

A photograph of construction workers on a bridge deck. The workers are wearing hard hats and safety gear, and are working with rebar. The scene is outdoors, with a body of water visible in the background. The image is framed by a blue and black curved border at the top and bottom.

## BEST VALUE FOR EVERY DOLLAR SPENT

*Tangible Result Driver – Roberta Broeker, Chief Financial Officer*

Providing the best value for every dollar spent means MoDOT is running its business as efficiently and effectively as possible. A tightly managed budget means more roads and bridges can be fixed. That keeps Missouri moving. This is one of MoDOT's values because every employee is a taxpayer too!



## Number of full-time equivalencies-15a

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Steve Meystrik, Special Projects Coordinator

### Purpose of the Measure:

This measure tracks the change in the number of full-time equivalencies (FTEs) within the department and compares it to the number of FTEs in the legislative budget. The data provides a high-level view of overall staffing at MoDOT in relation to budgeted FTEs.

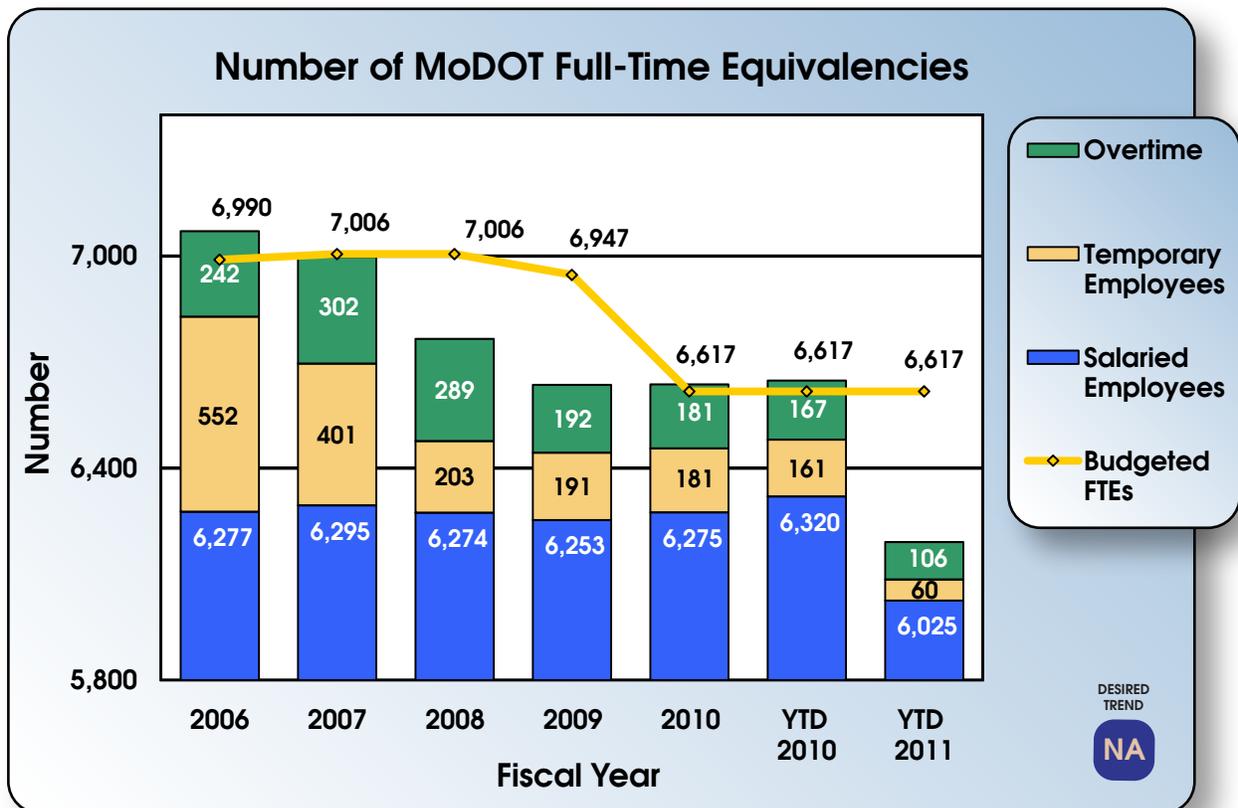
### Measurement and Data Collection:

This measure converts the regular hours worked or on paid leave of temporary and salaried employees, as well as overtime worked (minus any hours that are flexed during the workweek), to FTEs. In order to convert these numbers to FTEs, the total number of hours worked or on paid leave is divided by 2,080. Salaried employee data is converted to an annual number for ease in comparison to previous years, whereas temporary employee and overtime data

represent actual year-to-date calculations. This measure is updated quarterly.

### Improvement Status:

Through the third quarter of FY11, compared to the same period in previous years, there have been significant decreases in all three FTE categories: salaried employment, temporary employment, and overtime worked. These reductions are the result of department cost saving strategies implemented in FY10. Through the third quarter of FY11, the department has expended 457 fewer FTEs across all categories compared to the same period in FY10. Of the 106 FTEs expended as a result of overtime hours worked through the third quarter, 82 percent of these hours resulted from the department's snow and ice removal efforts during this winter.



## Rate of employee turnover-15b

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Kim Hickey, Employment Manager

### Purpose of the Measure:

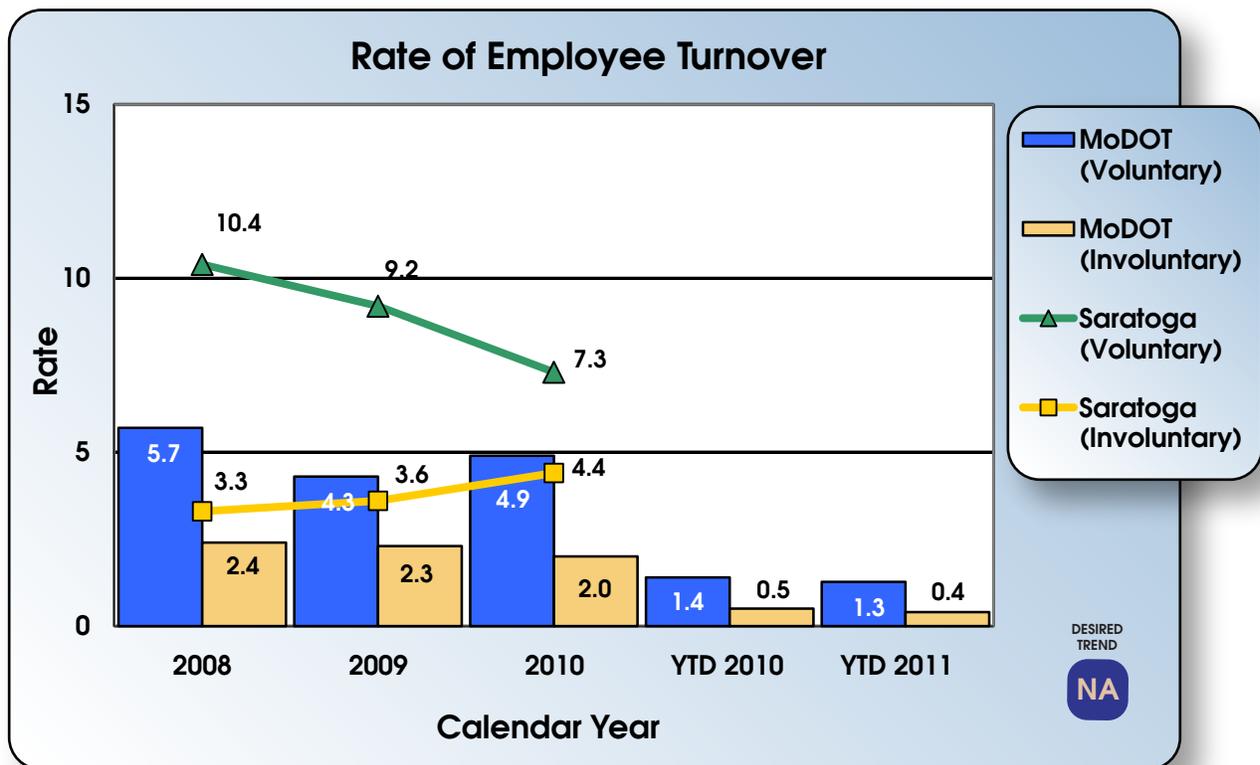
This measure tracks the percentage of employees who leave MoDOT annually and compares the department's turnover rate to benchmarked data. Voluntary turnover includes most resignations and retirements. Involuntary turnover reflects dismissals and also includes retirements and voluntary resignations of employees who had a disciplinary history and/or a final performance management rating of "Needs Improvement" or below. Turnover rates as shown in this measure include voluntary and involuntary separations.

### Measurement and Data Collection:

The data is collected statewide to assess overall employee turnover. Comparison data is collected from various sources annually. For benchmarked data, Saratoga Institute surveyed more than 300 organizations representing a wide variety of industries.

### Improvement Status:

The department's voluntary separation rate decreased slightly from 1.4 percent in the first quarter of calendar year 2010 to 1.3 percent in the first quarter of calendar year 2011. The department's involuntary separation rate decreased from 0.5 percent in the first quarter of calendar year 2010 to 0.4 percent in the first quarter of calendar year 2011. There were 15 releases in the first quarter of 2011, and an additional 9 resignations and retirements designated as involuntary separations. Of the remaining 76 voluntary separations that occurred in the first quarter of 2011, 64 were retirements and 12 were resignations. This compares to 89 voluntary separations in the first quarter of calendar year 2010 (66 retirements and 23 resignations).



### Level of job satisfaction-15c

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Paul Imhoff, Employee Development Manager

#### Purpose of the Measure:

This measure tracks the level of employee satisfaction throughout the department at specific points in time. The first chart indicates the level of department employees' job satisfaction and changes in their satisfaction over time. The second chart shows the percentage of MoDOT employees who are satisfied compared to the organizations that scored the best in employee satisfaction using the same survey instrument, and to top-level organizations using a similar survey questionnaire.

#### Measurement and Data Collection:

Employee satisfaction is measured using 18 items from an annual employee survey. The vendor contracted to conduct the employee satisfaction survey in 2003 and 2005 provided "Vendor Best Practice" data collected from an anonymous company. Society for Human Resources Management (SHRM) best practice data was gathered from an SHRM report of an annual job satisfaction survey of 55 Fortune 500 companies. This is an annual measure updated in July, with the final survey report completed in October.

#### Improvement Status:

The 2010 Employee Satisfaction Survey was distributed on May 12, 2010, with a completion deadline of June 25, 2010. The final report for the survey will be distributed by October 29, 2010.

The results from the 2010 survey indicate that 4,246 employees responded to the survey for a 67.4 percent return rate. This is an increase from 60 percent in 2009 (454 more surveys returned). The percentage of employees that are "very satisfied" decreased from 13 percent in 2009 to 7 percent in 2010. The percentage of employees that indicated they are "somewhat satisfied" remained constant at 58 percent from 2009 to 2010. Overall, the percentage of satisfied employees decreased from 71 percent in 2009 to 65 percent in 2010.

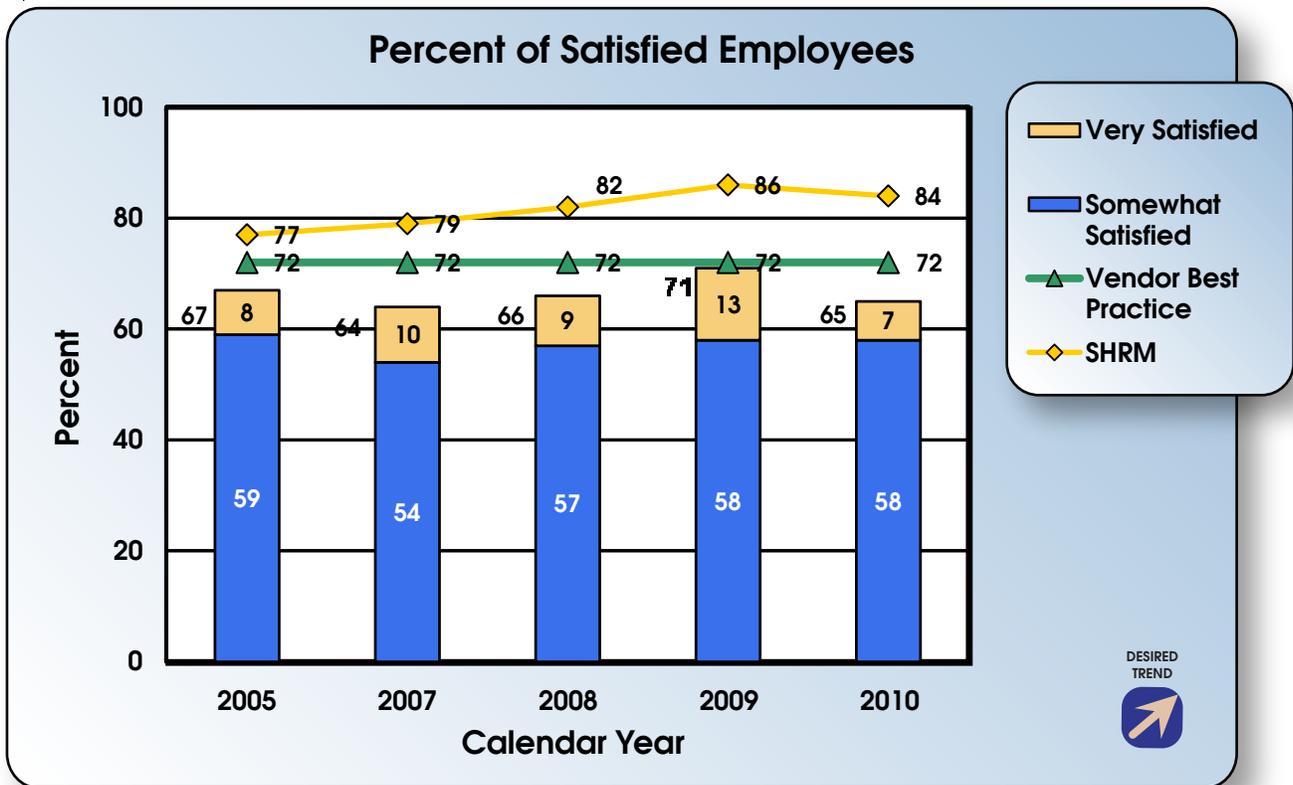
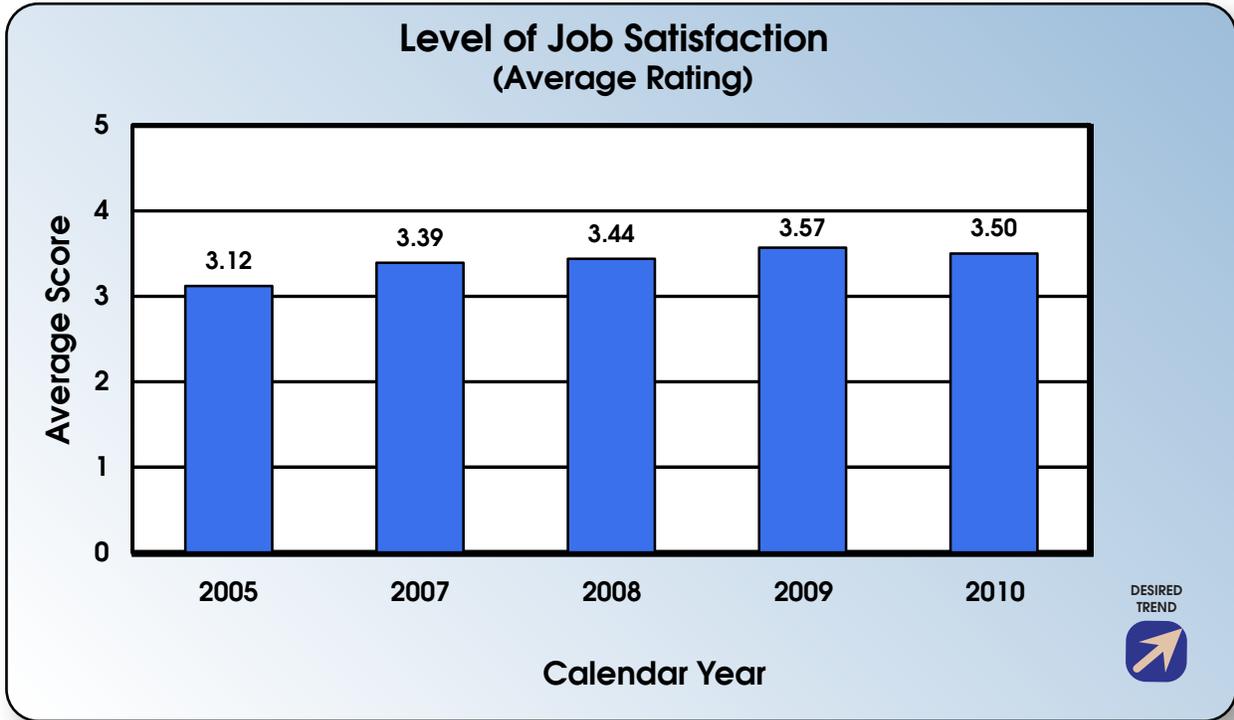
The statewide average rating on all four dimensions of the Employee Satisfaction Survey decreased from 2009 to 2010. Job Satisfaction decreased from 3.58

to 3.5 on a 5-point scale. Employee Engagement decreased from 3.7 to 3.63. Organizational Justice and Fairness decreased from 3.28 to 3.19. Living MoDOT Values decreased from 3.6 to 3.54. Similarly, in most districts and in Central Office, the average rating on each of the four scales decreased. Conversely, District 3 increased on all scales from 2009, while District 9 stayed level on Job Satisfaction and increased on the other three scales.

Areas of low satisfaction center on decision making that leads to wasted dollars, and having little input into decision making. The fairness of disciplinary actions is another area of low ratings. The competitiveness of salaries, lack of promotional opportunities, and the lack of rewards for good performance are also major areas of dissatisfaction. These issues seem to be the leading factors in ratings of low morale and high stress.

Areas of high satisfaction revolve around having plenty of work to do, and doing more than just the minimum. Other satisfiers include having a feeling of safety from sexual harassment, and learning a lot from the work at MoDOT. These issues appear to be major factors in high ratings of commitment to MoDOT and taking pride in the work.





## Number of lost workdays-15d

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Jeff Padgett, Risk and Benefits Management Director

### Purpose of the Measure:

This measure tracks the actual number of days that employees cannot work due to work-related injuries sustained during the reporting period. Note that the results do not include lost workdays for injuries that occurred during previous reporting periods.

(Example: an employee that is injured on Dec. 31, 2010, and is off during January of 2011 will not show up as lost time in 2011 because the incident occurred during the previous reporting period.)

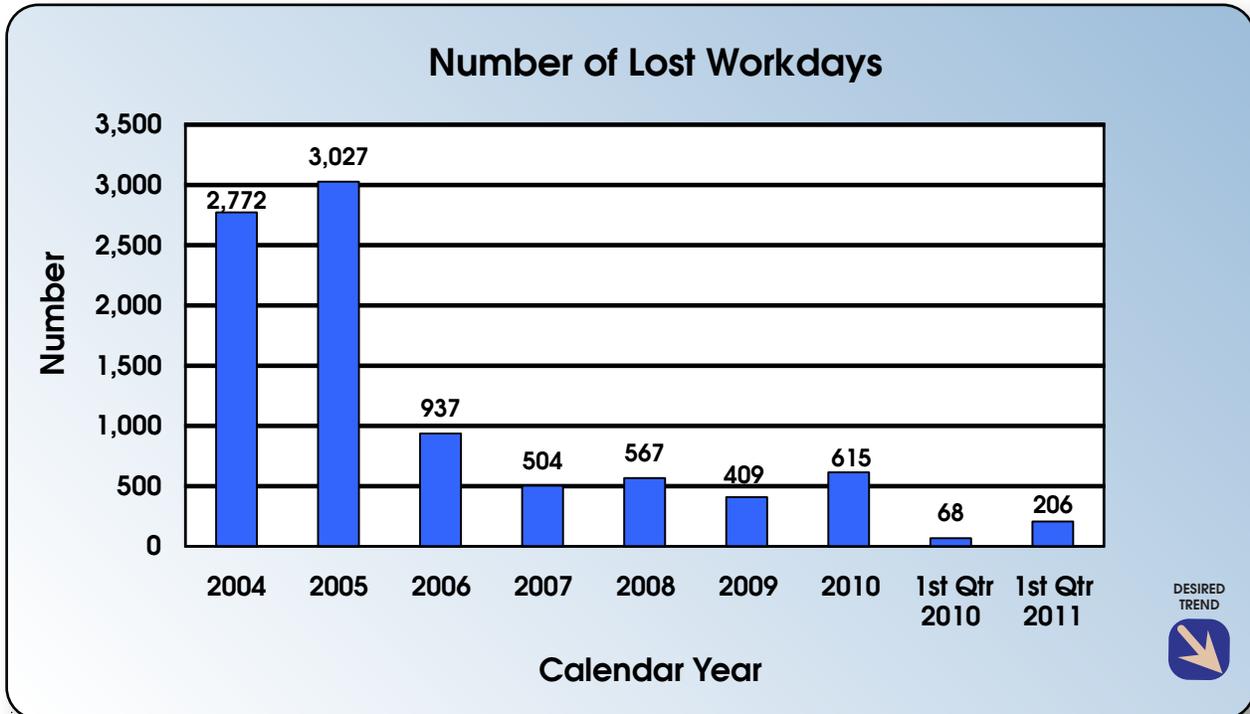
### Measurement and Data Collection:

The data is collected from Riskmaster, a claims administration software. This measure is updated quarterly.

### Improvement Status:

The number of lost workdays for the first quarter of 2011 is 203 percent greater than 2010, increasing

from 68 to 206 lost workdays. Though not illustrated in the chart, the number of lost-time incidents also reflected a sizable increase from 2010 to 2011. Three weather-related incidents account for 46 percent of the lost workdays. These occurred in the Northwest, Northeast and St. Louis Area Districts. Kansas City Area District and the Southwest District both suffered injuries in which the employee struck or was struck by MoDOT equipment. These account for another 47 percent of the lost workdays. MoDOT continues to develop and implement new safety-related initiatives to further reduce lost workdays, including Safety Pays, a work simulation physical exam and the Fit for Duty program. Risk Management personnel now direct all medical care for work-related injuries. MoDOT continues to identify and provide light-duty assignments for injured workers with restrictions in an effort to get employees back to work quickly.



## Rate and total of MoDOT recordable incidents-15e

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Jeff Padgett, Risk and Benefits Management Director

### Purpose of the Measure:

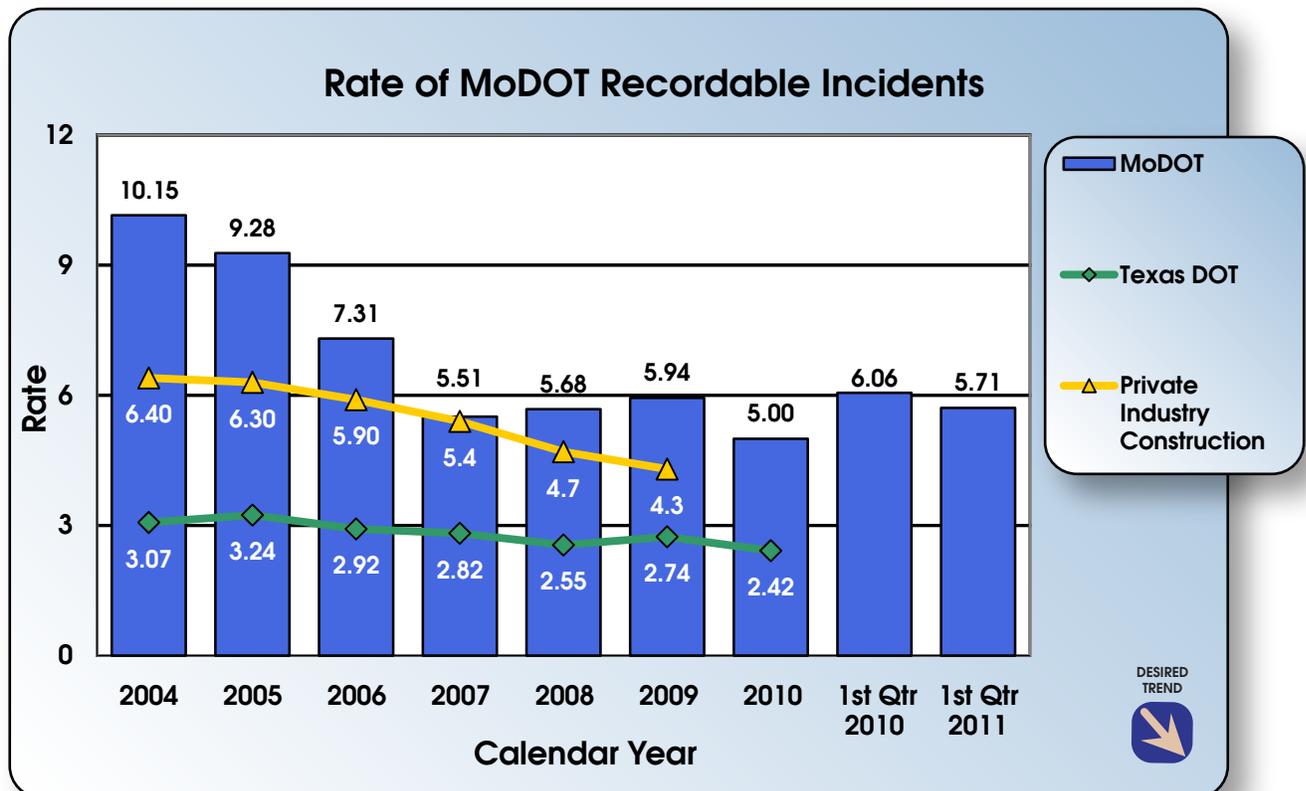
This measure tracks the number of recordable injuries, in total and as a rate of injuries per 100 workers. The calculation for incidence rate is the number of recordables times 200,000 divided by the number of hours worked. The 200,000 used in the calculation is the base for 100 full-time workers (working 40 hours per week, 50 weeks per year). MoDOT defines a recordable incident as a work-related injury or illness that results in death, days away from work, or medical treatment resulting in cost to the Department.

### Measurement and Data Collection:

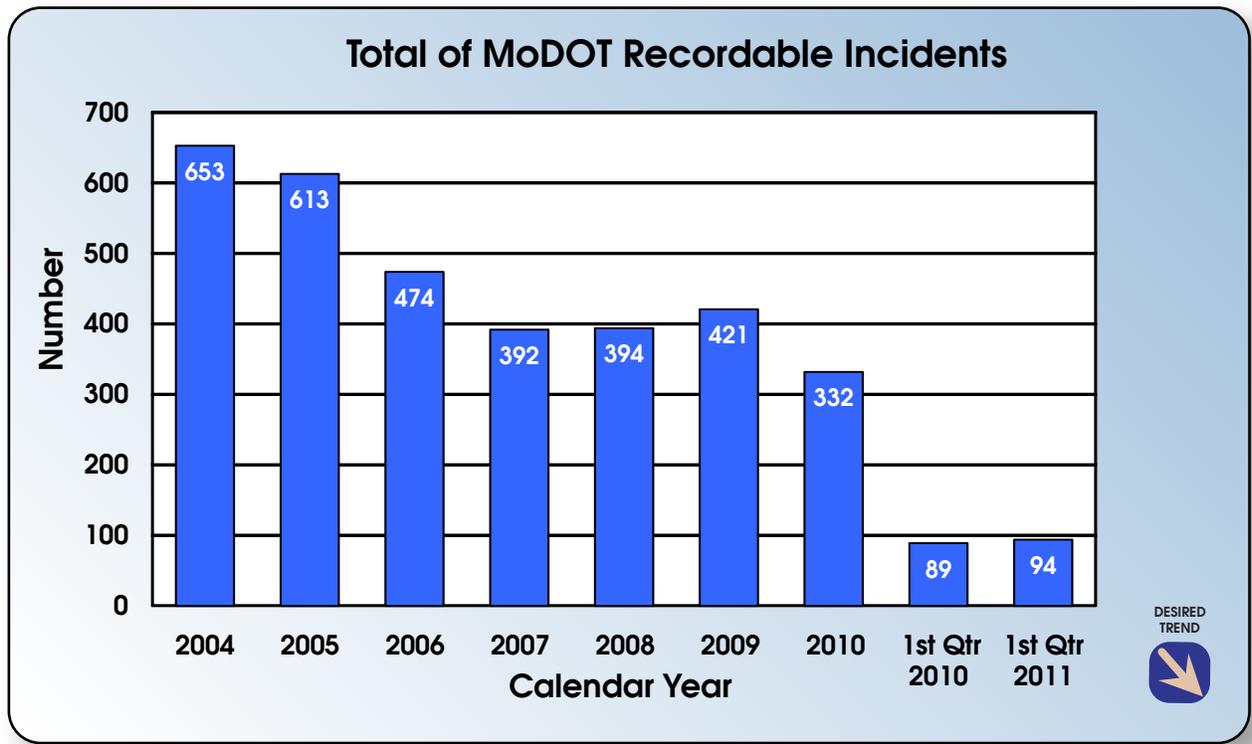
The injury data is collected from Riskmaster, a claims administration software. The number of hours worked is taken from MoDOT's payroll data. This measure is updated quarterly.

### Improvement Status:

The number of MoDOT recordables has increased over the reporting period noted. While the incident rate has decreased, the number of MoDOT recordables increased by 6 percent over the same period, with an increase from 89 to 94. The incident rate decreased by 6 percent over the reporting period, dropping from 6.06 to 5.71.



(Information from Private Industry Construction was not yet available for 2010.)



## Number of claims and amount paid for general liability-15f

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Jeff Padgett, Risk and Benefits Management Director

### Purpose of the Measure:

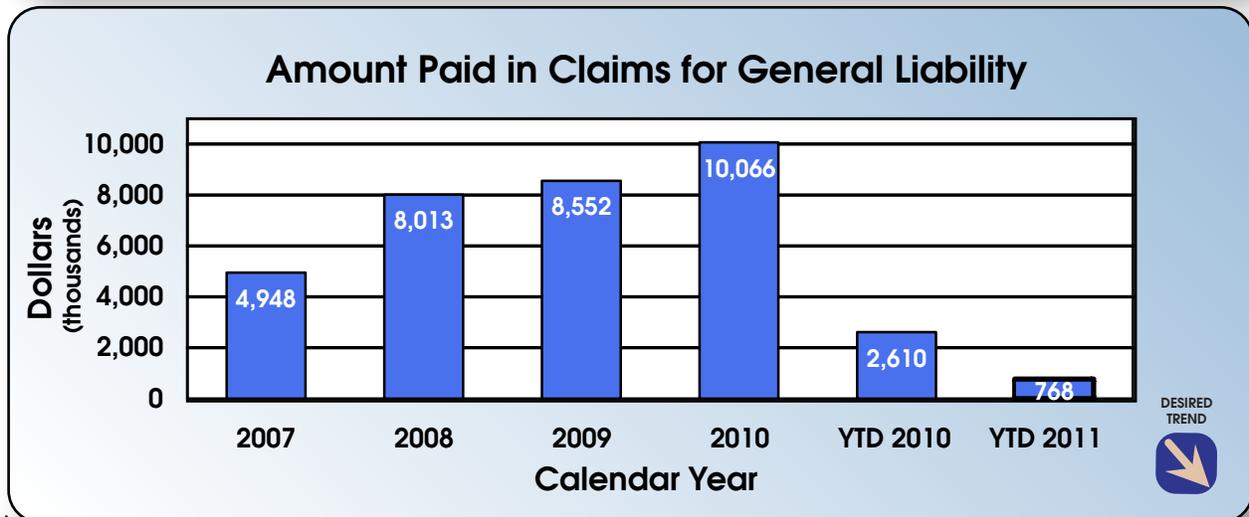
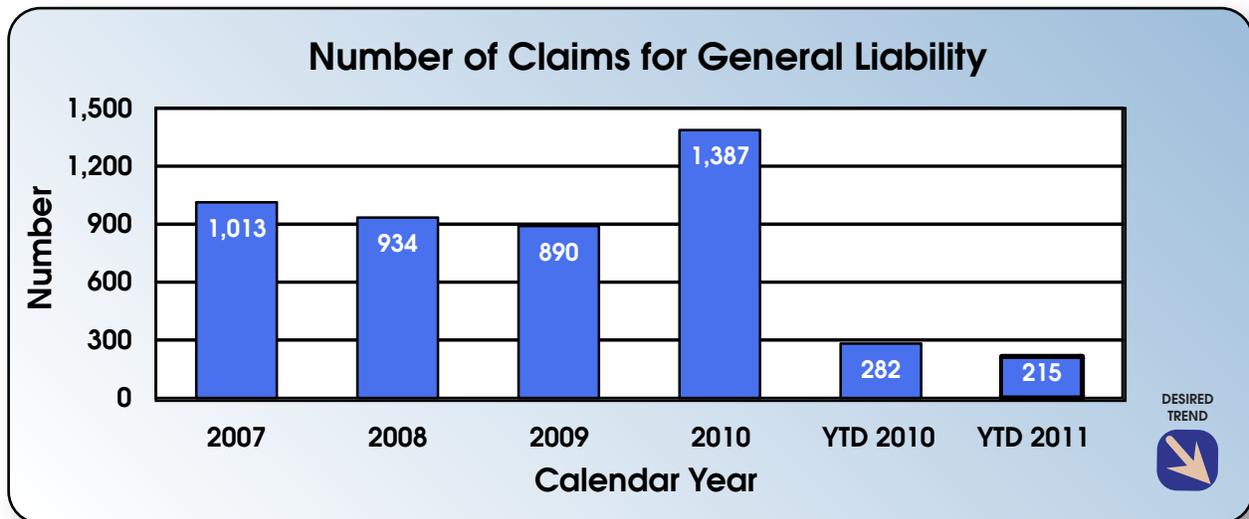
General liability claims arise from allegations of injuries/damages caused by the dangerous condition of MoDOT property and the injury/damage directly resulted from the dangerous condition. In addition, an employee must be negligent and create the dangerous condition or MoDOT must have actual or constructive notice of the dangerous condition in sufficient time prior to the injury/damage to have taken measures to protect the public against the dangerous condition. This measure tracks the number of general liability claims filed and amount paid.

### Measurement and Data Collection:

Risk and Benefits Management reports on the measure quarterly and collects the claims data from Riskmaster, a claims administration software program.

### Improvement Status:

The desired result is a reduction in claims and payments. So far this year the number of claims is down as well as payments.



# BEST VALUE FOR EVERY DOLLAR SPENT

## Fleet status-15g

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Jeannie Wilson, Central Office General Services Manager

### Purpose of the Measure:

This measure tracks the number of units in the MoDOT fleet as well as their condition. The chart provides an overall fleet condition status based on actual fleet age and meter compared to maximum life-cycle thresholds.

### Measurement and Data Collection:

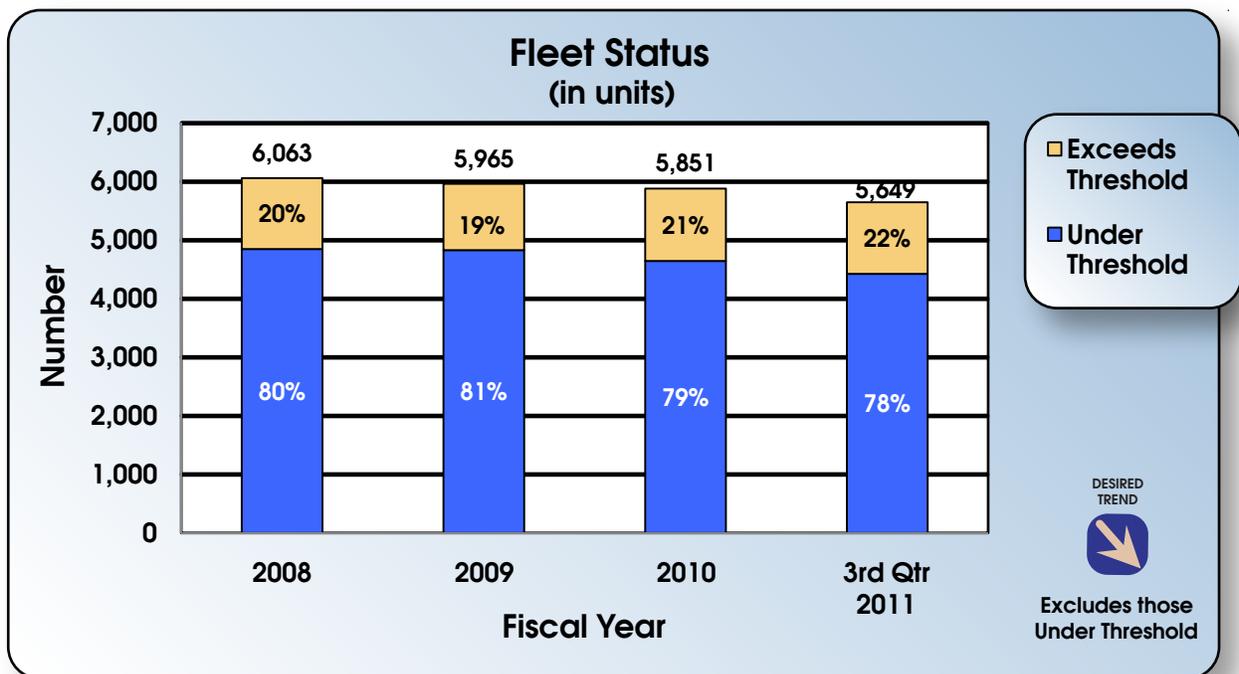
Age and meter thresholds were established based on maximum useful life. Units are identified as either exceeding or not exceeding their primary life cycle for either age or meter.

Reports are generated from the FASTER fleet management system to obtain information regarding equipment age and usage.

### Improvement Status:

Over the last four years, the fleet inventory has been reduced by 414 units or 7 percent. MoDOT's goal is to increase the percentage of fleet under the replacement threshold.

The exceeds threshold category has increased by 1 percent when compared to fiscal year 2010. This increase is attributed to the department's direction focusing on the mission critical fleet and extending the length of use on the non-critical fleet.



## Percent of vendor invoices paid on time-15h

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Debbie Rickard, Controller

### Purpose of the Measure:

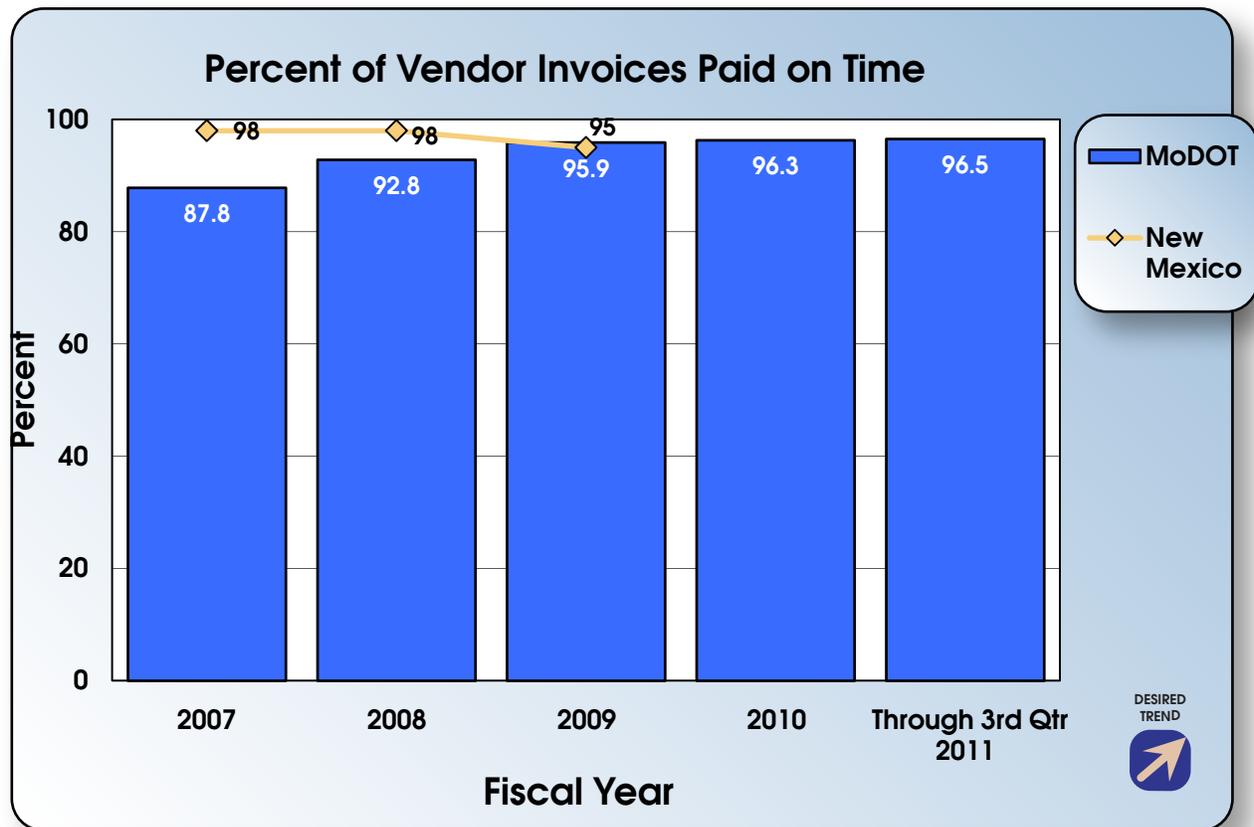
This measure tracks the department's timeliness in processing vendor payments.

### Measurement and Data Collection:

The check date determines if the invoice payment is timely. Timely is defined as a check issued less than 31 days from the date of the invoice. The department's measure is benchmarked to the New Mexico DOT through fiscal year 2009. MoDOT uses the vendor invoice date for determining promptness of payment; New Mexico utilizes a combination of vendor invoice date and the date received by the approving division when the invoice has not been promptly delivered. New Mexico no longer publishes this information. This measure is updated quarterly.

### Improvement Status:

Vendors age their receivables based on the date of invoice. This measure indicates there has been consistent improvement. The steps to further improve are: (1) identify specific vendors experiencing delayed payment and work with those vendors to obtain timely, accurate invoices, (2) determine if delayed payments are common to a particular division within the Central Office or a district, (3) identify processes contributing to the delayed payment, and (4) identify innovative solutions to receive invoices from the customer. Analysis tools have been developed to assist in identifying areas where improvements can be made.



## Distribution of expenditures-15i

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Debbie Rickard, Controller

### Purpose of the Measure:

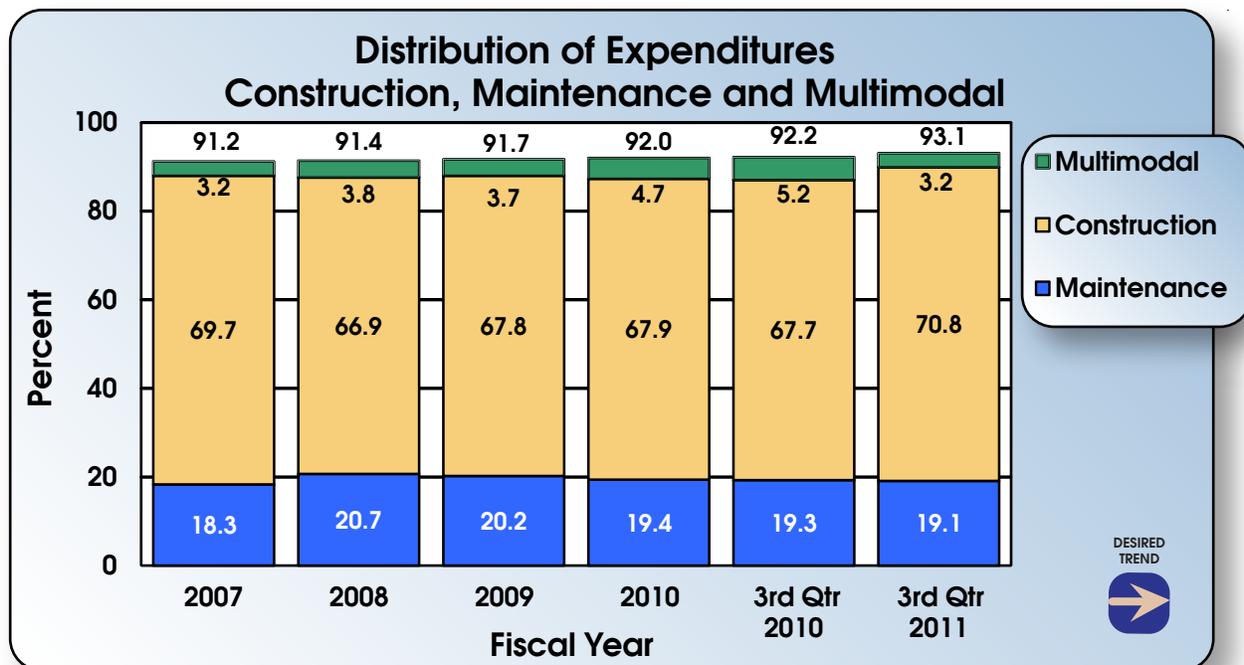
The purpose of the measure is to demonstrate a responsible use of taxpayers' money, with the emphasis of spending on our transportation system.

### Measurement and Data Collection:

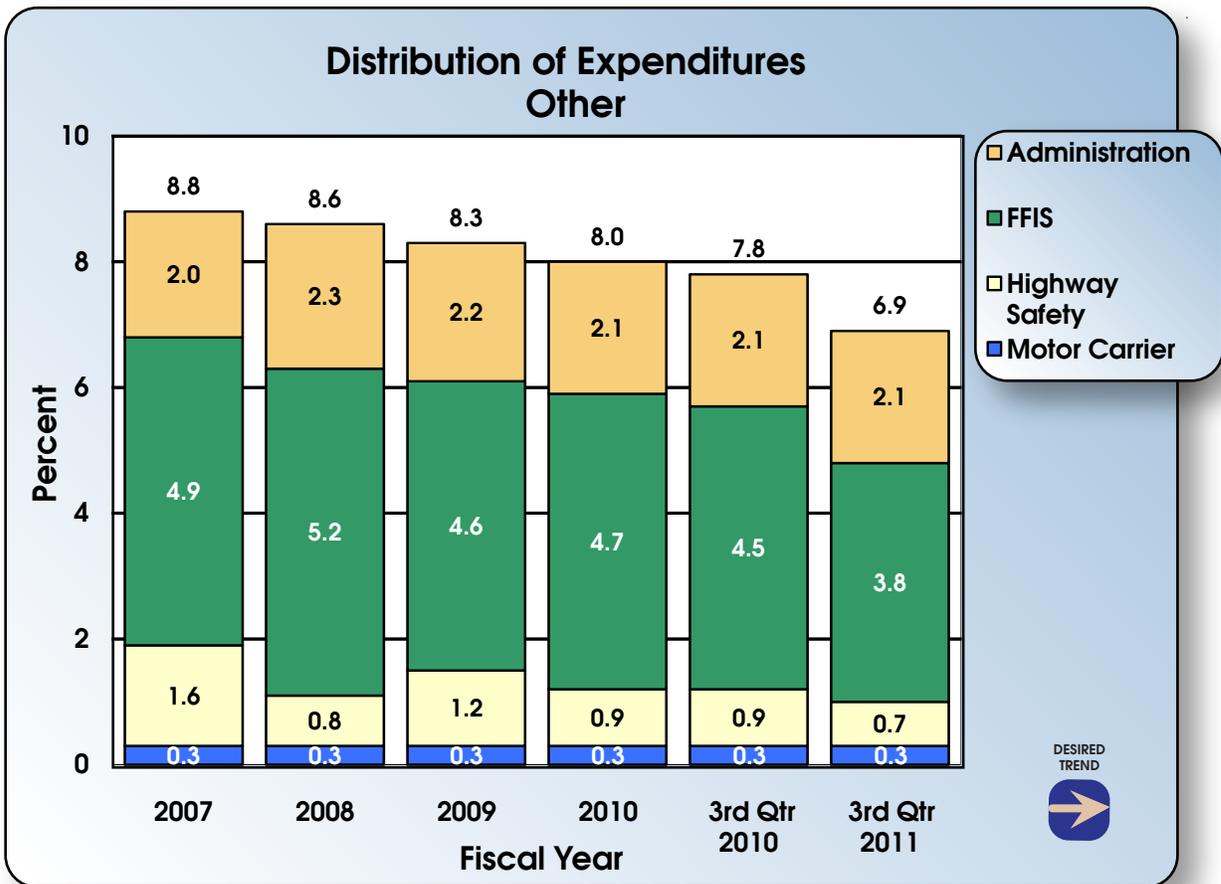
The data collection is based on cash expenditures by appropriation on a quarterly basis. Construction, maintenance and multimodal expenditures are defined as expenditures from the construction, maintenance and multimodal appropriations. Other expenditures include: administration, fleet, facilities, and information systems (FFIS), Motor Carrier and Highway Safety appropriations. Debt service appropriations are not included. This measure is updated quarterly.

### Improvement Status:

MoDOT's emphasis is on expenditures for routine maintenance of the system (maintenance appropriation), rehabilitation and construction of the system (construction appropriation), and other modes of transportation (multimodal appropriations). Construction program dollars have increased due to Federal monies received for federal pass through for ARRA projects and repayments for accelerated programs. The percentage of total dollars increased in the construction program, while other areas have decreased. FFIS decreased consistent with budget reductions due to available funding. Highway Safety decreased due to grant reimbursement requests. Administration and Motor Carrier have remained constant as a percent of total expenditures.



Thousands of Dollars						
	2007	2008	2009	2010	YTD 2010	YTD 2011
Construction	1,542,674	1,377,328	1,533,866	1,617,246	1,191,464	1,214,426
Maintenance	405,447	424,815	457,020	462,490	340,237	326,627
Multimodal	71,839	77,265	83,007	112,298	91,619	54,177
<b>Total Const. &amp; Maint.</b>	<b>2,019,960</b>	<b>1,879,408</b>	<b>2,073,893</b>	<b>2,192,034</b>	<b>1,623,320</b>	<b>1,595,230</b>



Thousands of Dollars						
	2007	2008	2009	2010	YTD 2010	YTD 2011
Administration	45,086	46,808	49,214	49,451	37,414	36,711
FFIS	108,023	106,343	104,635	111,564	78,986	65,856
Motor Carrier	6,899	6,930	7,095	6,963	5,255	4,902
Highway Safety	35,730	17,064	26,531	21,543	15,537	11,286
Total Other	195,738	177,145	187,475	189,521	137,192	118,755

<b>Total Expenditures</b>	<b>2,215,698</b>	<b>2,056,553</b>	<b>2,261,368</b>	<b>2,381,555</b>	<b>1,760,512</b>	<b>1,713,985</b>
---------------------------	------------------	------------------	------------------	------------------	------------------	------------------

## Accuracy of state and federal revenue projections-15j

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Ben Reeser, Financial Resource Administrator

### Purpose of the Measure:

This measure shows the precision of state and federal revenue projections. Projections are used to prepare the budget that funds MoDOT's operations and capital program.

### Measurement and Data Collection:

State revenue includes three major components of taxes and fees paid by highway users: motor fuel taxes, motor vehicle and driver licensing fees, and motor vehicle sales and use taxes. This measure does not include interest earnings and miscellaneous revenue, which are also considered state revenues. The measure provides the cumulative, year-to-date percent variance of actual state revenue versus projected state revenue by state fiscal year.

Federal revenue is the amount available to obligate in a federal fiscal year for formula apportionments. Formula apportionments are distributed to states via federal law. The measure provides the variance of actual federal revenue versus projected federal revenue by federal fiscal year.

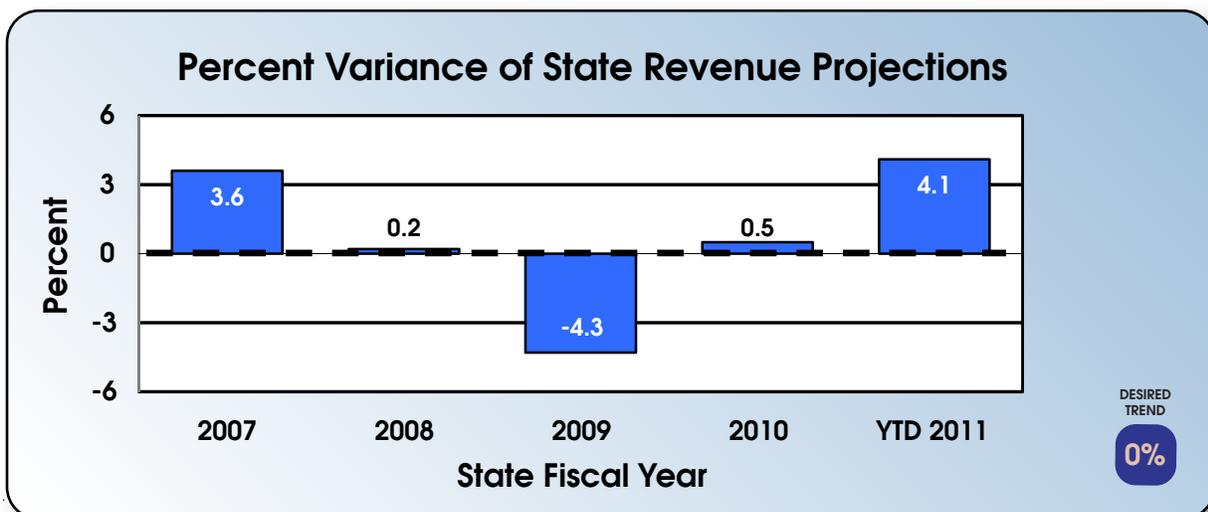
State and federal revenue projections are based on the department's current financial forecast. State revenue data is updated quarterly. Federal revenue data is updated annually in October.

### Improvement Status:

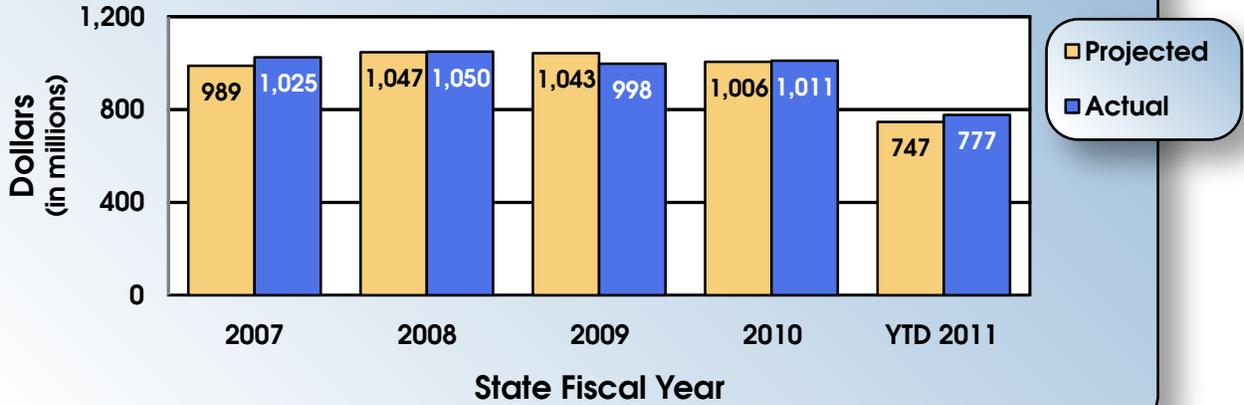
Actual state revenue was more than projected through the third quarter of fiscal year 2011. Projected revenue was \$746.5 million. However, actual receipts were \$776.9 million, a difference of \$30.4 million and a positive variance of 4.1 percent. The majority of the variance was from motor vehicle sales and uses taxes, primarily because the forecast was more conservative than usual due to the uncertain economy.

The actual federal revenue was more than projected for fiscal year 2010. The projected revenue was \$878.9 million. However, the actual revenue was \$910.4 million, a difference of \$31.5 million and a positive variance of 3.6 percent. MoDOT received additional revenue because: 1) funding that previously was classified as discretionary was categorized as formula funds in federal fiscal year 2010 under the SAFETEA-LU extension; and 2) \$14 million of additional funding became available from the annual August redistribution process.

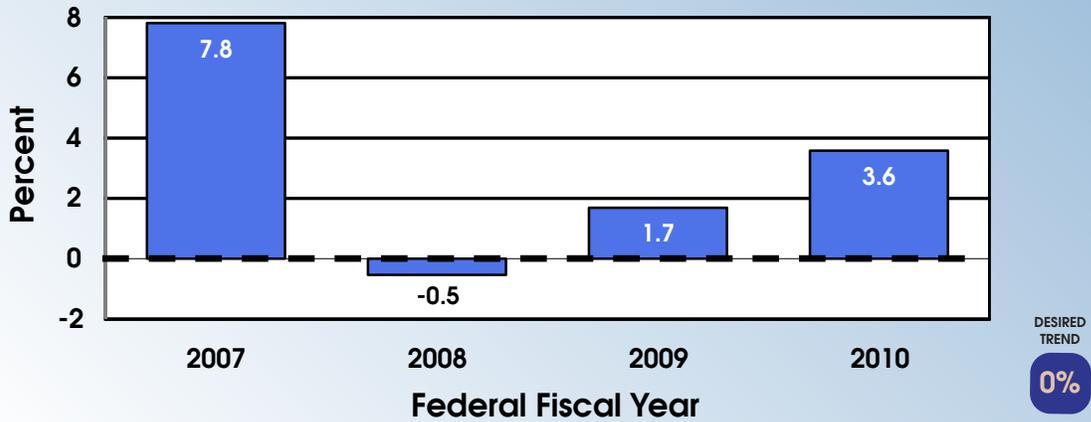
The desired trend is for actual revenue to match projections with no variance. MoDOT staff adjusts future operating and capital budgets to account for these variances, if needed.



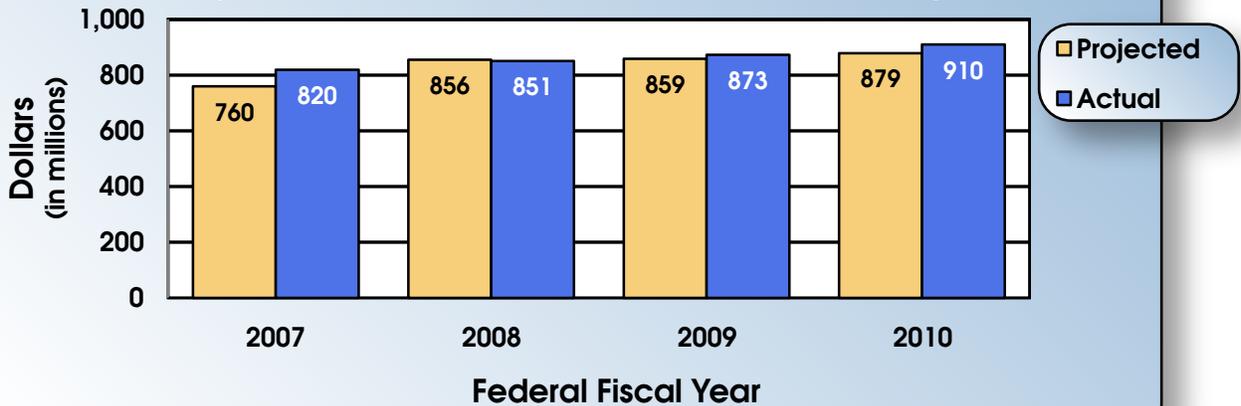
Projected vs. Actual State Revenue Comparison



Percent Variance of Federal Revenue Projections



Projected vs. Actual Federal Revenue Comparison



### Number of excess properties conveyed and gross revenue generated from excess properties conveyed - 15k

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Kelly Lucas, Right of Way Director

#### **Purpose of the Measure:**

The purpose of this measure is to track the number of excess parcels conveyed from MHTC ownership and to track the amount of revenue generated from the conveyance of excess property. In order to fulfill its stewardship role of asset management while observing practical business decisions, the department is proactively identifying and disposing of property that is no longer needed for the maintenance of the transportation system, will not be used for future expansion projects and is no longer needed for its operations. Funds received from the conveyance of excess properties are used to improve the condition of the state highway system. The districts use these funds to apply toward the costs associated with various maintenance activities and construction projects.

#### **Measurement and Data Collection:**

Data collection for this measure is reported on a quarterly basis from the Realty Asset Inventory system.

#### **Improvement Status:**

MoDOT conveyed 226 parcels in the first three quarters of fiscal year 2011, which is slightly less than the 243 parcels conveyed in the first, second and third quarters of fiscal year 2010 combined. Revenue from excess sales through the end of the third quarter of fiscal year 2011 totals \$2,459,504, resulting in an increase of \$363,324 from the previous quarter. Revenue came from 53 percent of the conveyances.

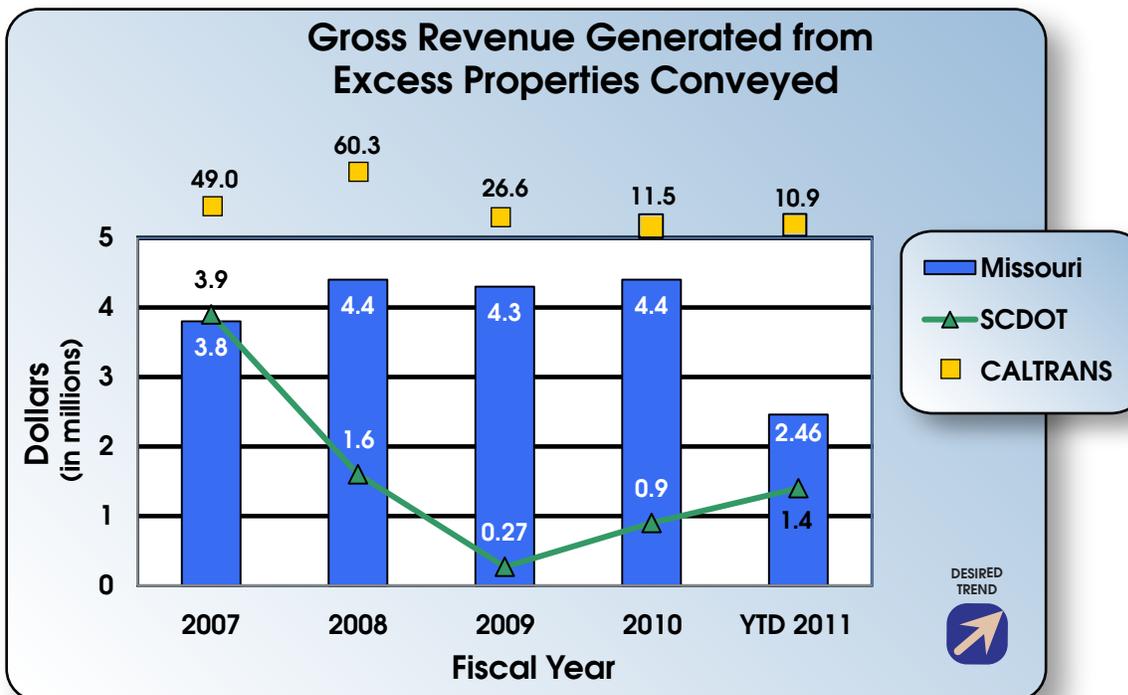
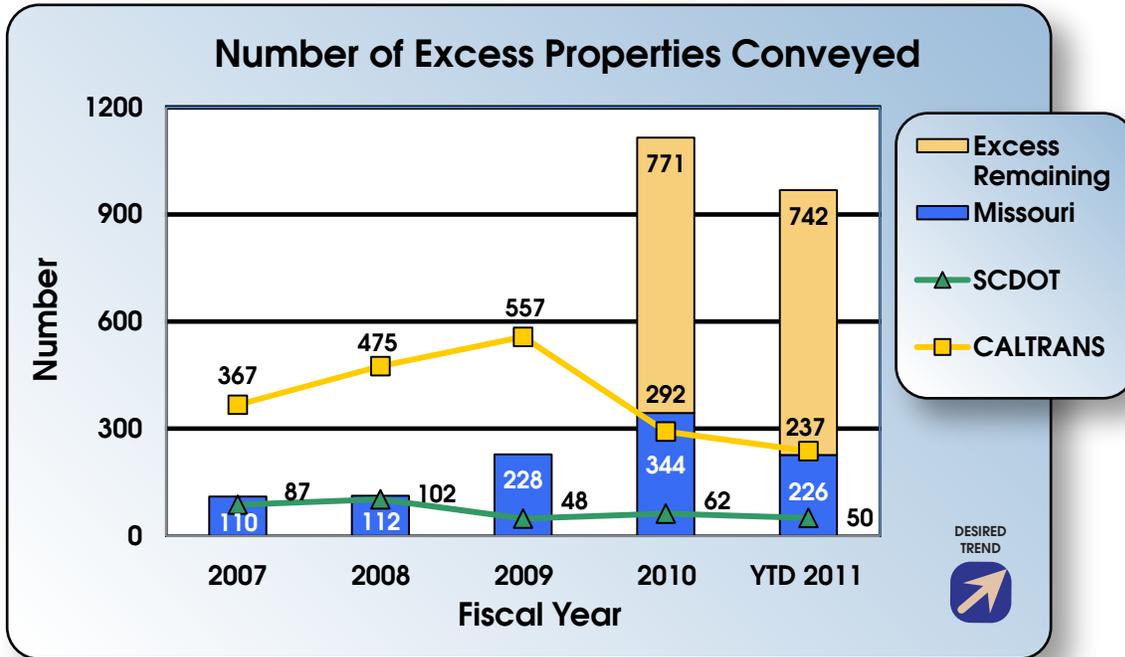
In January, the Commission revised its policy to eliminate the restriction of outdoor advertising on excess property conveyances. This change expands the potential use of the property being marketed by the Commission.

MoDOT and the Office of Administration (OA) have joined forces to sell excess property. MoDOT's website offers a link to other state-owned property being marketed for sale by OA. The OA website, in turn, links to MoDOT's Realty to Roads program page. The web page received 40,640 page views in the third quarter.

In late March, 39 parcels ranging in size from one-tenth of an acre to 199 acres were made available for purchase by either auction or sealed bid. The Realty to Roads Spring Event was well publicized with statewide and local media attention. Each district marketed property for sale with the exception of District 3 and District 5.

Each district completed an excess property inventory review exercise. The exercise reinforced the program objective of reducing the number of excess properties in the Realty Asset Inventory, while also ensuring an accurate and complete inventory. As part of this review, multiple sites were evaluated to determine if the properties should be classified as excess.





## Average cost per acre mowed and treated-15I

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Tom Stehn, District Engineer

### Purpose of the Measure:

This measure tracks the average annual cost per acre of roadside vegetation managed by mowing and/or herbicide treatments. MoDOT has made improvements to the overall quality and efficiency of managing roadside vegetation through the development of mowing best practices and herbicide research.

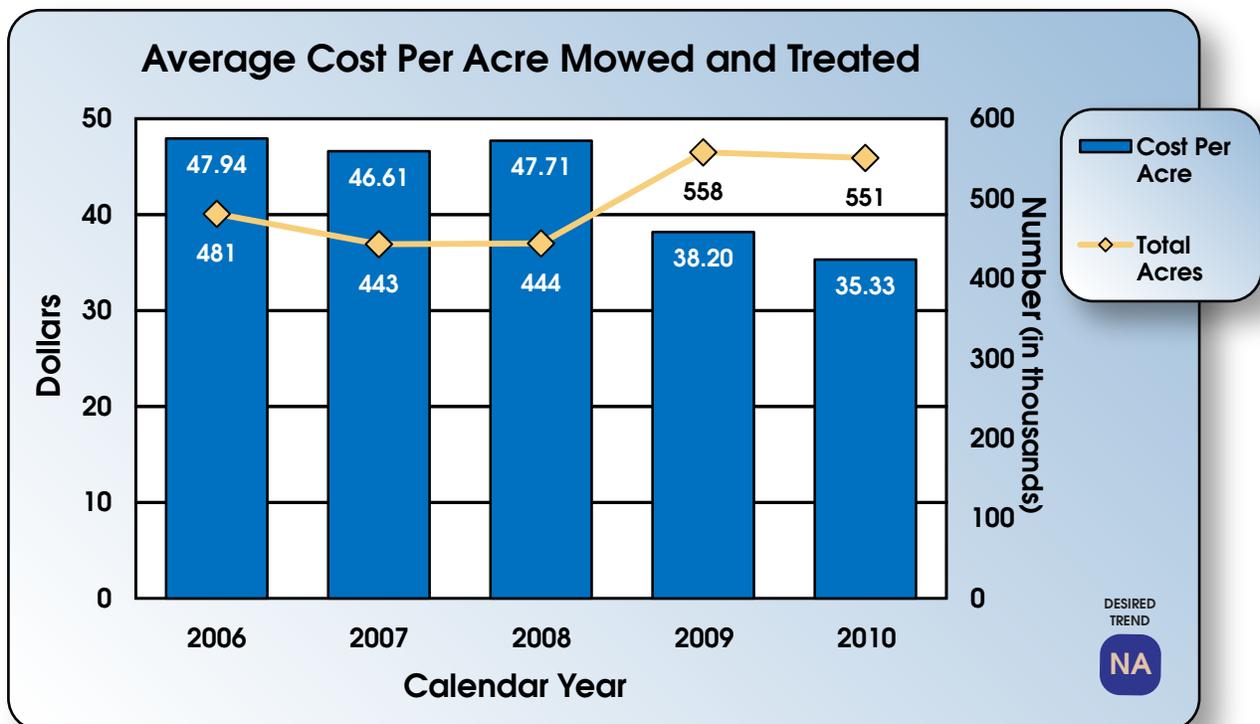
### Measurement and Data Collection:

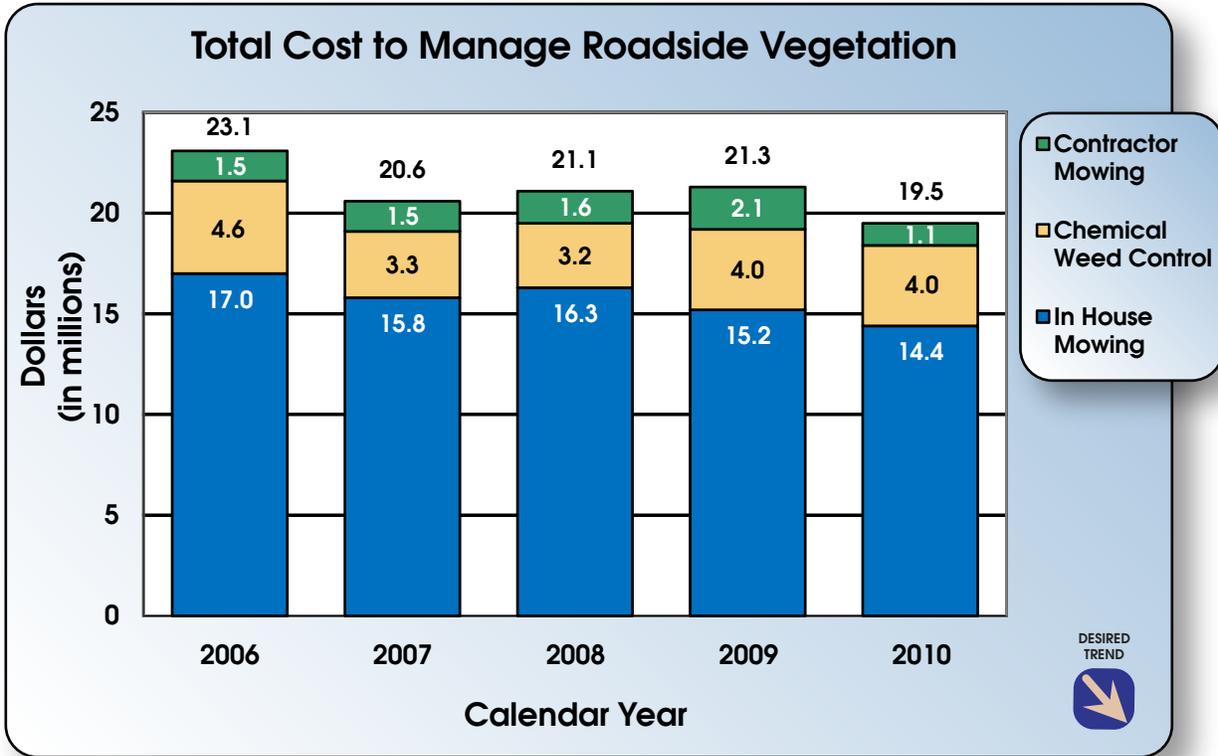
Data is collected by input from each district into the Financial Management System and the Herbicide Database. This measure evaluates the cost of managing roadside vegetation in accordance with the Roadside Vegetation Management Policy and the Herbicide Handbook. The costs are a total of in-house mowing, contractor and farmer mowing and herbicide treatments for chemical mowing and the control of noxious weeds, brush and other

undesirable vegetation. This is an annual measure updated each January.

### Improvement Status:

According to A Report Card from Missourians – 2009, 70 percent of the respondents are satisfied or very satisfied with how the roadside vegetation is managed. During the spring and summer of 2009, mowing best practices were implemented statewide. There is a slight decrease in the reported number of acres mowed and/or treated and \$1.8 million decrease in the cost to manage roadside vegetation. MoDOT increased efficiency in managing roadside vegetation while at the same time maintaining attractive roadsides that deliver an enjoyable transportation experience.





## Average cost per square yard of chip seal – 15m

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Mark Shelton, District Engineer

### Purpose of the Measure:

This measure tracks the unit cost per square yard to chip seal Missouri roadways and the number of lane miles chip sealed statewide. Tracking the cost per square yard of chip seal is part of an overall best practice process that seeks to accurately monitor costs, improve quality and reduce costs.

### Measurement and Data Collection:

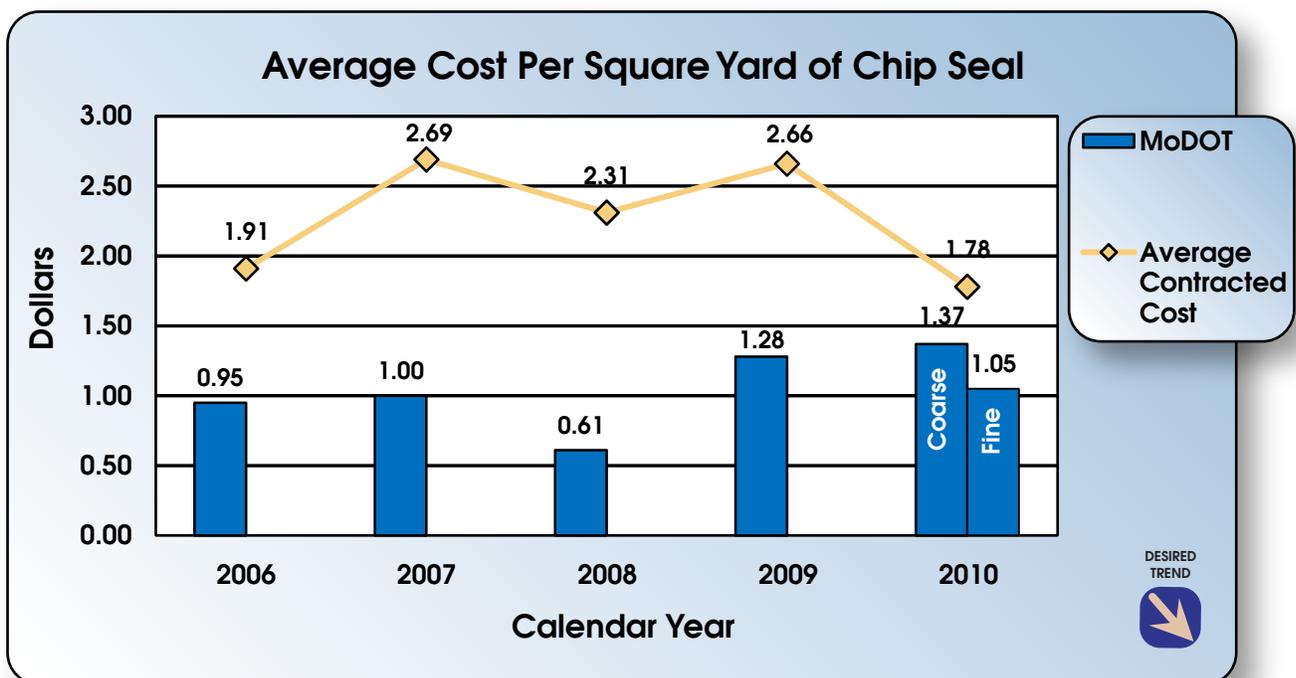
This measure includes costs associated with the equipment, labor and fringe benefits and materials used while performing chip seal operations. The desired trend is to reduce unit costs without impacting the quality of the seal. Field staff enters costs and job data into the Financial Management System (FMS). The data is used to calculate a cost per square yard to complete the chip seals. All projects were completed using “in house” forces. MoDOT, in general, owns the equipment used in completing the chip seals, however some districts rent specialty pieces of equipment rather than purchasing them. The cost is based on a roadway width of 22 feet. The most inconsistent variable between the districts is the cost of the aggregate that

is used in the chip seal. The cost of the aggregate can vary greatly not only by the type of product selected, but can also vary significantly between districts due to the availability of the product, as well as, the transportation costs. This is an annual measure updated each January.

### Improvement Status:

In order to present the cost more accurately, the 2010 calendar year data was separated into fine aggregate seals and coarse aggregate seals. In 2010, MoDOT spent twice as much money on fine aggregate seals as on coarse aggregate seals. This splitting out of aggregate types more accurately conveys the unit costs.

The cost per square yard for chip seal decreased from 2009 to a composite average of \$1.14 per square yard. While the average cost to MoDOT to contract chip seal dipped to \$1.78 per square yard. MoDOT forces placed fewer lane miles of chip seal in 2010 than in 2009.





## Dollars invested in information technology resources-15n

**Result Driver:** Roberta Broeker, Chief Financial Officer

**Measurement Driver:** Mike Miller, Information Systems Director

### Purpose of the Measure:

This measure tracks the dollars invested in information technology that makes MoDOT faster, better and cheaper. This measure also compares the percentage of dollars invested in information technology to total MoDOT operating expenses.

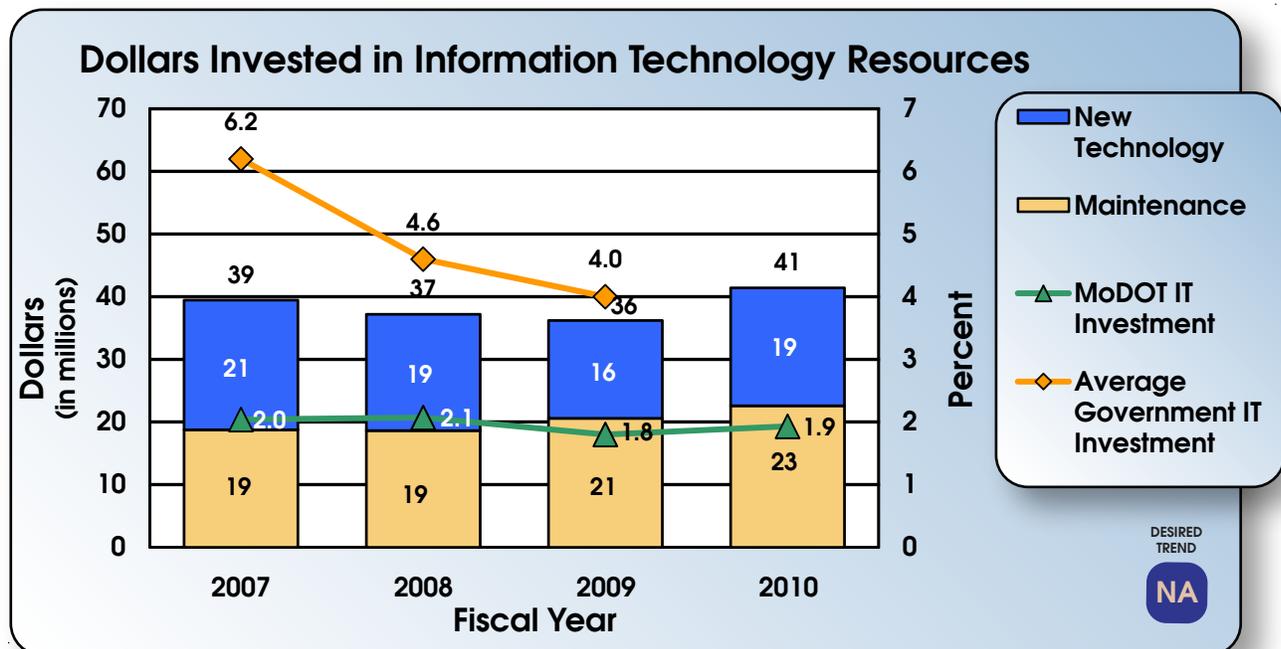
### Measurement and Data Collection:

Data for this measure is collected from the SAM II financial and human resource system. The Information System's resource and planning system also aids in grouping the data into the categories of New Technology or Maintenance expenditures. New Technology is new to the department or expanded beyond its previous use or extent. Maintenance keeps current systems running or upgraded to current vendor level. Investment dollars include Information Systems Division expense and equipment, personal service and fringe benefits only. It does not include division or district dollars. The operating expenses are on a cash basis. The average government IT investment benchmark is obtained from Gartner and indicates the percentage of dollars devoted to information technology within an agency compared to its operating expenses. Gartner is an information technology research and advisory firm that performs

annual surveys across multiple industries, including state government. The Gartner benchmarks are by fiscal year and are published in December. This is an annual measure updated each July for the previous fiscal year.

### Improvement Status:

MoDOT's ITIP Committee works to manage information technology investments while balancing investment in new technologies and maintaining existing systems. Over the last several years maintenance costs have increased due to the need to support information technology systems and applications that were previously purchased. Also, the benchmark of average government IT investment has been on the decline. Similarly, MoDOT's information technology investment was also declining until 2010. The 2010 increase was due to \$3 million dollars in carryover of funds from FY09 for several large projects such as the Dual Data Center, HR Integrated Data system, Fiber to Message Boards and Re-platform Motor Carrier Services servers. We continue to review software and hardware maintenance to determine if the service is needed and of value.



*(This page is intentionally left blank for duplexing purposes)*