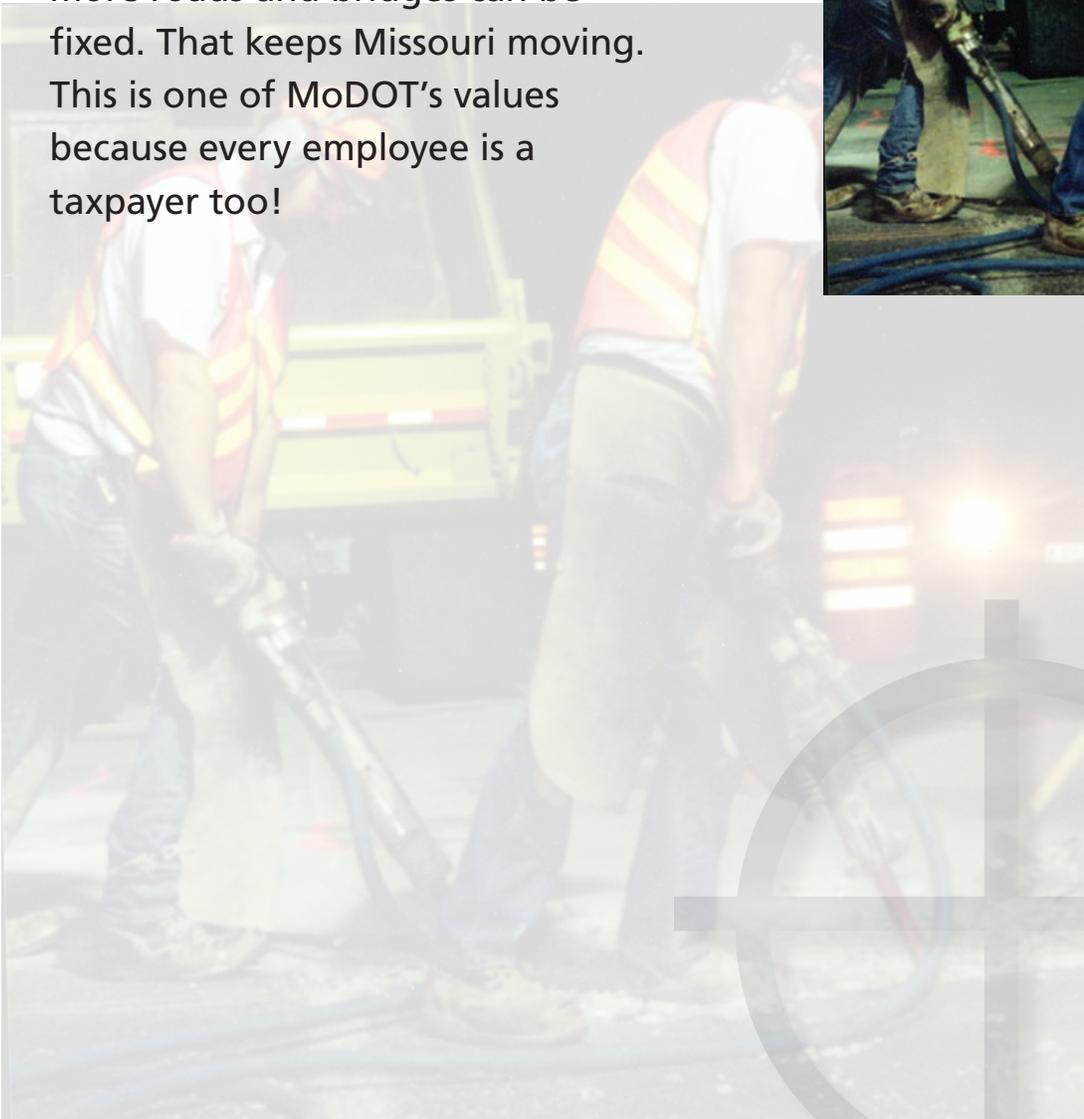

Best Value For Every Dollar Spent

*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!



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:

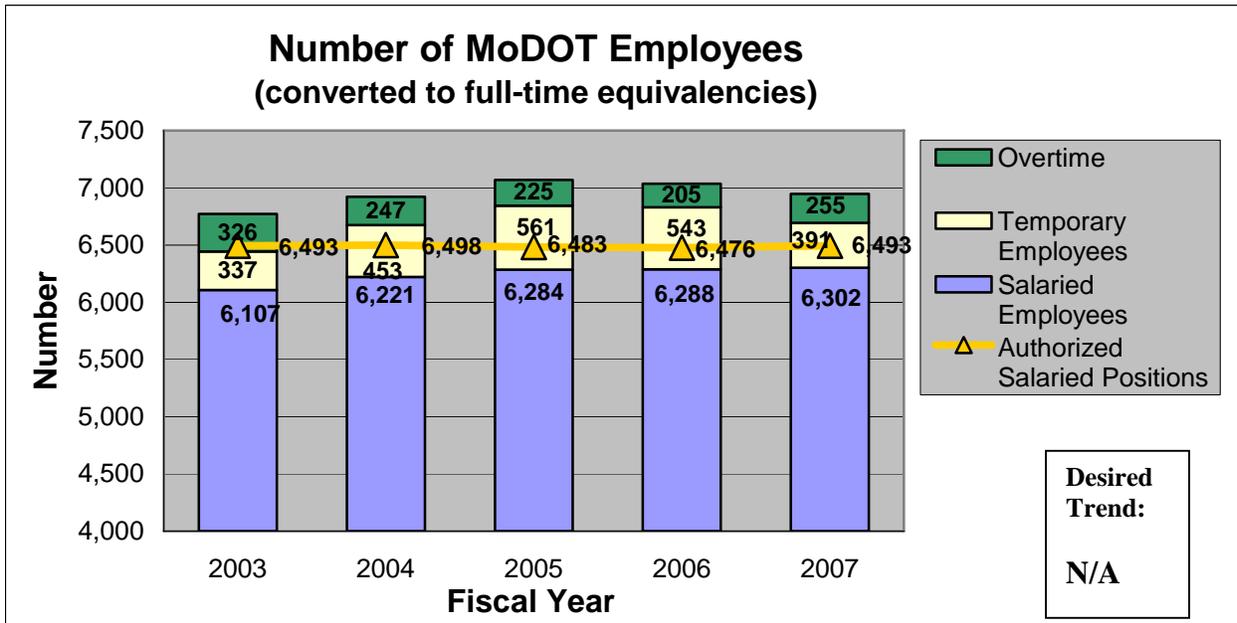
This measure tracks the growth in the number of employees within the department. This measure converts salary dollars paid to temporary and salaried employees, as well as the amount paid for overtime worked, to full-time equivalency (FTE). In order to convert these numbers to FTEs, the total number of hours worked is divided by 2080. 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 authorized positions that could be filled.

Improvement Status:

The number of authorized salaried positions increased over last fiscal year due to a group of Motor Carrier Services auditors that transferred from the Missouri Department of Revenue to MoDOT and the addition of one position to coordinate the Safe and Sound Bridge program. As of June 30, 2007, the actual number of salaried employees was 6,318 with an additional 192 seasonal employees. This compares to 6,341 salaried employees and 608 seasonal employees at the same time in 2006. This reflects a 68 percent reduction in the use of seasonal employees this summer. During the quarter, districts have prepared for the cuts in personal services budget for fiscal year 2008. Leaders are empowered to manage staffing levels to an overall FTE count and budget amount rather than an authorized number of salaried employees



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.

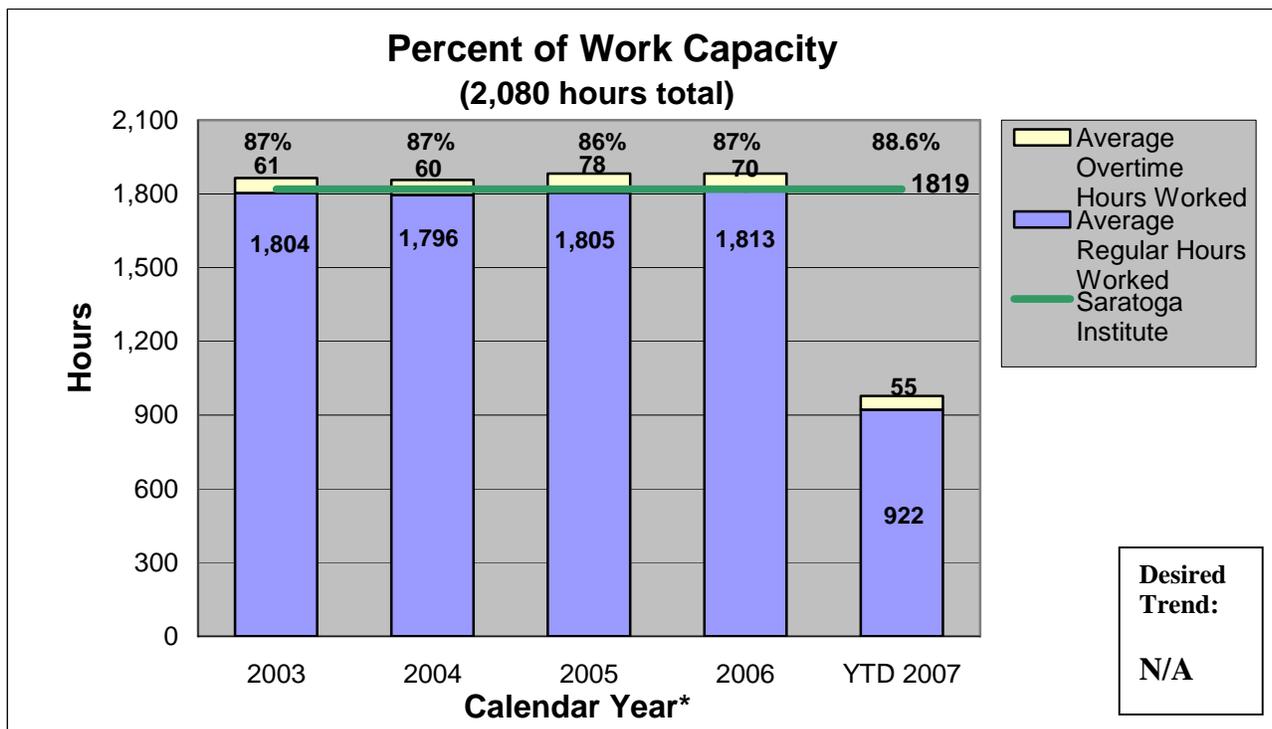
Measurement and Data Collection:

MoDOT measures organizational work capacity based on average regular hours worked and average overtime hours worked by employees. This measure 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 Saratoga Institute report, "Key Trends in Human Capital – Global Perspective," indicating average hours worked per person in the United States.

Improvement Status:

The regular hours worked by employees for the first half of the 2007 calendar year was slightly higher than 2006 at 918, reflecting a .04 percent increase in work capacity. The average number of hours of overtime worked per employee has increased 59 percent during the first six months of calendar year 2007 compared to the same period in 2006. However, in the most recent quarter, only 17 additional hours of overtime were worked per employee, relatively the same as in 2006 when 18 hours of overtime were worked. The increased overtime is attributed to significant snow events that occurred during the first quarter of the year.



* Percentage does not include 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:

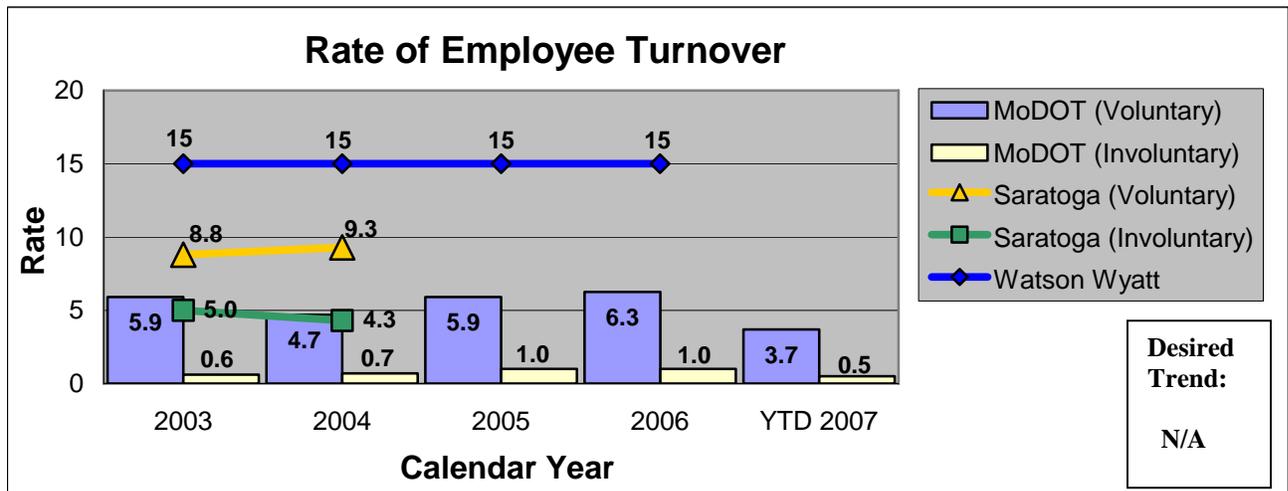
This measure tracks the percentage of employees who leave MoDOT annually and compares the department’s turnover rate to benchmarked data. Voluntary turnover includes resignations and retirements. Involuntary turnover includes dismissals only. Turnover rates include voluntary separations, involuntary 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 the 2007 calendar year, there were 271 separations compared to 253 during the same period in 2006. Of the 231 voluntary resignations, 45 percent of the voluntary separations were due to resignations and 55 percent were due to retirements, which is consistent with data from one year ago. MoDOT has seen a 25 percent reduction in turnover of employees in civil engineering positions compared to the same time period in the previous year, with nearly half due to retirement. The involuntary turnover rate reflects an additional 20 employees dismissed during the most recent quarter, compared to 12 during the first quarter of the calendar year. Ten employees were dismissed for conduct issues, five employees were dismissed due to unsatisfactory performance including loss of driving privileges, and five employees were terminated for attendance issues.



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:

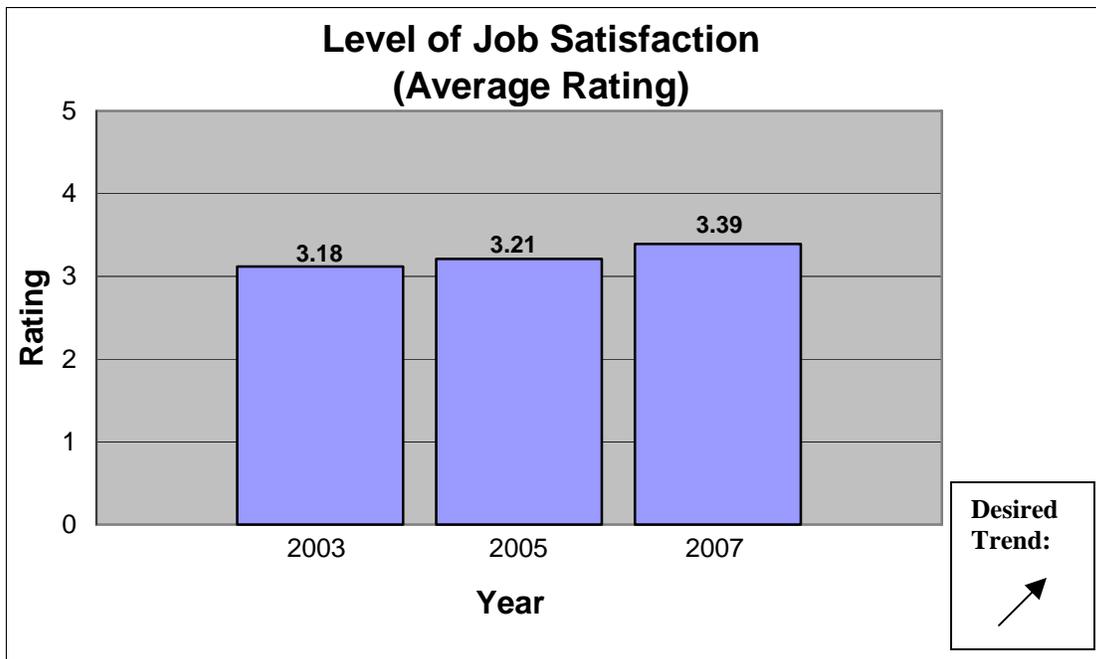
For this measure, the first chart indicates the level of department employees' job satisfaction and changes in their satisfaction over time. The second chart shows the percentage of MoDOT employees who are satisfied compared to the organization that scored the best in employee satisfaction using the same survey instrument.

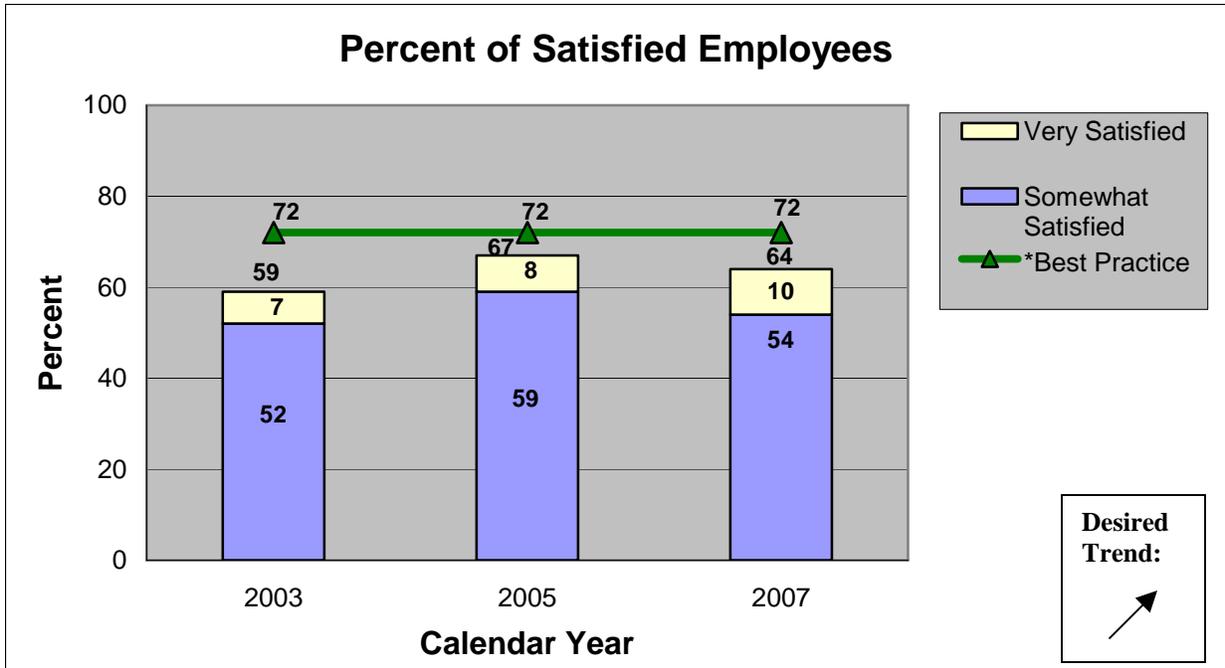
Measurement and Data Collection:

Employee satisfaction is measured using 18 items from a biennial employee survey. Best practice data for an anonymous company was provided by the vendor contracted to conduct the employee survey in 2003 and 2005.

Improvement Status:

During this quarter employee satisfaction surveys were distributed and returned. Preliminary results have been tabulated with a final report due in October. The first chart has been added due to the availability of historical data and the ability to see changes in job satisfaction over time. Initial results indicate 4,901 responded to the survey resulting in a 76 percent response rate. This compares to a 70 percent in 2005. The number of employees providing written comments remained the same at approximately 1,600. This year, a larger number of employees rated their satisfaction at the highest level; however, only 64 percent of employees rated their job satisfaction above neutral, compared to 67 percent in 2005. The average scores on 16 of the 18 individual components, which make up job satisfaction, increased over the scores in 2005. Scores decreased on the ratings related to knowledge of the grievance process and fair application of discipline. Although there was significant improvement in scores on questions related to rewards, employees' comments indicated their biggest concern centers on pay issues. Those pay issues include: (1) lack of within grade increases, (2) lack of differences in pay between poor performers and high performers, (3) lack of promotion opportunities for non-graduates in engineering and others in non-engineering professions, and (4) new employees making as much as more experienced employees.





** Best practice data for an anonymous company was provided by the vendor contracted to conduct the employee survey in 2003 and 2005.*

Best Value for Every Dollar Spent

Number of lost workdays per year

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Beth Ring, Risk Management Director

Purpose of the Measure:

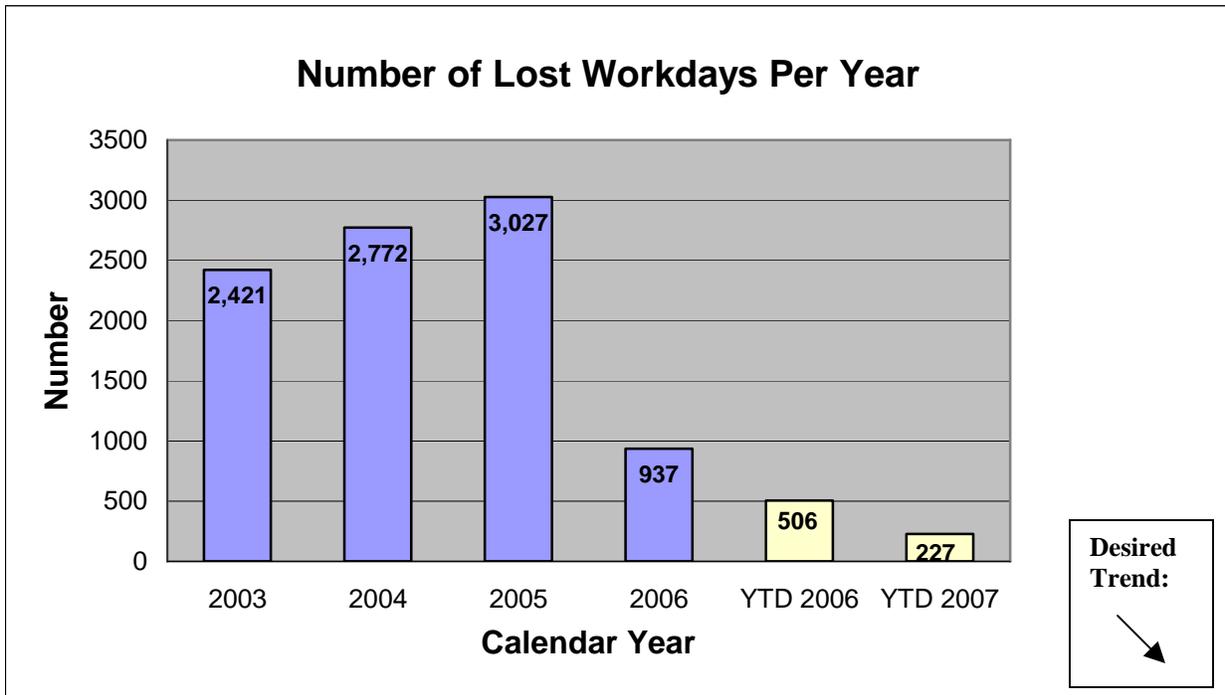
This measure tracks the actual number of days that employees cannot work due to work-related injuries sustained during the reporting period. Note that the results do not include lost workdays for injuries that occurred during previous reporting periods. (Example: an employee that is injured on December 31, 2006 and is off during January of 2007 will not show up as lost time in 2007 because the incident occurred during the previous reporting period.)

Measurement and Data Collection:

The data is collected from Riskmaster, the risk management software, and reported quarterly.

Improvement Status:

The number of lost workdays for the first and second quarters of 2007 is 55 percent lower than last year's total, declining from 506 in 2006 to 227 lost workdays in 2007. Likewise, the number of lost-time incidents decreased by 36 percent for the same period. MoDOT continues to develop and implement new safety-related initiatives to further reduce lost workdays including a new safety recognition program, 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: Beth Ring, Risk Management Director

Purpose of the Measure:

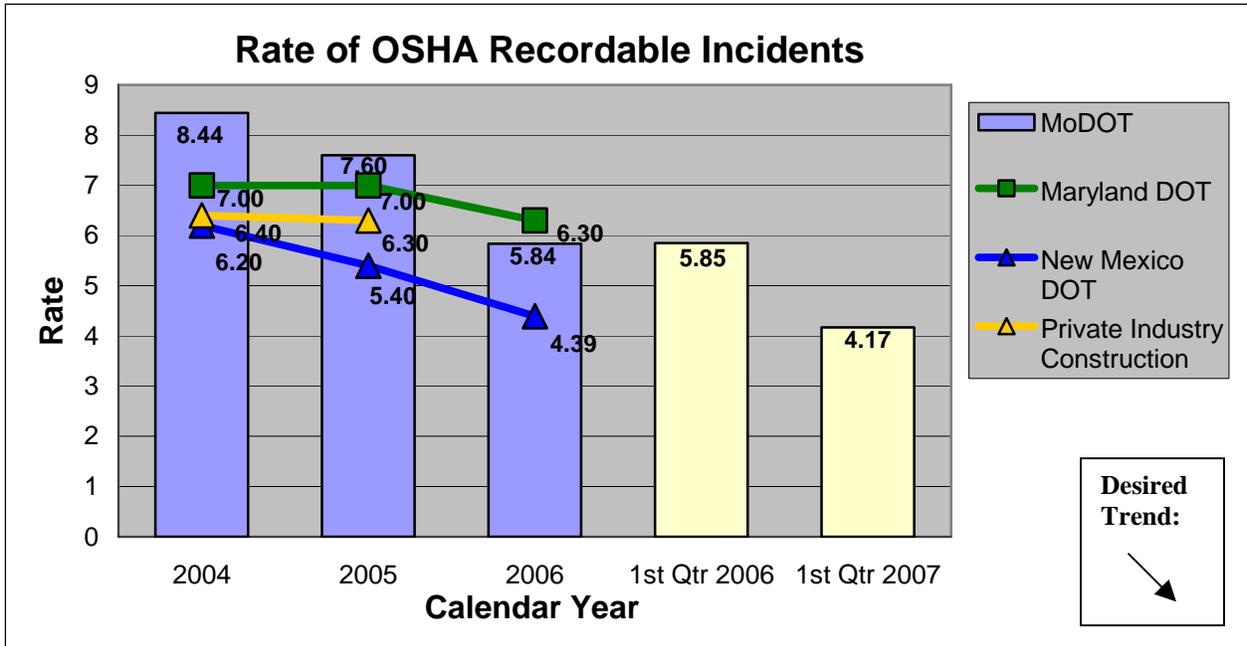
This measure tracks the number of recordable injuries, as defined by OSHA, in total and as a rate of injuries per 100 workers. The calculation for incidence rate is the number of recordables times 200,000 divided by the number of hours worked. The 200,000 used in the calculation is the base for 100 full-time 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:

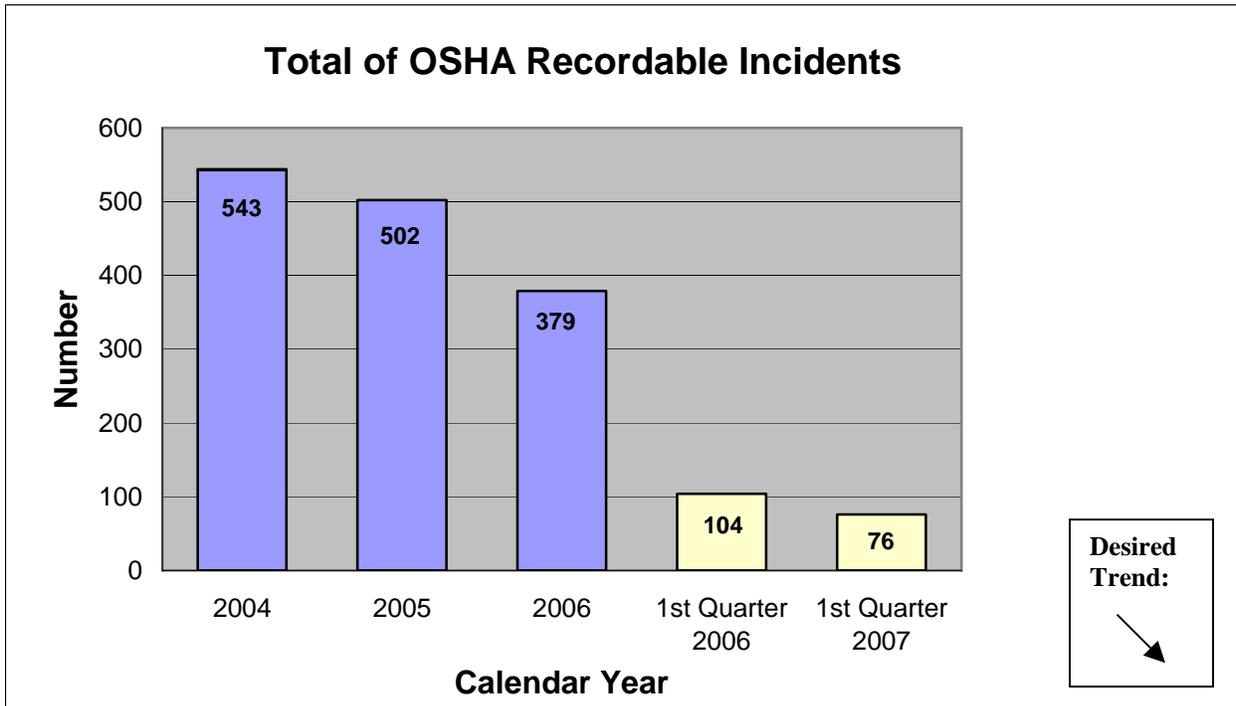
MoDOT reports on the measure quarterly, one quarter in arrears, and collects the injury data from Riskmaster, a claims administration software. The number of hours worked is taken from MoDOT's payroll data.

Improvement Status:

The number of OSHA recordables and the incidence rate has declined over the reporting periods noted. The incident rate has declined by 29 percent for the first quarter of 2007 over the same time period in 2006, dropping from 5.85 to 4.17. The number of recordables has declined by 27 percent over the same period, demonstrating a reduction from 104 to 76 OSHA recordables. The department has reduced its injury rate as a result of successfully implementing numerous safety-related initiatives.



(Information from Private Industry Construction was not available for 2006.)



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: Beth Ring, Risk 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 resulting 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:

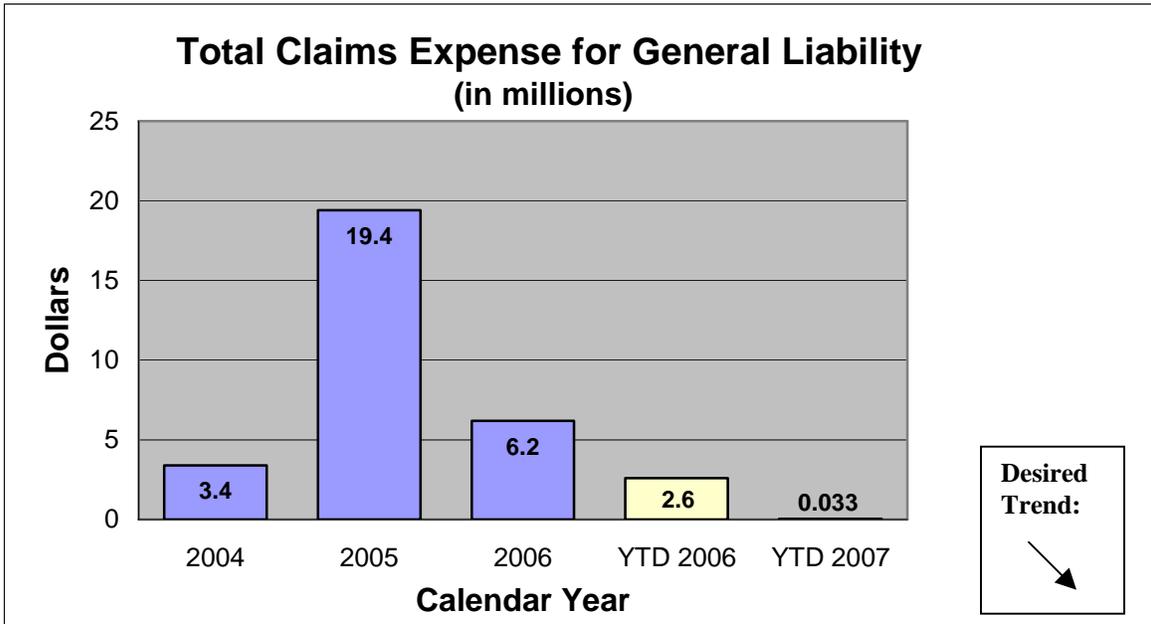
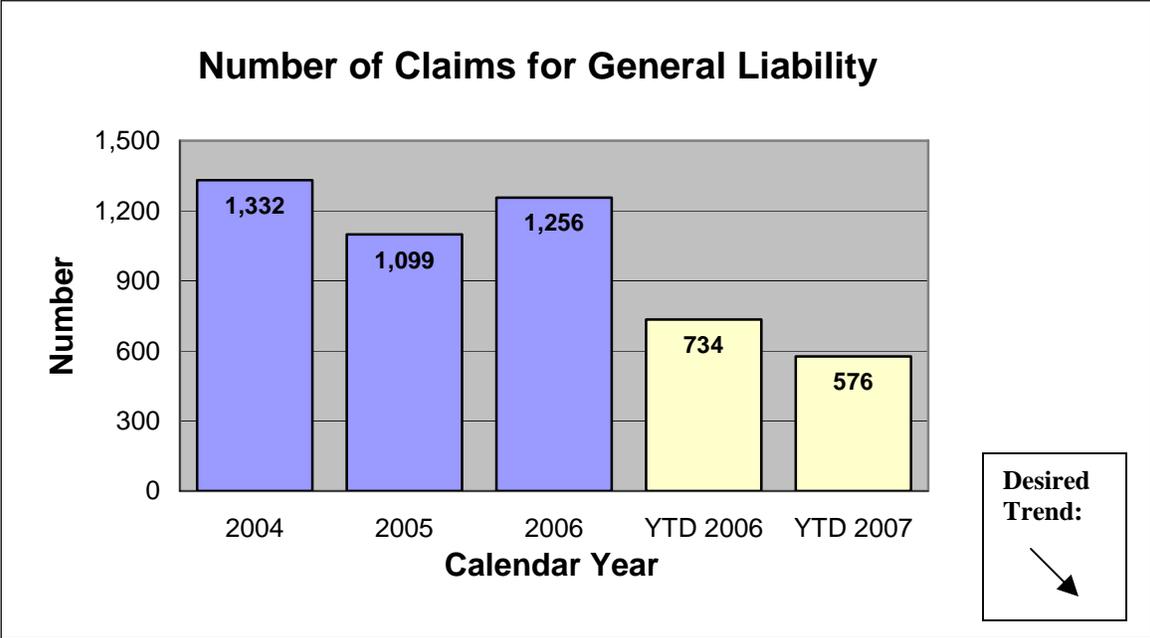
MoDOT reports on the measure quarterly and collects the claims data from Riskmaster, a claims administration software. The claims expense is collected from the self-insurance plan financial statements.

Improvement Status:

The number of claims for general liability and the total claims expense for general liability have declined over the reporting periods noted. The number of claims has declined by 22 percent through 2007 over the same time period in 2006, dropping from 734 to 576. The total claims expense also declined through 2007, from \$2.6 million to \$33,000, or 85 percent.

The decrease in number of claims filed between 2004 and 2005 is largely attributable to a substantial reduction in pothole claims in the urban areas as SRI began. The number of claims filed in 2006 increased over 2005 because of a chip seal job in the Springfield area, which resulted in over 400 claims. The number of claims has decreased year to date, partly due to better results with chip seal projects.

The claims expenses increased substantially in 2005 as MoDOT received 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 has been and will continue to be adjusted over the life of the claims. Our actual claims expenses have decreased significantly due to settlement of cases below their reserves and the dismissals of lawsuits.



Best Value for Every Dollar Spent

Unit cost per square foot of buildings

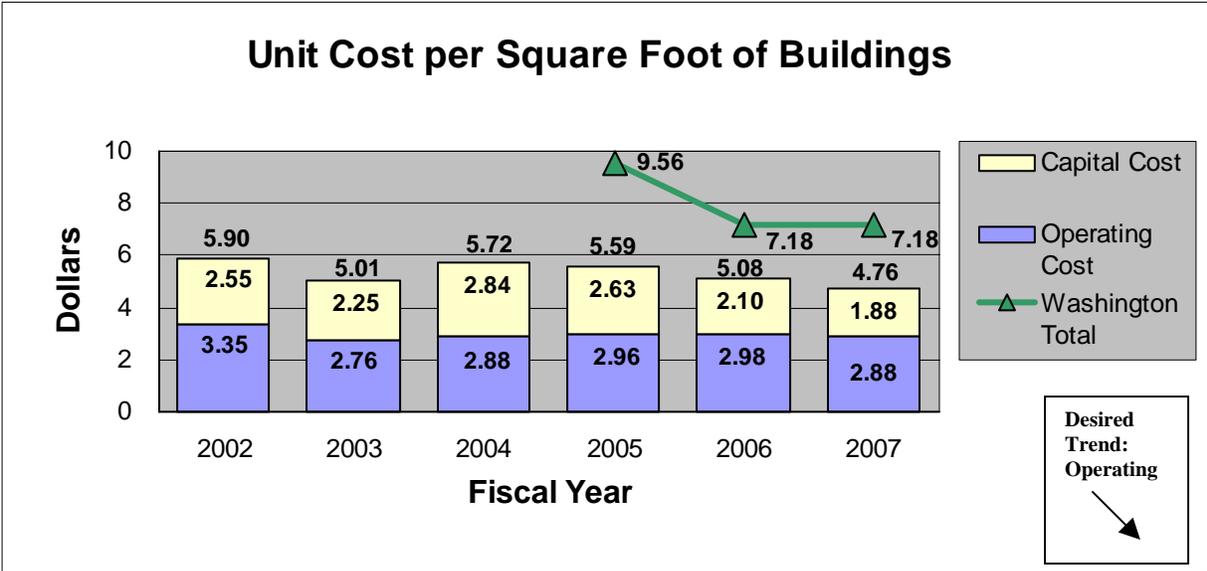
Result Driver: Roberta Broeker, Chief Financial Officer
Measurement Driver: Chris DeVore, General Services Manager - Facilities

Purpose of the Measure:
 This measure tracks the cost of operating department buildings, building capital improvements and capital asset preservation projects.

Measurement and Data Collection:
 The data is collected based on expenditures recorded in the statewide financial accounting system. The following expenditures are included in the analysis: the cost of labor, benefits, and materials for central office facilities management and facilities maintenance. It does not include the employer’s share of Social Security/Medicare taxes and the department’s match for deferred compensation. Operating expenditures, including repair supplies, custodial supplies, janitorial and other services, maintenance and repair services, building and storage leases, and utilities have been included. Capital expenditures include new construction and asset preservation projects. This is an annual measure updated each July.

Improvement Status:
 Between 2006 and 2007, capital costs (actual expenditures) as shown indicate a decrease of approximately 11 percent, however a transfer of funds from the CIP to the STIP for the state match of federal enhancement funds does not show up as an expenditure at this time. Operating cost per square foot has decreased by 3 percent. This overall decrease is the result of a decrease in routine maintenance and repairs of 2.5 percent, a decrease in lease cost of 0.46 percent, a decrease in Central Office administrative costs of 2.6 percent and a reduction in utility cost of 4.7 percent. The net result is a \$524,465 reduction in cost. This reduction in operating cost is attributable to placing more emphasis on preserving MoDOT’s capital assets, thus reducing routine maintenance cost and targeting needs that reduce energy consumption.

The benchmark is from the Washington DOT. Based on its budget the approximate capital expenditures for 2006-2007 were \$0.46 per square foot and the approximate operating expenditures were \$6.72 per square foot.



Best Value for Every Dollar Spent

Fleet expenses

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Jeannie Wilson, Central Office General Services Manager

Purpose of the Measure:

This measure tracks costs for MoDOT's fleet, as well as its condition. The first chart compares repair cost and acquisition expenditures. The second chart provides an overall fleet condition status based on actual fleet age and meter compared to maximum life-cycle thresholds.

Measurement and Data Collection:

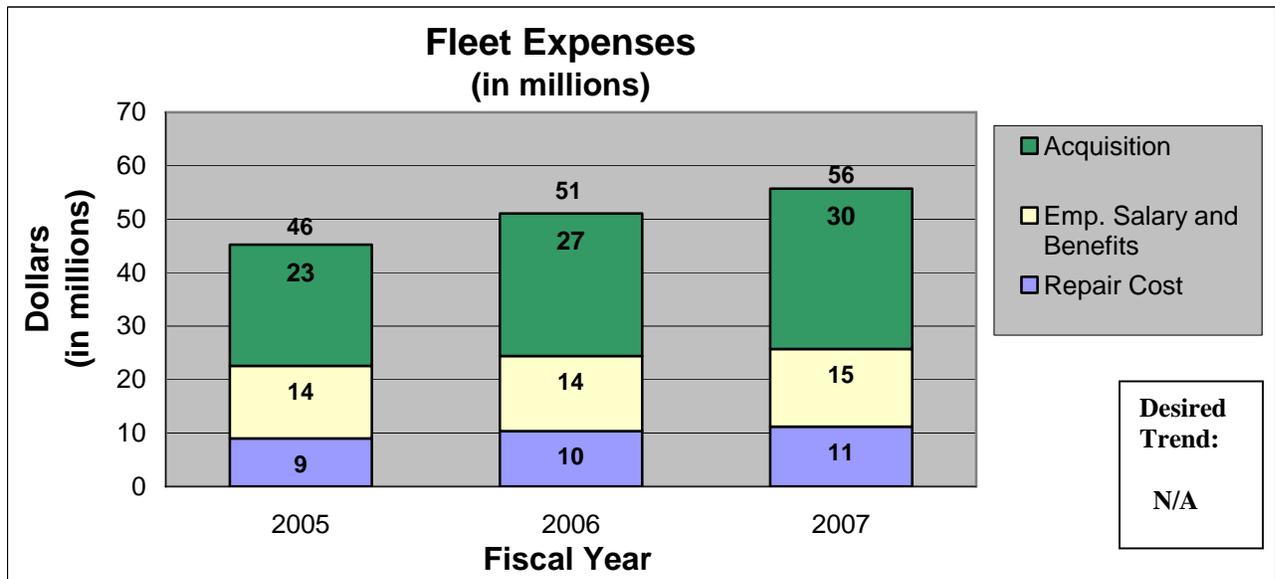
The expenditures are collected from the statewide financial accounting system. All costs associated with repairs, supplies and maintenance for all fleet items are included in the analysis.

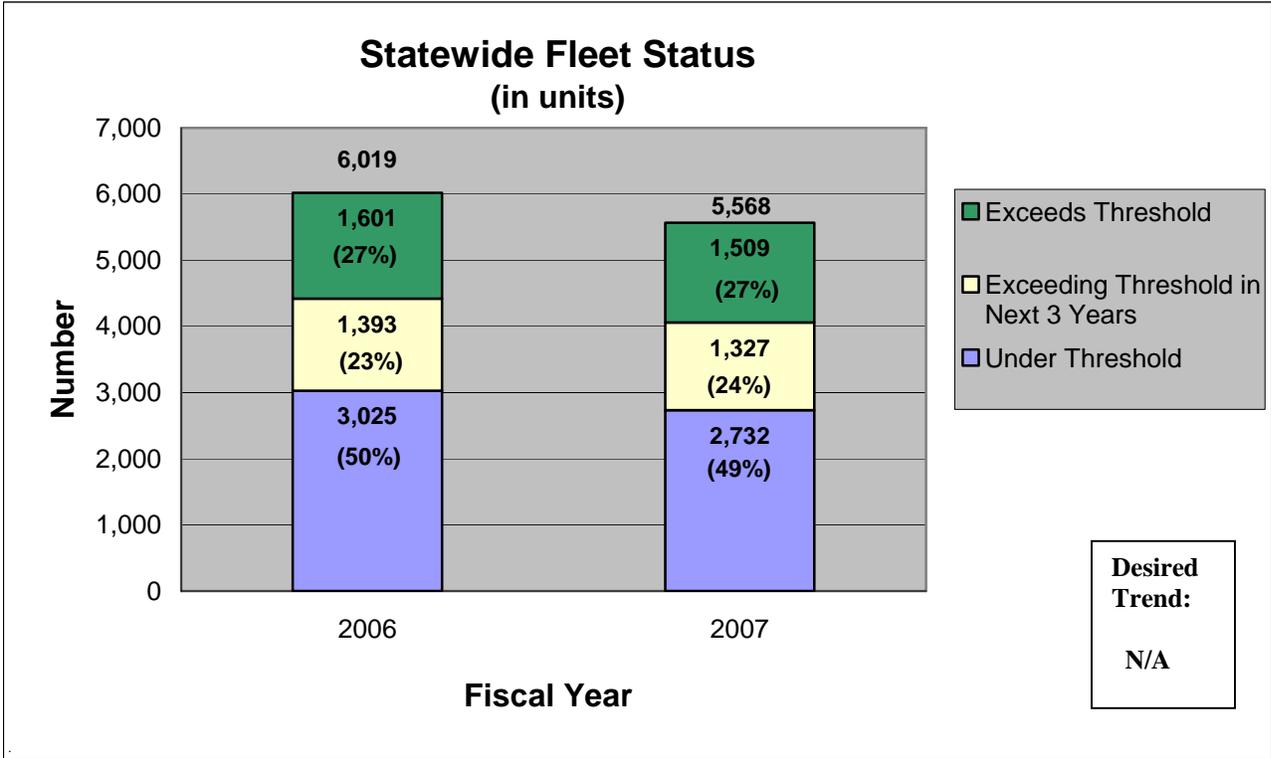
Age and meter thresholds were established based on maximum life usefulness. Units are identified as either exceeding their primary life cycle for either its age or meter, reaching maximum primary life in the next three years; and not exceeding the threshold within the next three years. Criteria for defining a fleet unit was established and implemented in fiscal year 2006. Because of the new criteria, current data cannot be compared to years prior to 2006.

Improvement Status:

The repair costs to MoDOT's fleet increased from \$10 million to \$11 million from fiscal year 2006 to fiscal year 2007, while salary and benefit costs for fleet employees increased from \$14 million to \$15 million in fiscal year 2007. Acquisition costs increased from \$27 million to \$30 million from fiscal year 2006 to fiscal year 2007. Severe winter storms and the rising cost of steel are major factors in the increases.

Reviewing field operations to identify the proper equipment needed and acquiring multipurpose equipment has enabled the department to decrease the fleet size by approximately 451 units. In order to maximize its acquisition funds, MoDOT is purchasing used light duty vehicles from the U.S. General Services Administration (GSA).





Best Value for Every Dollar Spent

Dollars expended on consultants other than program consultants

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Debbie Rickard, Controller

Purpose of the Measure:

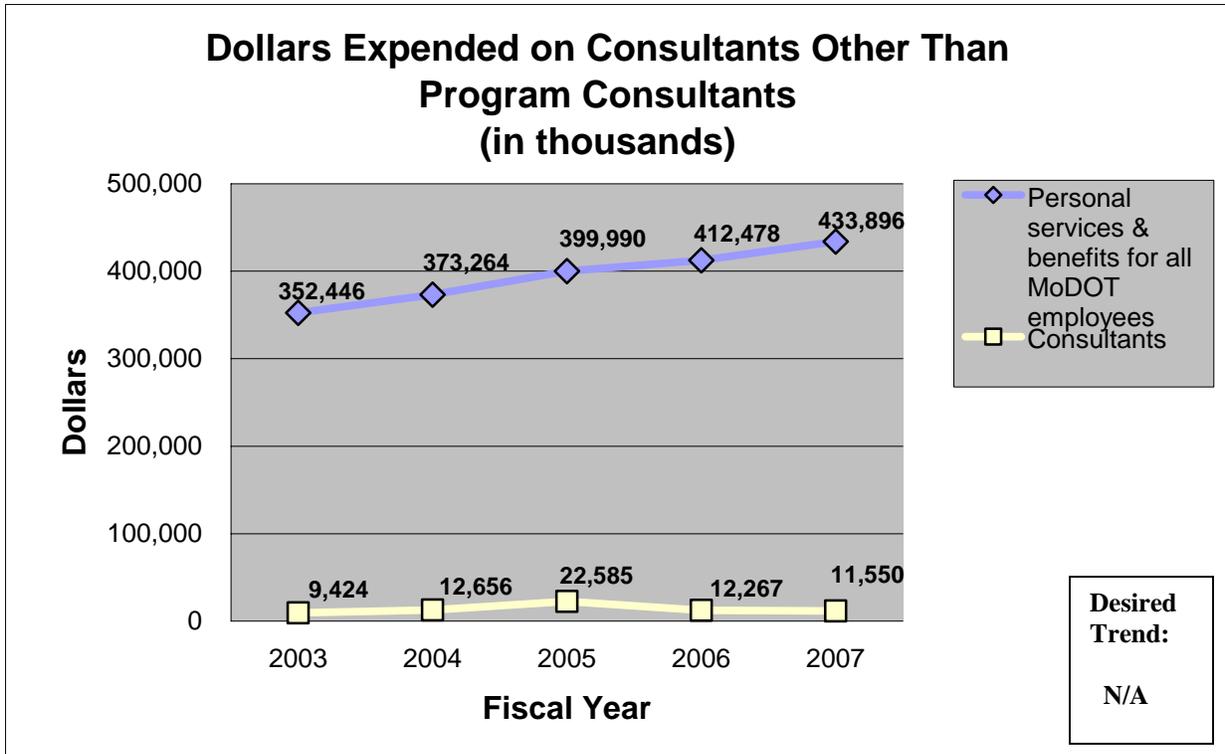
The measure tracks the department’s use of consultants for other than right of way and construction. The department uses consultants to complement employee resources and expertise. Reporting heightens awareness and provides a tool to measure the utilization of consultants.

Measurement and Data Collection:

The data is collected and reported quarterly based on expenditures recorded in the statewide financial accounting system. The data includes expenditures for professional services and computer information services.

Improvement Status:

Expenditures for consultants in a fiscal year are dependent on the department’s needs. Fluctuations between fiscal years are normal. The department will continue to use non-design consultants for specialized services and to supplement available employee resources. Fiscal year 2007 information systems' projects using consultants include the completion of the Motor Carrier Services and Medical and Life Insurance Projects, along with the start and completion of the Crystal Software Upgrade and the Broadband Wireless Projects. Estimated consultant costs related to these four projects total \$2.3 million. Completion of the Motor Carrier Services project was anticipated in fiscal year 2006, however, it continued into fiscal year 2007. Other consultant costs in fiscal year 2007 include the MoDOT Emergency Communication Services System.



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.

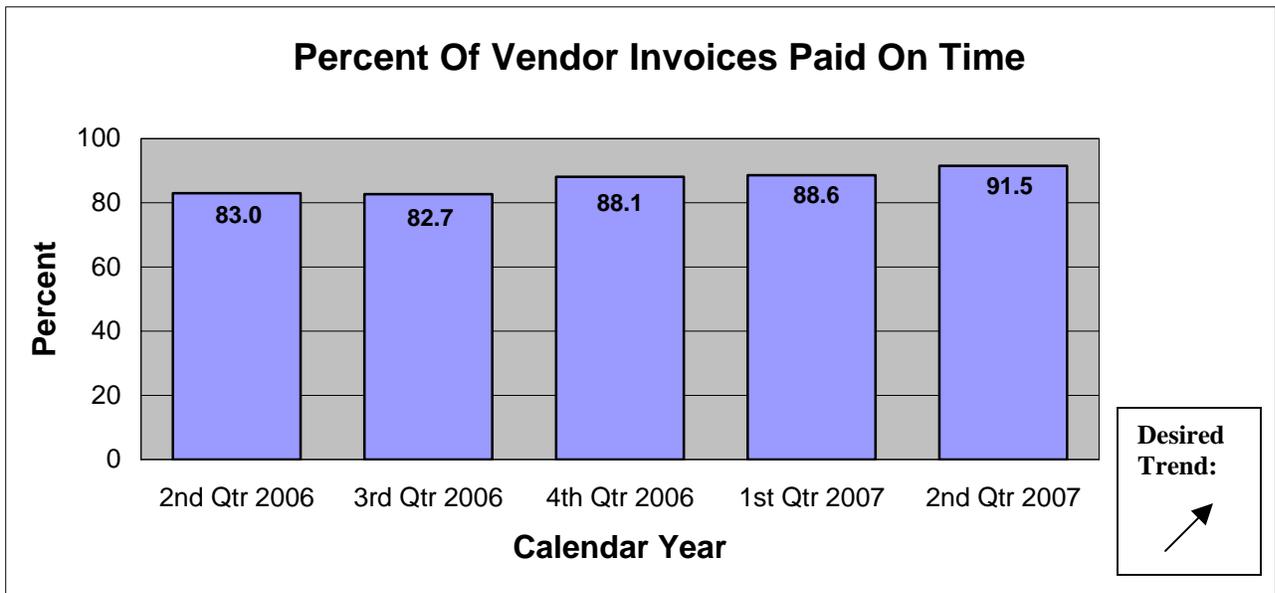
Measurement and Data Collection:

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.

Improvement Status:

Vendors age their receivables based on the date of invoice. This measure indicates there has been consistent improvement. However, there are still opportunities for improvements to ensure vendors consider the department a good customer. 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 timely.

District and divisional analysis tools have been developed to assist in identifying areas where improvements can be made.



Best Value for Every Dollar Spent

Average cost of outsourced design and bridge engineer vs. full costed full-time employee

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Debbie Rickard, Controller

Purpose of the Measure:

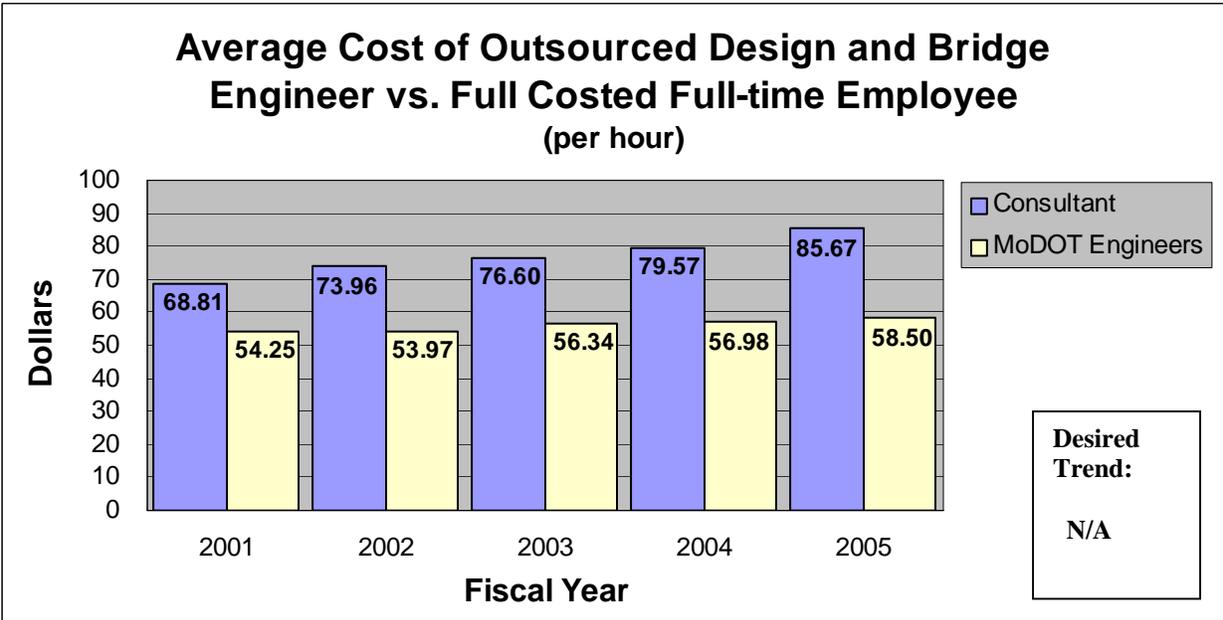
The purpose of the measure is to demonstrate a responsible use of taxpayers' money, with the emphasis of spending for design and bridge engineering efforts.

Measurement and Data Collection:

The data collection is based on outsourced contracts and employee expenditures. This is an annual measure. The process is to measure external design consultant costs and compare to MoDOT staff design engineer costs. Both categories are fully costed and comparable.

Improvement Status:

Consultant rates increased 7.1 percent from 2004 to 2005 while MoDOT design and bridge engineer costs increased 2.6 percent for the same period. The desired trend is to narrow the profit factor gap between the two rates.



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:

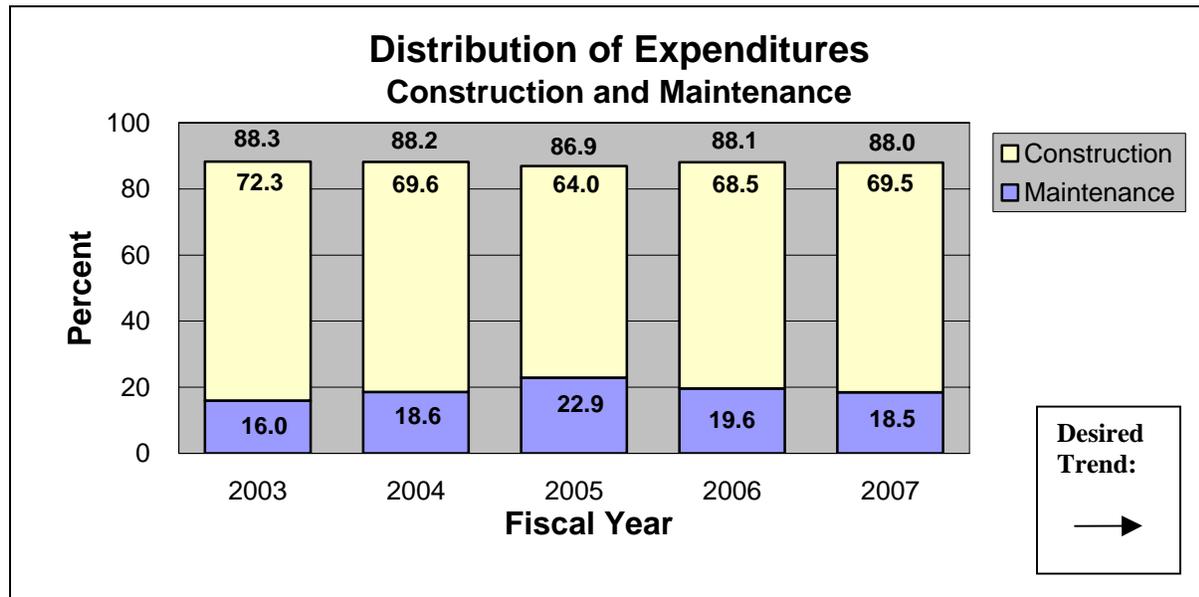
The purpose of the measure is to demonstrate a responsible use of taxpayers' money, with the emphasis of spending on the construction and maintenance of our transportation system.

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) appropriations.

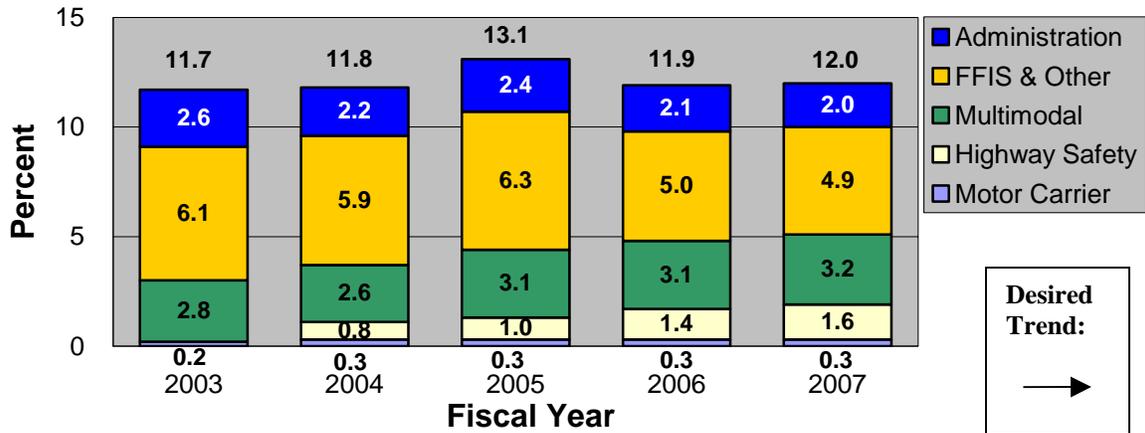
Improvement Status:

The department's emphasis is on expenditures for routine maintenance of the system (maintenance appropriation) and renovation and construction of the system (construction appropriation). Construction expenditures have increased from the same period for fiscal year 2006, percentage and dollars, as a result of bond proceeds. Expenditures from administration and FFIS & Other appropriations as a percent of total expenditures remain constant, which is consistent with the desired trend.



	Thousands of Dollars				
	2003	2004	2005	2006	2007
Construction	\$1,302,824	\$ 1,247,541	\$ 1,085,840	\$1,373,699	\$ 1,539,217
Maintenance	\$ 286,509	\$ 333,361	\$ 386,399	\$ 391,817	\$ 408,904

Distribution of Expenditures Other



	Thousands of Dollars				
	2003	2004	2005	2006	2007
Administration	\$ 47,053	\$ 40,486	\$ 41,288	\$ 43,076	\$ 45,086
Multimodal	\$ 49,663	\$ 46,741	\$ 52,681	\$ 61,431	\$ 71,839
FFIS & Other	\$ 110,054	\$ 105,130	\$ 106,822	\$ 99,418	\$ 108,023
Motor Carrier	\$ 4,261	\$ 5,035	\$ 5,811	\$ 6,741	\$ 6,899
Highway Safety	\$ -	\$ 14,673	\$ 17,702	\$ 27,657	\$ 35,730

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:

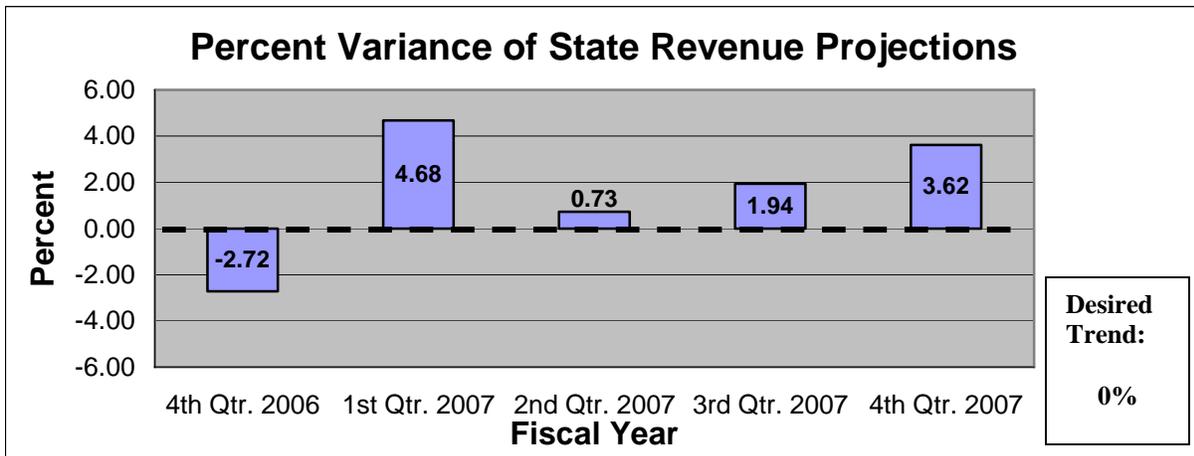
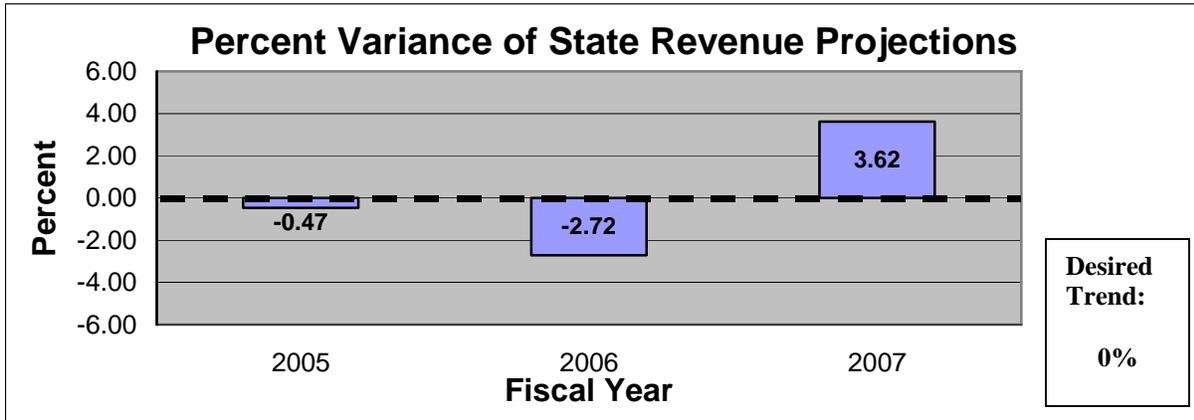
The measure shows the precision of state revenue projections. Projections are used to adjust the budget that funds MoDOT's operations and capital program.

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. 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 fiscal year 2007. The projected revenue was \$989.1 million. However, the actual receipts were more than \$1 billion, a difference of \$35.8 million and a positive variance of 3.62 percent. The desired trend is for the actual revenue to match projections with a variance of 0 percent. 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:

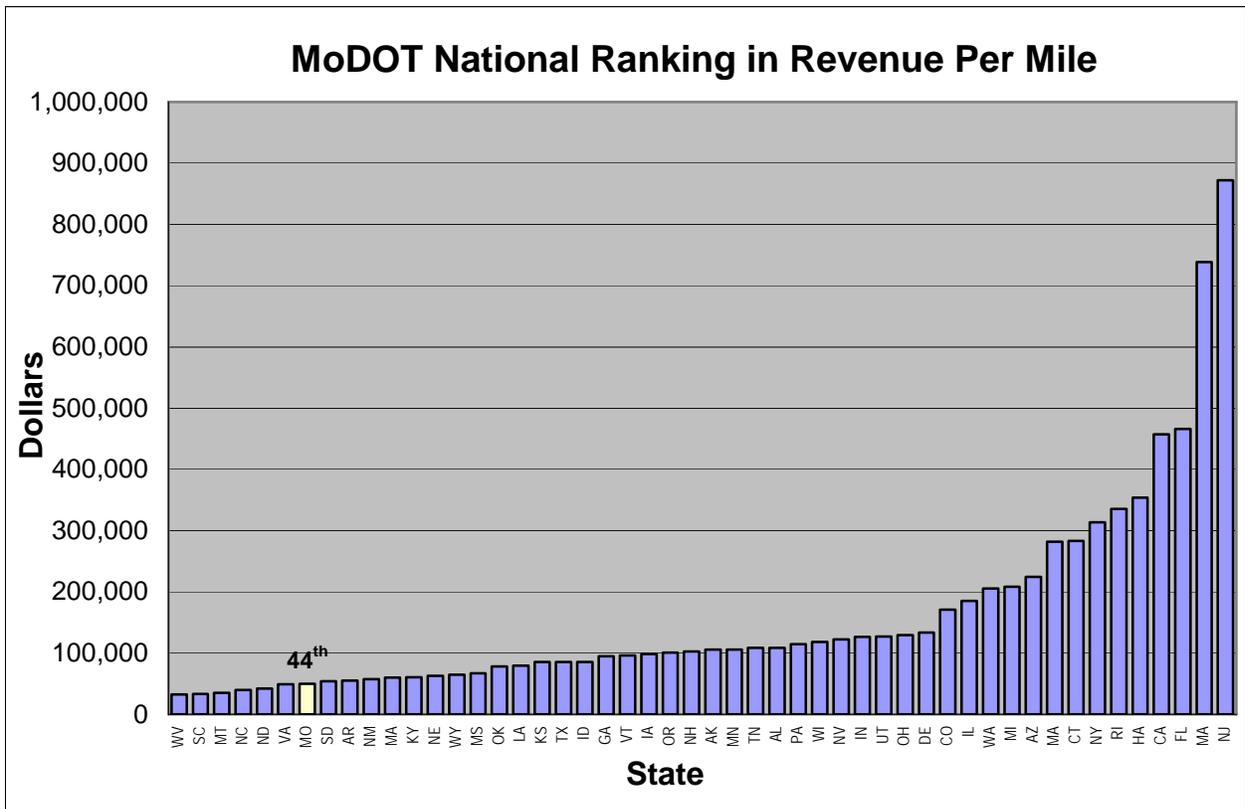
This measure shows Missouri’s national ranking in the amount of revenue per mile that is available to spend on the state highway system.

Measurement and Data Collection:

Revenue is the total receipts less bonds as reported in the Federal Highway Administration’s 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 annual highway statistics report entitled “Public Road Length – Miles By Ownership.” Resource Management collects this information from the Federal Highway Administration. This annual measure is updated each January.

Improvement Status:

Missouri’s revenue per mile of \$50,099 currently ranks 44th in the nation. Missouri has a very large state highway system, consisting of 32,464 miles, which is the seventh largest system in the nation. New Jersey’s revenue per mile of \$872,389 ranks first. However, its state highway system contains only 2,321 miles. MoDOT staff continues to communicate with the public the need for additional transportation funding. Missouri’s transportation needs greatly exceed current available funding.



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