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January 20, 2023

Re: S-Corp Waiver Instructions and Submission

To Whom It May Concern:

This letter pertains to “S-Corp Waiver Instructions and Submissions” 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 S-Corp Waivers to MDOT SHA Office of Procurement and Contract Management (OPCM) for review.

Approved S-Corp Waivers provide consultants the ability to charge principal time to the State including their hourly rate, plus fixed fee and overhead. Consultants whose principals work on contracts *without* an approved waiver must bill their hourly rate plus fixed fee only. **Note that in all cases, the contract language dictates the allowable charges.** S-Corp waiver requests are reviewed on a case-by-case basis and can be submitted by a consultant to MDOT SHA OPCM at any time. Typically, approvals are valid for a 5-year period at which point the waiver would expire. The consultant may request for expired/expiring waivers to be renewed. The State reserves the right establish an approval period for greater than or less than a 5-year period on a case-by-case basis.

The following items must be submitted to MDOT SHA OPCM in order for a consultant to be considered for an S-Corp waiver:

1. A letter formally requesting consideration for a waiver by the consultant. The letter must include the name(s) and the technical role the person(s) will provide on the contract(s). Be sure to include the specific contract(s) requested.
2. Copies of the original last three years (e.g. 2019, 2020 and 2021) W2's for each person listed in the formal request letter.
3. Certified payroll rosters for the same three years (as applicable). If a principal has less than three years, provide all available payroll rosters available up to three years total.
4. Year-End Payroll Activity Report for same three years provided for W2s showing total hours for regular, holiday, vacation, and sick time as well as the total dollar amount for each, and any bonus paid. *All payroll deductions may be redacted including insurance, retirement, debt, alimony, etc.*
5. Current FAR audited overhead approval letter.
6. Detailed resume for each person.
7. Completed Consultant Organizational Informational Form which is located on our website at <http://www.roads.maryland.gov/OPCM/ConsultantOrganizationInformationForm.pdf>

Re: S-Corp Waiver Instructions and Submission  
Page 2

Please email [OPCM@mdot.maryland.gov](mailto:OPCM@mdot.maryland.gov) with your completed package or any questions you may have regarding this process. If the consultant would prefer to mail the completed package, please send all contents to the attention of:

Ms. Jada Wright, Director, OPCM C/O:  
Mr. Alex Webb, Deputy Director  
Consultant Services Division OPCM  
Maryland State Highway Administration  
707 N. Calvert Street, MS C-405 Baltimore, MD 21202

Sincerely,

A handwritten signature in black ink that reads "Alex Webb". The signature is written in a cursive, flowing style.

Alex Webb, MBA  
Deputy Director, OPCM, MDOT SHA

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