



Arizona Department of Transportation
Intermodal Transportation Division
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Janice K. Brewer
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June 12, 2012

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State Engineer

INFORMATION BULLETIN NO. 12-06

TO: ADOT Project Managers
Resident Engineers
Consultant Engineering Firms

FROM: Engineering Consultants Section (ECS)

SUBJECT: **CONSULTANT / SUBCONSULTANT ORGANIZATIONAL CHANGE GUIDELINES
AND PROCEDURES DUE TO NAME CHANGE, MERGER, ACQUISITION,
CONSOLIDATION AND/OR TRANSFER OF OWNERSHIP**

Effective immediately, all Consultants and Subconsultants are required to adhere to the attached guidelines and procedures when an organizational change occurs in the firm as a result of a name change, merger, acquisition, consolidation, and/or transfer of ownership. Notification shall be made to ECS, within **ten (10) business days** for any organizational changes that affect any and all ECS contracts that are in negotiations, active, on hold or in pending closeout status.

If you have any questions regarding this bulletin, contact the Engineering Consultants Section at (602) 712-7525.

A handwritten signature in blue ink, appearing to read 'Vivien Lattibeaudiere', is written over a horizontal line.

Vivien Lattibeaudiere, Ph.D.
Director
Engineering Consultants Section

**Arizona Department of Transportation
ENGINEERING CONSULTANTS SECTION**

CONSULTANT/SUBCONSULTANT ORGANIZATIONAL CHANGE GUIDELINES & PROCEDURES Due to NAME CHANGE, MERGER, ACQUISITION, CONSOLIDATION and/or TRANSFER OF OWNERSHIP

I. Purpose

Consultants doing business with ADOT may undergo organizational changes including, but not limited to, name change, merger, acquisition, consolidation and/or transfer of ownership. Subconsultants reporting to Consultants on ADOT contracts may also undergo similar changes. The following procedures shall be followed by Consultants and Subconsultants when any of these organizational changes occur within firms that are under contract through ECS.

II. Definitions/Acronyms

ACC	Arizona Corporation Commission
ADOT	Arizona Department of Transportation
ECS	Engineering Consultants Section
<i>Current Consultant/Subconsultant</i>	The firm <u>currently</u> providing design-related architectural and/or engineering (A/E) services as a party to ADOT ECS contracts.
<i>New Consultant/Subconsultant</i>	The firm assuming liability, obligation and contract terms and conditions for all affected contracts and related subcontracts <u>after</u> the name change, merger, acquisition, consolidation, and/or transfer of ownership officially takes effect.
Organizational Change	Any name change, merger, acquisition, consolidation, and/or transfer of ownership, requiring Arizona Corporation Commission (ACC) approval or notification.

III. Procedures for Consultant

The *New Consultant* under contract with ADOT shall notify ECS of appropriate changes within ten (10) **business days** from the date changes were legally approved by ACC using the following steps below. The *New Consultant* shall be responsible for fulfilling the *Current Consultant's* obligations, liabilities and contract terms and conditions for all affected contracts and related subcontracts. The work under all affected contracts shall not be started or continued, until the organizational change(s) have been approved by ECS.

1. *New Consultant* shall submit the following information to ECS:
 - a. A letter, on company letterhead, requesting ADOT's approval to transfer all affected contracts and related subcontracts (see sample letter - **Exhibit A**). At a minimum, the letter shall include:
 1. *New Consultant* name (if applicable) and reason for the change (i.e., Name Change, Merger, Acquisition, Consolidation and/or Transfer of Ownership);
 2. Effective date of the change;
 3. A list of contract number(s) with contract status (in negotiations, active, on hold and pending closeout) and contract description(s) affected by the change;
 4. A statement certifying that the *New Consultant* shall assume all obligations, liabilities and shall comply with the contract terms and conditions as set forth under all affected contracts; and
 5. A statement certifying changes have not been made to the Key Personnel listed under all affected contracts and if there are Key Personnel changes, the *New Consultant* shall submit a separate request to obtain ADOT's approval for the Key Personnel change in accordance with the contract's Key Personnel provision.
 - b. A copy of the Arizona Corporation Commission (ACC) or home-state equivalent Corporation Commission approval documentation of the *New Consultant*;

- c. Updated professional license(s) and/or registration(s) of the *New Consultant*;
 - d. W-9 Form for the *New Consultant*, if they have not conducted business with ECS; and
 - e. A list of CRYPTOCARD holders for both *Current* and *New Consultant(s)*. The list shall indicate the employee name, RACF ID, employer name and any access restrictions for all *New* and *Current* Consultant data in eCMS.
2. ECS will review and respond to the request and if the change(s) is/are approved, the *New Consultant(s)* shall be notified of the approval status. Once the change has been approved by ECS, the *New Consultant* shall provide the required insurance certificate(s) for all affected contract(s) with the *New Consultant* name in accordance with the contract's Insurance provision.
 3. *New Consultant* shall re-qualify with ECS under the *New Consultant* name.
 4. ECS will process and execute Name Change Contract Modification(s) (see **Exhibit C**) for all affected contracts requiring name changes between ADOT and the *New Consultant* authorizing and accepting the *New Consultant's* responsibilities and liabilities for all affected contracts.

IV. Procedures for Subconsultant

The *Current* Subconsultant reporting to Consultant(s) under contract with ADOT shall notify ALL their *Current* Consultants of appropriate changes within ten (10) **business days** from the date changes were legally approved by ACC or home-state ACC using the following steps below. The *New* Subconsultant shall be responsible for fulfilling the *Current* Subconsultant's obligations, liabilities and contract terms and conditions for all affected contracts and related subcontracts. The work under all affected contracts shall not be started or continued, until the organizational change(s) have been approved by ECS. The Consultant(s) shall request ADOT's written approval, on behalf of the *New* Subconsultant, within ten (10) **business days** from the *New* Subconsultant notification.

1. On behalf of the *New* Subconsultant, the *Current* Consultant shall submit the following information to ECS:
 - a. A letter, on *Current* Consultant's company letterhead, requesting ADOT's approval to change the Subconsultant(s) name on all affected contracts and related subcontracts (see sample letter - **Exhibit B**). At a minimum, the letter shall include:
 1. *New* Subconsultant name and reason for the change (i.e., Name Change, Merger, Acquisition, Consolidation and/or Transfer of Ownership);
 2. Effective date of the change;
 3. A list of contract number(s) with contract status (in negotiations, active, on hold and pending closeout), *New* Subconsultant Name and contract description(s) affected by the change;
 4. A statement certifying that the *New* Subconsultant shall assume all obligations, liabilities and shall comply with the contract terms and conditions as set forth under all affected contracts and related subcontracts; and
 5. A statement certifying changes have not been made to the Key Personnel listed under all affected contracts and if there are Key Personnel changes, the *New* Subconsultant, through the *Current* Consultant, shall submit a separate request to obtain ADOT's approval for the Key Personnel change in accordance with the contract's Key Personnel provision.
 - b. A copy of the *New* Subconsultant Arizona Corporation Commission (ACC) or home-state equivalent approval documentation of the *New* Subconsultant.
 - c. Updated professional license(s) and/or registration(s) of the *New* Consultant.
2. ECS will review and respond to the request and if the change(s) is/are approved, ECS will change the *New* Subconsultant contract information on all affected contracts.
3. Once the change has been approved by ECS, the Consultant shall ensure that the *New* Subconsultant complies with the contract's Insurance provision for all affected contracts and related subcontracts.

EXHIBIT A

NEW CONSULTANT LETTERHEAD

CONSULTANT ORGANIZATIONAL CHANGE REQUEST NOTIFICATION SAMPLE Due to NAME CHANGE, MERGER/ACQUISITION/CONSOLIDATION/TRANSFER OF OWNERSHIP/OTHER

DATE:

TO: Name, Assistant Director
Engineering Consultants Section
205 South 17th Ave., Room 293, MD 616E
Phoenix, Arizona 85007

RE: Consultant Organizational Change Request Notification Due to (*select one*: Name Change, Merger / Acquisition / Consolidation / Transfer of Ownership/Other)

Dear (Assistant Director's Name):

_____, the *Current* Consultant, hereby requests the Arizona Department of Transportation's (ADOT) approval for organizational change due to (*select one*: Name Change, Merger, Acquisition, Consolidation, Transfer of Ownership or other reason). Effective _____, 20____, _____, the *Current* Consultant, shall do business exclusively as _____, the *New Consultant*. A list of active, in negotiation, hold and pending closeout contracts affected by this request are listed below:

<u>Contract Number</u>	<u>Contract Status</u>	<u>Contract Description</u>
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_____, (Name of Firm Principal/Owner Name) for the *New Consultant*, certifies and attests that it shall:

1. Assume all obligations, liabilities and contract terms/conditions set forth in the respective agreements for all affected ADOT contracts and related subcontracts listed above between the *Current* Consultant _____ and ADOT.
2. Make no changes to the Key Personnel responsible for all affected contracts and related subcontracts listed above. **OR**
Submit a separate request for Key Personnel changes to ADOT in accordance with the contract's Key Personnel clause.
3. Prequalify with ECS under the *New Consultant* name before submitting any future SOQ proposals, modifications and/or payment reports related to all affected contracts listed above.
4. Provide the required Certificate of Insurance for the affected contract(s) with the *New Consultant* name after ADOT's approval of this request.
5. Provide a list of CRYPTOCard holders for both *Current* and *New Consultant*(s). The list shall indicate the employee name, RACF ID, employer name and any access restrictions for all *New* and *Current* Consultant data in eCMS.

Enclosed are the required documents needed to process this request:

- ___ AZ Corporation Commission or home-state Corporation Commission approval related to the name change
- ___ Updated professional license(s) reflecting the *New Consultant*
- ___ W-9 Form

Respectfully,

Firm Principal/Owner Name of *New Consultant*
Title
Email Address

EXHIBIT B

CURRENT CONSULTANT LETTERHEAD

SUBCONSULTANT ORGANIZATIONAL CHANGE REQUEST NOTIFICATION SAMPLE Due to NAME CHANGE, MERGER/ACQUISITION/CONSOLIDATION/TRANSFER OF OWNERSHIP/OTHER

DATE:

TO: Name, Assistant Director
Engineering Consultants Section
205 South 17th Ave., Room 293, MD 616E
Phoenix, Arizona 85007

RE: Subconsultant Name-Change Request Notification Due to (*select one*: Name Change, Merger / Acquisition / Consolidation / Transfer of Ownership / Other)

Dear (Assistant Director's Name):

This letter is to inform you that _____, the *Current* Subconsultant for _____ (Consultant Name) contract(s), underwent an organizational change due to (*select one*: Name Change, Merger, Acquisition, Consolidation, Transfer of Ownership or other reason). Effective _____, 20____, _____, the *Current* Subconsultant, shall do business exclusively as _____, the *New Subconsultant*. A list of active, in negotiation, on hold and pending closeout contracts affected by this request are listed below:

<u>Contract Number</u>	<u>Contract Status</u>	<u>Consultant Name</u>	<u>Contract Description</u>
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_____, (Name of Firm Principal/Owner Name) for the *Current Consultant*, certifies and attests that the *New Subconsultant shall*:

1. Assume all obligations, liabilities and contract terms/conditions set forth in the respective agreements for all affected ADOT contracts and related subcontracts listed above between the _____ (*Current Consultant*) and _____ (*New Subconsultant*).
2. Make no changes have been made to the Key Personnel responsible for all affected contracts listed above. OR
Submit a separate request for Key Personnel changes to ADOT in accordance with the contract's Key Personnel clause.

Enclosed are the *New Subconsultant's* required documents needed to process this request:

- ___ AZ Corporation Commission or home-state Corporation Commission approval related to the name change
- ___ Updated professional license(s) and/or registration(s) reflecting the *New Subconsultant*

Respectfully,

Firm Principal/Owner Name of *Current Consultant*
Title
Email Address

EXHIBIT C

NAME-CHANGE CONTRACT MODIFICATION FORM SAMPLE

ARIZONA DEPARTMENT OF TRANSPORTATION
ENGINEERING CONSULTANTS SECTION

CONTRACT MODIFICATION

Contract Number: _____ Modification Number: _____
Consultant: _____
Project Name: _____
Project Number(s): Various
TRACS Number(s): Various
Fund/Item Number: See Below F A _____ NON-F A _____

(Bilateral) Supplemental Agreement: X

FOR VALUABLE CONSIDERATION, it is mutually agreed that effective _____, 20__, the CONSULTANT responsible for this contract is _____, as detailed in the Consultant Notification Letter dated _____, 20__ and ECS Assistant Director's Approval Letter dated _____, 20__, which are attached hereto and made a part hereof. The CONSULTANT agrees to assume all obligations and liabilities for the contract(s). All other terms and conditions shall remain in effect and unchanged throughout the duration of the contract.

TOTAL DIFFERENCE

Current Consultant Name:

Changed to

New Consultant Name:

PLUS	MINUS
-0-	-0-

APPROVED FOR THE CONSULTANT

New Consultant Name

By _____
Signature

Type or Print Name

Title

Date _____

APPROVED FOR THE STATE

ARIZONA DEPARTMENT OF TRANSPORTATION

By _____

ECS Director

Title

Date _____

APPROVED FOR THE FEDERAL HIGHWAY ADMINISTRATION

By _____ N/A

Title

Date _____

"By signing this document, the consultant declares that the contract modification was reviewed and to the best of the consultant's knowledge and belief, it is true, correct, and approved. Both parties agree that manually or electronically signing and submitting the contract modification via a PDF document by email is acceptable and constitutes a binding agreement."