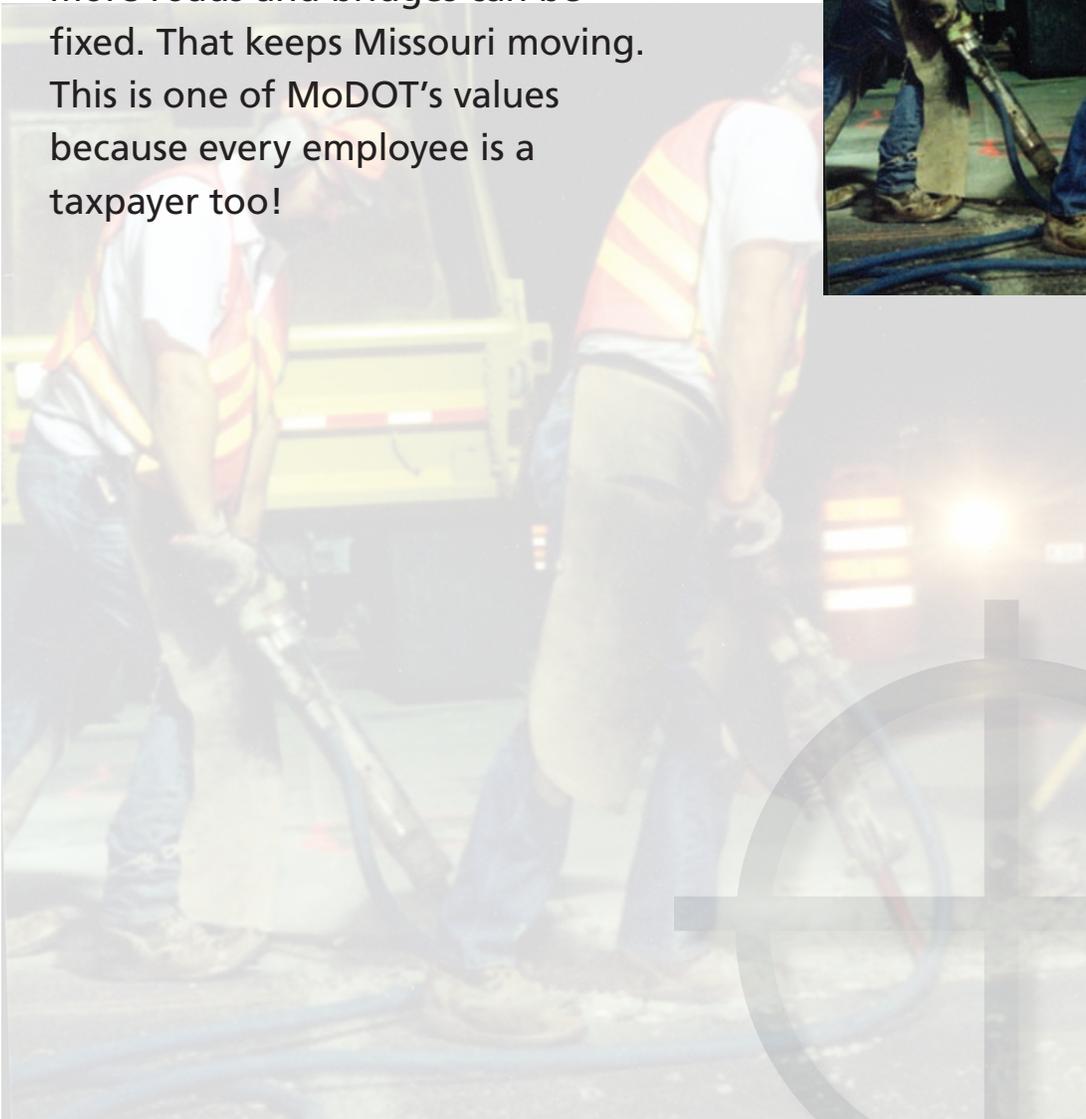

Best Value For Every Dollar Spent

*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:

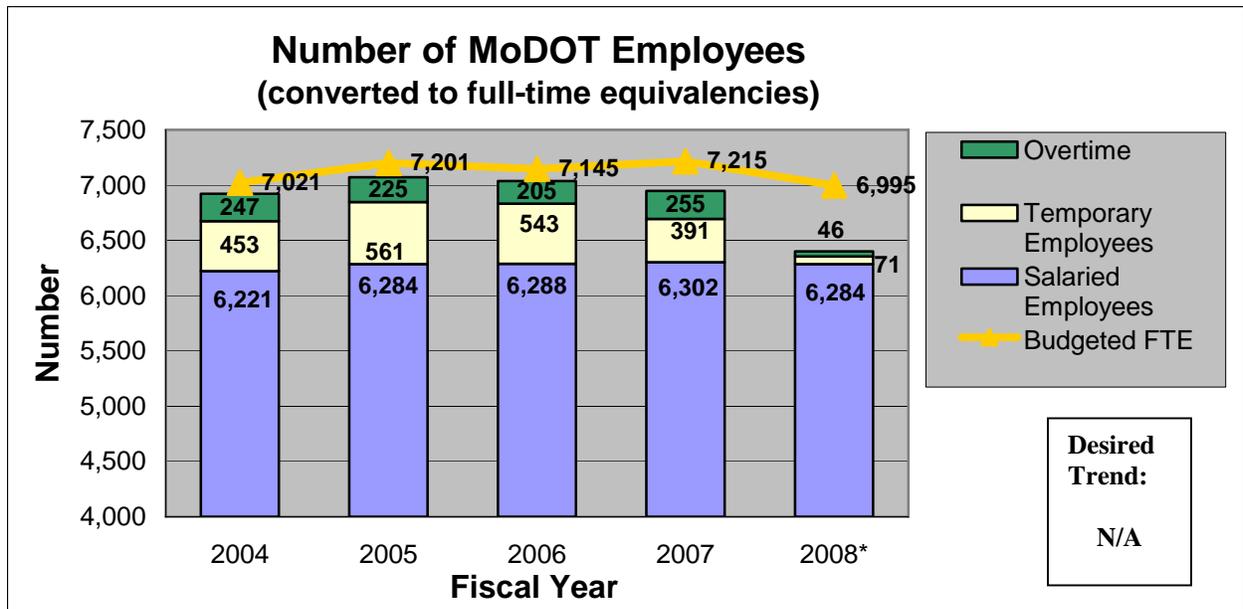
This measure tracks the growth in the number of employees within the department. This measure converts salary dollars paid to temporary and salaried employees, as well as the amount paid for overtime worked, to full-time equivalency. In order to convert these numbers to FTEs, the total number of hours 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 chart for this measure has changed beginning fiscal year 2008. MoDOT managers now have increased flexibility in how they spend personal services dollars and are no longer forced to keep salaried employees within an authorized headcount. Therefore, the chart will now compare actual expenditures to budgeted FTEs. Comparing the first quarter of FY 2008 to the first quarter of FY 2007, the number of salaried employees is relatively the same. However, MoDOT has utilized fewer FTEs for wage employees (71 from 184) and less FTEs for overtime (46 from 66) compared to one year ago.



* For FY 2008, the "Salaried Employees" data has had the FTE used to date for salaried employees converted to an annual number (by multiplying by four) 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.

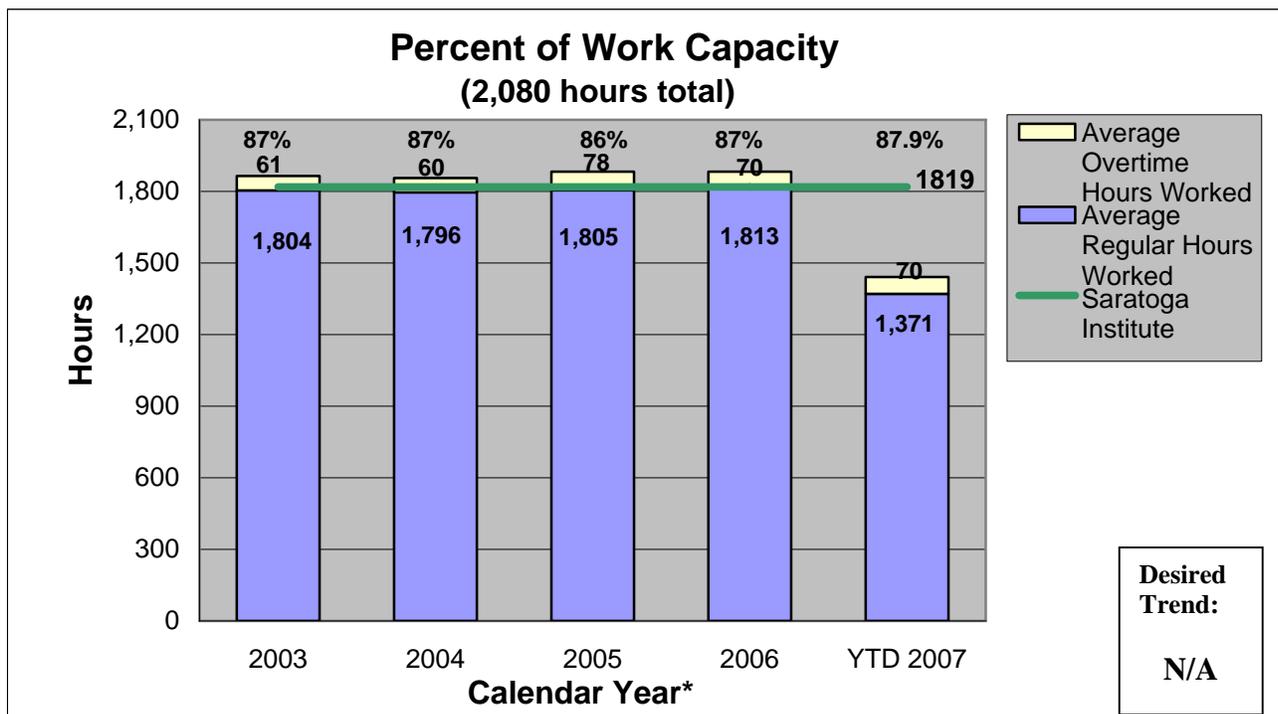
Measurement and Data Collection:

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. 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:

In the July 2007 Tracker, MoDOT reported a year-to-date work capacity of 88.6 percent. Although work capacity has fallen to 87.9 percent, this is typical considering the number of employees who take vacation during the third quarter of the calendar year. The department has increased year-to-date work capacity slightly over 2006 when it was 87.3 percent. However, this slight increase (7 hours per employee) reflects the equivalent of 21 additional FTEs. The increase in work capacity is directly linked to the reduction in employees' use of sick leave. For calendar year 2007 to date, MoDOT employees have used 51,767 fewer hours than in 2006, and over 71,000 fewer hours than the same time period in 2005. In addition, during the most recent quarter, MoDOT staff reduced the average hours of overtime to 15 hours compared to 21 hours during the same quarter in FY 2007.



* 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:

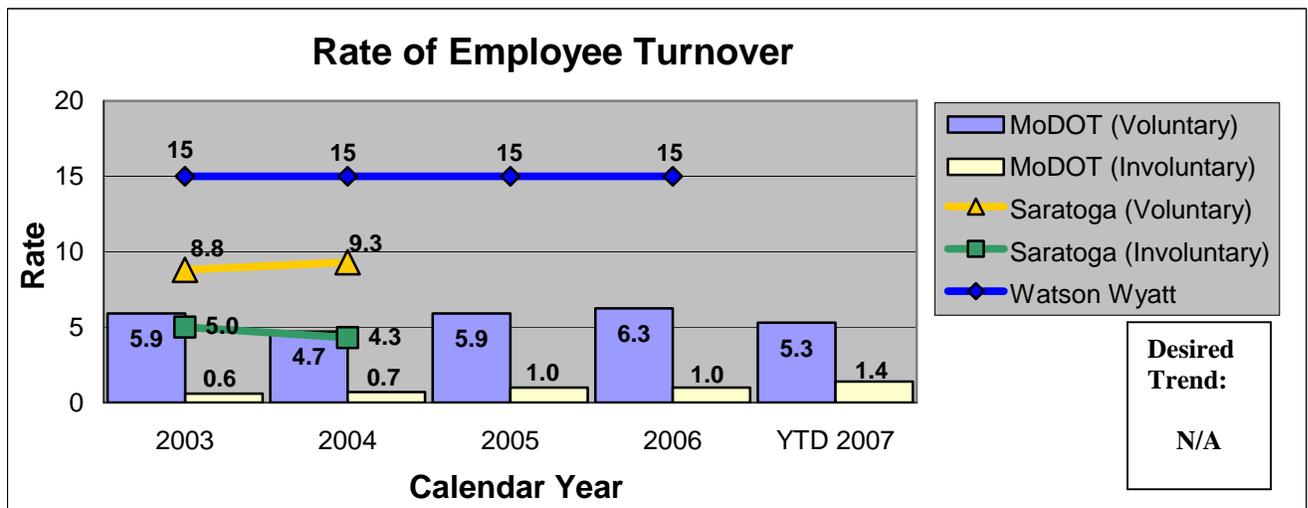
This measure tracks the percentage of employees who leave MoDOT annually and compares the department’s turnover rate to benchmarked data. Voluntary turnover includes most resignations and retirements. Involuntary turnover includes dismissals. Beginning with calendar year 2007, it also includes retirements and voluntary resignations of employees who were rated as needs improvement or had a disciplinary history. 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:

Through September 2007, there were 421 separations compared to 389 during the same period in 2006. Of the 360 voluntary separations, 50 percent were due to retirements, which is slightly higher than one year ago. The 179 resignations to date in 2007 are down nearly 6 percent from 190 at this time last year. There were 22 employees dismissed during the most recent quarter and 10 employees with conduct or performance issues resigned. MoDOT continues to see a reduction in turnover rate of employees in civil engineering positions compared to the same time period in the previous year. At this time last year, 67 employees in civil engineering positions had separated from the department; in 2007, only 45 employees in these positions have left employment. Turnover of professionals in the information technology area have again become a source of concern. During the most recent quarter, 6 information technology professionals left employment with MoDOT, bringing the total for the year to 15. This compares to only six for all of 2006.



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:

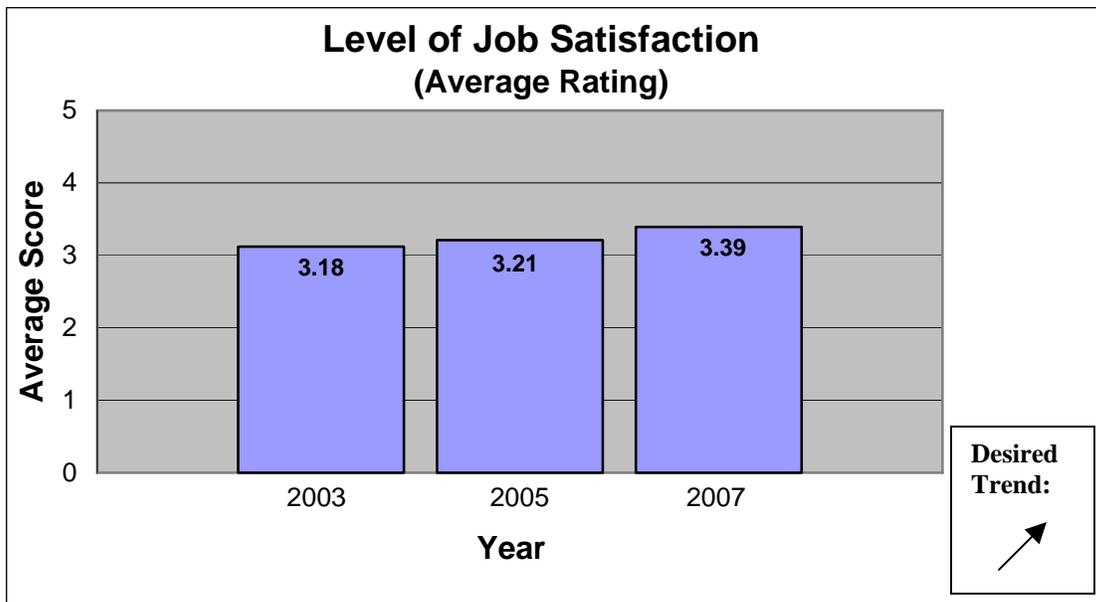
This measure tracks the level of employee satisfaction throughout the department at specific points in time. The first chart indicates the level of department employees' job satisfaction and changes in their satisfaction over time. The second chart shows the percentage of MoDOT employees who are satisfied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

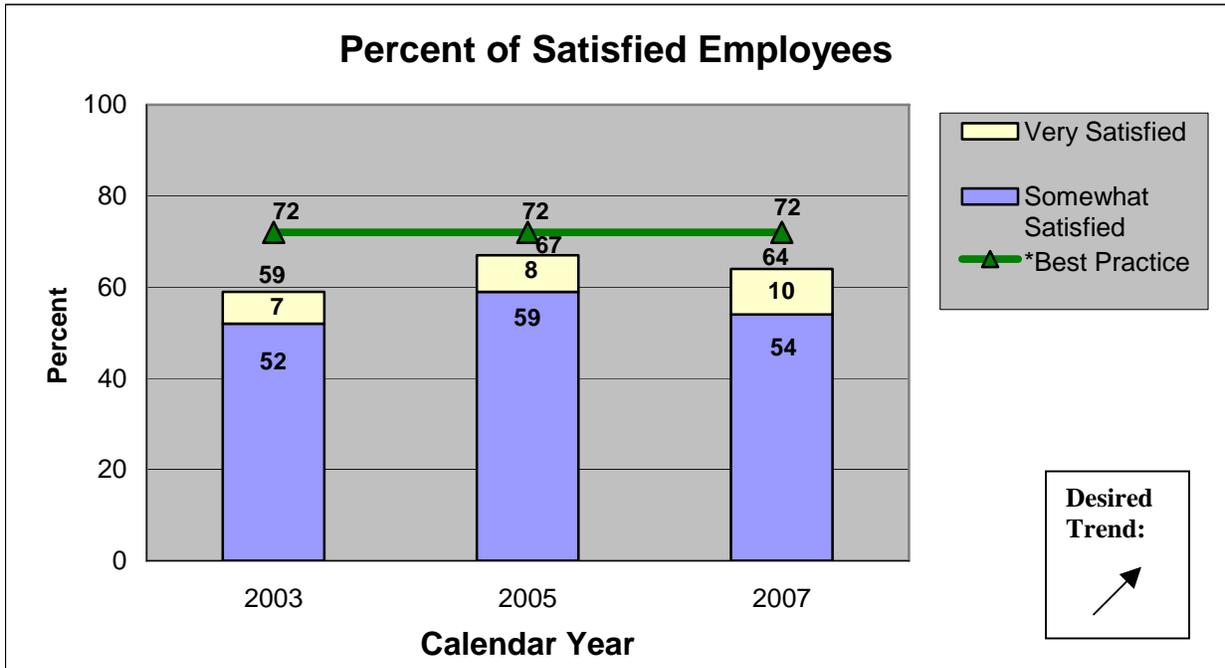
Measurement and Data Collection:

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, a draft report of the results of MoDOT's employee satisfaction survey was completed and will be released in November. This year's report includes an action plan for addressing employee concerns. The employees' written comments were shared with the district engineer at each location in order to develop action items to address employee concerns specific to each location. 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, employee 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: Jeff Padgett, Acting Risk Management Director

Purpose of the Measure:

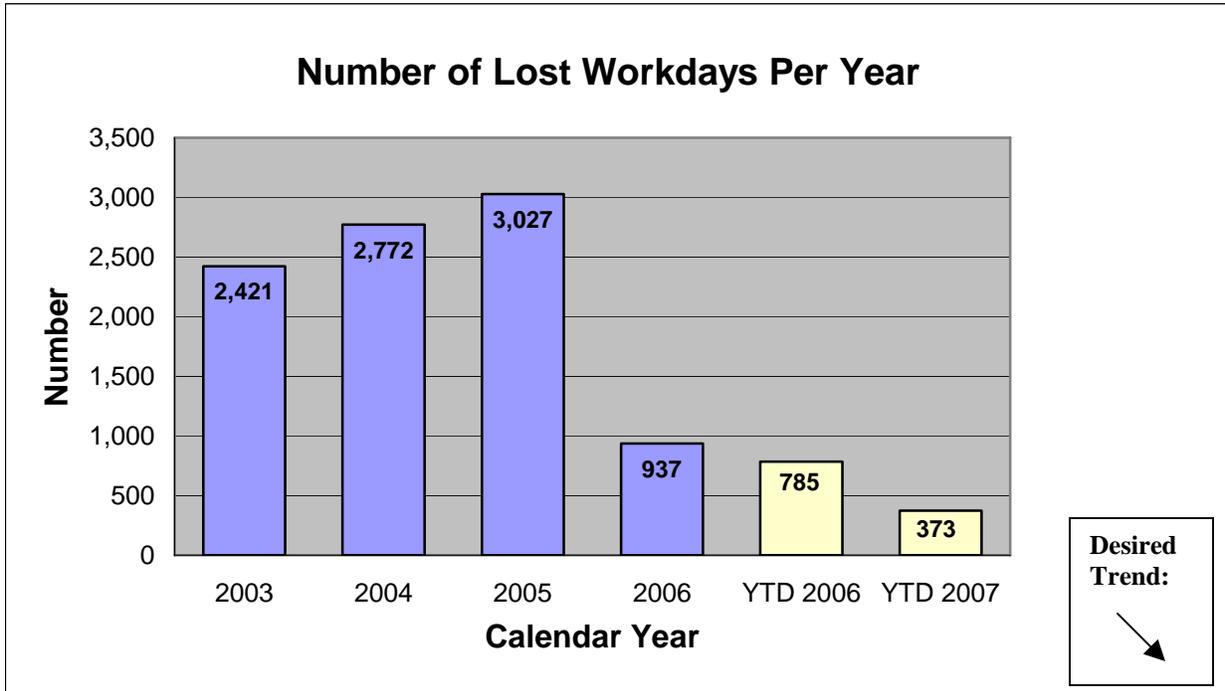
This measure tracks the actual number of days that employees cannot work due to work-related injuries sustained during the reporting period. Note that the results do not include lost workdays for injuries that occurred during previous reporting periods. (Example: an employee that is injured on Dec. 31, 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 three quarters of 2007 is 52 percent lower than last year's total, declining from 785 in 2006 to 373 lost workdays in 2007. Though not illustrated in the chart, the number of lost-time incidents decreased by 34 percent for the same period. 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, Acting Risk Management Director

Purpose of the Measure:

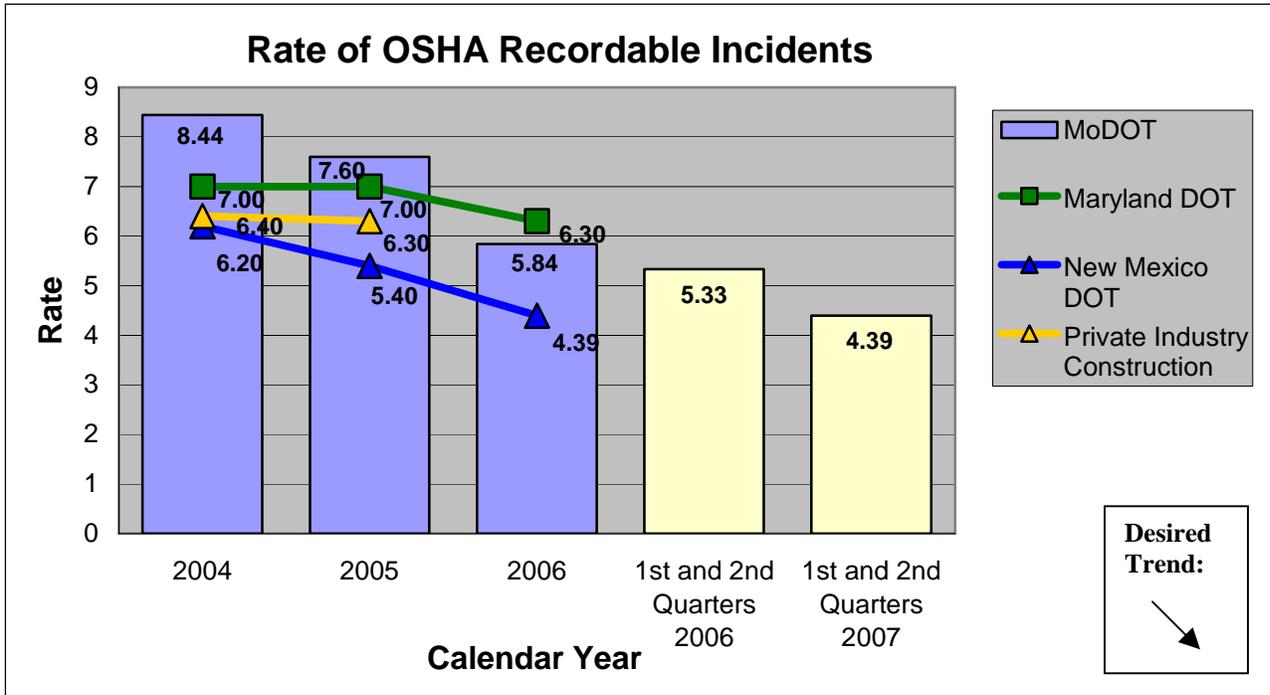
This measure tracks the number of recordable injuries, as defined by OSHA, in total and as a rate of injuries per 100 workers. The calculation for incidence rate is the number of recordables times 200,000 divided by the number of hours worked. The 200,000 used in the calculation is the base for 100 full-time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

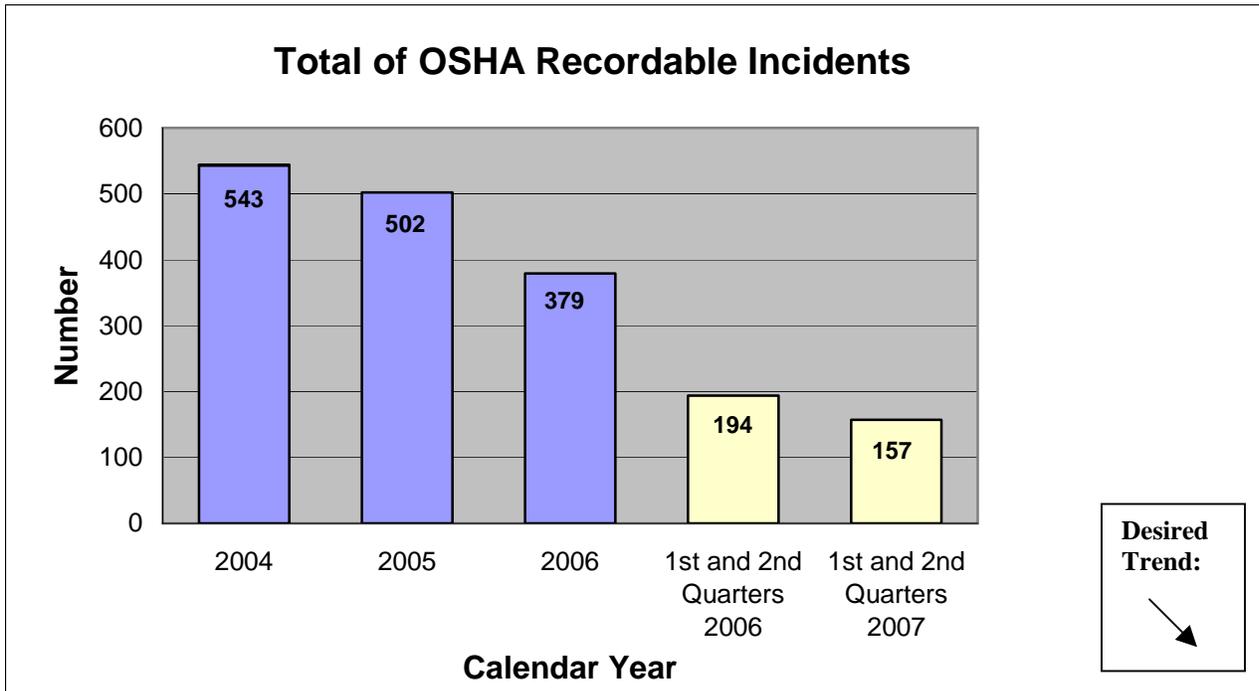
MoDOT reports on the measure quarterly, one quarter in arrears, and collects the injury data from Riskmaster, a claims administration software. The number of hours worked is taken from MoDOT's payroll data.

Improvement Status:

The number of OSHA recordables and the incidence rate has declined over the reporting periods noted. The incident rate has declined by 18 percent for the first and second quarters of 2007 over the same time period in 2006, dropping from 5.33 to 4.39. The number of recordables has declined by 19 percent over the same period, demonstrating a reduction from 194 to 157 OSHA recordables. The department has reduced its injury rate by 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: Jeff Padgett, Acting 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.

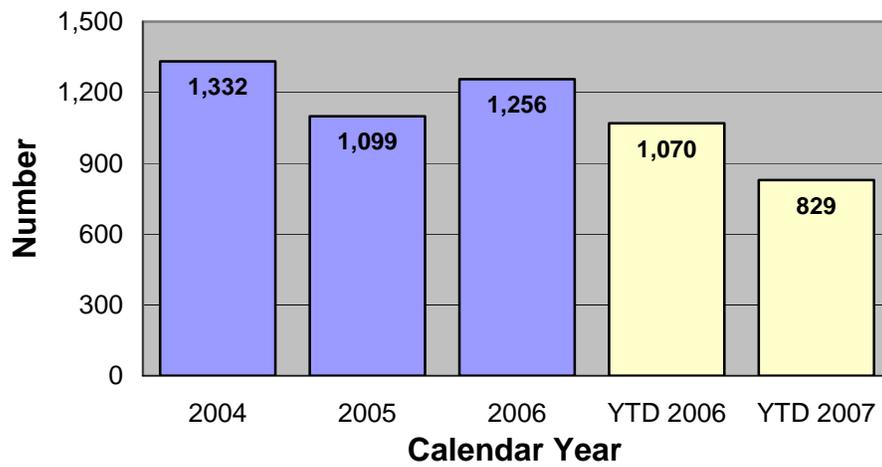
Improvement Status:

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 23 percent through 2007 over the same time period in 2006, dropping from 1,070 to 829. The total claims expense also declined through 2007, from \$4.7 million to \$90,000, or 98 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.

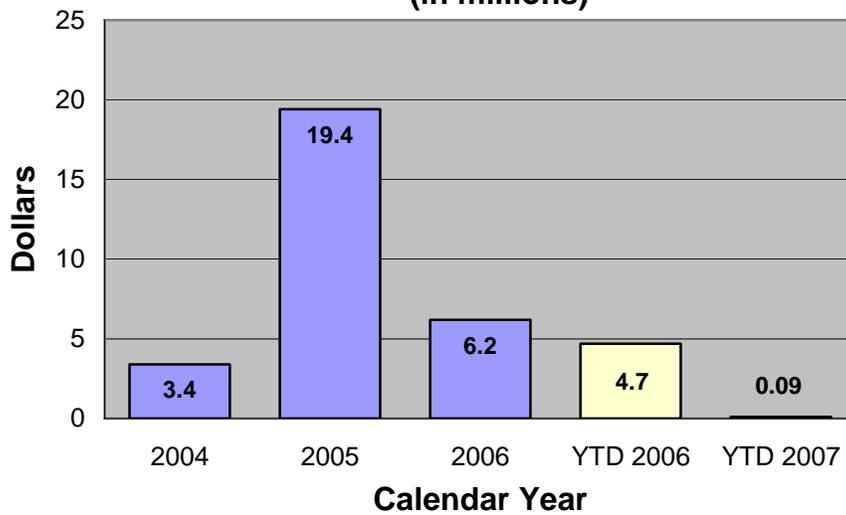
The claims expenses increased substantially in 2005 as MoDOT received approximately 70 additional lawsuits immediately prior to the effective date of tort reform legislation. The expense represents the best estimate of the future liability attached to each claim and has been and will continue to be adjusted 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.

Number of Claims for General Liability



Desired
Trend:
↓

Total Claims Expense for General Liability (in millions)



Desired
Trend:
↓

Best Value for Every Dollar Spent

Unit cost per square foot of buildings

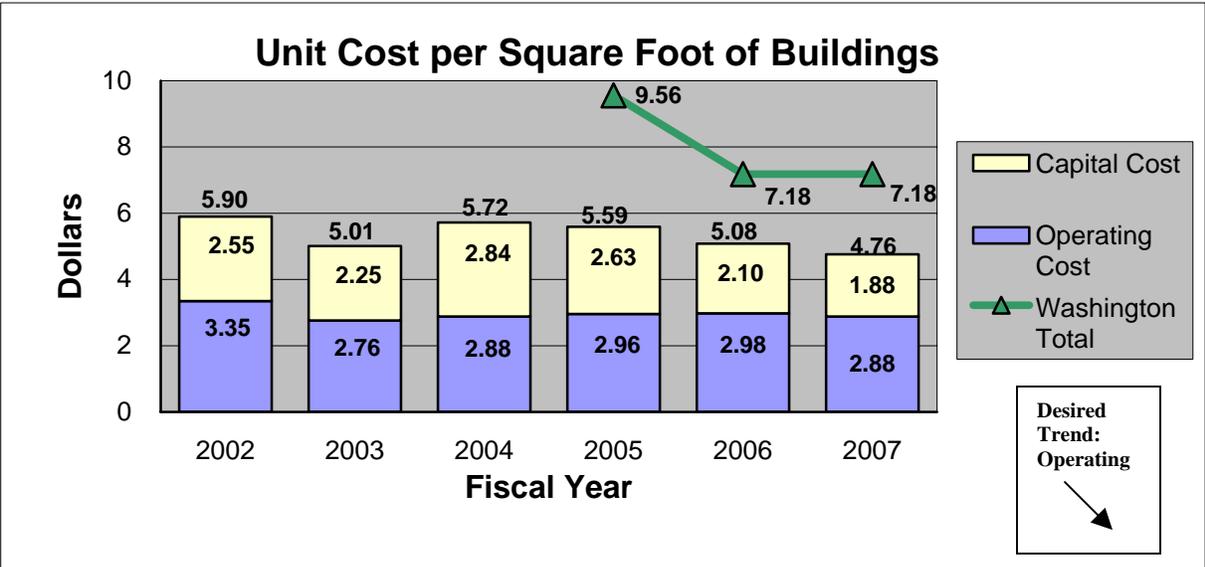
Result Driver: Roberta Broeker, Chief Financial Officer
Measurement Driver: Chris DeVore, General Services Manager - Facilities

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. The fleet expenses chart is updated annually. New information will be available in July 2008.

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.

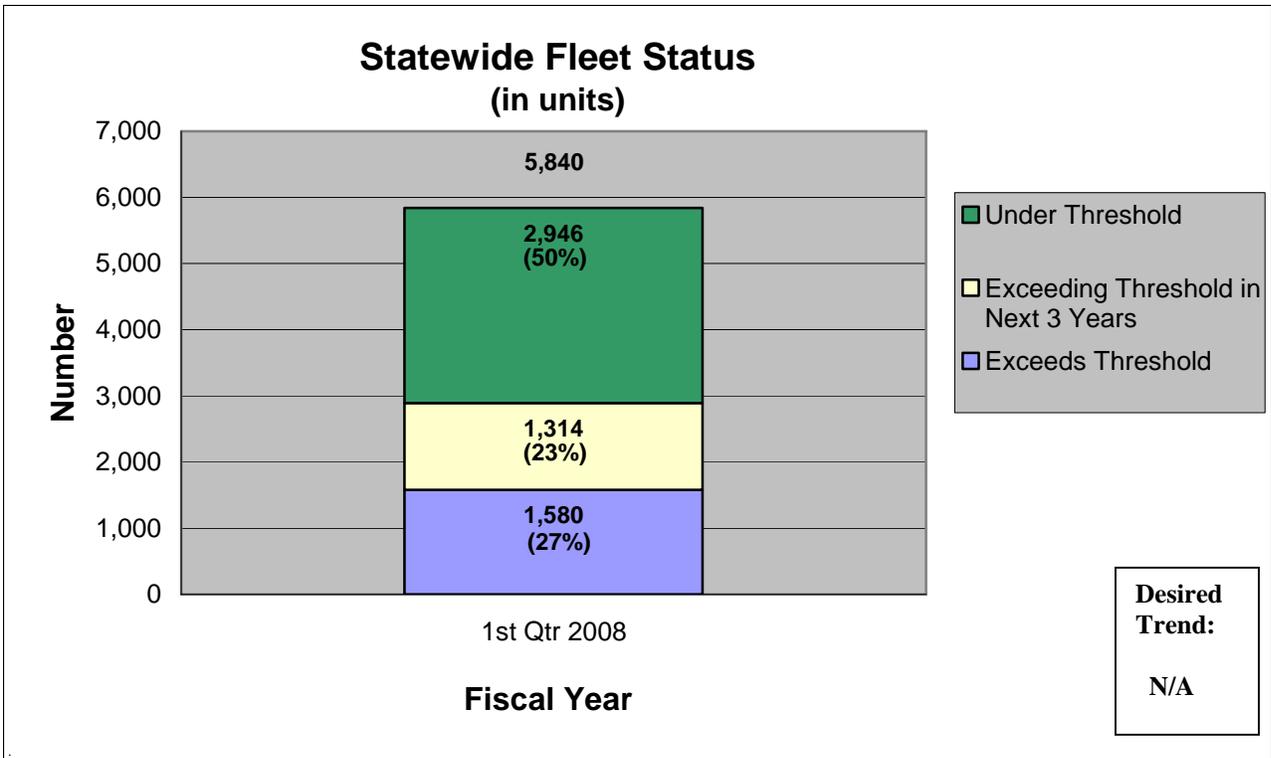
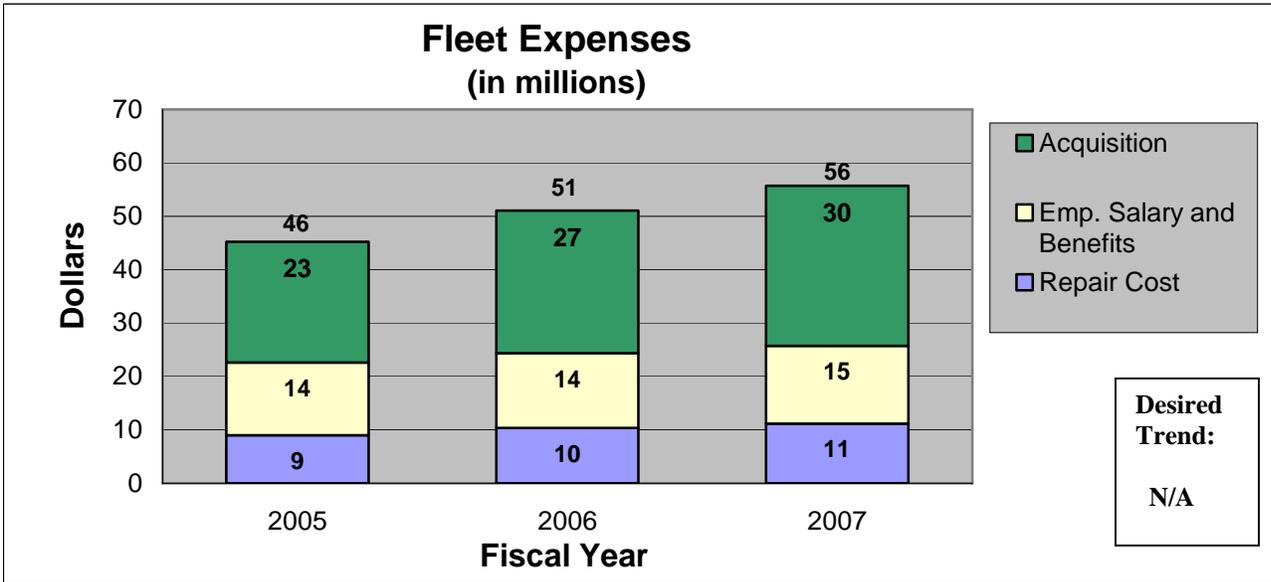
Improvement Status:

The repair costs to MoDOT's fleet increased from \$10 million to \$11 million from fiscal year 2006 to FY 2007, while salary and benefit costs for fleet employees increased from \$14 million to \$15 million in FY 2007. Acquisition costs increased from \$27 million to \$30 million from FY 2006 to FY 2007. Severe winter storms and the rising cost of steel are major factors in the increases. Beginning with the first quarter of 2008, the criteria for the statewide fleet status has been modified to provide a more accurate accounting of MoDOT's fleet status. The criteria includes all active units in lieu of the previous criteria that required all fleet units to be active for a minimum of 12 months.

Fifty percent of the MoDOT fleet is either beyond the established replacement criteria or will reach the criteria within the next three years. Fifty percent of the MoDOT fleet is under the replacement threshold.

MoDOT is reviewing all "dedicated" (single use) equipment to identify potential units that could be eliminated by acquiring equipment that performs more than one function. For example, a nurse truck has been designed that will be used for striping operations, spraying herbicides, and plowing snow.

A statewide equipment inspection policy has been implemented to ensure all fleet units are assessed on an annual basis. The inspection process has identified potential cost saving opportunities, allowing equipment technicians to become more proactive in maintaining the fleet before major breakdowns occur.



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.

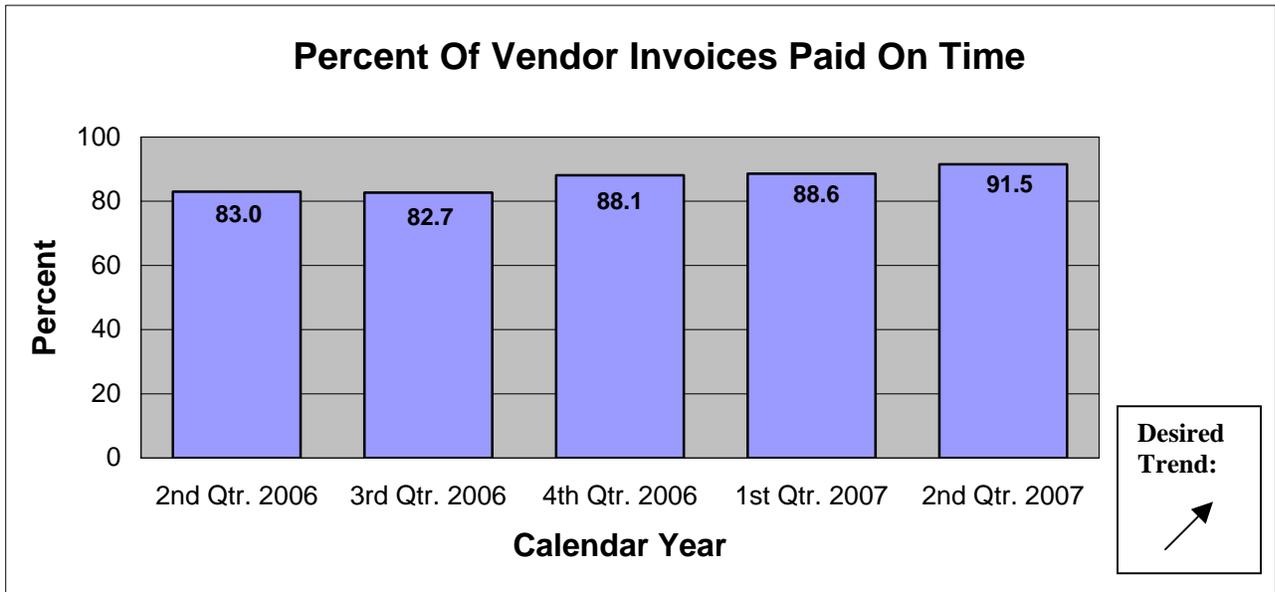
Measurement and Data Collection:

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, but there are still opportunities 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.

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:

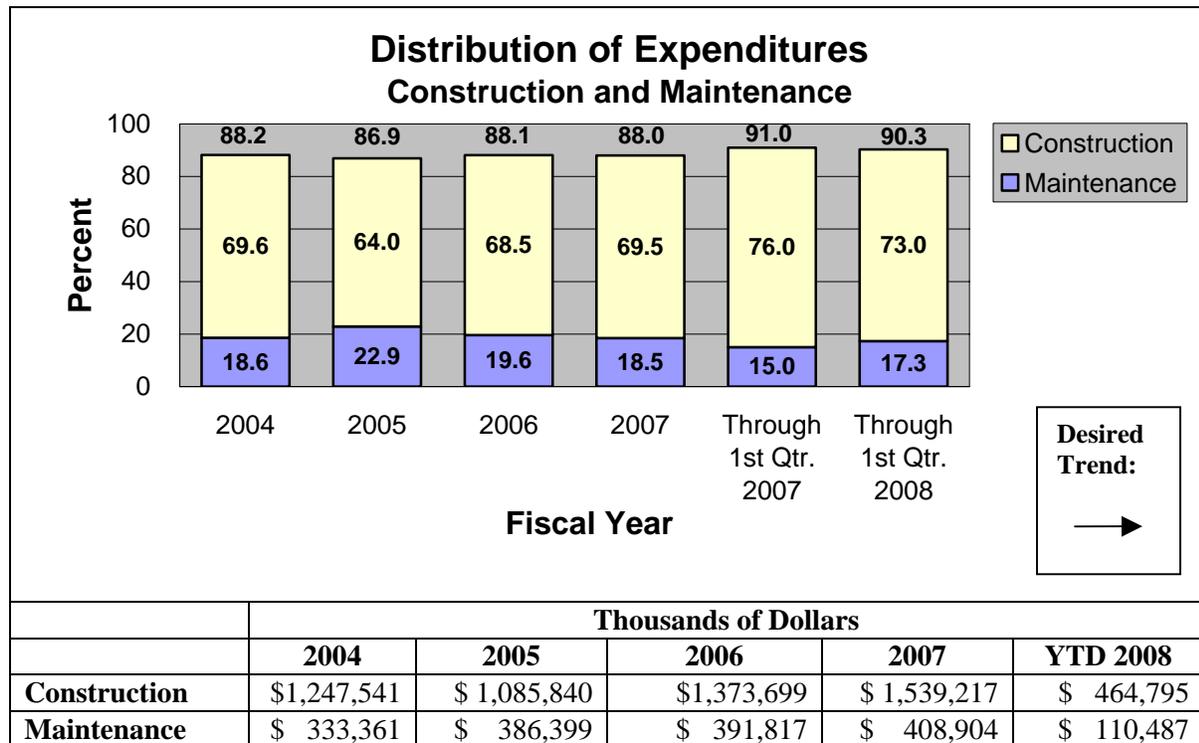
The purpose of the measure is to demonstrate a responsible use of taxpayers' money, with the emphasis of spending on the construction and maintenance of our transportation system.

Measurement and Data Collection:

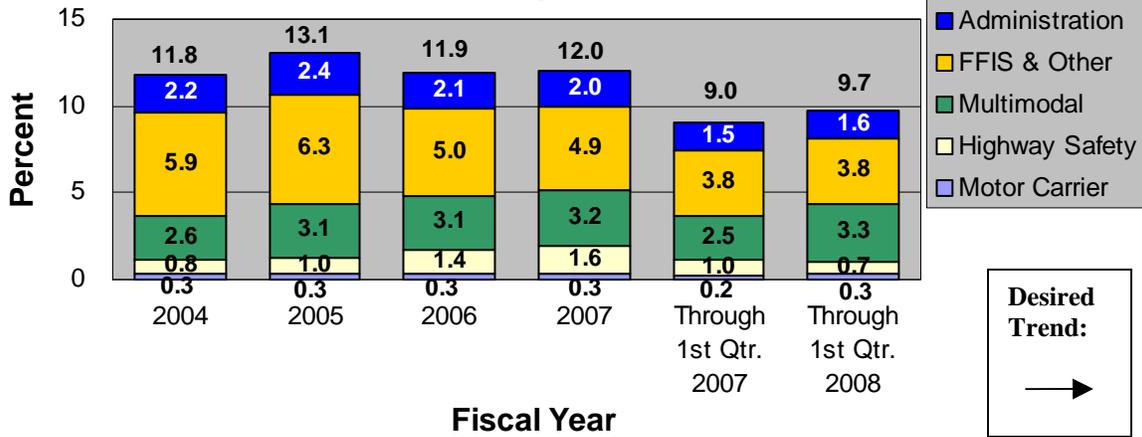
The data collection is based on cash expenditures by appropriation on a quarterly basis. Construction and maintenance expenditures are defined as expenditures from the construction and maintenance appropriations. Other expenditures include: administration, multimodal, fleet, facilities, information systems,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

Improvement Status:

The department's emphasis is on expenditures for routine maintenance of the system (maintenance appropriation) and rehabilitation and construction of the system (construction appropriation). Construction expenditures have decreased from the same period for Fiscal Year 2007, percentage and dollars, as a result of reduced bond proceeds and a reduced construction program. Expenditures from administration, FFIS, and Motor Carriers as a percent of total expenditures remain constant, which is consistent with the desired trend. Highway Safety and Multimodal fluctuate depending on availability of federal grants.



Distribution of Expenditures Other



	Thousands of Dollars				
	2004	2005	2006	2007	YTD 2008
Administration	\$ 40,486	\$ 41,288	\$ 43,076	\$ 45,086	\$ 10,399
Multimodal	\$ 46,741	\$ 52,681	\$ 61,431	\$ 71,839	\$ 21,037
FFIS & Other	\$ 105,130	\$ 106,822	\$ 99,418	\$ 108,023	\$ 24,202
Motor Carrier	\$ 5,035	\$ 5,811	\$ 6,741	\$ 6,899	\$ 1,627
Highway Safety	\$ 14,673	\$ 17,702	\$ 27,657	\$ 35,730	\$ 4,747

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:

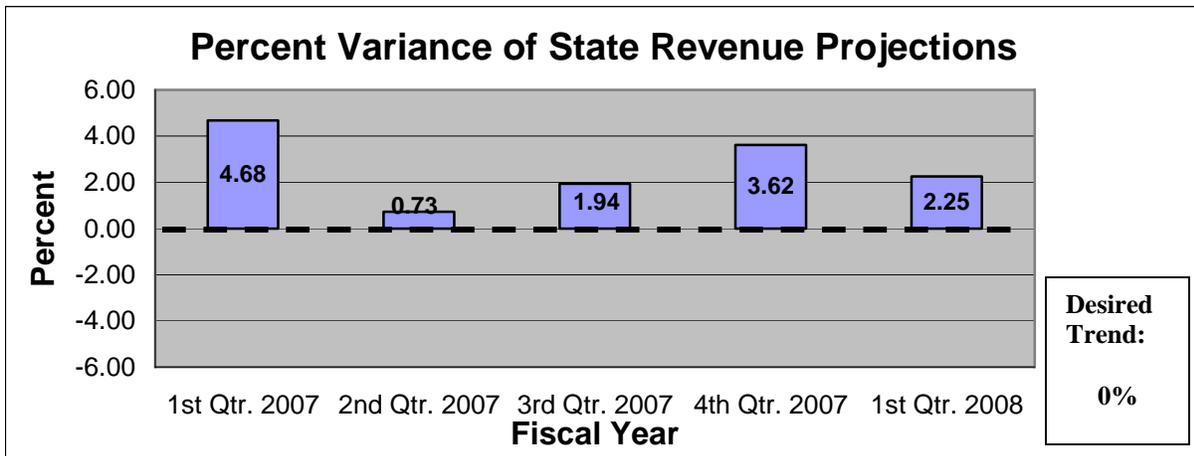
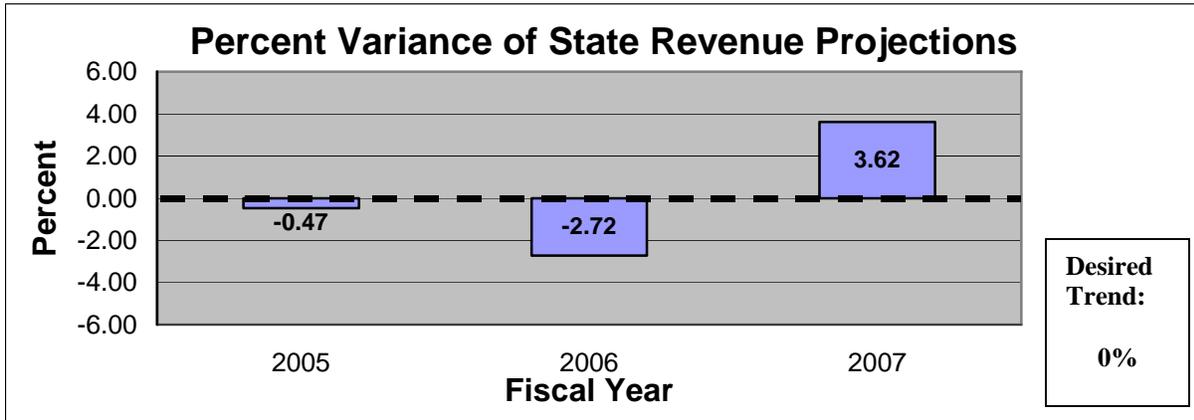
The measure shows the precision of state revenue projections. Projections are used to adjust the budget that funds MoDOT's operations and capital program.

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 first quarter of fiscal year 2008. The projected revenue was \$261.9 million. However, the actual receipts were \$267.8 million, a difference of \$5.9 million and a positive variance of 2.25 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:

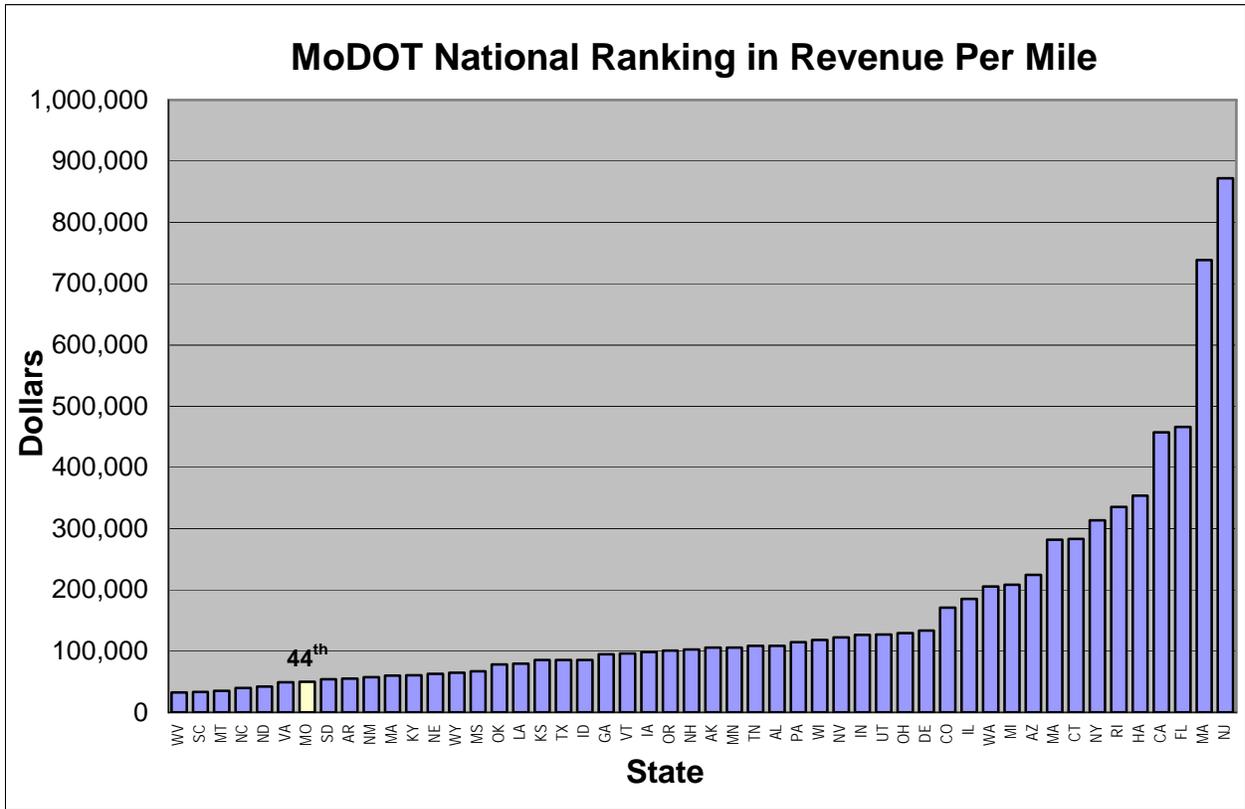
This measure shows Missouri’s national ranking in the amount of revenue per mile that is available to spend on the state highway system.

Measurement and Data Collection:

Revenue is the total receipts less bonds as reported in the Federal Highway Administration’s 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 the need for additional transportation funding to the public. Missouri’s transportation needs greatly exceed current available funding.



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