



South Carolina
Department of Transportation



**U.S. Department
Of Transportation**
**Federal Highway
Administration**

SUMMARY REPORT

Report No. FHWA-SC-13-02

South Carolina
Department of Transportation
955 park Street
P.O. Box 191
Columbia SC 29202

Professional Services Contract Manager Development and Certification Strategy

SCDOT hires many consultants to provide professional services in support of its planning, design, construction and maintenance projects. In 2009 and 2010, SCDOT paid consultants over \$43 million for professional services. Despite this value of work executed by consultants, SCDOT personnel responsible for procuring and administering these professional service contracts, especially Contract Managers, have received no formal training and are provided with few official references. Mostly on-the-job training is utilized for employees to learn the procurement and administrative processes, practices and expectations. Typically, federal funds are involved in the consultant contracts and the potential for a violation of the federal code is high. In addition, beyond the federal code, SCDOT employees have a responsibility to the public to administer state funds in the most responsible and efficient manner. Thus, there is an essential need for formal trainings of SCDOT personnel on professional services contract procurement and management.

The current lack of training and sufficient references has created a procurement and administration process that has become inefficient and inconsistent throughout SCDOT. As a public agency, SCDOT's activities related to contracts must be efficient and fair. Therefore, SCDOT felt a need for a comparative analysis to identify deficiencies and opportunities to improve SCDOT's current professional service contracts procurement and administrative practices. To meet this need, a thorough analysis was required to compare SCDOT professional services business practices with similar practices in other states.

In order to address SCDOT's needs for formal procurement and administrative training as well as a comparative analysis of state DOTs' policies and procedures, the objectives of this project were as follows:

- Identify current SCDOT contract management policies and practices;
- Evaluate policies and practices of other DOTs regarding professional services contract management and the role of a contract manager in each phase (procurement, types of contracts used, negotiation, administration/management, and contract closeout);

- Develop formal training material for SCDOT Contract Managers;
- Develop and recommend “Best Practices” for SCDOT regarding professional services contract management, and identify opportunities for improvements in professional services contract management.

These objectives were met by first studying and outlining SCDOT’s current procurement and administrative practices and processes. To conduct the comparative analysis, seven southern state DOTs’ policies and practices were studied through a comprehensive literature review, state specific paper surveys, and personnel interviews. Best practices were identified by analyzing the information compiled from seven DOTs. Recommendations for SCDOT were developed based on the issues identified in the review of SCDOT’s current processes and practices. A training manual was created by studying SCDOT policy and process documents, and conducting interviews with SCDOT personnel. The manual was reviewed and validated by the project steering committee and further validated during a pilot training session with SCDOT contract managers and this project’s steering committee.

The deliverables of this project must continue to be utilized and revised by SCDOT in order to provide the intended project benefit of improving the procurement and administration of professional service contracts. While these documents have been finalized for the purpose of this project, the training materials will require continuous updating as the practices and policies continue to evolve. Five recommendations are made to SCDOT to continue the improvement of the professional services procurement and administrative practices and policies. These recommendations are listed below and detailed in the final report.

1. SCDOT should assign responsibility of the training material to the Chief Procurement Officer.
2. SCDOT decision makers should review the Best Practices and reference the document to guide the evolution of procurement and administration processes and policies.
3. SCDOT should hold an annual or bi-annual training session for current Contract Managers to review current practices, address issues, and implement changes.
4. SCDOT should break down the training material into subject specific sections and develop 15-20 online modules that can be accessed online by Contract Managers.
5. SCDOT should develop a certification program, utilizing the online modules, for Contract Managers.

With these recommendations, SCDOT can improve the effectiveness and efficiency of their professional services contract procurement and administration. In addition, these recommendations will provide SCDOT contract managers with the necessary training and preparation to handle the large volume of professional service contracts executed annually in a manner that follows current procedures and serves SCDOT’s best interests.

The study was conducted by Clemson University under the guidance of Drs. Ronnie Chowdhury and Dennis Bausman. For further details contact the PI, Dr. Chowdhury, at 864-656-3313 or mac@clemson.edu.