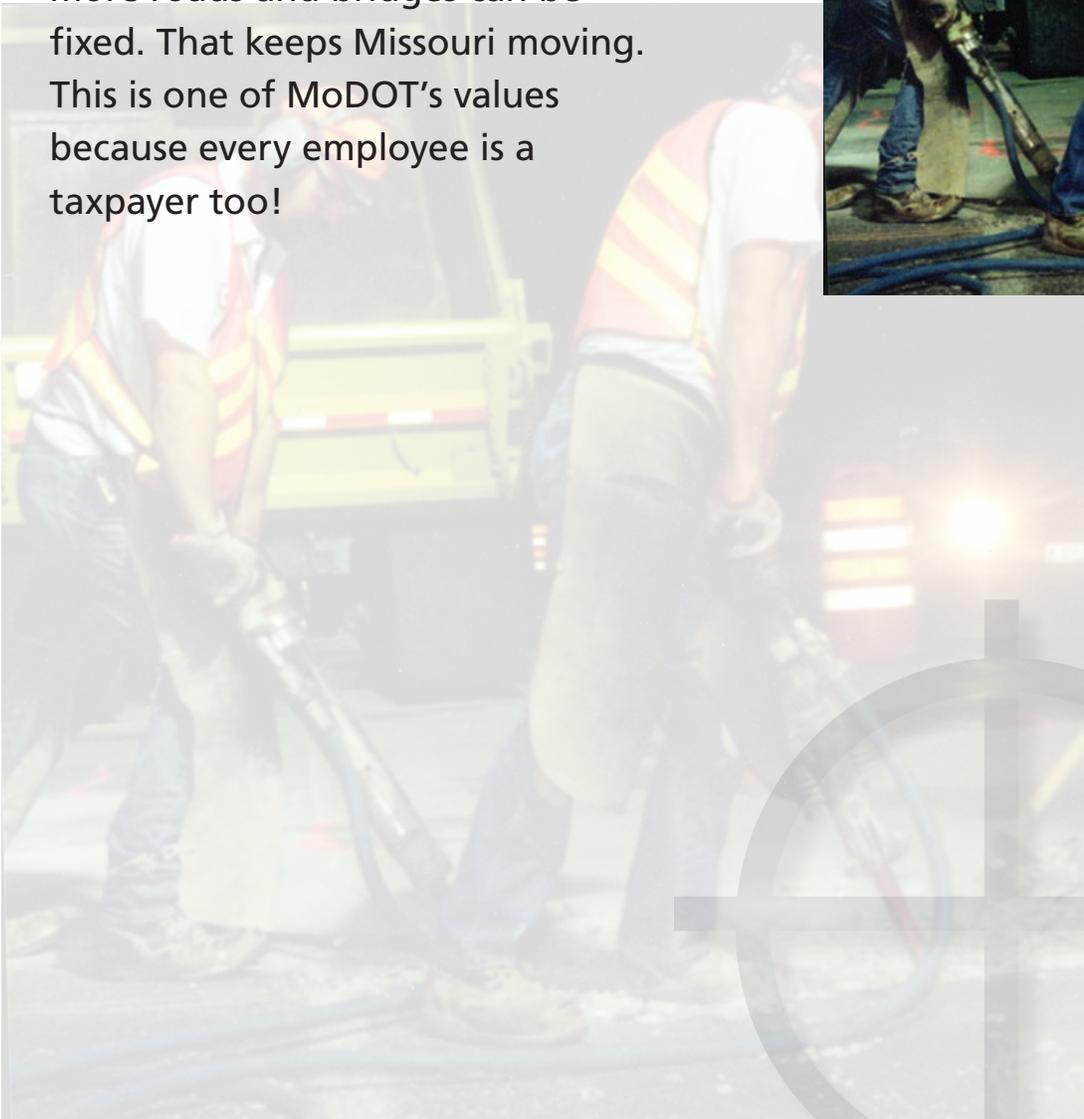

Best Value For Every Dollar Spent

*Tangible Result Driver – Roberta Broecker,
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!



Best Value for Every Dollar Spent

Number of MoDOT employees (converted to full-time equivalency)

Result Driver: Roberta Broeker, Chief Financial Officer
Measurement Driver: Micki Knudsen, Human Resources Director

Purpose of the Measure:

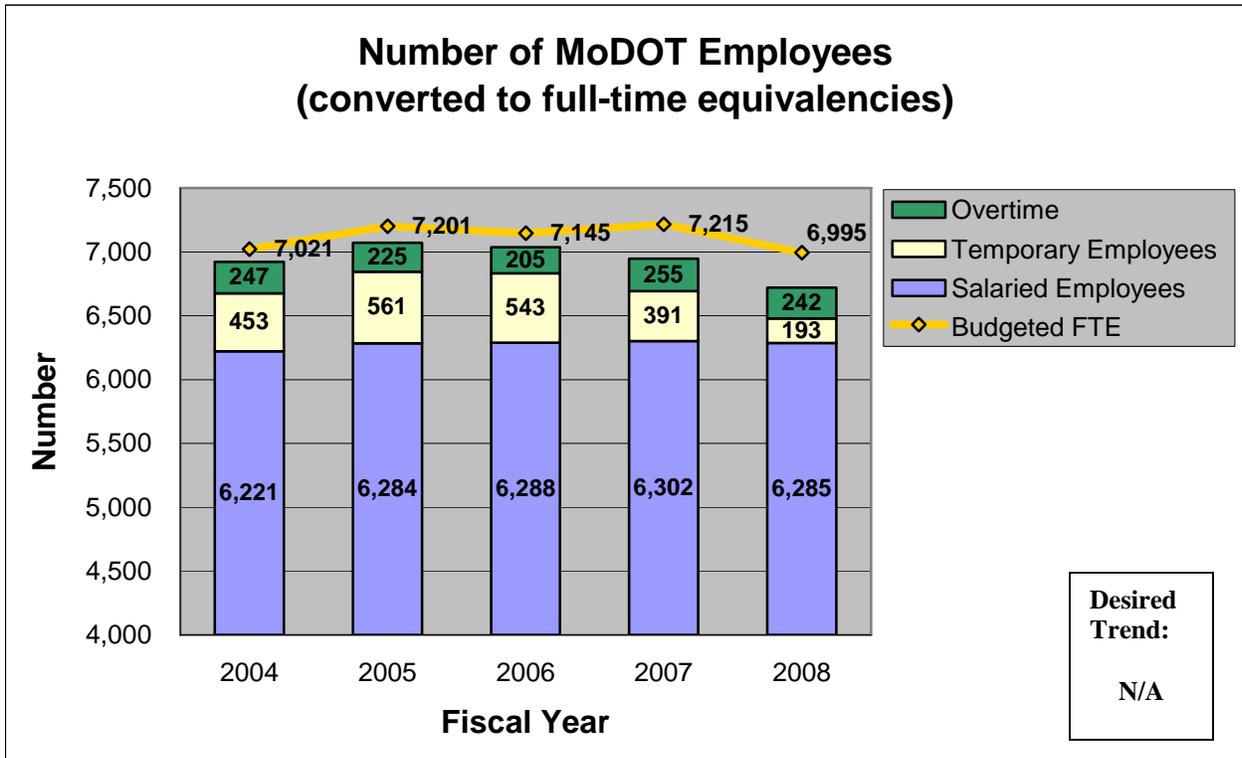
This measure tracks the change in the number of employees within the department. This measure converts salary dollars paid to temporary and salaried employees, as well as the amount paid for overtime worked, to full-time equivalency (FTE). In order to convert these numbers to FTEs, the total number of hours worked is divided by 2,080. Overtime includes both salaried and wage employees.

Measurement and Data Collection:

The data is collected and reported each quarter of the fiscal year. The data is a high-level view of overall staffing at MoDOT in relation to budgeted FTEs.

Improvement Status:

Comparing fiscal year 2008 to FY 2007, the department has used 17 fewer FTEs for salaried employees, 198 fewer FTEs for temporary employees, and 13 fewer FTEs for overtime. In terms of the actual number of employees, comparing 2008 to 2007, the department has reduced the number of salaried employees by 38 and the number of seasonal employees by 46. Reductions in the actual number of employees and FTEs are reflective of the department’s emphasis on managing its staffing levels. The reduction in overtime worked is an outcome consistent with department efforts to better manage work schedules.



Best Value for Every Dollar Spent

Percent of work capacity based on average hours worked

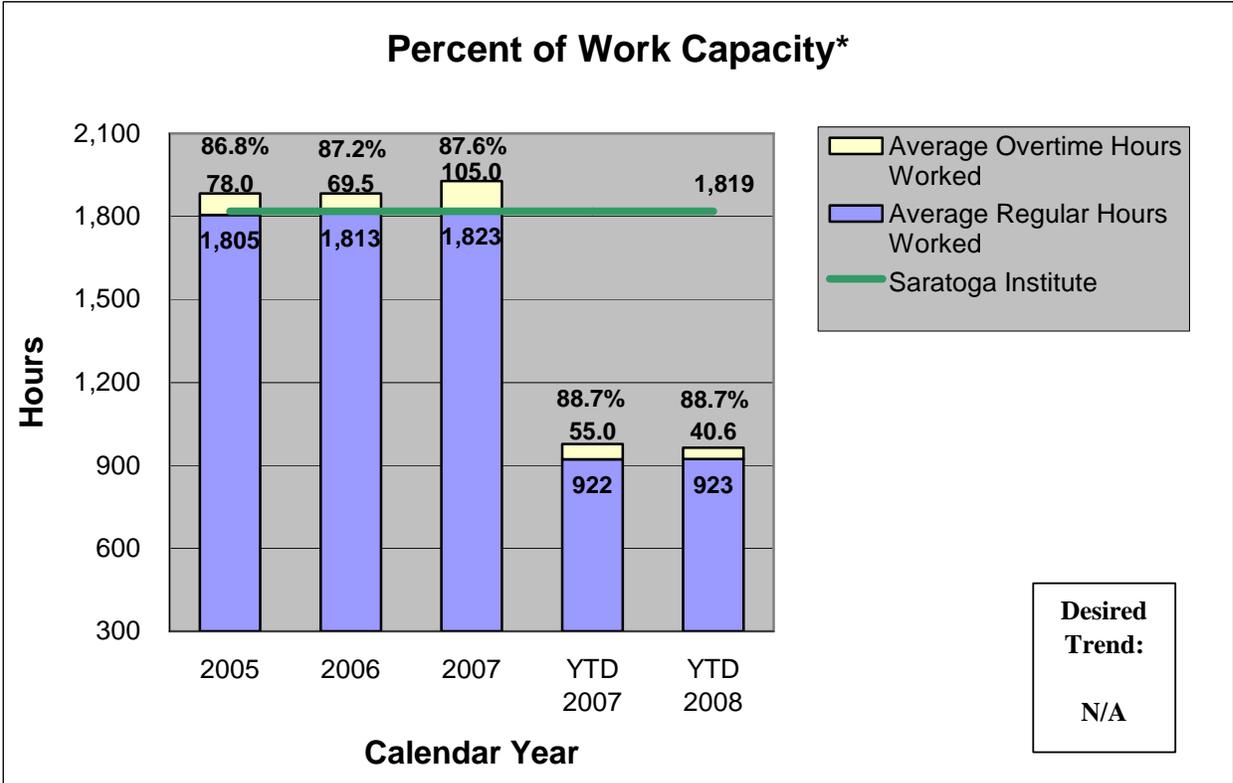
Result Driver: Roberta Broeker, Chief Financial Officer
Measurement Driver: Micki Knudsen, Human Resources Director

Purpose of the Measure:
 The purpose of this measure is to track how many hours the average employee works on an annual basis. It can assist management in determining staffing and productivity levels.

Measurement and Data Collection:
 MoDOT measures organizational work capacity based on average regular hours worked and average overtime hours worked by employees. The chart also displays the percentage of regular hours available that are worked.

The average regular hours worked does not include seasonal or wage employees. The average overtime hours worked does not include exempt, seasonal, or wage employees. Benchmark data is from the Saratoga Institute report, “Key Trends in Human Capital – Global Perspective,” indicating average hours worked per person in the United States.

Improvement Status:
 Year-to-date work capacity for the calendar year 2008 remained the same compared to the same time frame for 2007, 88.7 percent. The most significant finding when comparing work capacity from the first half of 2008 to the first half of 2007 is the reduction in average overtime hours worked per employee, from 55.0 hours in 2007 to 40.6 hours in 2008. This is the result of the department’s decision to focus on the reduction of overtime by sharing best practices in managing work schedules.



* Based on 2,080 hours of work in the calendar year (520 hours in the quarter), not including overtime hours.

Best Value for Every Dollar Spent

Rate of employee turnover

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Micki Knudsen, Human Resources Director

Purpose of the Measure:

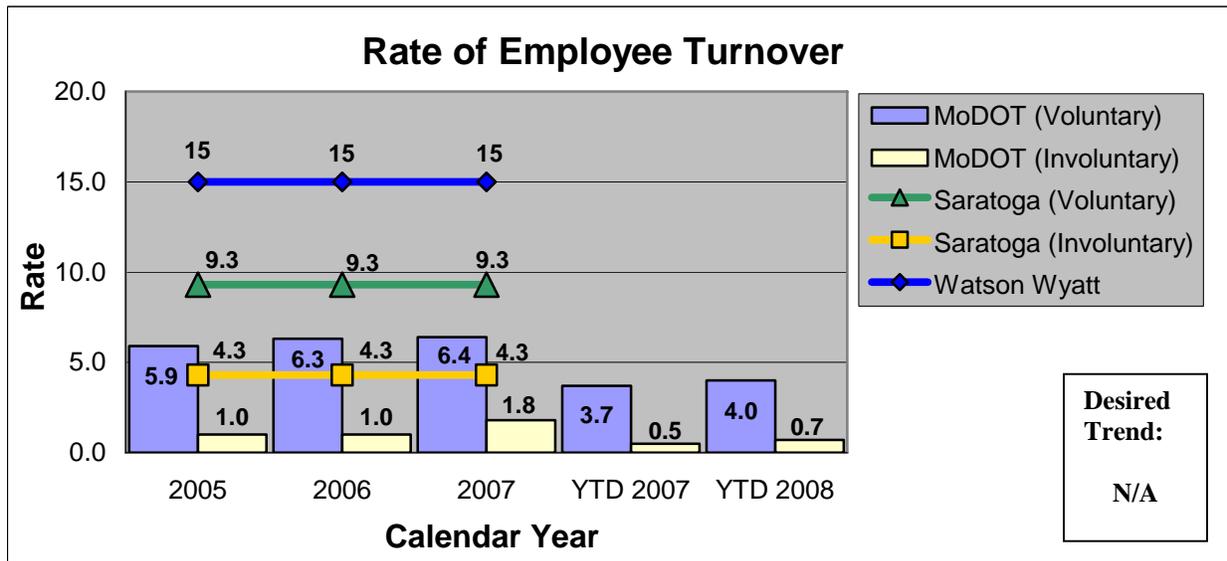
This measure tracks the percentage of employees who leave MoDOT annually and compares the department's turnover rate to benchmarked data. Voluntary turnover includes resignations and retirements. Involuntary turnover includes dismissals. Turnover rates include voluntary separations, involuntary separations, and deceased employees.

Measurement and Data Collection:

The data is collected statewide to assess employee overall turnover. Comparison data is collected from various sources annually. For benchmarked data, Saratoga Institute surveyed 288 organizations representing a wide variety of industries. In addition, the Watson Wyatt study determined the optimum turnover rate by analyzing turnover rate compared to organizational financial performance.

Improvement Status:

During the first half of calendar year 2008, there were 302 separations from the department. This compares to 271 and 253 for the first halves of 2007 and 2006, respectively. If the separation trend continues as it has in the previous two years, 2008 will have the highest separation rate since 2000. There were 43 involuntary separations during the first half of 2008 compared to 33 during the same period in 2007. This reflects an increase in involuntary turnover, which is considered positive for the organization as a result of the increased emphasis on performance management. Additionally, 30 of the 255 voluntary separations that occurred in the first half of 2008 are also considered positive turnover, due to the separating employee having a disciplinary history and/or a final performance management rating of "Needs Improvement" or below. The number of employees in civil engineering positions that left the department during the first half of 2008 (34) is the same as in the first half of 2007. Calendar year 2007 had the lowest civil engineering separation rate in the last three years.



Best Value for Every Dollar Spent

Level of job satisfaction

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Micki Knudsen, Human Resources Director

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:

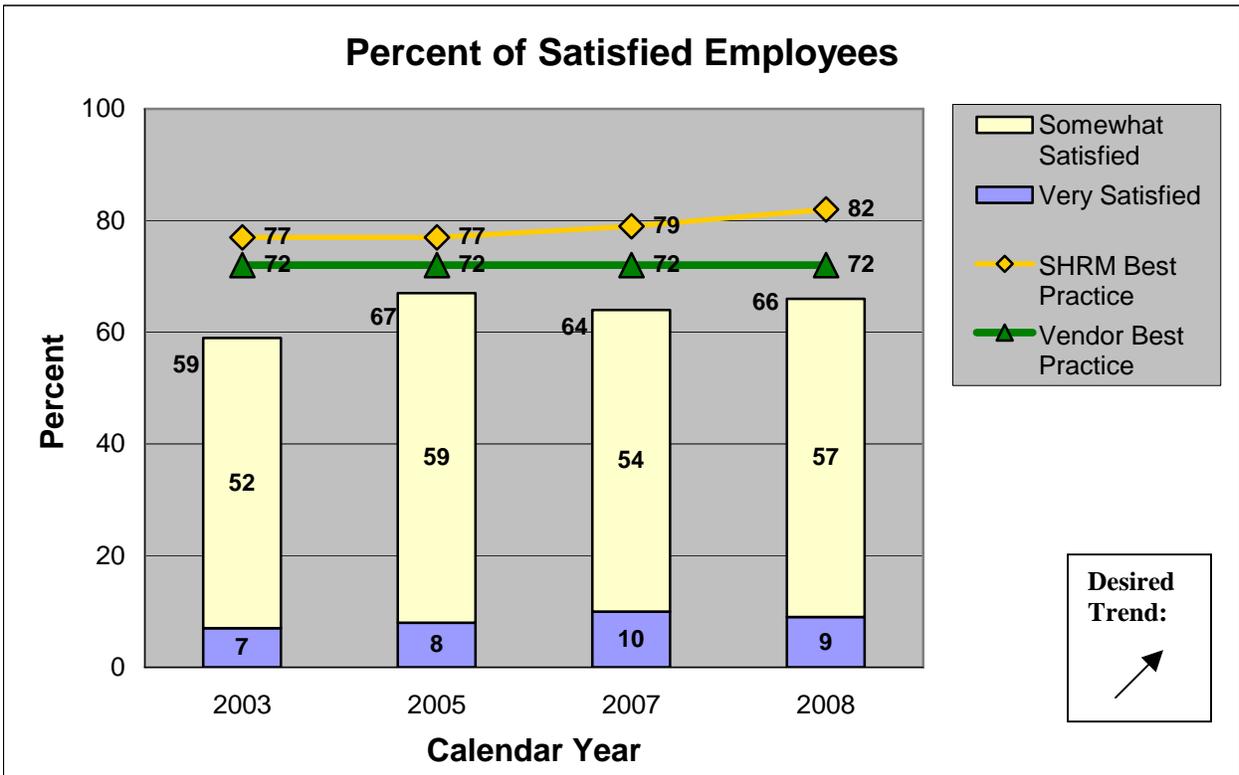
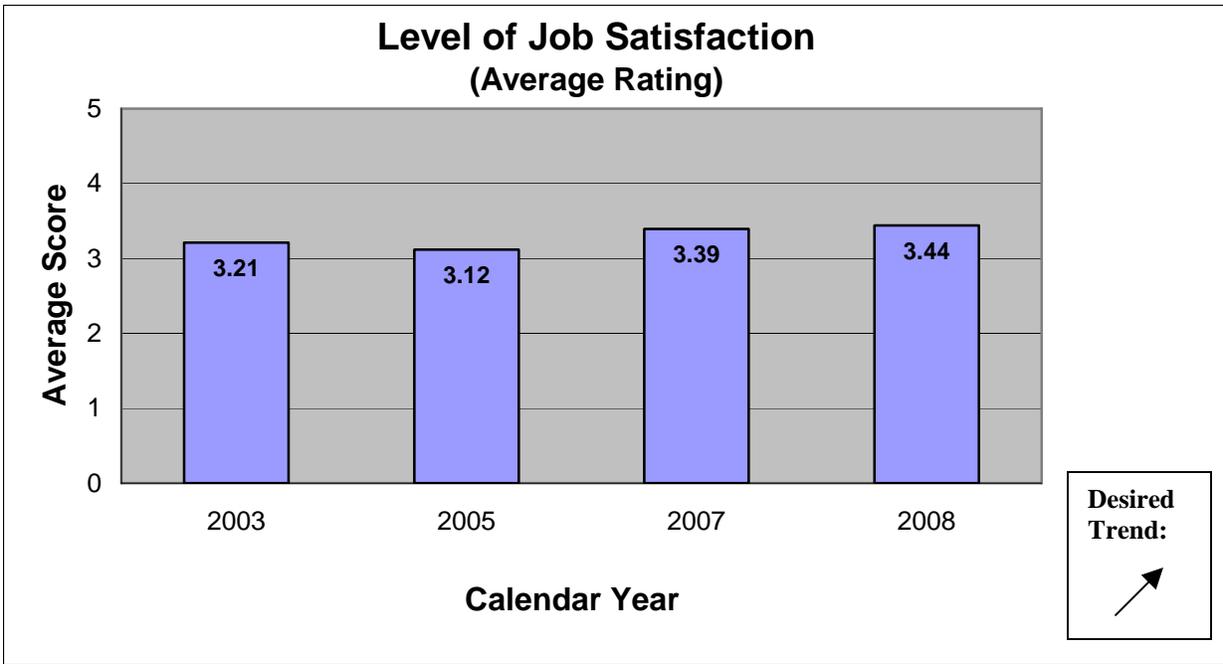
Employee satisfaction is measured using 18 items from an annual employee survey. The vendor contracted to conduct the employee satisfaction survey in 2003 and 2005 provided "Vendor Best Practice" data collected from an anonymous company. Society for Human Resources Management (SHRM) best practice data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

Improvement Status:

The 2008 Employee Satisfaction Survey was distributed on May 5, 2008, and preliminary data was analyzed beginning the week of June 16, 2008. An additional scale was added to the Employee Satisfaction Survey this year to measure employee perceptions about how supervisors, and/or MoDOT overall, live the MoDOT Values. A final report will be distributed in October 2008.

Results indicate that 4,209 employees responded to the survey for a 64 percent return rate. That is a decrease from 76 percent in 2007 and is below the 2005 rate of 70 percent. For 2008, a smaller percentage of employees rated their overall satisfaction at the highest level; however, a higher percentage of employees rated their overall satisfaction above neutral, 66 percent compared to 64 percent in 2007. The average rating for job satisfaction increased for 2008. Of the 18 items comprising the job satisfaction scale, 14 items increased in average score and 2 remained unchanged. The two items related to "general satisfaction" and "feeling in control of life while at work" decreased. The two items related to "rewards at work" had the largest average increase; however, both are still among the bottom three ranked items in the job satisfaction scale. These results coincide with a significant number of comments and concerns related to pay issues including: (1) restriction on working overtime, (2) concerns about favoritism in performance-based pay increases, (3) lack of opportunities for promotion, and (4) pay increases not keeping up with rising costs of living. Additionally, concerns about employee morale comprise a significant portion of employee comments.

The 2007 Employee Satisfaction Survey report included 41 strategies to improve employee satisfaction. The district management teams and executive management at Central Office developed these strategies for implementation during fiscal year 2008. The districts and divisions have been contacted to determine the status of the strategies. The results of the survey seem to indicate these strategies have produced mixed results as both the job satisfaction and organizational justice scales increased on average, while the employee engagement scale has decreased.



Best Value for Every Dollar Spent

Number of lost workdays per year

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Jeff Padgett, Risk and Benefits Management Director

Purpose of the Measure:

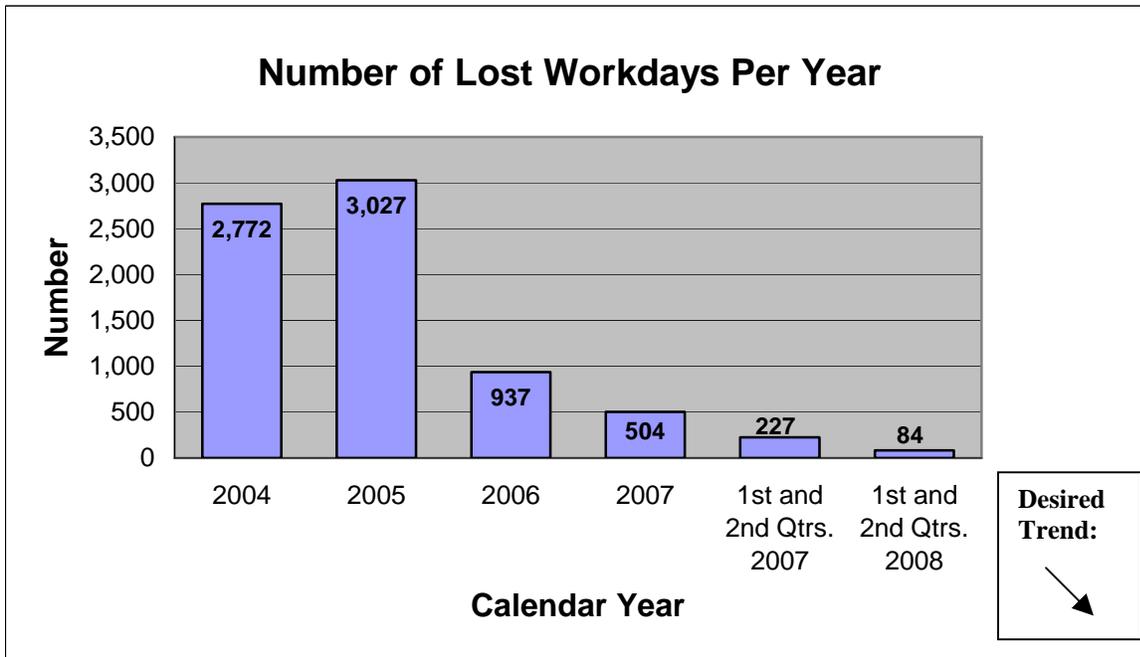
This measure tracks the actual number of days that employees cannot work due to work-related injuries sustained during the reporting period. Note that the results do not include lost workdays for injuries that occurred during previous reporting periods. (Example: an employee that is injured on Dec. 31, 2007 and is off during January of 2008 will not show up as lost time in 2008 because the incident occurred during the previous reporting period.)

Measurement and Data Collection:

The data is collected from Riskmaster, a claims administration software, and reported quarterly.

Improvement Status:

The number of lost workdays for the first and second quarters of 2008 is 63 percent lower than the total from the same period last year, declining from 227 in 2007 to 84 lost workdays in 2008. Though not illustrated in the chart, the number of lost-time incidents reflected a 22 percent reduction from 2007 to 2008. MoDOT suffered the loss of two employees during the first two quarters of 2008. Springfield Area had an employee who was fatally injured in March, and the Kansas City Area had an employee who was fatally injured in June. MoDOT continues to develop and implement new safety-related initiatives to further reduce lost workdays including the Performance Plus Injury Reduction Incentive, a work simulation physical exam and a fitness 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 them back to work quickly.



Best Value for Every Dollar Spent

Rate and total of OSHA recordable incidents

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Jeff Padgett, Risk and Benefits Management Director

Purpose of the Measure:

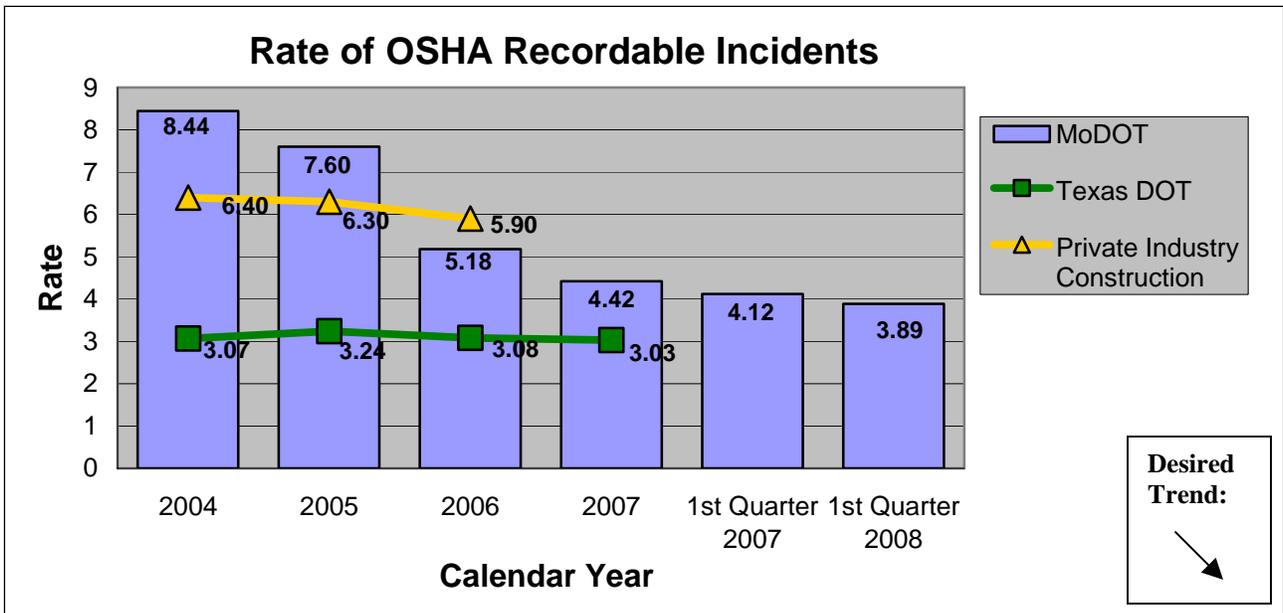
This measure tracks the number of recordable injuries, as defined by OSHA, in total and as a rate of injuries per 100 workers. The calculation for incidence rate is the number of recordables times 200,000 divided by the number of hours worked. The 200,000 used in the calculation is the base for 100 full-time workers (working 40 hours per week, 50 weeks per year). OSHA defines a recordable incident as a work-related injury or illness that results in death, days away from work, restricted work or transfer to another job, medical treatment beyond first aid or loss of consciousness. MoDOT defines medical treatment beyond first aid as work-related injuries requiring two or more doctor visits.

Measurement and Data Collection:

MoDOT reports on the measure quarterly, one quarter in arrears, and collects the injury data from Riskmaster, a claims administration software. The number of hours worked is taken from MoDOT's payroll data.

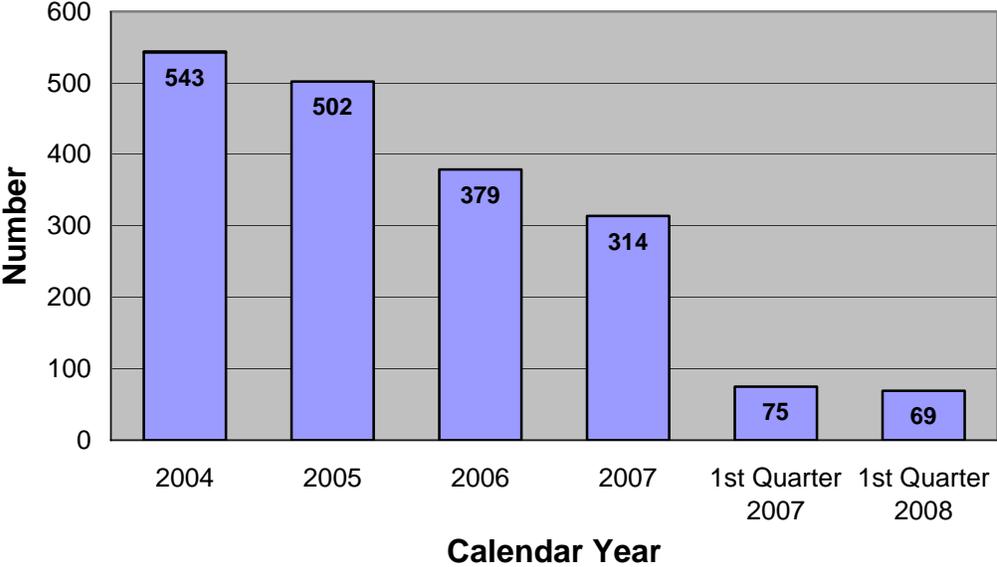
Improvement Status:

Both the number of OSHA recordables and the incidence rate for MoDOT have declined over the reporting periods noted. The incident rate declined by 6 percent for 2008 over 2007, dropping from 4.12 to 3.89. The number of OSHA recordables declined by 8 percent over the same period, demonstrating a reduction from 75 to 69. The department has reduced its injury rate by successfully implementing numerous safety-related initiatives.



(Information from Private Industry Construction was not yet available for 2007.)

Total of OSHA Recordable Incidents



Desired Trend:
↓

Best Value for Every Dollar Spent

Number of claims and total claims expense for general liability

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 claims expense incurred during the reporting period. The claims expense includes cash paid and adjustments to claim reserves.

Measurement and Data Collection:

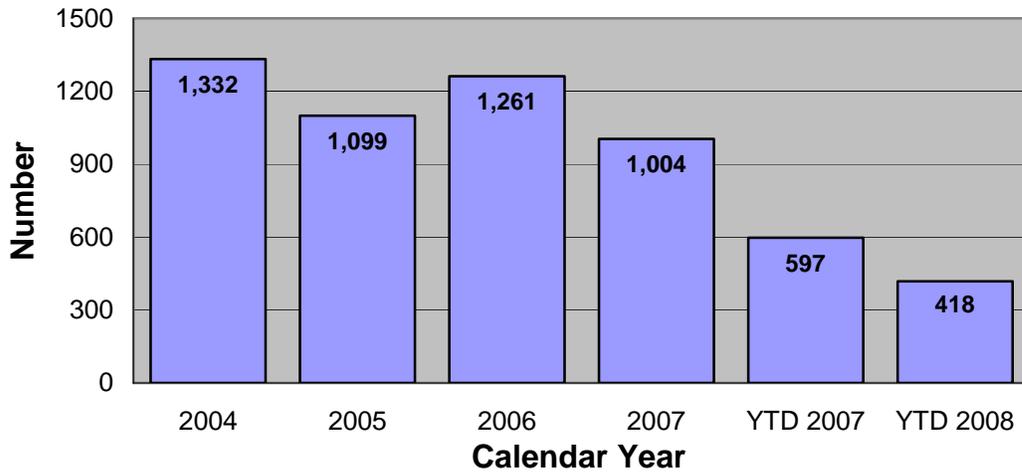
Risk and Benefits Management reports on the measure quarterly and collects the claims data from Riskmaster, a claims administration software. The Controller's Division provides the claims expense in the self-insurance plan financial statements.

Improvement Status:

The number of claims for general liability has declined over the reporting periods noted. The number of claims has declined by 30 percent through 2008 over the same time period in 2007, dropping from 597 to 418.

The actual claims expenses for the current period have increased significantly due to several adverse arbitration awards. The substantial increase in claims expense for 2005 is due to MoDOT receiving approximately 70 additional lawsuits immediately prior to the effective date of tort reform legislation. The expense represents the best estimate of the future liability attached to each claim and is adjusted over the life of the claims. Recently filed lawsuits and adjustments to pending reserves account for 90 percent of the expenses. The remaining 10 percent reflects payments.

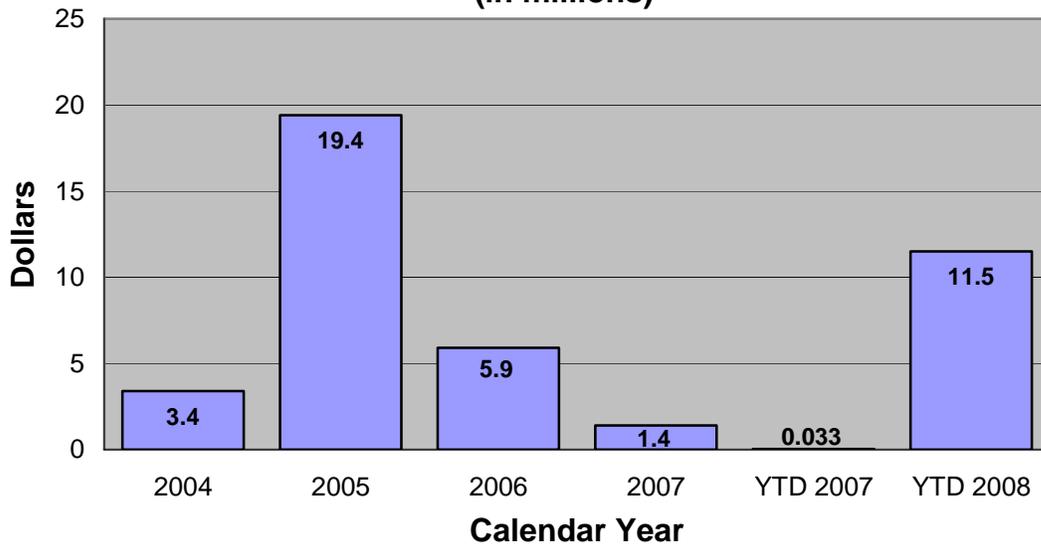
Number of Claims for General Liability



Desired
Trend:



Total Claims Expense for General Liability (in millions)



Desired
Trend:



Best Value for Every Dollar Spent

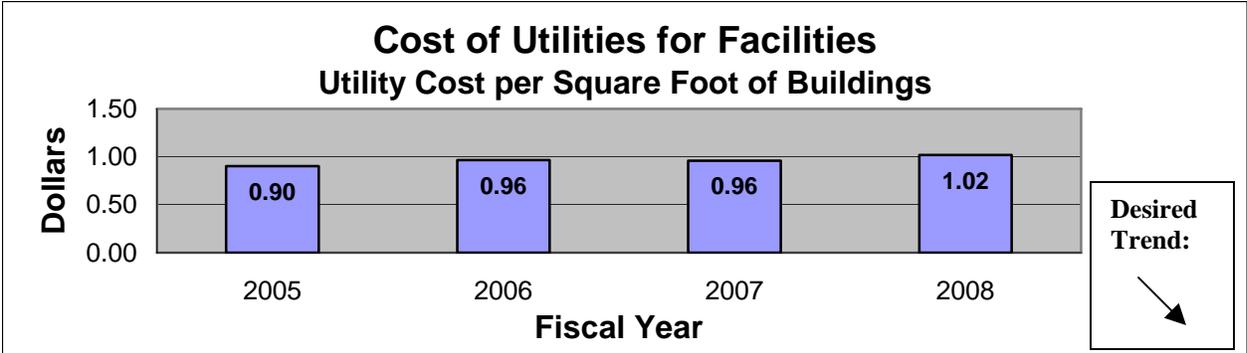
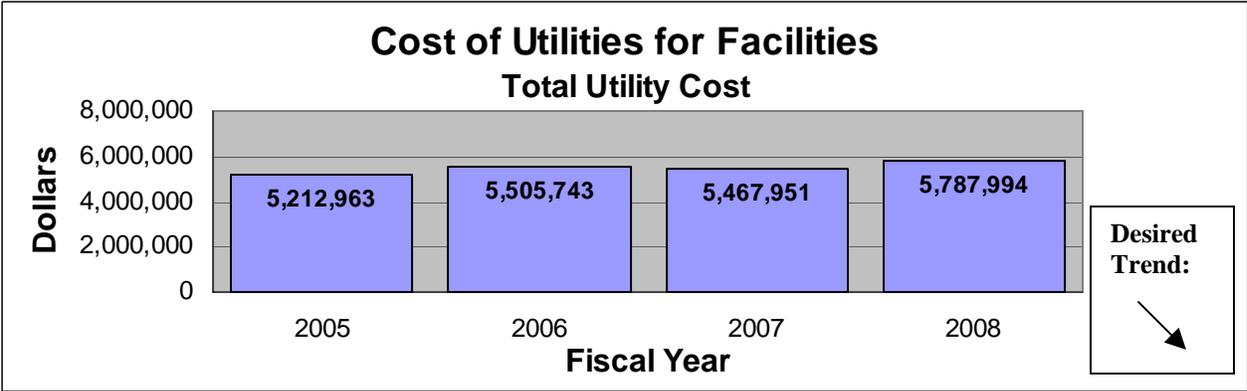
Cost of utilities for facilities

Result Driver: Roberta Broeker, Chief Financial Officer
Measurement Driver: Doug Record, General Services Manager - Facilities

Purpose of the Measure:
 This measure tracks the cost of utilities for department facilities, excluding roadways. It focuses on how these costs are affected by energy efficient improvements in buildings and operations.

Measurement and Data Collection:
 The data is collected based on utility expenditures recorded in the statewide financial accounting system. The following expenditures are included in the analysis: Electricity, excluding roadways, lighting & signals, Steam, Water, Sewer, Natural Gas, Propane, Fuel Oil, Other Fuel & Utilities. This is a quarterly measure with the per square foot chart being updated annually.

Improvement Status:
 In 2008, the total costs reported for utilities was \$5,864,214, an increase of 5.8 percent of the total utility costs reported in 2007. In the square foot cost comparison costs increased from 0.96 to 1.02, a 6.2 percent increase. Gas expenditures had the highest increase at 10.95 percent over last year. Per national reports from July 2007 to April 2008, gas prices increased on average 7 percent. Electric expenditures increased 2.34 percent over 2007, with national reports indicating an average 3 percent increase. Energy efficient improvements, such as lighting, sensors, programmable thermostats, etc, continue to be a statewide focus. To help with the physical improvements an initiative has been rolled out statewide to encourage employees to be more energy efficient in MoDOT's operations. A web page and blog have also been set up for employees to share energy saving ideas.



Best Value for Every Dollar Spent

Fleet status

Result Driver: Roberta Broecker, 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:

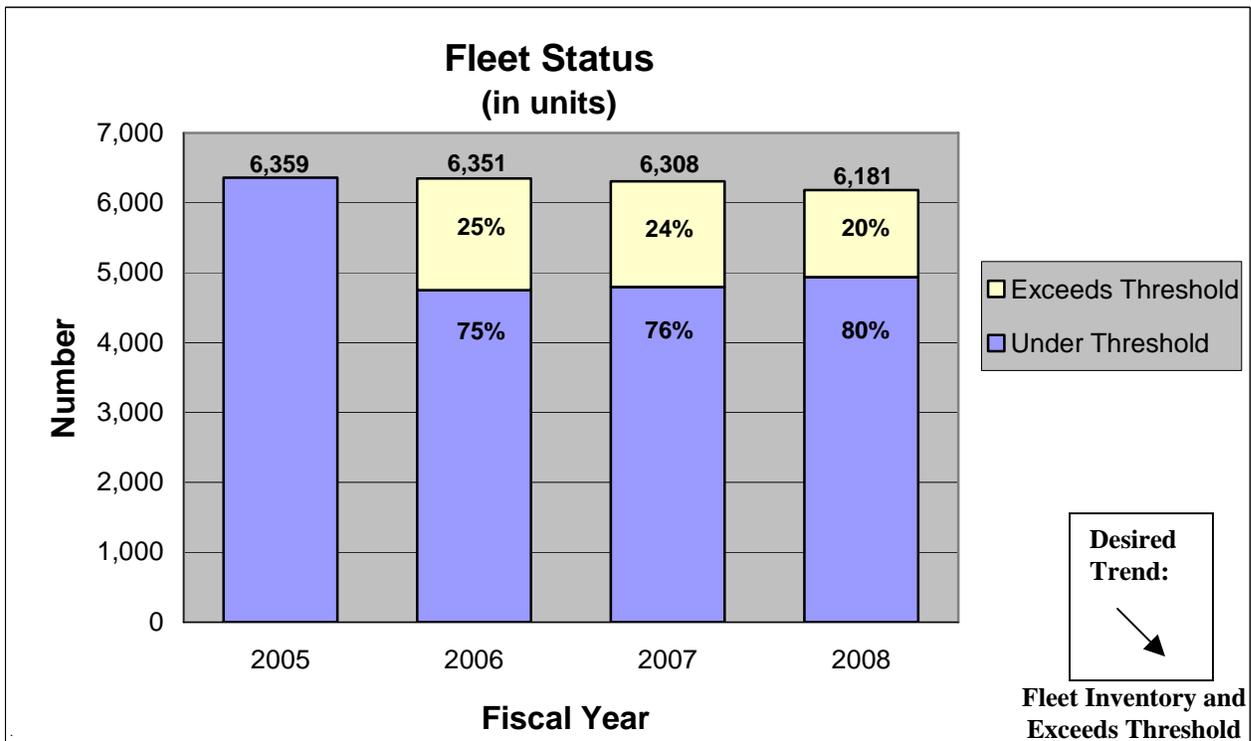
Age and meter thresholds were established based on maximum life usefulness. Units are identified as either exceeding or not exceeding their primary life cycle for either age or meter.

Reports are generated from the Fleet Management System to obtain information regarding equipment age and usage.

Improvement Status:

The overall fleet size has decreased from 6,308 to 6,181 units during fiscal year 2008.

MoDOT's goal is to increase the percentage of fleet under the replacement threshold. According to the established thresholds, 80 percent of the MoDOT fleet is under the recommended replacement criteria. The criteria suggests that 20 percent of the fleet currently meets or exceeds the threshold. MoDOT has made a concerted effort to maintain the fleet at the appropriate level to ensure service needs are met.



Best Value for Every Dollar Spent

Percent of vendor invoices paid on time

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.

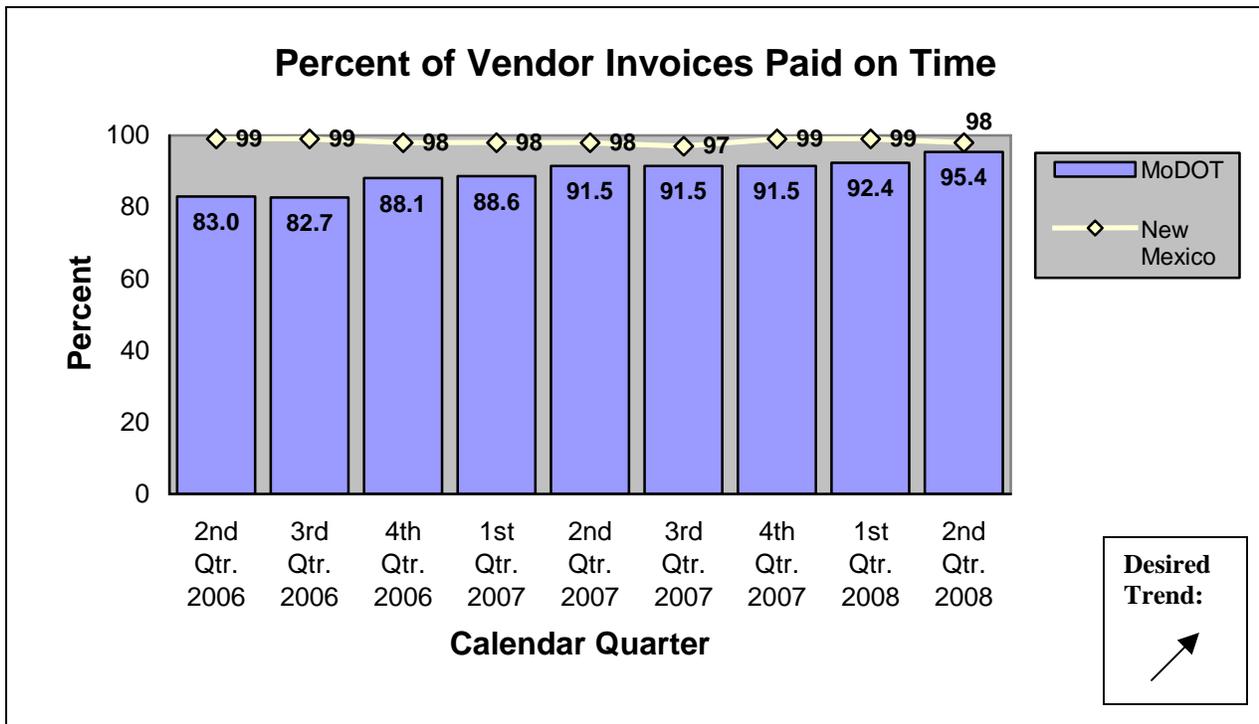
Measurement and Data Collection:

The check date determines if 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. 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.

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.



Best Value for Every Dollar Spent

Distribution of expenditures

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Debbie Rickard, Controller

Purpose of the Measure:

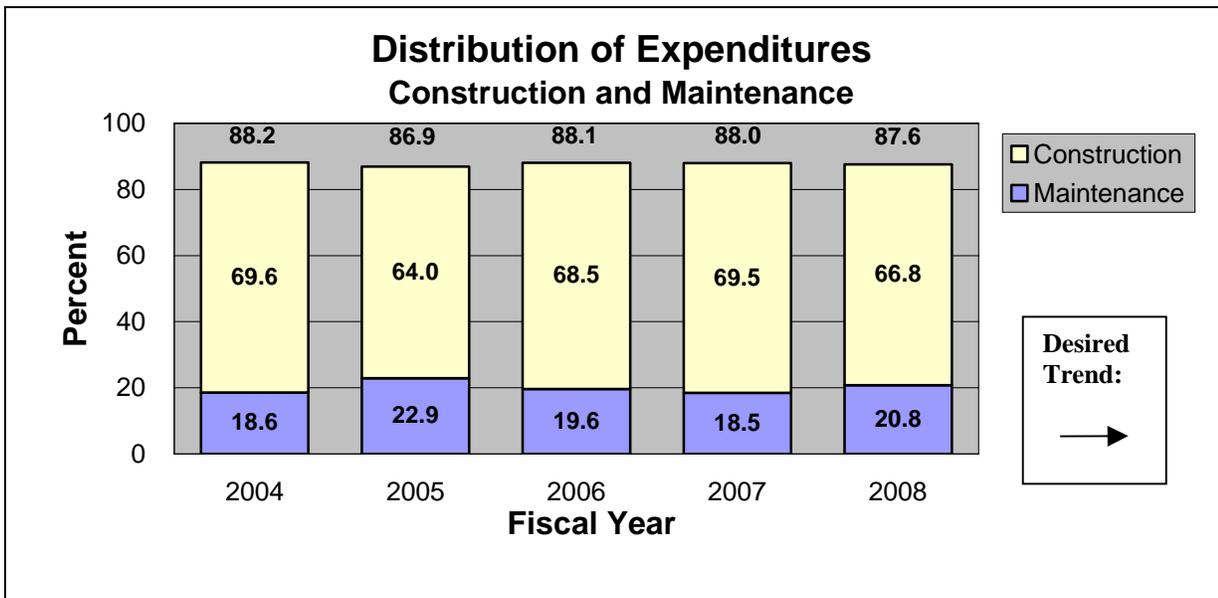
The purpose of the measure is to demonstrate a responsible use of taxpayers' money, with the emphasis of spending on the construction and maintenance of our transportation system.

Measurement and Data Collection:

The data collection is based on cash expenditures by appropriation on a quarterly basis. Construction and maintenance expenditures are defined as expenditures from the construction and maintenance appropriations. Other expenditures include: administration, multimodal, fleet, facilities, information systems, and other services (FFIS & Other), Motor Carrier and Highway Safety appropriations.

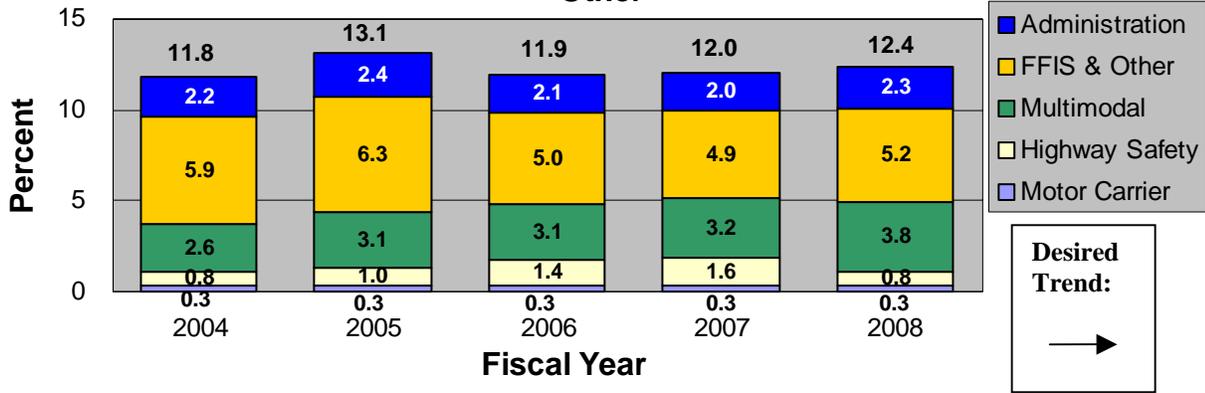
Improvement Status:

MoDOT's emphasis is on expenditures for routine maintenance of the system (maintenance appropriation) and rehabilitation and construction of the system (construction appropriation). Total expenditures are \$159.1 million less for Fiscal Year 2008 than for Fiscal Year 2007. Construction expenditures have decreased for the same period, percentage and dollars, as a result of reduced bond proceeds and a reduced construction program. Administration, FFIS, and Motor Carrier remain relatively constant as a percent of total expenditures, consistent with the desired trend. Highway Safety and multimodal fluctuate depending on availability of federal grants.



	Thousands of Dollars				
	2004	2005	2006	2007	2008
Construction	\$1,247,541	\$ 1,085,840	\$1,373,699	\$1,539,217	\$1,373,682
Maintenance	\$ 333,361	\$ 386,399	\$ 391,817	\$ 408,904	\$ 428,461

Distribution of Expenditures Other



	Thousands of Dollars				
	2004	2005	2006	2007	2008
Administration	\$ 40,486	\$ 41,288	\$ 43,076	\$ 45,086	\$ 46,808
Multimodal	\$ 46,741	\$ 52,681	\$ 61,431	\$ 71,839	\$ 77,265
FFIS & Other	\$ 105,130	\$ 106,822	\$ 99,418	\$ 108,023	\$ 106,343
Motor Carrier	\$ 5,035	\$ 5,811	\$ 6,741	\$ 6,899	\$ 6,930
Highway Safety	\$ 14,673	\$ 17,702	\$ 27,657	\$ 35,730	\$ 17,064

Best Value for Every Dollar Spent

Percent variance of state revenue projections

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Ben Reeser, Finance Manager

Purpose of the Measure:

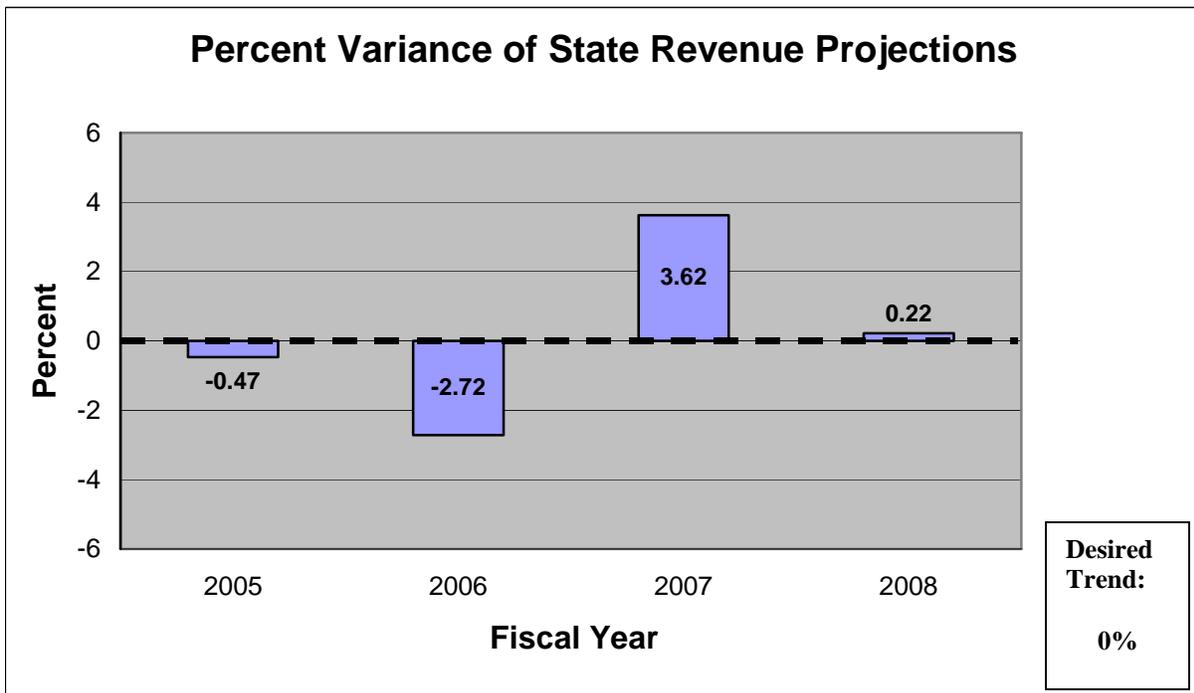
The measure shows the precision of state revenue projections. Projections are used to prepare the budget that funds MoDOT's operations and capital program.

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. Fiscal year 2008 projections are based on the current financial forecast. The forecast is updated at the beginning of each fiscal year. This measure is updated quarterly.

Improvement Status:

The actual state revenue was greater than projected through the fourth quarter of FY 2008. The projected revenue was \$1,047.4 million. However, the actual receipts were \$1,049.7 million, a difference of \$2.3 million and a positive variance of 0.22 percent. The desired trend is for the actual revenue to match projections with no variance. MoDOT staff adjusts future operating and capital budgets to account for these variances.



Best Value for Every Dollar Spent

MoDOT national ranking in revenue per mile

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Ben Reeser, Finance Manager

Purpose of the Measure:

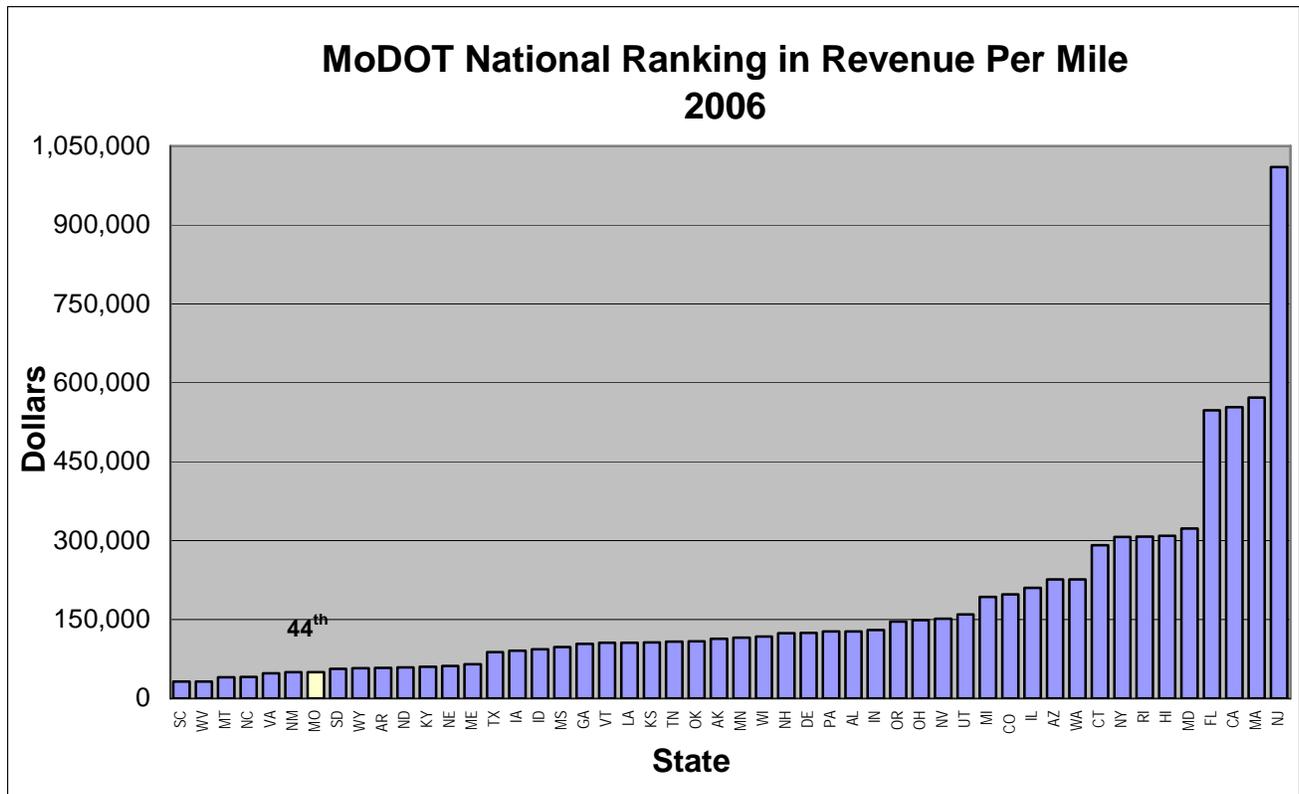
This measure shows Missouri’s national ranking in the amount of revenue per mile that is available to spend on the state highway system.

Measurement and Data Collection:

Revenue is the total receipts less bonds as reported in the Federal Highway Administration’s 2006 annual highway statistics report entitled “Revenues Used By States For State-Administered Highways.” The mileage is the state highway agency miles as reported in the Federal Highway Administration’s 2006 annual highway statistics report entitled “State Highway Agency-Owned Public Roads.” Resource Management collects this information from the Federal Highway Administration. This measure is updated annually.

Improvement Status:

Missouri’s revenue per mile of \$49,977 currently ranks 44th in the nation. Missouri has a very large state highway system, consisting of 33,681 miles, which is the seventh largest system in the nation. New Jersey’s revenue per mile of \$1,010,172 ranks first. However, its state highway system contains only 2,326 miles. MoDOT staff continues to communicate the need for additional transportation funding to the public. Missouri’s transportation needs greatly exceed current available funding.



Best Value for Every Dollar Spent

Number of excess properties conveyed

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. 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.

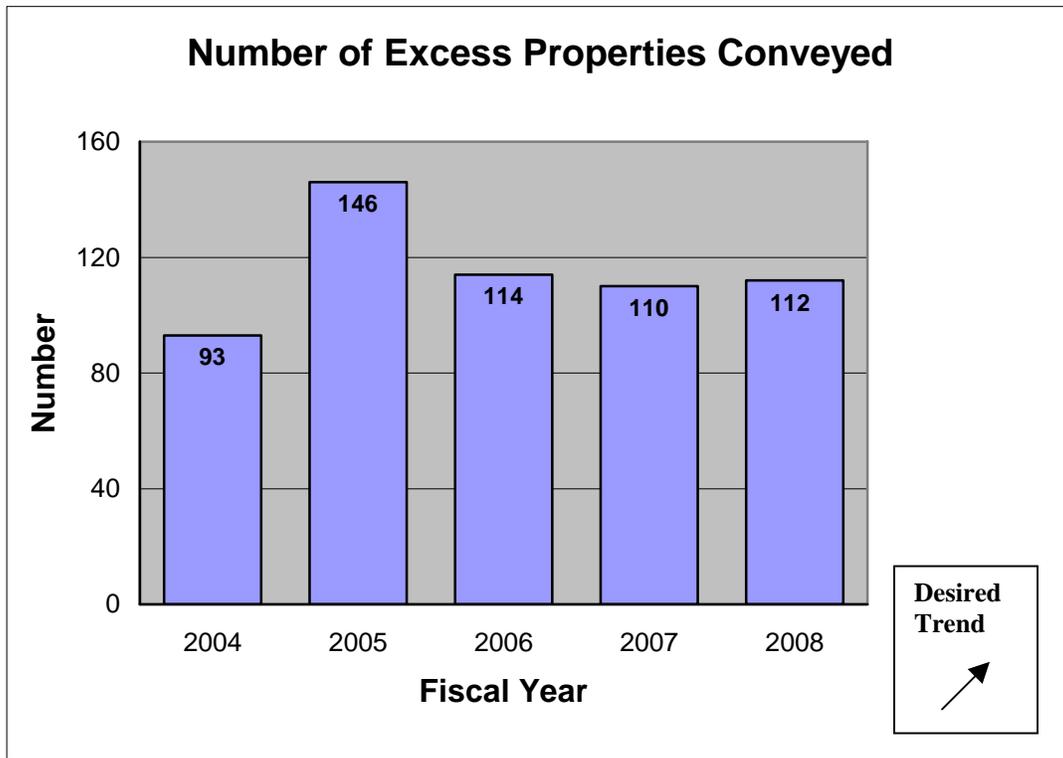
Measurement and Data Collection:

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

Improvement Status:

The chart shows the number of excess properties conveyed. Total conveyances for fiscal year 2008 were 112. This compares to 110 in FY 2007 and 114 in FY 2006. The chart demonstrates that the number of parcels conveyed has remained relatively constant for the last three years.

In order to elevate MoDOT’s priority to reduce the excess inventory, guidelines were implemented in March 2008 requiring an annual review of all excess properties owned and an annual work plan identifying the priority parcels to be marketed for sale in the upcoming year. The priority was again elevated at the Right of Way Managers’ Meeting in May 2008 by way of discussion and emphasis on delivering results.



Best Value for Every Dollar Spent

Revenue generated from excess properties sold

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 amount of revenue generated from the sale 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 sale 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:

This data represents the gross revenue from all properties sold. Incidental costs incurred in the conveyance of excess properties are not considered in this measure. Data collection for this measure is reported on a quarterly basis from the Realty Asset Inventory system.

Improvement Status:

The chart shows the amount of gross revenue generated from the sale of excess parcels. Total revenue for fiscal year 2008 was \$4,415,582. This compares to \$3,776,342 in FY 2007 and \$3,889,657 in FY 2006.

In order to elevate MoDOT's priority to reduce the excess inventory, guidelines were implemented in March 2008 requiring an annual review of all excess properties owned and an annual work plan identifying the priority parcels to be marketed for sale in the upcoming year. The priority was again elevated at the Right of Way Managers' Meeting in May 2008 by way of discussion and emphasis on delivering results.

