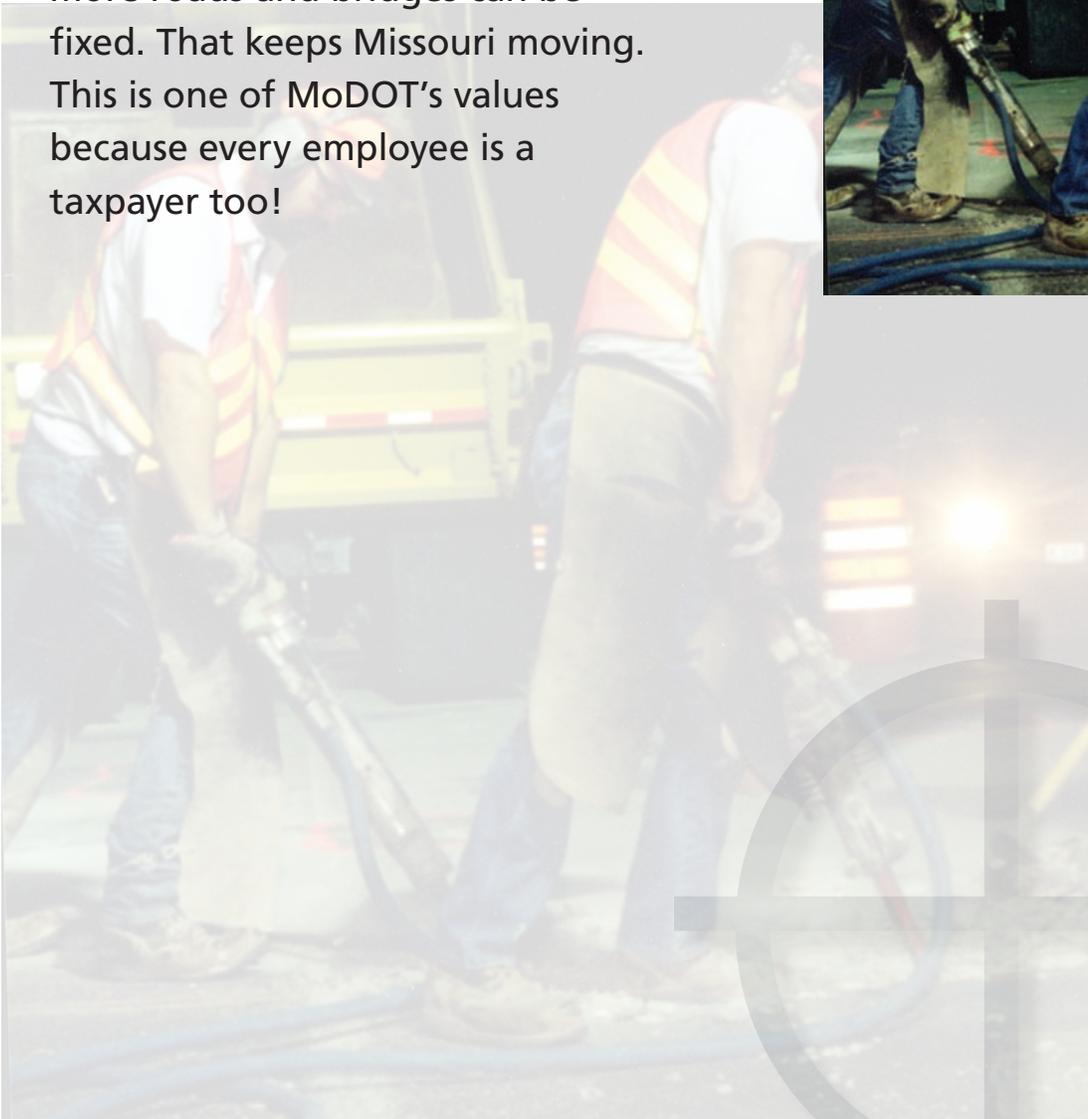

Best Value For Every Dollar Spent

*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:

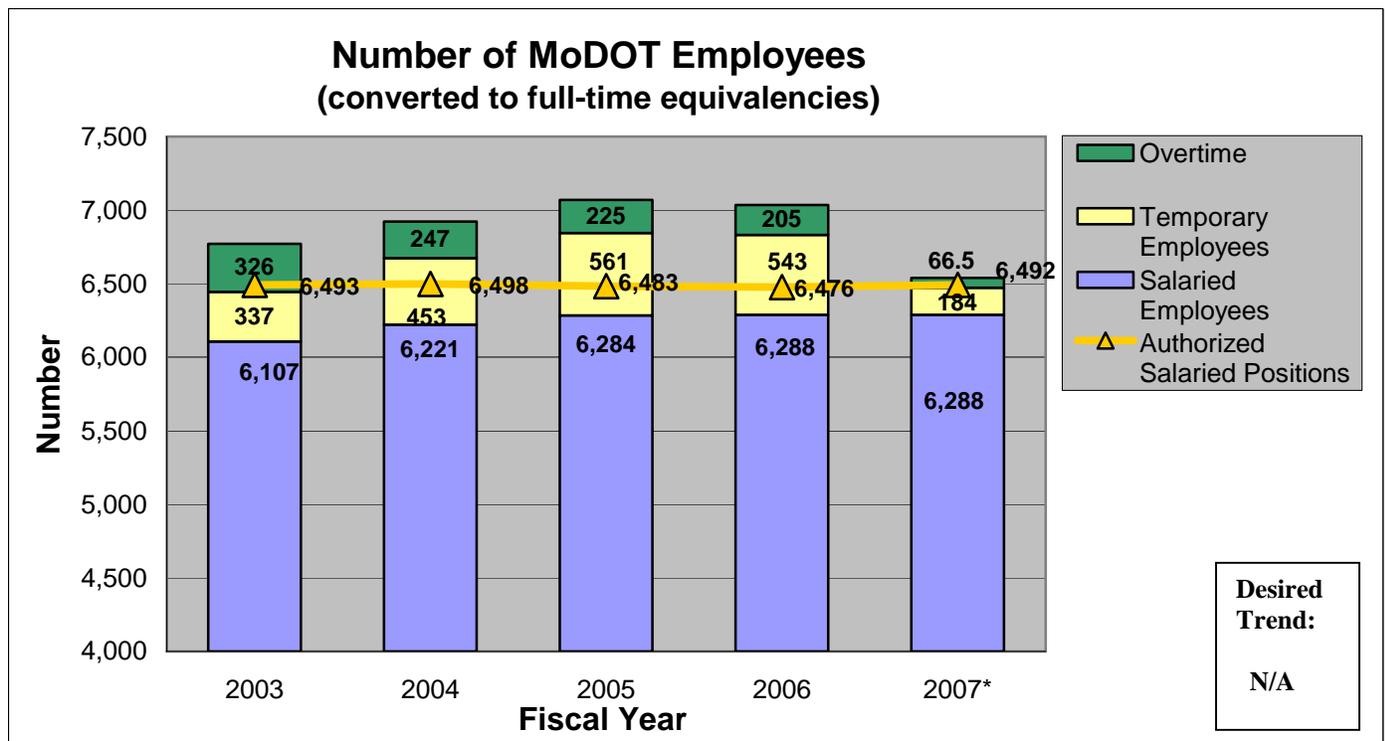
This measure tracks the growth in the number of employees within the department. This measure converts salary dollars paid to temporary and salaried employees as well as the amount paid for overtime worked to Full-Time Equivalency (FTE). In order to convert these numbers to FTEs, we divided the total number of hours worked by 2080. Overtime includes both salaried and wage employees.

Measurement and Data Collection:

The data is collected and reported each quarter of each 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:

For FY 2007, MoDOT has 6,492 authorized salaried positions. The number of authorized salaried positions increased over last fiscal year due to a group of Motor Carrier auditors that transferred from the Missouri Department of Revenue to MoDOT. As of Sept. 30, 2006, the actual number of salaried employees was 6,362 with an additional 460 seasonal employees working for the department. Seasonal employment is down from 608 in July 2006. District 10 hired considerably fewer seasonal employees this year, with only ten on board as of the end of this quarter.



* For FY 2007, the Salaried Employees data has had the FTE for salaried employees used to date converted to an annual number for ease in comparison to previous years. This could not be reasonably accomplished for wage employees or for overtime.

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:

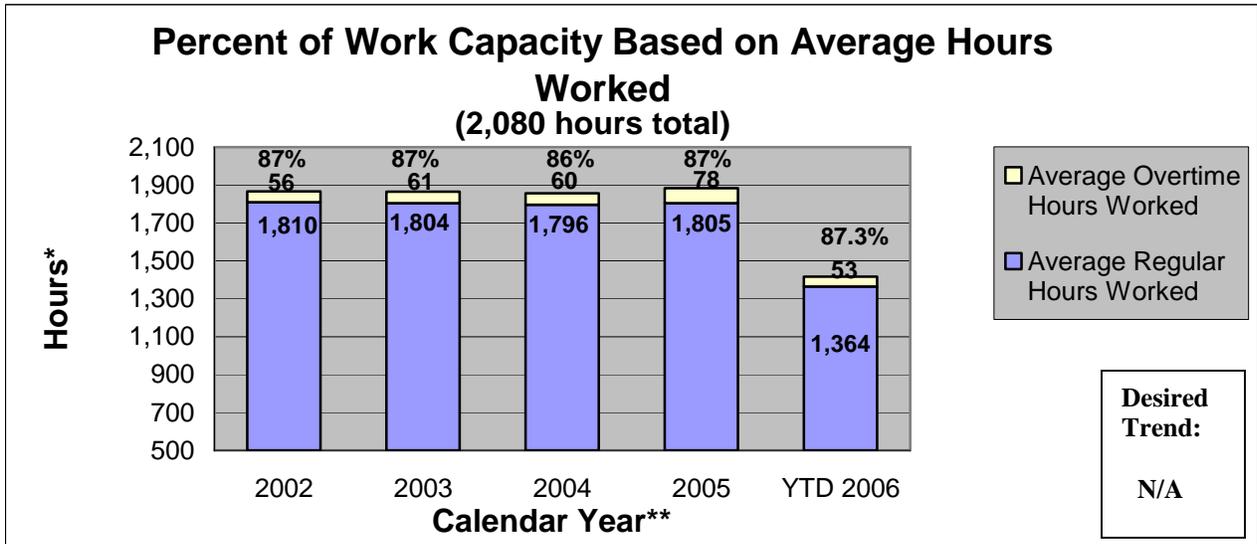
The purpose of this measure is to track how many hours the average employee works on an annual basis. It can assist management in determining staffing and productivity levels.

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.

Improvement Status:

In the July 2006 Tracker MoDOT reported a year-to-date work capacity at 88.2 percent. Work capacity has fallen to 87.3 percent year to date at the end of September. Employees worked an average of 21 hours of overtime this quarter, with most overtime worked by district staff. District 10 had the highest amount of overtime, averaging nearly 75 hours per employee. A considerable amount of overtime was worked by all categories of district employees except the office staff. Employees in the technician categories worked the most overtime, and several districts had a high rate of overtime in the professional category. During the most recent quarter, districts and Central Office saw an average absenteeism rate of 13.7 percent. The highest absenteeism rate was 14.3 percent and the lowest was 12.5 percent. Again this quarter, sick leave usage averaged 18.9 hours per employee statewide. Human Resources staff members continue to share strategies for dealing with leave misuse with all supervisors as issues come to light.



* Annual average per employee

** 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:

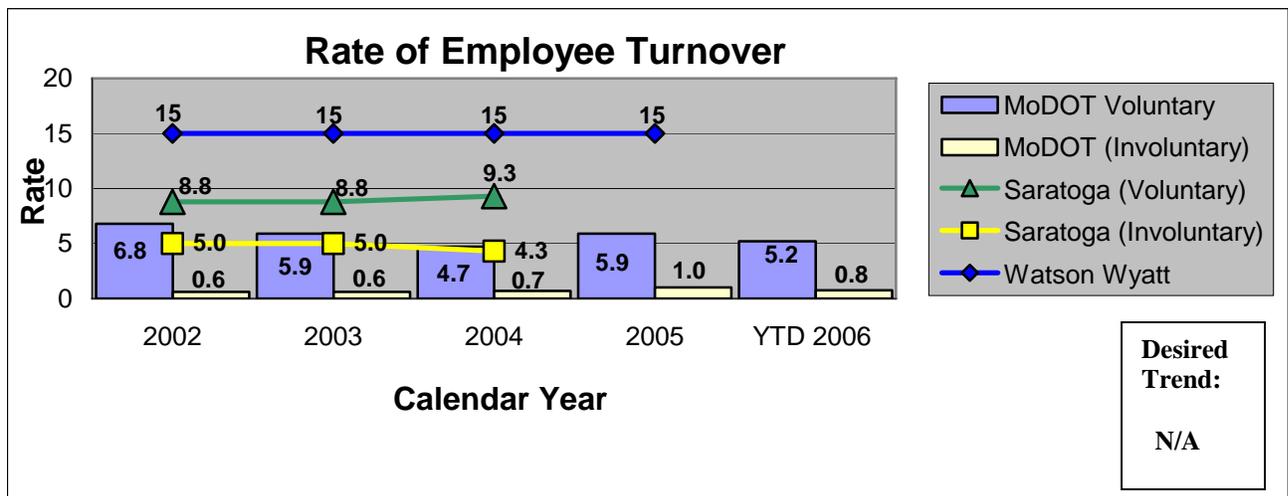
This measure tracks the percentage of employees who leave MoDOT annually and compares the department's turnover rate to benchmarked data. Voluntary turnover includes resignations and retirements. Involuntary turnover includes dismissals only. Turnover rate includes voluntary separations, involuntary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

Measurement and Data Collection:

The data will be collected statewide to assess employee overall turnover. Comparison data will be 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:

Through September 2006, there have been 389 separations with 36.5 percent due to retirement and 49 percent due to resignations. In this most recent quarter, an additional 22 employees in civil engineering positions left MoDOT and four of these were in managerial positions. The urban districts continue to have the highest turnover rates overall as well as the highest rates for civil engineers. This quarter, four information technologists resigned from the department. The Human Resources Division (HR) worked with Information Systems Division management to implement changes to the first-line supervisory positions effective Aug. 1. These changes included some equity increases for employees already in these positions. Another area of concern is a higher turnover rate for employees in crew worker positions in the metropolitan districts. HR has completed three quarters of the staff work on the job study for the field maintenance positions with findings to be issued in early December. HR developed strategies to address the turnover in this job group and plans to make a recommendation as part of the job study implementation.



* Saratoga's data for CY 2005 or YTD 2006 is unavailable at the time of print.

Best Value for Every Dollar Spent

Percent of satisfied employees

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Micki Knudsen, Human Resources Director

Purpose of the Measure:

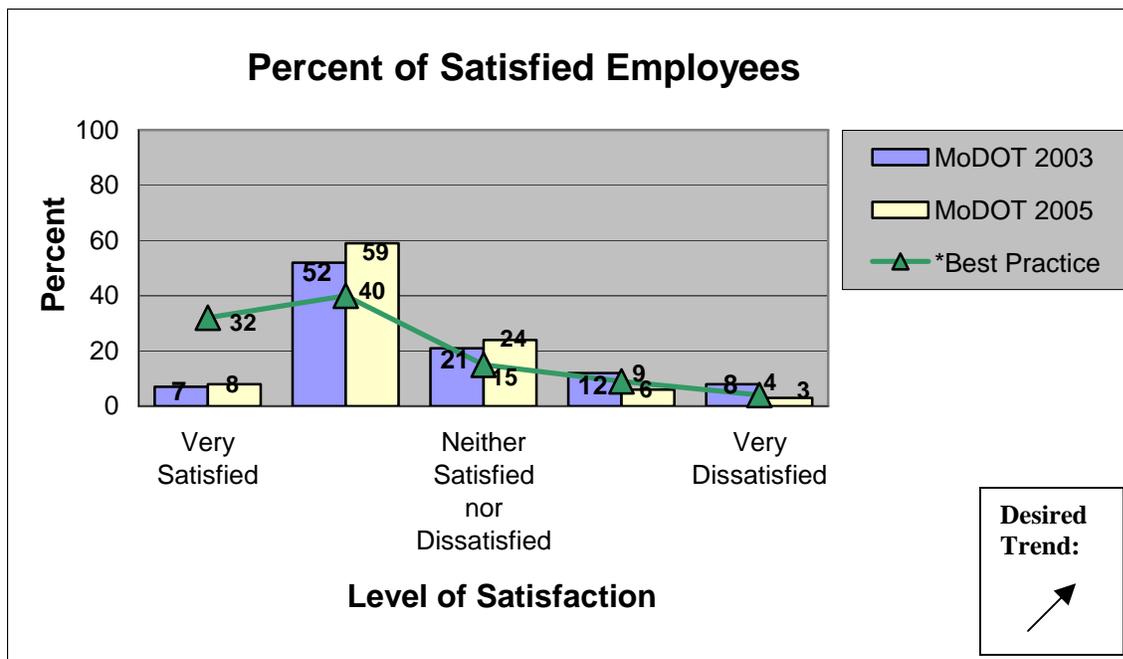
This measures the level of employee satisfaction throughout the department in comparison to the organization that scored the best in employee satisfaction using the same survey instrument.

Measurement and Data Collection:

Employee satisfaction is measured using 18 items from an annual employee survey. Best practice data for an anonymous company was provided by the vendor contracted to conduct the employee survey. A survey to gather data will be distributed again in 2007.

Improvement Status:

The employee satisfaction subcommittee, made up of several senior management and Employee Advisory Council members, has implemented an action plan to address four of the seven recommendations from the Employee Satisfaction Survey. The action plan includes items to address morale, trust, empowerment, communication, and organizational fairness. Management in Central Office and the districts are implementing the communication plan as discussed at the Senior Management Team (SMT) meeting in June. Empowerment and diversity messages have been shared with the SMT to communicate down the line. MoDOT Director Pete Rahn hosted his first Brown Bag Lunch, where he shared information and answered questions from approximately 85 employees from across the state. The questions and Pete’s response to each were shared with all employees through email and are posted on the department’s Intranet. The Human Resources Division (HR) created and distributed a listing of preferred employee qualities, which supervisors should be considering when filling vacant positions. HR also has shared information directed to employees on how to prepare themselves for promotion.



* Best practice data for an anonymous company was provided by the vendor contracted to conduct the employee survey

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:

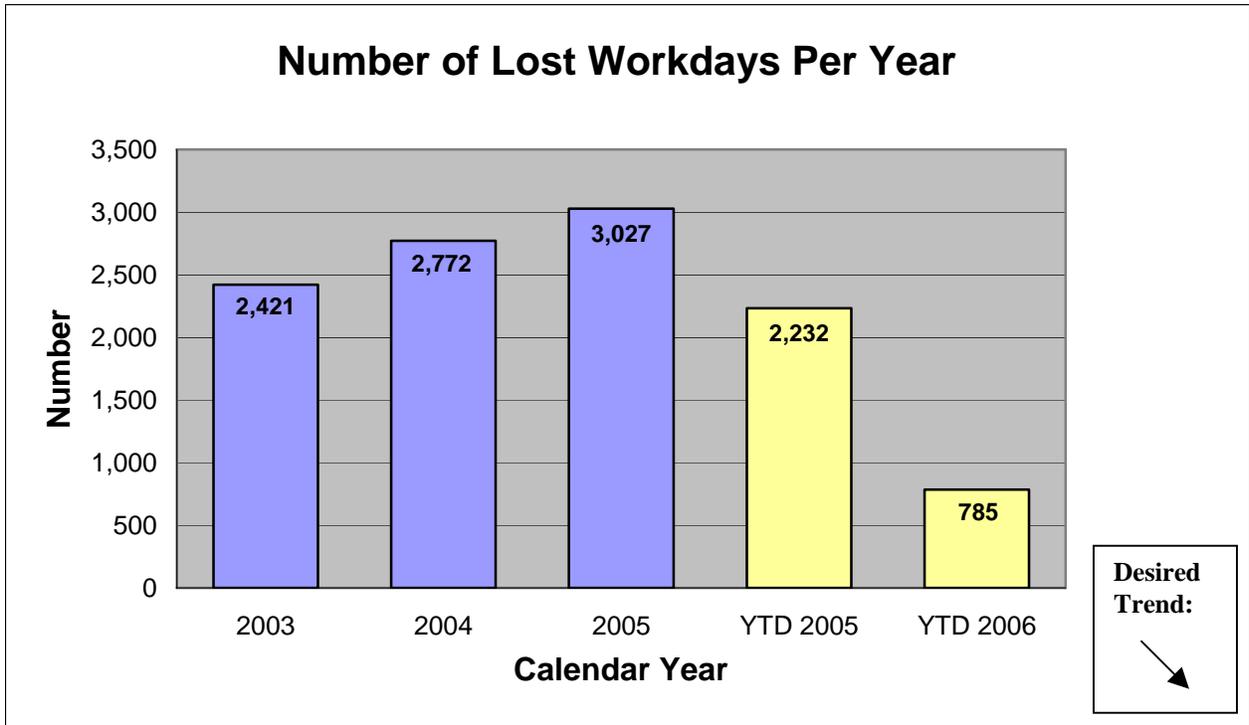
This measure tracks the actual number of days that employees cannot work due to work-related injuries sustained during the reporting period. Note that the results do not include lost workdays for injuries that occurred during previous reporting periods. (Example: an employee that is injured on December 31, 2005 and is off during January of 2006 will not show up as lost time in 2006 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 year-to-date Sept. 30, 2006 is 65 percent lower than the same period last year. Likewise, the number of lost-time incidents decreased by 62 percent for the same period. The largest increase in lost workdays occurred in Central Office Bridge Maintenance, while districts 1, 3, 4, 5, 6, 9 and 10 show significant decreases. 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. The Risk Management Division now directs 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

OSHA recordable incidents by rate and total

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Beth Ring, Risk Management Director

Purpose of the Measure:

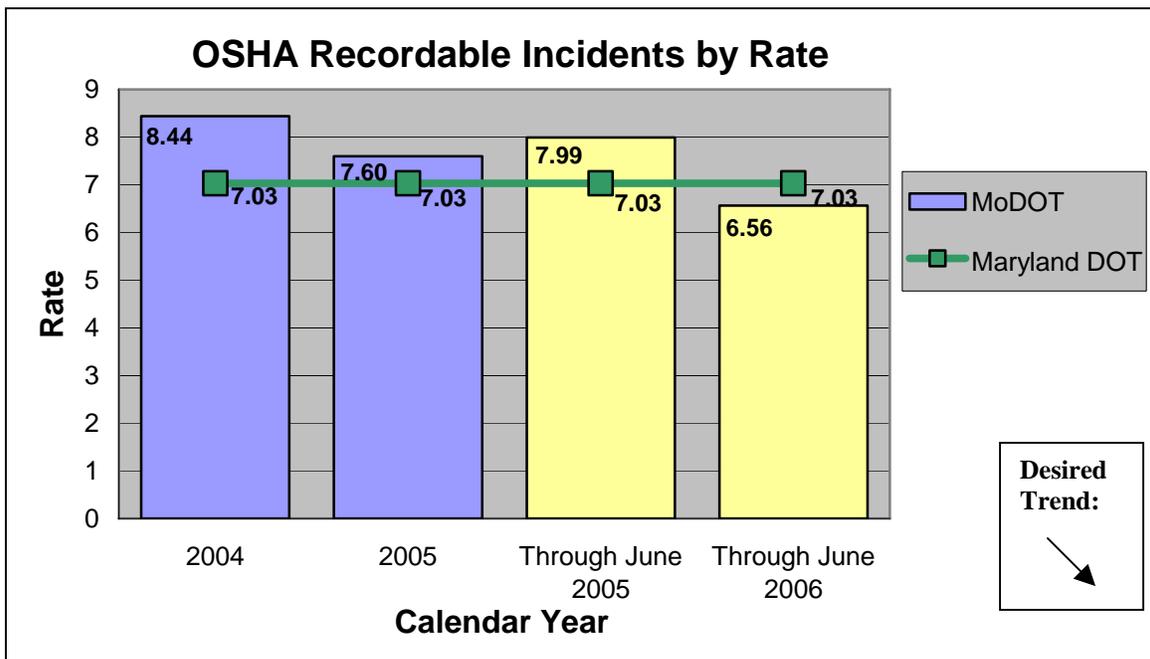
This measure tracks the number of recordable injuries, as defined by OSHA, in total and as a rate of injuries per 100 workers. The calculation for incidence rate is (number of recordables * 200,000)/number of hours worked. The 200,000 used in the calculation is the base for 100 full-time workers (working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

Measurement and Data Collection:

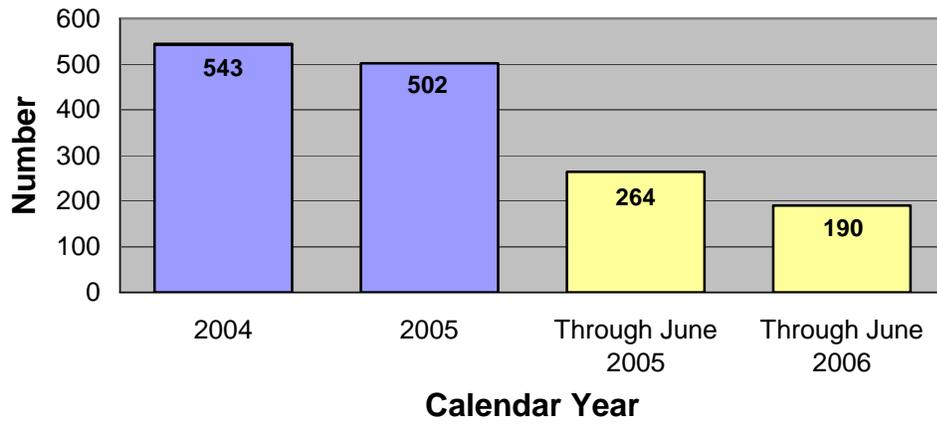
We report on the measure quarterly, one quarter in arrears, and collect the injury data from Riskmaster, the Risk Management claims administration software. The Controller’s Division gathers the number of hours worked from the HR Payroll Datamart. The benchmarking data for YTD, June 2005 and 2006 is unavailable so the calendar year 2005 statistics were used as an approximation.

Improvement Status:

The number of OSHA recordables and the incidence rate has declined over the reporting periods noted. The department has reduced its injury rate as a result of successfully implementing numerous safety-related initiatives.



OSHA Recordable Incidents by Total



Desired Trend:
↓

Best Value for Every Dollar Spent

Building expenditures per square foot

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Chris Devore, General Service Manager - Facilities

Purpose of the Measure:

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

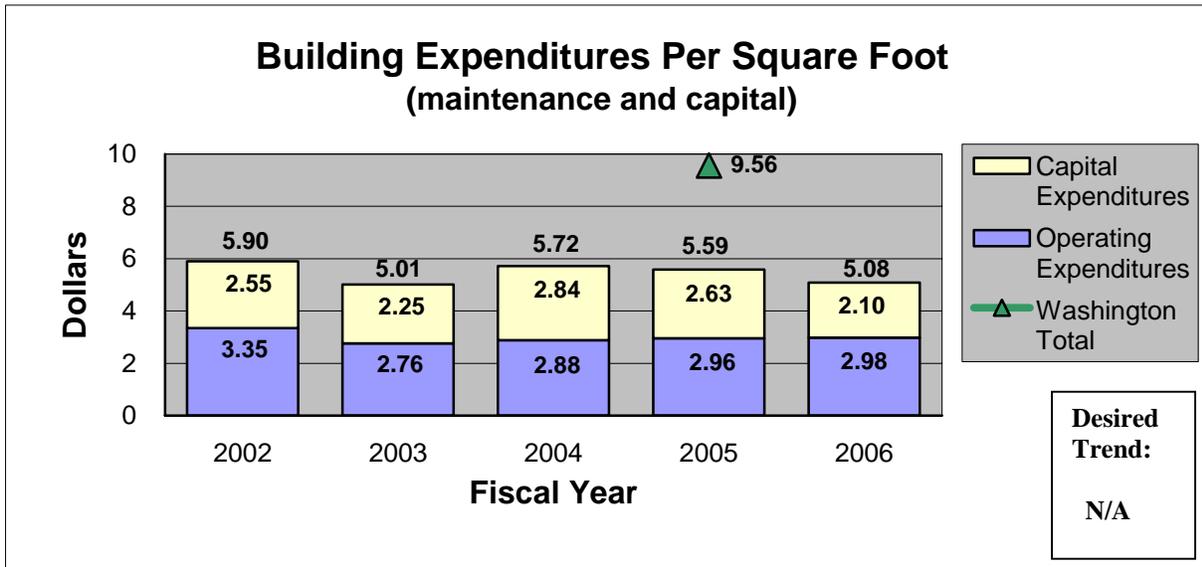
Measurement and Data Collection:

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.

Improvement Status:

As operational needs developed, extra consideration and funding were expended to repair/replace with energy efficient options. These improvements have included, but are not limited to, installing energy efficient windows, overhead doors, and new HVAC system and insulating maintenance bays. A team of MoDOT and DNR employees was established to seek out opportunities for MoDOT to become more energy efficient. The Director will be presented with goals to achieve and ideas for saving energy.

The benchmark is from the Washington State DOT (WSDOT). Based on its budget the approximate capital expenditures for 2005 were \$3.44 per square foot and the approximate operating expenditures were \$6.12 per square foot.



Best Value for Every Dollar Spent

Fleet expenses compared to fleet value

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Jeannie Wilson, General Services Manager - Fleet

Purpose of the Measure:

This measure tracks costs for MoDOT's fleet, as well as its condition. The first chart compares repair cost, acquisition expenditures, and total fleet value. 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:

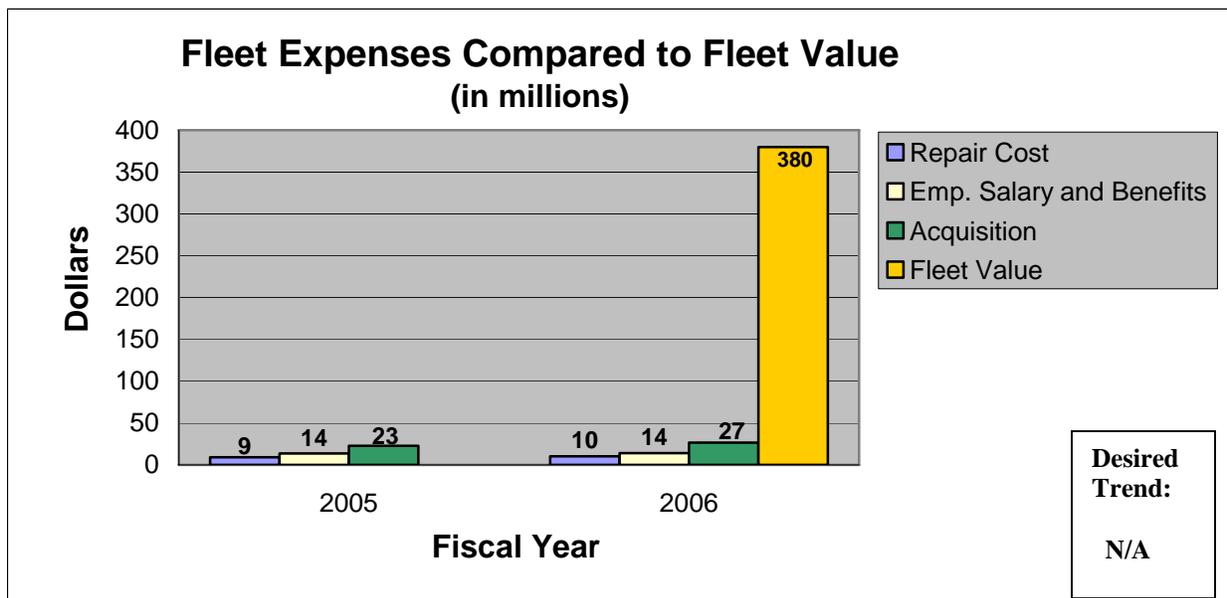
The expenditures are collected from the statewide financial accounting system. All costs associated with repairs, supplies and maintenance for all fleet items are included in the analysis. Fleet value is established based on current replacement cost for all active units.

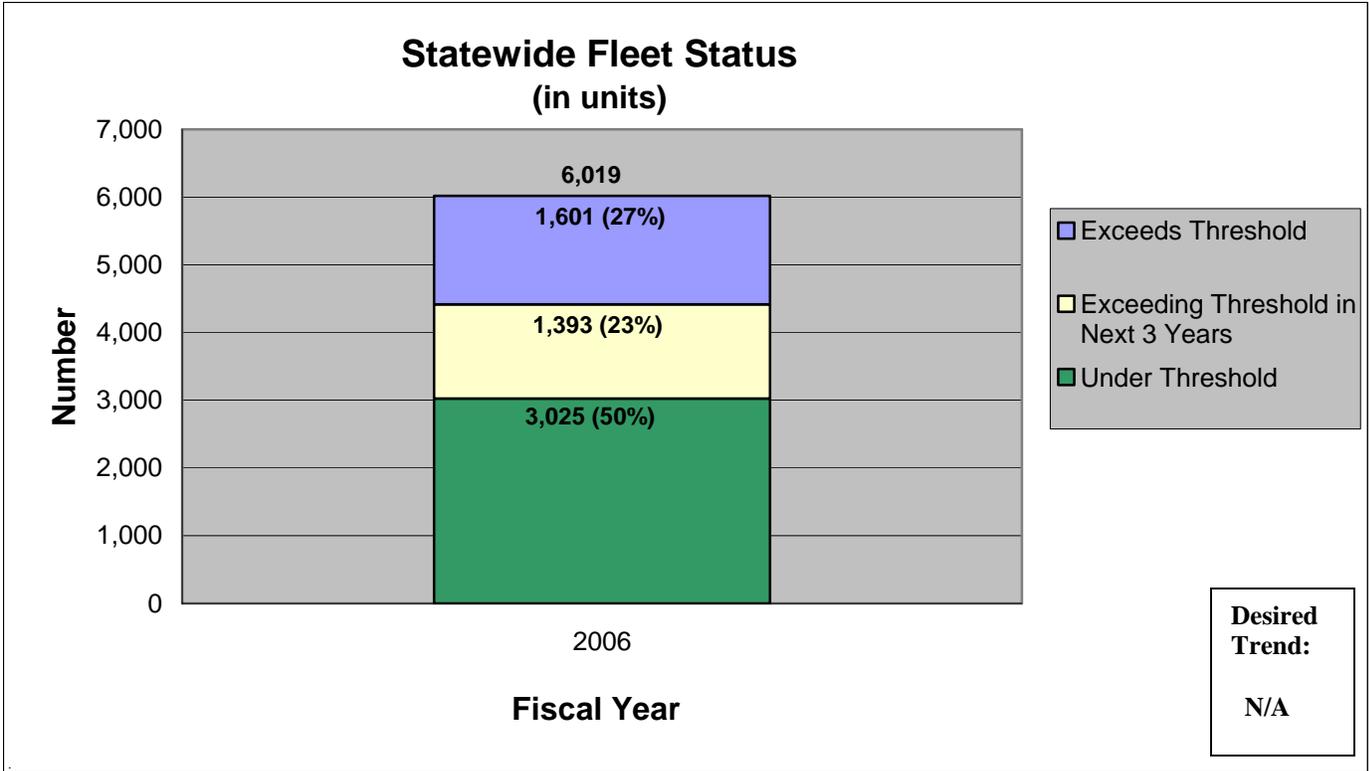
Age and meter thresholds were established based on maximum life usefulness. Units are identified as either exceeding their primary life cycle for either its age or meter, reaching maximum primary life in the next three years; and not exceeding the threshold within the next three years.

Improvement Status:

The repair costs to MoDOT's fleet increased from \$9 million to \$10 million from FY 2005 to FY 2006, while MoDOT's salary and benefit costs for its fleet employees remained the same at \$14 million in both fiscal years. Acquisition costs for new fleet increased from \$23 million to \$27 million from FY 2005 to FY 2006. The total value of MoDOT's fleet in 2006 was \$380 million.

The Fleet Optimization Team was formed in March 2006 and met weekly through April to review the current fleet structure and to identify process and policy changes that would result in better overall fleet management. The team provided recommendations to management in May 2006. Team members, along with fleet services and district staff, will be implementing recommendations to eliminate underutilized equipment as the first step in right-sizing the fleet.





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:

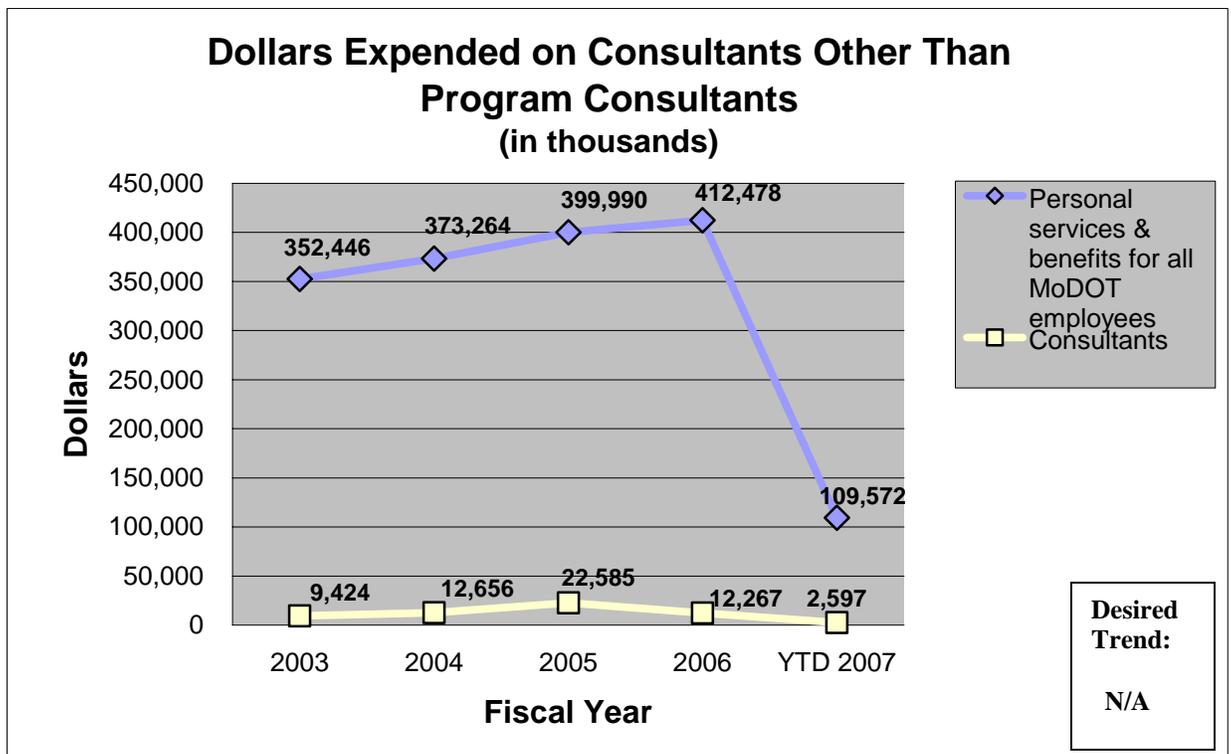
The measure tracks the department's use of consultants for other than right of way and construction. The department utilizes consultants to complement employee resources and expertise. Reporting heightens awareness and provides a tool to measure the utilization of consultants.

Measurement and Data Collection:

The data is collected 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 not abnormal. The department will continue to utilize non-design consultants for specialized services and to supplement available employee resources. FY 2007 information systems' projects utilizing 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 FY 2006, however, it continued to FY 2007. Other anticipated consultant costs in FY 2007 include the Missouri Statewide Traffic Data and Traveler Information system and completion of 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.

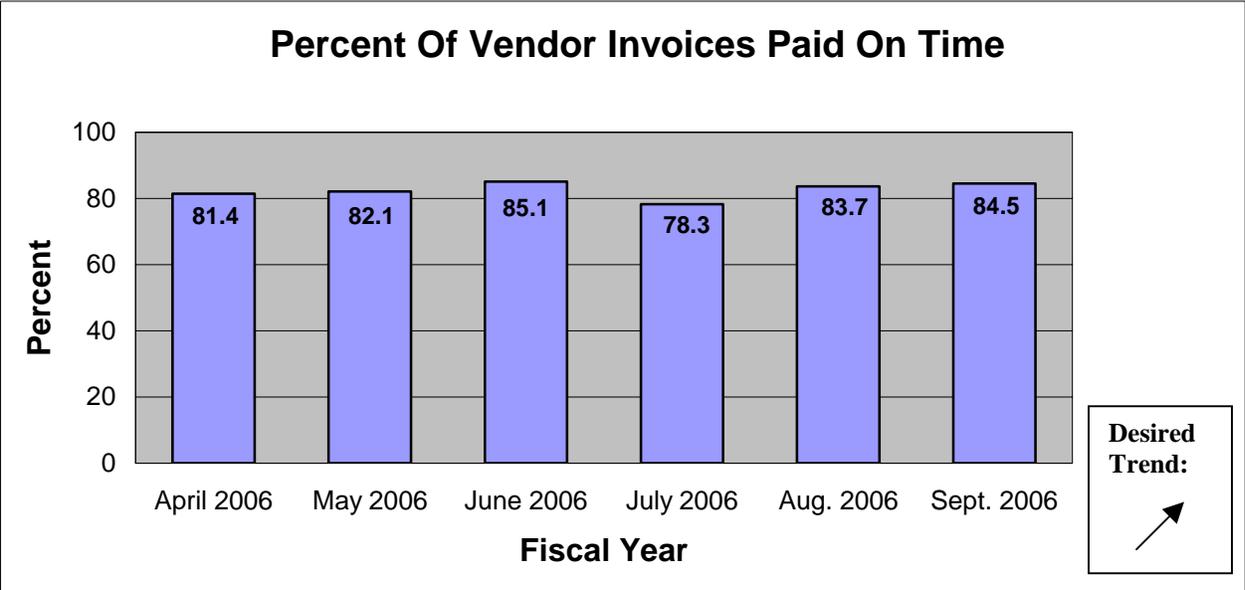
Measurement and Data Collection:

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. The measure indicates 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 central office or a district, and (3) identify processes contributing to the delayed payment.

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:

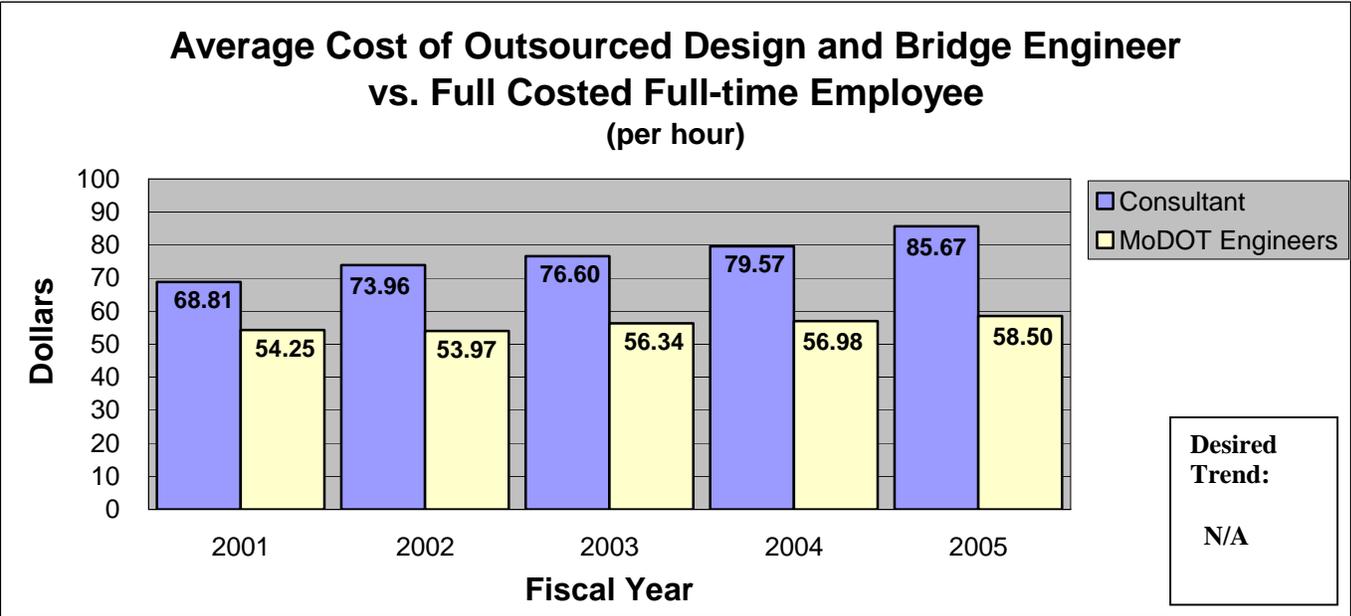
The purpose of the measure is to demonstrate a responsible use of taxpayers' money, with the emphasis of spending for design and bridge engineering efforts.

Measurement and Data Collection:

The data collection is based on outsourced contracts and employee expenditures.

Improvement Status:

The process is to measure external design consultant costs and compare to MoDOT staff design engineer costs. Both categories are fully costed and comparable. 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. The FY 2006 rates will be included in the January 2007 Tracker.



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:

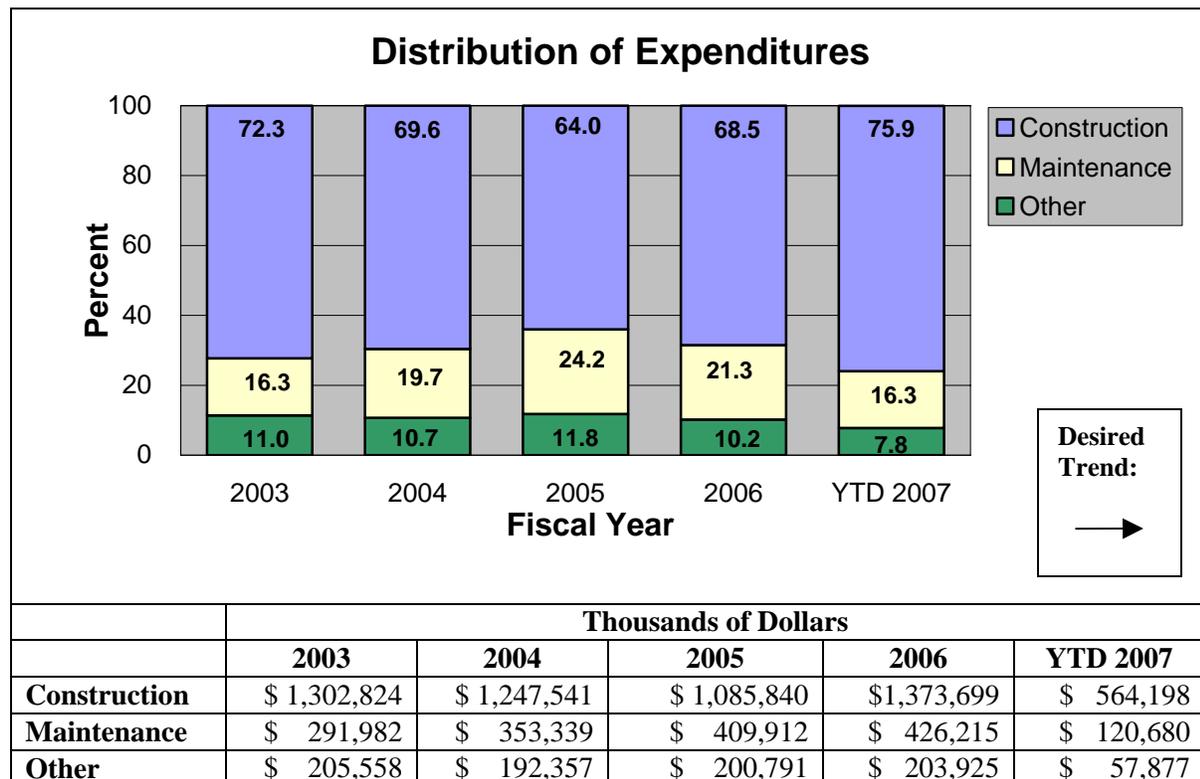
The purpose of the measure is to demonstrate a responsible use of taxpayers' money, with the emphasis of spending on the construction and maintenance of our transportation system.

Measurement and Data Collection:

The data collection is based on cash expenditures by appropriation. Construction and maintenance expenditures are defined as expenditures from the construction and maintenance appropriations. Other expenditures include: administration, multimodal, information systems, fleet, facilities, and other services 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 overall, percentage and dollars, as construction projects have accelerated as a result of bond proceeds. Expenditures from appropriations other than construction and maintenance remain constant, which is consistent with the desired trend.



Best Value for Every Dollar Spent

Percent variance of actual state highway user revenue vs. projections

Result Driver: Roberta Broeker, Chief Financial Officer

Measurement Driver: Ben Reeser, Financial Resource Manager

Purpose of the Measure:

The measure shows the precision of the state highway user revenue projections.

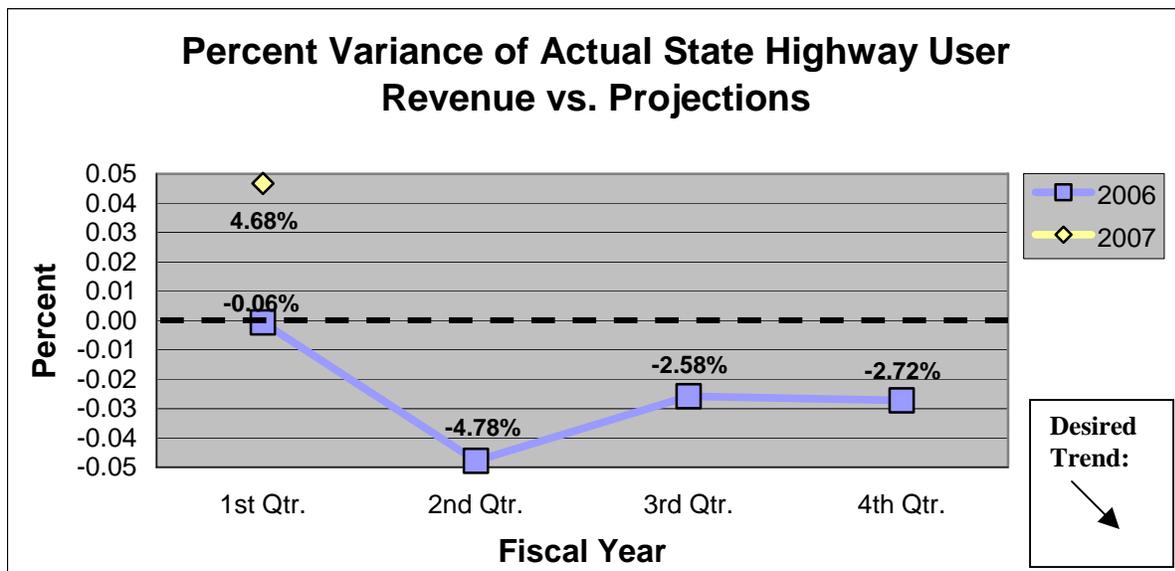
Measurement and Data Collection:

State highway user revenue includes: Motor Fuel Taxes, which are taxes collected on each gallon of motor fuel purchased; License and Fees, which are driver licenses and taxes and fees collected on motor vehicle licensing and registrations; and Sales and Use Taxes, which are taxes collected on the purchase of motor vehicles.

Projections are based on the current financial forecast. Percent is based on year-to-date revenues. The actual data is provided monthly to Resource Management by the Controller's Division.

Improvement Status:

The actual state highway user revenue was greater than projected through the first quarter of fiscal year 2007. The projected revenue was \$247.7 million. However, the actual receipts were \$259.3 million, a difference of \$11.6 million and a positive variance of 4.68%. The desired trend is for the actual revenue to match projections with a variance of zero percent. MoDOT staff continues to analyze current revenue trends in preparation for the next forecast.



Best Value for Every Dollar Spent

MoDOT national ranking in revenue per mile

Result Driver: Roberta Broeker, Chief Financial Officer
Measurement Driver: Ben Reeser, Financial Resource Manager

Purpose of the Measure:

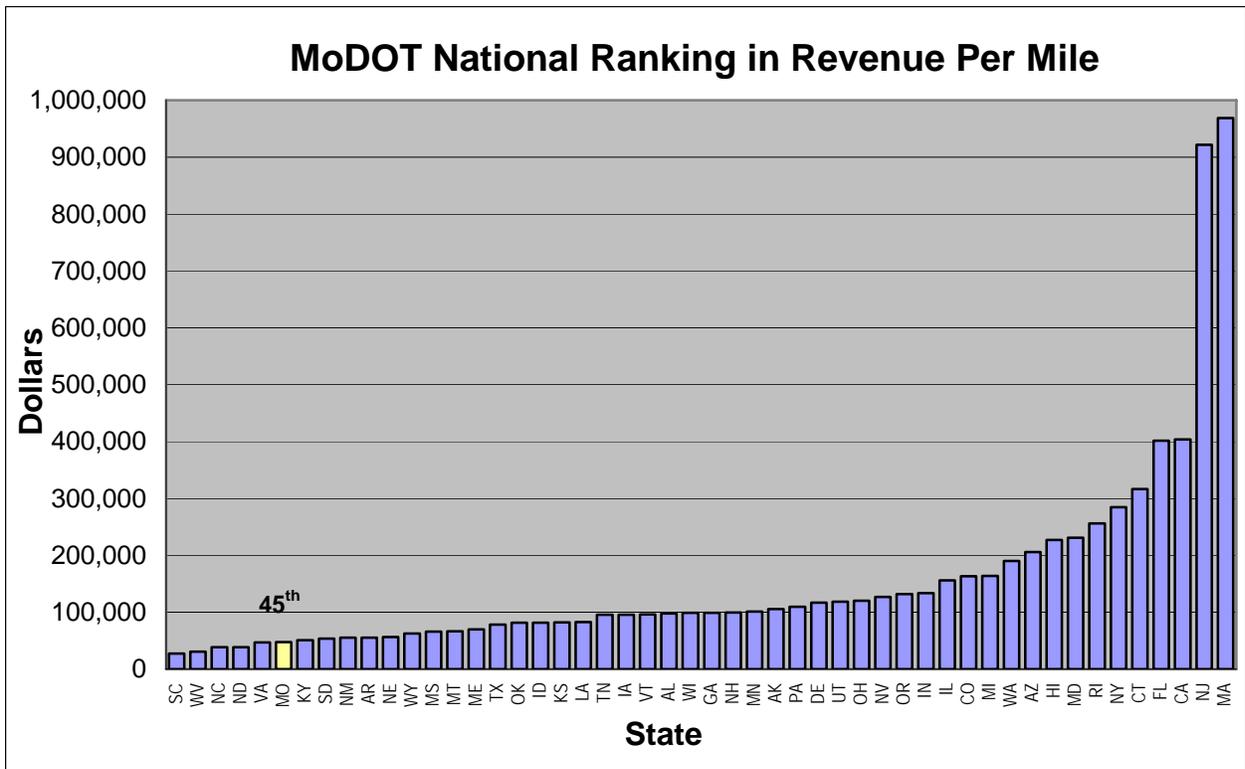
This measure shows Missouri’s national ranking in the amount of revenue per mile that is available to spend on the state highway system.

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.

Improvement Status:

Missouri’s revenue per mile of \$47,463 currently ranks 45th in the nation. Missouri has a very large state highway system, consisting of 32,471 miles, which is the seventh largest system in the nation. Massachusetts revenue per mile of \$968,448 ranks first, however, their state highway system contains only 2,841 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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