

# Setting Up Limited Service Contracts

Transportation Planning Branch		Approved: May 15, 2008 <b>Revised: June 16, 2010</b> Version 1.1
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## **Purpose**

The purpose of this procedure is to describe how to set up a Limited Service Contract (LSC) for the Transportation Planning Branch.

## **Background**

Limited Service Contracts provide a means to initiate individual task orders with private engineering firms without taking each task to the NC Board of Transportation (BOT). LSCs may be developed for different phases of the same project, or for individual projects under the umbrella of a specific type of work, (e.g., Traffic Forecast On-Call or Model Assistance On-Call). In each case, the LSC specifies the total contract amount that is. Individual Task Orders (TO) are then developed and entered in SAP as a Contract Management Purchase Order (CMPO) referencing the LSC. (Refer to "[Entering Limited Service Contract Task Orders](#)" procedure and the "Create CM Purchase Order with Reference to LSC" available at [NCDOT Portal>IT Projects>BSIP Support Center Portal](#)).

## **Responsibility**

The need for a LSC is identified by the Unit Heads as a part of an analysis of staffing and workloads. The Project Manager (PM) responsible for developing and administering the LSC will be determined at the onset. The Professions Services Management Unit Contract Administrator (CA) will be responsible for developing the LSC and entering it into SAP.

## **Policy, Regulatory, and Legal Requirements**

[NCDOT's Policy and Procedures for Major Professional or Specialized Services Contracts](#) must be followed.

## Scheduling and Time Constraints

The Professional Services Management Unit Contract Administrator (PSMU CA) will develop the LSC, obtain appropriate approvals, enter in SAP and give Notice to Proceed to the Private Engineering Firm (PEF). The LSC must be fully executed prior to it being entered into SAP.

## Procedures

The TPB Project Manager will follow the steps below to develop an LSC.

Step	Action
1	The TPB Unit Head(s) identifies need for Engineering Services work utilizing an LSC.
2	The TPB Branch Manager approves the request to acquire services through an LSC.
3	The TPB Unit Head identifies a TPB Contract Administrator to oversee the LSC.
4	The TPB CA contacts the PSMU CA and provides them with appropriate information including the purpose of the work, timeframe and total funding amount.
3	The PSMU Contract Administrator follows <a href="#">NCDOTs Procedure for Major Professional or Specialized Services Contracts</a> to develop the LSC.
4	The PSMU CA enters the LSC in SAP and provides the executed LSC and Notice to Proceed to the TPB CA.

## Warnings and Precautions

[NCDOT’s Policy and Procedures for Major Professional or Specialized Services Contracts](#) must be followed.

## Resources and Tools

- Business Process Procedure (BPP) – Create a Limited Services Contract available at [NCDOT Portal>IT Projects>BSIP Support Center Portal](#)
- [Notice to Proceed LSC Sample](#)
- [Policy and Procedures for Major Professional or Specialized Services Contracts](#)

## Contacts

- For suggestions to change this procedure contact: Elena Talanker (919) 733-4705
- For questions about performing this procedure contact: Mike Bruff (919) 733-4705

## Glossary

**Contract Administrator (CA)** – The individual responsible for developing and entering the LSC into SAP. In TPB, it’s the person responsible for oversee the LSC.

**Limited Service Contracts (LSC)** - An “as-needed basis” contract established for a maximum dollar amount for professional or specialized services to be performed during a specified contract period, generally not to exceed three years. When identified during the contract period, a scope of services, a schedule and total compensation are negotiated with the firm for the

performance of an individual assignment of professional or specialized service, as defined by the Contract. The scope of services, schedule and compensation for each individual task are documented in a Notice to Proceed. The Department may elect to utilize the maximum amount of the agreement during the contract period, or may elect not to negotiate with the firm for any services during the contract period.

**Private Engineering Firm (PEF)** – Private Engineering Firm used for professional or specialized service.

**Project Manager (PM)** – The individual responsible for developing and managing the LSC.

**Task Orders (TO)** – An individual assignment or service to be performed by contractor under a LSC.

### ***User Access***

NCDOT Internal Use Only

### ***Flowchart***

none

### ***Record of Revision***

<b>Version</b>	<b>Section Affected</b>	<b>Description</b>	<b>Effective Date</b>
1.1	All sections, including Flowchart	Changes made to reflect role of Project Services Management Unit in the development of LSCs	6/16/10