) and Minority Business Enterprise (MBE) entities have additional requirements.

- funds transfers within the same consultant organization (*steps 1 through 5 only*)
- funds transfers from one consultant to another
  - D/MBE to D/MBE (*all steps*)
  - D/MBE to non-D/MBE (*all steps*)
  - Non-D/MBE to D/MBE (*all steps*)

The following items must be submitted to MDOT SHA for consultants to request funds transfers on active contracts. The below list will be used for prime consultants, sub-contractors, D/MBE, or any other parties involved in the transfer:

1. A Detailed Cover Letter from the prime consultant explaining the request, reason for the request, and why the firms can't perform the work as the contract has been set forth. *There must be an associated task that warrants the transfer of funds.*
2. Spreadsheet or chart showing where the funds are coming from and going to. The spreadsheet should include the current approved budget, proposed changes to budget and proposed new budget with breakout line items, including direct labor office, office payroll burden and overhead, direct labor field, field payroll burden and overhead, fixed fee, direct expenses, for each consultant.
3. A detailed Task Proposal and detailed Cost and Price Summary Sheet. If the task includes both field and office work, breakout the work into two separate Cost and Price Summary Sheets: one with the hours, rates, payroll burden and overhead for the field work and another for the office work. The classifications listed shall match the classifications in the contract.
4. Copy of contract pages verifying reimbursement for labor, expenses, and principal hours that are proposed in the task proposal.
5. Current approved overhead rate letter from the MDOT SHA's Office of Audits. If an interested party does not have an approved overhead rate, the letter should stipulate that information as well as a proposed overhead rate. In most cases, MDOT SHA will authorize 100% overhead for organizations that *do not* have an approved rate.
6. \*A signed Reduction Acceptance Letter from each D/MBE subconsultant firm agreeing to relinquish funds (required) and a signed acceptance letter of the firm(s) accepting additional funds (recommended, not required). The letter(s) shall be written on the subconsultant's

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letterhead, and the verbiage shall be provided by the D/MBE subconsultant firm. The D/MBE firm's acknowledgment and agreement cannot be indicated at the bottom of a prime contractor's letter.

7. \*A Form D for REVISIONS to D/MBE Participation Plan shall be submitted for each DBE or MBE subconsultant whose funds are proposed to change as a result of the fund transfer. There are different forms for MBE/State and DBE/Federal and all forms can be found on the MDOT SHA OPCM website.<sup>1</sup> ALL areas must be completed in full, including NAICS codes related to the contract scope, MDOT Cert #, percent of D/MBE of the contract, and budget amount.
8. \*Copy of MDOT D/MBE certification from the MDOT DBE directory.

<sup>1</sup> The website link to all forms referenced is located at:  
<https://roads.maryland.gov/mdotsha/pages/Index.aspx?PageId=767>

\* Steps 6, 7, and 8 are only required for D/MBE consultants when funds are being moved away from the D/MBE

Any funds transfer requests that will reduce the D/MBE goal below the contract commitment of the prime contractor will not be considered. If any of the required documentation listed above is absent or incomplete, the request will be rejected.

Please email the MDOT SHA office or district liaison with your completed package. If the consultant would prefer to mail the completed package, please send all contents to the attention of the MDOT SHA office or district liaison at the location of their choice.

For any questions you may have regarding this process, please contact the Office of Procurement and Contract Management (OPCM) Deputy Director via email at [OPCM@mdot.maryland.gov](mailto:OPCM@mdot.maryland.gov).

Sincerely,



Alex Webb, MBA  
Deputy Director, OPCM, MDOT SHA

cc: Ms. Jada Wright, Director, OPCM, MDOT SHA