

## Performance Audit Action Plan

Item #\_1\_: We recommend that VDOT explore other potential groupings that could ultimately make the federal obligation process more efficient.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s); obtain approvals; implement; define output]*

This finding relates to the STIP groupings that reduce the need for TIP amendments during the Federal fiscal year. Grouping was implemented by PD in coordination with the MPOs in 2008. Some groupings include: Enhancement, Rail, Safety, Transit, Maintenance System Preservation, etc.				
Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. PD through the PIMs will request MPOs to group more items and group eligible items.	PD, PIMs, MPOs	January 2011.		
2. PD will request FHWA to provide examples of additional items other states, such as Texas, group in their STIPs.	PD, FHWA	November 2011.		
3. Based on FHWA input, PD will group additional items in non-MPO areas	PD	Implemented as part of the FY12-15 STIP/TIP update to be completed by October 2011. VDOT cannot dictate to MPOs that groupings must be used.		
4. Commissioner Approval				
5. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

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**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum

\_\_\_Automated Solution \_\_\_Other:\_\_\_\_\_

***Description of Output:***

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- Other -

## Performance Audit Action Plan

Item #\_2\_: We recommend that the Department consider expanding its Advanced Construction (AC) strategy to include all projects to the extent possible.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Project phases can only be AC'd when they are ready to move forward in the project development process and be authorized by FHWA and when they have been developed as federal projects. AC conversions made up about 13% of the FY10 Federal Strategy. Currently, all non-federal allocations above the required state match, as well as future federal allocations, are AC'd on federally eligible construction projects that are non exempt. Note that reducing the number of maintenance projects that must be developed as federally eligible, as recommended in #19, 21, and 25, will result in less use of AC in the maintenance program.

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) Work with FHWA to get approval to AC projects at the request for authorization for advertisement and convert the AC to an actual obligation at award. In this environment of low bids, this approach could potentially decrease the number of FIRE releases due to project savings.	PD, S&C, FHWA	Meet with FHWA in November 2010. Seek approval of approach from FHWA by January 1, 2011 and begin implementation immediately.		
2. Commissioner Approval				
3. Implementation Plan (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

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- Memorandum –
- Automated Solution –

Other -

## Performance Audit Action Plan

Item #\_3\_: Develop a comprehensive federal strategy to obligate and spend federal funds.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)  
*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) Prepare a Federal Strategy Plan based on estimates from the previous year as well as projects/allocations in the SYIP, to include ACs, modifications, new phase starts, maintenance projects, DRPT projects, and other categories. Fund sources cannot be completely quantified until official revenue estimates are provided by the Department of Taxation and the current Federal Continuing Resolution is extended.	PD, OPD, FP, DRPT	Complete. Once the current Continuing Resolution expires in December, if only 30-day continuances are provided, VDOT will be restricted to the 30-days worth of OA provided in the continuance.		
(2) Present Federal Strategy Plan to the Executive Team	PD	October 12, 2010.		
(3) Meet with PIMs, district staff, CO Divisions and others to review Federal Strategy Plan projects for updated schedules, estimates, NEPA status, etc. and refine as necessary.	PD, PIM, Districts	Underway October 18- November 3, 2010. Based on results of these meetings, schedules and estimates should be revised accordingly to add/remove projects from the strategy, monthly targets will be established, and fund sources will be identified.		
(4) Prepare a Working Federal Strategy database based on changes resulting from district meetings, including a breakdown by category, fund source, and planned month of obligation. Provide district and CO Division staff access	PD	November 15, 2010.		

to the database.				
(5) Meet regularly with districts and CO Divisions to evaluate the status of projects on the Federal Strategy Plan.	PD, PIM, OPD, LAD, S&C, DRPT, S&B, TED	Every two weeks. First meeting was with the Executive Team October 12, 2010. Individual district meetings held October 18- November 3, 2010.		
(6) Meet regularly with FHWA to discuss project approvals on the pending list, especially FO projects.	PD, S&C, FHWA	Every two weeks beginning in November 2010.		
(7) Provide a list of FO projects to FHWA for pre-review to facilitate approval once submitted.	PD, S&C, FHWA	November 2010. The ability to obligate projects will be impacted by the type of funds on the project phases that are ready to be implemented in a given 30-day period and the available OA and apportionment.		
<b>8. Commissioner Approval</b>				
<b>9. Implementation Plan (e.g, training, communication)</b>				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

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## Performance Audit Action Plan

Item #\_4\_: Develop and document comprehensive processes and procedures to guide the obligation of federal funds.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1) Formalize a process and procedure manual for VDOT MN and CN projects related to the Federal Strategy development, the Six-Year Improvement Program development, requesting state and federal authorization, monitoring inactive project balances, and project closeout. See also findings #17 and 56.	PD, OPD, Districts, LAD, TED, Bridge	April 2011. Manual will be finalized after completion of audits and action plans.		
(2) Distribute manual to CO Divisions, PIMs, and other district staff.	PD, OPD	Spring 2011.		
(3) Continue to meet regularly with PIM staff to communicate processes and procedures related to programming functions.	PD, PIM	Ongoing.		
<b>4. Commissioner Approval</b>				
<b>5. Implementation Plan</b> (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

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## Performance Audit Action Plan

Item #\_5\_: Streamline and clarify processes to obligate projects.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) Meet with FHWA to identify opportunities to streamline the process for obligating federal funds to include programmatic groupings and the elimination of area engineer review of AC and MOD transactions twice.	PD, FHWA	November 2010.		
(2) Request FHWA, S&C and district staff to meet to identify opportunities to streamline the process for authorizing CN phases by focusing on required elements not optional elements.	PD, S&C, LAD, TED, MPOs, FHWA	November 2010.		
(3) Continue to meet regularly with FHWA to review the status of approval of projects in the federal strategy project listing.	PD, S&C, FHWA	Every two weeks beginning in November 2010.		
(4) Request PIMs to focus on entering accurate data for project schedules, estimates, FO/NFO, and qualifying expenditures.	PD, PIM	Underway as part of district Federal Strategy review meetings.		
(5) Seek revision to current efficiencies agreement to increase the funding level that triggers federal oversight requirements.	PD, S&C, FHWA	November 2010.		
(6) Verify funds for advertisement and if bid comes in at that level or below, do not re-verify funds for award.	PD, S&C	December 2010, or immediately upon approval by FHWA.		
<b>7. Commissioner Approval</b>				
<b>8. Implementation Plan</b> (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

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## Performance Audit Action Plan

Item #\_6\_: Continuously monitor inactive projects to ensure that federal funds are being used & VDOT is optimally leveraging federal funds.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) Evaluate existing rules for special fund programs related to inactive projects and develop enforcement plan of action.	PD, FP, LAD, Fiscal, PIM, Bridge, MPOs, TED	November 2010 coordinate with OAG to determine implementation of RSTP/CMAQ requirements.		
(2) Work with LAD to establish and enforce timeframes related to locally administered projects that reflect the need to obligate federal funds and bill timely.	PD, LAD	Request a plan of action from LAD by January 2011.		
(3) Focus on project closeout - complete training, create a project closeout/recon section in PD, Fiscal, and PIM, and make closeout a recurring agenda item at PIM meetings, and continue to send out reminders to districts, and monitor progress.	PD, Fiscal, HR, PIM	PCO training is underway. PIM meetings are underway and PCO will be added as an agenda item. Regular updates are provided to districts now. Request additional positions and establish a PCO/recon section in PD by January 2011.		
(4) Focus on reducing FIRE releases by 25-50% – conduct training, document and track reasons for FIRE releases, proactively identify projects at risk of appearing on the FIRE report by running FIRE reports for shorter timeframes and take action to address, monitor	PD, LAD, Fiscal, PIM, Bridge, MPOs, TED, FHWA	Underway.		

progress towards reducing FIRE releases, and provide information to PIMs on participating versus non-participating charges on federal projects. Focus efforts on SRTS, Enhancements, HSIP, RSTP, CMAQ, locally administered, and earmark projects.				
(5) Request PIMs and/or special fund program managers to submit transfers for projects identified through annual Systematic Review as having Allocations Available.	PD, LAD, OPD, PIM	Underway, to be implemented with FY10 Systematic Review.		
(6) Encourage MPOs to program 6 years of RSTP allocations and align priorities with CTB priorities for funding project deficits/estimate increases and projects underway/scheduled to be underway so that allocations are more closely aligned with planned obligations/expenditures.	PD, PIM, MPOs, TMPD	December 2010.		
(7) Discontinue practice of obligating all phases of Enhancement projects and obligate one phase at a time in order to reduce potential future FIRE releases.	PD, LAD	Underway, to be implemented with 2011 Federal Strategy.		
(8) Adjust allocations/request transfers on projects as necessary based on Federal Strategy review meetings.	PD, FP, LAD, Fiscal, PIM, S&B, MPOs, TED	November 2010.		
(9) Request addition of locally administered projects to the Dashboard to show status of these projects independent of VDOT administered projects.	PD, LAD, PIM, IT, MSD	Request LAD to coordinate with MSD and IT to implement by January 2011.		
(10) Continue to keep projects underway or scheduled to be underway as top priorities for SYIP development.	PD, PIM, MPO, OPD, S&B, LAD	Ongoing, confirm with CTB for SYIP Update.		
(11) Request IT to develop a report to be run by PIMs and special fund program managers quarterly to review allocations, participating and non-participating expenditures, obligations, and other relevant data to determine if projects are inactive.	PIM, IT, PD	November 2010.		
(12) Revise the HSIP program to focus funding on projects that result from the STARS program, can be underway within the current FFY, and are not capped at \$1M.	PD, PIM, TED, TMPD	Underway, to be implemented with FY12 HSIP allocations.		
13. Commissioner Approval				
14. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

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## Performance Audit Action Plan

Item #\_7\_: Monitor the use of federal funds on projects managed by localities and MPOs to ensure that federal funds are being optimally leveraged to advance projects.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) See response to #6 above.		See response to finding #6.		
(2) Identify conditions and process by which funds will be removed from locally administered projects if funds remain inactive - how/where withdrawn funds will be re-allocated and potential payback issues need to be considered.	PD, LAD, PIM, MPO, FHWA	Develop a plan of action by December 2010.		
(3) Encourage FHWA to relax payback requirements and release obligated balances on inactive projects.	PD, LAD, PIM, MPO, FHWA	December 2010.		
(4) Encourage LAD to specify payback requirements in LPAs so that VDOT is not responsible for paying back federal funds on inactive projects when funds are removed.	PD, LAD, PIM, MPO, FHWA	November 2010.		
(5) Provide training/guidance to MPOs and special fund program managers regarding how to most efficiently allocate funds to maximize use of federal funds.	PD, LAD, PIM, MPO, FHWA	December 2010.		
(6) Request Fiscal to provide a report to be run by PIMs and special fund program managers quarterly to review expenditures and identify inactive projects. Notify localities and/or MPOs through the PIM of inactive projects and request action.	Fiscal, PD, LAD, PIM, MPO, FHWA	First quarterly reviews to be complete by January 15, or within 30 days of Fiscal completing first report.		
<b>7. Commissioner Approval</b>				
<b>8. Implementation Plan</b> (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

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## Performance Audit Action Plan

Item #\_8\_: Comply with FHWA reporting requirements for toll credits in order to gain approval for their use.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Use of toll credits as soft match can increase the federal participation rate on a project from 80% or 90% to 100%. Toll credits are not allocations that are used to replace the required matching funds, rather they permit additional federal funds to be allocated to a project. The resulting impact of using toll credits is that the previously required matching funds can be used elsewhere. However, more federal funds are used per project so there are fewer federally funded projects. Use of soft match is recommended for maintenance projects because it would reduce the number of maintenance projects that must be developed as federally eligible and increase the number of maintenance projects that could be developed as state-funded only. In addition, soft match should be used where possible to provide match for federal funding types that cannot be matched by the CPR bonds (Interstate, RSTP, CMAQ). Note that state funds made available through use of soft match may be sufficient to necessitate formula distribution as intended by HB3202. Planned use of the toll credits over the planning period will reduce dependency of CPR bonds to provide state match and allow CPR funds to be used for statewide and regional projects. Releasing the federal revenue reserve could provide some additional federal funds needed to increase the federal participation rate to 100% without reducing the number of federal projects in the SYIP.

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) Finalize database to track soft match credits.	PD, FP, FHWA	November 2010, set up initial meeting with FHWA to discuss options, review database and draft procedures for use of toll credits.		
(2) Finalize the comprehensive review of earned and used toll credit amounts in federal fiscal years from 1995 through 2009.	PD, FP, FHWA	November 2010.		
(3) Present to FHWA VDOT's plan to address the FHWA requirements and request approval to begin using the toll credits.	PD, FP, FHWA	December 2010.		
(4) Document procedures for use of soft match credits and maintain database.	PD, FP, FHWA	December 2010.		
(5) Request opinion from bond counsel and OAG to determine if legislation is needed to use CPR bonds for statewide and regional projects when they are not needed to match federal funds.	PD, FP, FHWA	January 2011.		
(6) Develop legislation to revise HB3202 requirements for use of CPR bonds.	CFO	December 2010.		
7. Commissioner Approval				
8. Implementation Plan (e.g, training, communication)				



**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

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## Performance Audit Action Plan

Item #\_9\_: Implement a policy to aggressively use toll credits to meet state match requirements in order to free up CPR bonds and other state funds for possible use with state only projects.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1) See response to #8.	PD, FP, FHWA	See response to finding #8. Process should be formalized by November 1 of each year to support update of the SYIP. Implement use of toll credits in FY12-17 Six-Year Financial Plan and SYIP.		
2. Commissioner Approval				
3. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

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## Performance Audit Action Plan

Item #\_10\_\_: Establish a cash management policy to analyze current cash balances to determine the amount of cash in excess of reasonable working capital needs; associate the cash with allocations which can be used to advance construction projects.

Assigned Chief: Lawson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

<p>The results of the current cash forecast model should be presented to the Commissioner monthly to provide a summary of current cash position, projected revenues, projected expenditures, and projected change in cash position (include due to/due from other funds). The review will include a comparison of projected revenues and expenditures to the current budget to ensure that the resources available to the programs are planned to be maximized. The review should make recommendations on short range (12 months) and long range (six years) actions. Cash balances represent amounts dedicated to projects and programs through the allocation process that have yet to be expended. The advancement of projects is controlled by the project development process and related funding requirements. Cash balances in excess of what is needed to cover a reasonable operating balance (90 days forecasted expenditure) should be utilized to advance projects. If the excess cash position is seen as a temporary state based on the cash forecast model, cash supported allocations could be loaned to projects to meet the Programming funding requirements and enable projects to be initiated in advance of sufficient funds being available. The loaned allocations should be replaced with regular construction allocations within 12 months of completion of construction as the required time in which a project must be fully funded. For PE and ROW phases, loaned allocations should be replaced prior to the start of the next phase. The return of the loaned allocations could be tied to a phase or the entire project and should be identified at the onset. The amount of loaned cash based allocations available for use should be determined by analyzing the current and projected cash position. The current cash forecast model forecasts anticipated monthly cash balances for the current six-year planning period based on current projects and projects planned to begin during the planning period. Using the forecasted cash balances will identify the current cash that is available and how long it can be utilized. It is important to look at the forecasted cash balances to ensure actions do not create cash shortages in the future. Limiting the number of projects that receive the loaned allocations to a small number of large value projects is necessary to prevent burdensome administrative tracking. Planned use and receipt of bond proceeds will continue to be considered. The current cash forecast includes the receipt of planned future bond sales and shows the cash impact of carrying the liability of the Bond program in between the sales. Decisions concerning the use of future bond sale proceeds must be planned to determine if they should be used to cover current bond fund liabilities or to fund and advance projects. This must consider the bond priorities outlined in HB3202.</p>				
Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) Cash policy to review cash position and inject State Advanced Construction Allocations to accelerate projects as appropriate will be reviewed monthly and adjusted quarterly to prevent overreaction.	PD, FP	January 2011.		
(2) Review financial position with Commissioner monthly, to include cash position and outlook, budget versus actual analysis, balance sheet changes, outstanding contractual commitments – change, federal funding outlook, changes in transportation trends such as VMT, PPI, Fuel Consumption, etc.	PD, FP	Monthly.		
(3) Present financial position	PD, FP	Quarterly, first report		

presentation to CTB quarterly, to include highlights of monthly meetings with Commissioner.		to be presented January 2011.		
(4) Enhance VDOT dashboard, which currently provides an overall target versus actual comparison where the target amounts reflect forecasted amounts. The Dashboard should be revised to present budget versus actual amounts to better illustrate if spending is fully utilizing available resources and a brief narrative should be provided to simply explain the financial position to the general public.	PD, FP, IT, MSD	Work with IT and MSD to make changes. Target completion by January 2011.		
<b>5. Commissioner Approval</b>				
<b>6. Implementation Plan (e.g, training, communication)</b>				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

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## Performance Audit Action Plan

Item #\_11\_\_: If a 2-3 month cash working capital policy is adopted, then over \$200 million would be available. While using the excess cash balances makes good business sense, management should be careful not to over commit cash so they cannot meet daily operating requirements.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) The use of cash based loaned allocations will enable projects to be initiated sooner than current funding requirements will allow. Construction cash balances in excess of a normal operating balance (90 days) will be identified through review and analysis of the cash forecast. The current cash forecast provides anticipated monthly cash balances over the current six-year planning period. The average daily expenditure should be computed based on the forecasted annual expenditures and then used to determine the minimum cash balance needed to support 90 days of operations.	FP, PD	To be accomplished as part of development of the FY12-17 Six-Year Financial Plan and SYIP development.		
(2) Review and analysis of the cash forecast will determine the amount available and how long it can be utilized and the identified excess amounts should be provided to projects as loaned allocations to meet the Programming funding requirements and enable projects to be initiated in advance of sufficient funds being available. Loaned allocations should only be used in FY12 of the FY12-17 SYIP.	FP, PD	To be accomplished as part of development of the FY12-17 Six-Year Financial Plan and SYIP development.		
(3) The loaned allocations should be replaced with regular construction allocations within 12 months of completion of construction as the required time in which a project must be fully funded. For PE and ROW phases, loaned	FP, PD	To be accomplished as part of development of the FY12-17 Six-Year Financial Plan and SYIP		

allocations should be replaced prior to the start of the next phase. Must decide if loaned allocations will be available until construction completed or to the phase.		development.		
(4) Document processes and procedures used to determine available excess cash and allocations.	FP, PD	To be accomplished as part of development of the FY12-17 Six-Year Financial Plan and SYIP development.		
<b>5. Commissioner Approval</b>				
<b>6. Implementation Plan</b> (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_ Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_12\_: The cash management policy needs to take into consideration the timing of the sale of future bonds.

Assigned Chief: Lawson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
<p>HB3202 defines the eligible uses of the CPR bond funds and the priority of their use. First, the bonds must be used to meet transit and rail capital requirements. The remaining amounts are to be used to provide (1) needed state match for federal funds, (2) fully fund the revenue sharing program to its legislative maximum, and (3) the balance is available for statewide and regional projects, in priority order. Decisions concerning the use of future bond sale proceeds must be planned to determine if they should be used to cover current bond fund liabilities, and/or to fund and advance projects. This must consider how current bond proceeds have been allocated and how future bond allocations will be utilized. This analysis should be part of the determination of available loaned allocations to reflect the impact of the bond fund liability and should be considered when sizing the bond sales. The identification of available federal revenues, other funding sources, or transfer from existing projects must be made to support the bonds planned to be made available by the use of toll credits to provide the federal match. Converting or planning 100% federal funded projects by utilizing toll credits will reduce the number of federal projects in the SYIP.</p>	<p>FP, PD</p>	<p>To be accomplished as part of development of the FY12-17 Six-Year Financial Plan and SYIP development.</p>		



<b>4. Commissioner Approval</b>				
<b>5. Implementation Plan</b> (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum

\_\_\_Automated Solution \_\_\_Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_13\_: Management should re-evaluate use of its federal reserve so these funds can be allocated to projects and the projects started.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
<p>Due to the uncertainty of future federal revenue estimates, recent bail outs of the Federal Highway Trust Fund, and the lack of a new federal re-authorization, a federal revenue reserve was established in the Revised FY09 SYIP and Six-Year Financial Plan. Currently, the reserve is approximately \$100 million per year, including match, and includes statewide discretionary funds (IM, NHS, STP) as well as special fund categories (RSTP, CMAQ, Enhancement, Bridge). The anticipated availability of federal revenues should be part of the federal revenue estimate computation and not require a federal reserve. The current revenue estimate methodology should continue to be used until the future federal funding environment is clear. Steps to implement include releasing the Federal Revenue Reserve in the update of the FY12-17 Six-Year Financial Plan and SYIP. Potential priorities for use of released reserve funds in statewide discretionary fund categories include replacement of released contingency funds on ARRA projects, additional federal funds required to use toll credits, funding for projects underway or scheduled to be underway in the current FFY, funding for new PE starts for projects identified through TMPD's project prioritization process, support for PPTAs, funding for design-build projects. Note that when operating under a continuing resolution, VDOT can obligate funds only up to the apportionment level provided in the continuing resolution and cannot use the flexibility provided by an entire year's worth of apportionment. Releasing the currently un-allocated reserve would provide additional funds for qualifying projects, but not necessarily apportionment. VDOT's ability to obligate the funds will be limited to the apportionment and OA levels provided in the continuing resolution and the eligibility and type of funds on projects ready to be authorized.</p>				
(1) Identify the Federal Revenue Reserve by fund type – IM and match (\$140M), NHS and match (\$154M), STP (\$88M), BR (\$88M), bond match (\$42M), RSTP and match (\$60M), CMAQ and match (\$46M), and Enhancement (\$15M).	PD	November 2010.		
(2) Communicate release of reserve funds to MPOs, LAD, and S&B for allocation to projects.	PD, TMPD, PIM, LAD, S&B	To be accomplished as part of development of the FY12-17 Six-Year Financial Plan and SYIP.		
(3) Request CTB to identify priorities for allocating statewide discretionary funds in reserve (IM, NHS, STP)	PD	To be accomplished as part of development of the FY12-17 Six-Year Financial Plan and SYIP.		
(4) Program released reserve funds allocated by the CTB	PD, LAD	To be accomplished		

based on CTB priorities and policies.		as part of development of the FY12-17 Six-Year Financial Plan and SYIP.		
5. Commissioner Approval				
6. Implementation Plan (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_ Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_14\_\_: Management will need to continue to monitor federal funding & make appropriate reserve adjustments as known.

Assigned Chief: Busher/Lawson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

The federal revenue reconciliation process compares final apportionments and obligation authority amounts to the projected revenues amounts in the SYFP. The differences are then incorporated into the revenue estimates for the next SYFP. To implement, must consider the impacts of the reduced and piecemeal nature of the availability of federal funds during uncertain times when funds are provided by continued resolutions.				
Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) Continue to monitor activities and progress regarding the next federal transportation authorization.	FP, PD	Ongoing.		
(2) Continue to reconcile federal revenue estimates based on updated federal information.	FP, PD	Ongoing.		
(3) Adjust the federal revenue estimate as needed to accurately reflect federal funds that will be available.	FP, PD	To be accomplished annually as part of development of the Six-Year Financial Plan and SYIP.		
(4) Future revenue estimates will reflect anticipated federal funds based on history, the latest official federal information, and Virginia's estimated growth in fuel consumption.	FP, PD	To be accomplished annually as part of development of the Six-Year Financial Plan and SYIP.		
<b>5. Commissioner Approval</b>				
<b>6. Implementation Plan</b> (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

Stakeholder	Internal or	Role/Expectation (Approval, input,	Milestone (relevant	Comments
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	<i>External</i>	<i>development, etc)</i>	<i>action step)</i>	

**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum

\_\_\_Automated Solution \_\_\_Other:\_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_15\_: A district budget review process should be formalized to confirm that the strategic directives and condition assessments have been addressed, and districts should be required to justify significant changes from the original budget.

Assigned Deputy Commissioner: Kilpatrick

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s); obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
<p>1. Develop Written Policy I&amp;I that lays out framework for maintenance budget to include:</p> <ul style="list-style-type: none"> <li>• Allocations will be budgeted to target areas determined by Maintenance Division</li> <li>• Variations will be allowed up to 20% or \$2 million dollars to meet District needs.</li> <li>• Variations in excess of allowable require approval by CDC &amp; CSO</li> <li>• Carry forward will be applied to new year budget</li> <li>• 100% of allocations will be placed under contract within the fiscal year. In FY 2011</li> </ul>	<p>Maintenance Division, Operations Planning Division, CDC,CSO, DA's</p>	<p>11/15/2010</p>		

contract deadline is 6/30/2010. in future years deadline is 2/1.				
2. Spend plans will match budgets and include the expenditure of 100% of the allocation plus prior year carry forward	Districts, Operations Planning, CDC,CSO	11/15/2010		
3. Monthly reviews will be conducted to ensure Districts spend within allocated areas and spending is within spend plan. Adjustments will be made as necessary. Variations must be validated and approved or corrected	District, CDC	Monthly Beginning 12/2010		
4. Review target allocation/ condition assessment process to ensure we are allocating Statewide to the correct areas	CSO,CDC, Maint. Division, District Administrators			
5. Commissioner Approval				
6. Implementation Plan (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Maint Div	Internal	Develop Policy		
Ops Planning	Internal	Develop Policy		
Districts	Internal	Implement		
CDC	Internal	Approve		
CSO	Internal	Approve		
District Administrators	Internal	Implement		

**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_X\_Procedure \_\_\_X\_Memorandum

\_\_\_X\_Automated Solution \_\_\_Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_16\_\_: Controls over annual spending for maintenance projects must not only include tracking of the variances between spend plans and the built budget; but also require districts to justify why spend plans fall behind the original built budgets.

Assigned Chief: Chief of System Operations (combined with action item #22)

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Operations Planning Division distributes revised template for spending plans for maintenance and operations program FY 2011 and FY 2012 funds	Operations Planning Division Administrator	11/1/10		
2. Districts and Central Office divisions submit completed spend plans	District and Division Administrators	11/5/10		
3. Operations Planning Division compiles submissions and produces summary report for review by Chief of System Operations and Chief Deputy Commissioner	Operations Planning Division Administrator	11/9/10		
4. Chief Deputy Commissioner and Chief of System Operations meet with appropriate parties to discuss: (a) rationale for any large anticipated balances at end of FY 2011 and FY 2012; and (b) how anticipated balances could be used to fund new contracts	Chief Deputy Commissioner	11/19/10		
5. Operations Planning Division monitors and reports on expenditures	Operations Planning Division	monthly		



versus revised spend plans	Administrator			
6. Operations Planning Division distributes template for spending plans for maintenance and operations program FY 2012 and FY 2013 funds	Operations Planning Division Administrator	6/1/11		
7. Districts and Central Office divisions submit completed spend plans	District and Division Administrators	7/22/11		
8. Operations Planning Division compiles submissions and produces summary report for review by Chief of System Operations and Chief Deputy Commissioner	Operations Planning Division Administrator	7/29/11		
9. Chief Deputy Commissioner and Chief of System Operations meet with appropriate parties to discuss: (a) rationale for any large anticipated balances at end of FY 2012 and FY 2013; and (b) how anticipated balances could be used to fund new contracts	Chief Deputy Commissioner	8/12/11		
10. Operations Planning Division monitors and reports on expenditures versus revised spend plans	Operations Planning Division Administrator	monthly		
11. Commissioner Approval				
12. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Chief Deputy Commissioner	Internal	Approval		
Chief of System Operations	Internal	Approval		
Operations Planning Division	Internal	Development		

District Administrators	Internal	Input		
Division Administrators	Internal	Input		

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_17\_\_: The maintenance division should work with Central Office and district personnel with programming and project development responsibilities to develop a routine process to communicate and resolve project delays. (Related to Item # 37).

Assigned Chief: Chief of Systems Operations (Sorrell)

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Interview district and Central Office personnel to determine what causes project delays.	Maintenance Division Administrator	11/19/10		
2. Summarize findings from step 1 and meet with appropriate Functional Area division administrators to develop solution to resolve issues. This is part of the action plan for #37.	Maintenance Division Administrator	12/3/10		
3. Document any new processes, performance metrics, and revise policies as appropriate See Action Plan #37.	Chief of System Operations	12/30/10		
4. Conduct training on new processes, metrics, and policies	Maintenance Division Administrator	2/11/11		
5. Monitor project schedules to see if delays are still occurring	Maintenance Division Administrator	Monthly		
6. Commissioner Approval				
7. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

Chief Deputy Commissioner	Internal	Approval		
Chief of Planning and Programming	Internal	Approval		
Chief of System Operations	Internal	Approval		
Maintenance Division	Internal	Input (help identify issues and expedite resolutions); Development		
Traffic Engineering Division	Internal	Input (help identify issues and expedite resolutions)		
Operations and Security Management Division	Internal	Input (help identify issues and expedite resolutions)		
District Project Managers/District Maintenance Engineers/District Preliminary Engineering Managers/Infrastructure Managers	Internal	Input (help identify issues and expedite resolutions)		
District Planning and Investment Managers	Internal	Input (help identify issues and expedite resolutions)		
Operations Planning Division	Internal	Input (help identify issues and expedite resolutions)		
Programming Division	Internal	Input (help identify issues and expedite resolutions); Development		
Scheduling and Contracts Division	Internal	Input (help identify issues and expedite resolutions); Development		

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy  Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

Report –

Policy –

Procedure – A time/milestone for each process step to be completed; fewer process steps; faster timeline.

Memorandum –

Automated Solution –

Other – More efficient utilization of available funds.

## Performance Audit Action Plan

Item #\_18\_: Current fiscal year 2011 spend plans should be aggressively reviewed and monitored with an objective of spending all available funds. Target spending should include both the current year allocation as well as the \$488 million project carryover from the prior year. A reasonable carryover target should be established for the end of fiscal year 2011.

Assigned Deputy Commissioner: Kilpatrick

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
<b>1. Addressed in #15, 16</b>				
2. 100% of FY 2011 allocations will be under contract by 6/30/2011	District Administrator	11/15/2010		
3. Carry forward into FY2012 will be allowed only with prior approval of CSO and CDC and based on unusual project types and funding needs.	District Administrator, CSO, CDC	4/1/2011		
4. Commissioner Approval				
5. Implementation Plan (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Maint Div	Internal	Develop Policy		
Ops Planning	Internal	Develop Policy		
Districts	Internal	Implement		
CDC	Internal	Approve		
CSO	Internal	Approve		
District Administrators	Internal	Implement		

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_X\_\_\_ Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

***Description of Output:***

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_19\_\_: Carve out certain lower dollar, high volume activities and designate them as state projects only. Provide districts with a target contribution toward the federal strategy, and give the districts authority to designate which projects will be developed as federally eligible, and which should be developed as state only projects.

Assigned Chief: Busher

Assigned Deputy Commissioner: Kilpatrick

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Create Maintenance Div. I&I that provides guidance on developing projects under State Funding only. I &I to include: <ul style="list-style-type: none"> <li>• Seletion criteria</li> <li>• Preparation process</li> <li>• Submission to C.O. requirements</li> </ul>	Maintenance, Programming, Operations Planning Divisions in coordination with District administrators	12/31/2010		
2. Maintenance Division to provide quality control review once implemented	Maintenance Division	Ongoing		
3. Commissioner Approval				
4. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Maint Div	Internal	Develop		
Prog/Sched Div	Internal	Develop		
Dist. Admin	Internal	Develop		
CPP Busher	Internal	Approval		
CSO	Internal	Approval		

CDC	Internal	Approval		
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**Output (Attach draft):** \_\_\_Report \_\_\_Policy  Procedure \_\_\_Memorandum

Automated Solution \_\_\_Other: \_\_\_\_\_

**Description of Output:**

- Report -
- Policy -
- Procedure -
- Memorandum -
- Automated Solution -
- Other -



## Performance Audit Action Plan

Item #\_20\_: A risk based approach to project development must be implemented. Specifically for maintenance projects, eliminate the requirement that a maintenance project be fully funded before the PE phase is authorized and open to charges.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) Align rules for CN and MN to permit MN project phases to be authorized/advertised/awarded if the phase is fully funded, rather than the entire project.	PD, OPD, PIM	December 2010.		
(2) Continue to use the 3-year project tool to show current and future year allocations on maintenance projects.	PD, OPD, PIM	Ongoing.		
(3) Document processes.	PD, OPD	January 2011.		
(4) Provide communication to district staff through PIMs.	PD, OPD, PIM	Ongoing.		
(5) Establish 2 state-funded UPCs for PE on maintenance paving projects - one for federally eligible paving projects and another for non-federal paving projects.	PD, OPD, PIM	December 2010.		
(6) Confirm with FHWA that CN can be federally authorized when PE was not federally authorized, but followed the federal process.	PD, FHWA, OPD, S&C	November 2010.		
(7) Monitor changes to allocations on the financial summary of planned expenditures for maintenance projects compared to budget.	OPD, PIM	Ongoing		
<b>8. Commissioner Approval</b>				
<b>9. Implementation Plan</b> (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

Stakeholder	Internal or	Role/Expectation (Approval, input,	Milestone (relevant	Comments
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	<i>External</i>	<i>development, etc)</i>	<i>action step)</i>	

**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum

\_\_\_Automated Solution \_\_\_Other:\_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_21\_\_: Delegate authority to authorize PE under a specified dollar amount to the district administrators.

Assigned Chief: Chief of System Operations

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Gather information on dollar amounts of PE estimates on maintenance projects.	Operations Planning Division Administrator	11/15/10		
2. Identify options to facilitate starting of PE work on maintenance projects.	Operations Planning Division Administrator	11/22/10		
3. Work with appropriate Chiefs to identify best solution.	Operations Planning Division Administrator	12/3/10		
4. Work with appropriate Chief to document new process.	Operations Planning Division Administrator	12/17/10		
5. Chief communicates new process.	Chief of Planning and Programming	12/17/10		
6. Commissioner Approval				
7. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Chief of Planning and Programming	Internal	Approval		
Chief of System	Internal	Approval		

Operations				
District Administrators	Internal	Input		
Operations Planning Division	Internal	Input		
Programming Division	Internal	Input		
District Project Managers	Internal	Input		

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_X\_\_\_ Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

Report –

Policy –

Procedure – Written process steps and business rules in place by October 31 for project development

Memorandum –

Automated Solution –

Other -

## Performance Audit Action Plan

Item #\_22\_\_: Districts plan their maintenance work to fully utilize the fiscal year 2011 budgets and accelerate the planned maintenance work to reduce the carryover to pre-2007 levels. A reasonable balance would be around \$50 million based on 10% of the fiscal year 2010 maintenance project allocation of \$519 million.

Assigned Chief: Chief of System Operations (combined with action item #16)

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s); obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Operations Planning Division distributes revised template for spending plans for maintenance and operations program FY 2011 and FY 2012 funds	Operations Planning Division Administrator	11/1/10		
2. Districts and Central Office divisions submit completed spend plans	District and Division Administrators	11/5/10		
3. Operations Planning Division compiles submissions and produces summary report for review by Chief of System Operations and Chief Deputy Commissioner	Operations Planning Division Administrator	11/9/10		
4. Chief Deputy Commissioner and Chief of System Operations meet with appropriate parties to discuss: (a) rationale for any large anticipated balances at end of FY 2011 and FY 2012; and (b) how anticipated balances could be used to fund new contracts	Chief Deputy Commissioner	11/19/10		
5. Operations Planning	Operations	monthly		

Division monitors and reports on expenditures versus revised spend plans	Planning Division Administrator			
6. Operations Planning Division distributes template for spending plans for maintenance and operations program FY 2012 and FY 2013 funds	Operations Planning Division Administrator	6/1/11		
7. Districts and Central Office divisions submit completed spend plans	District and Division Administrators	7/22/11		
8. Operations Planning Division compiles submissions and produces summary report for review by Chief of System Operations and Chief Deputy Commissioner	Operations Planning Division Administrator	7/29/11		
9. Chief Deputy Commissioner and Chief of System Operations meet with appropriate parties to discuss: (a) rationale for any large anticipated balances at end of FY 2012 and FY 2013; and (b) how anticipated balances could be used to fund new contracts	Chief Deputy Commissioner	8/12/11		
10. Operations Planning Division monitors and reports on expenditures versus revised spend plans	Operations Planning Division Administrator	monthly		
11. Commissioner Approval				
12. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Chief Deputy Commissioner	Internal	Approval		
Chief of System Operations	Internal	Approval		
Operations	Internal	Development		

Planning Division				
District Administrators	Internal	Input		
Division Administrators	Internal	Input		

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_23\_\_: Management should have districts periodically evaluate all projects with carryover funds. This evaluation should demonstrate allocations to date compared with the cost estimate, advertisement date, start date, expenditures and projected completion date. Based on these data elements, thresholds should be developed to provide early warning signals of potential problems.

Assigned Chief: Chief of System Operations (combined with action item #24)

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

*Detailed Action Plan (Insert rows as needed before required **bolded** steps.)*

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Operations Planning Division distributes revised template for spending plans for maintenance and operations program FY 2011 and FY 2012 funds	Operations Planning Division Administrator	11/1/10		
2. Districts and Central Office divisions submit completed spend plans	District and Division Administrators	11/5/10		
3. Operations Planning Division compiles submissions and produces summary report for review by Chief of System Operations and Chief Deputy Commissioner	Operations Planning Division Administrator	11/9/10		
4. Operation Planning Division prepares report of (1) carry forward funds from FY 2010 that will not be spent in FY 2011; and (2) funds anticipated to be carried forward at end of FY 2011 and remain unspent at end of FY 2012 and submits to Chief of System Operations and Chief Deputy Commissioner	Operations Planning Division Administrator	11/19/10		



5. Chief Deputy Commissioner and Chief of System Operations meet with appropriate district and division administrators to determine best course of action for carry forward funds that are anticipated to not be spent	Chief Deputy Commissioner	12/10/10		
6. Based on meetings, districts and divisions transfer funds not needed in current fiscal year to (1) cover existing and anticipated deficits; (2) fund anticipated expenditures on active projects; or (3) fund new projects	District Administrators; Division Administrators	12/30/10		
7. Operations Planning Division monitors and reports on expenditures on projects with carry forward funds	Operations Planning Division Administrator	monthly		
8. Chief Deputy Commissioner and Chief of System Operations meet with appropriate district and division administrators to determine best course of action for carry forward funds that are anticipated to not be spent	Chief Deputy Commissioner	monthly as needed		
9. Commissioner Approval				
10. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<b>Stakeholder</b>	<b>Internal or External</b>	<b>Role/Expectation (Approval, input, development, etc)</b>	<b>Milestone (relevant action step)</b>	<b>Comments</b>
Chief Deputy Commissioner	Internal	Approval		
Chief of Systems Operations	Internal	Approval		
Chief Financial Officer	Internal	Input		
Chief of Planning and	Internal	Input		

Programming				
Operations Planning Division	Internal	Development		
District Administrators	Internal	Input		
District Maintenance Engineers	Internal	Input		
District Planning and Investment Managers	Internal	Input		

**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum

\_\_\_Automated Solution \_\_\_X\_\_\_Other: Apply funds to appropriate projects

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_24\_: Management should consider removing from projects any funds that will not be spent in the next fiscal year.

Assigned Chief: Chief of System Operations (combined with action item #23)

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Operations Planning Division distributes revised template for spending plans for maintenance and operations program FY 2011 and FY 2012 funds	Operations Planning Division Administrator	11/1/10		
2. Districts and Central Office divisions submit completed spend plans	District and Division Administrators	11/5/10		
3. Operations Planning Division compiles submissions and produces summary report for review by Chief of System Operations and Chief Deputy Commissioner	Operations Planning Division Administrator	11/9/10		
4. Operation Planning Division prepares report of (1) carry forward funds from FY 2010 that will not be spent in FY 2011; and (2) funds anticipated to be carried forward at end of FY 2011 and remain unspent at end of FY 2012 and submits to Chief of System Operations and Chief Deputy Commissioner	Operations Planning Division Administrator	11/19/10		
5. Chief Deputy	Chief Deputy	12/10/10		

Commissioner and Chief of System Operations meet with appropriate district and division administrators to determine best course of action for carry forward funds that are anticipated to not be spent	Commissioner			
6. Based on meetings, districts and divisions transfer funds not needed in current fiscal year to (1) cover existing and anticipated deficits; (2) fund anticipated expenditures on active projects; or (3) fund new projects	District Administrators; Division Administrators	12/30/10		
7. Operations Planning Division monitors and reports on expenditures on projects with carry forward funds	Operations Planning Division Administrator	monthly		
8. Chief Deputy Commissioner and Chief of System Operations meet with appropriate district and division administrators to determine best course of action for carry forward funds that are anticipated to not be spent	Chief Deputy Commissioner	monthly as needed		
9. Commissioner Approval				
10. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Chief Deputy Commissioner	Internal	Approval		
Chief of Systems Operations	Internal	Approval		
Chief Financial Officer	Internal	Input		
Chief of Planning and Programming	Internal	Input		

Operations Planning Division	Internal	Development		
District Administrators	Internal	Input		
District Maintenance Engineers	Internal	Input		
District Planning and Investment Managers	Internal	Input		

**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum

\_\_\_Automated Solution \_\_\_X\_\_\_Other: Apply funds to appropriate projects \_\_\_\_\_

**Description of Output:**

Report – Summary of funds carried forward that will not be spent at end of following fiscal year

Policy –

Procedure –

Memorandum – From Chief Deputy and Chief of System Operations to Commissioner recommending course of action for funds identified in the report

Automated Solution –

Other –

Note: Implementing the other recommendations will reduce project balances.

## Performance Audit Action Plan

Item #\_25\_: Review construction and maintenance programs for certain types of projects or activities that rarely receive federal funds, and therefore might be processed outside of the federal eligibility requirements in order to minimize the time and costs incurred to develop and deliver such projects. Consider: 1) certain lower-dollar, high-volume activities and designate them as state only projects and 2) Programming Division providing districts with a target contribution towards the federal strategy and once met, giving districts authority to designate projects to be developed as state only projects.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) Based on revenue estimates, establish a value of federally funded Maintenance projects that must be delivered in order to meet federal strategy, plus a cushion, for the next three years - this is estimated to be 150% of the formula OA corresponding to the federal funds in the maintenance program.	OPD, PIM, PD	November 2010.		
(2) Give Districts the authority to identify specific Maintenance projects to be developed as federally eligible to cover the required amount; all other Maintenance projects can be developed as state-funded. Note that reducing the number of maintenance projects developed as federal, will reduce the use of AC in the maintenance program, which conflicts with recommendation #2 regarding expanding the use of AC.	PD, OPD, PIM	December 2010.		
(3) Work with IT to add a classification to the POOL to indicate maintenance projects on the federal strategy.	PD, OPD, IT	January 2011.		
(4) Continue to develop all Construction projects as federal unless an exception is granted according to the existing process.	PD, S&C, PIM, L&D	Ongoing.		
(5) See also audit findings #19, 20, and 21.	See findings #19, 20, and 21.	See findings #19, 20, and 21.		
<b>6. Commissioner</b>				

<b>Approval</b>				
<b>7. Implementation Plan</b> (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_ Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_26\_\_: Develop a project-specific risk assessment methodology that should be a required task in the project planning phase. The project level risk assessment should provide the basis for concluding that a low-risk project would not be subject to certain control reviews such as the review of signed and sealed plans by Central Office location and design. Strategies: 1) consider a three-tiered process approach to project development; 2) certain Central Office review procedures pertaining to project scoping and design should be eliminated for low-risk projects; 3) for low-risk projects, the PE manager and a district L&D Engineer should authorize project scope and plan design with no additional review or approval required by the Central Office; 4) certain review processes and procedures included in Central Office Scheduling & Contracting Division’s “Plan Review” phase could be revised or eliminated for low-risk projects; and 5) certain review processes and procedures included in Central Office Scheduling & Contracting Division’s estimating phase should be modified or reviewed – specifically, for low-risk projects, S&CD should consider utilizing cost estimates developed by district engineers.

Assigned Chief: Kerley

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Form Committee consisting of CO Preliminary Engineering Divisions and District PE Managers to: <ul style="list-style-type: none"> <li>○ Gather data</li> <li>○ Determine if the recommended 3-tier process is the right solution.</li> <li>○ Identify key elements of each acceptable recommendation.</li> <li>○ Set approval authority and establish monitoring criteria for each acceptable tier.</li> </ul>	Chief Engineer  State L&D Engineer	2/28/11		
2. Prepare report of findings and submit recommendations from Committee to Chief Engineer and Chief Deputy Commissioner for approval.	State L&D Engineer	3/14/11		
3. Submit proposal to Commissioner for approval.	Chief Engineer	4/11/11		
4. Following Commissioner’s approval, define and communicate the steps in implementing the risk assessment	Chief Engineer	5/9/11		



process for SYIP & Maintenance projects.	Assistant L&D Division Administrator CO PMO			
5. Review all policies & procedures in Chief Engineer's Divisions for compliance with these project development process changes.	Chief Engineer Assistant L&D Division Administrator CO PMO	6/15/11		
6. Develop auditing processes & procedures for quality assurance compliance on 10% of the projects completed using the new tiered process. <ul style="list-style-type: none"> <li>o Develop strategies for non-compliance findings</li> <li>o Compliance reviews to be performed quarterly.</li> </ul>	Chief Engineer Assistant L&D Division Administrator CO PMO	7/1/11		

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
CO PMO	Internal	Development, Input		
CO L&D	Internal	Development, Input		
CO S&B	Internal	Development, Input		
CO S&C	Internal	Development, Input		
CO Environmental Division	Internal	Development, Input		
CO R/W & Utilities Division	Internal	Development, Input		
CO Local Assistance Division	Internal	Development, Input		
DPEMs	Internal	Development, Input		
Maintenance Division	Internal	Development, Input		
Chief Engineer	Internal	Input, Approval		
Commissioner	Internal	Approval		

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other:  \_\_\_\_\_

***Description of Output:***

Report – Report of findings of Committee from step one

Policy – Revised PMO policy on application of three tiers of projects

Procedure – Revised PMO procedures on three tiers of projects

Memorandum –

Automated Solution –

Other – Revised Project Development Process Flow Charts

## Performance Audit Action Plan

Item #\_27\_: Require project managers to update project estimated costs at various intervals that are more likely to be meaningful: when preliminary engineering is approved; at the start of the preliminary engineering phase, when project scoping is approved at which time the right of way phase begins; and at the advertisement date, at which time the construction phase begins. Additionally, we recommend that project cost estimates be updated annually to correspond with project development milestones of the Six Year Improvement Program.

Assigned Chief: Kerley

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)  
*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Form Committee consisting of CO Preliminary Engineering Divisions and District PE Managers to: <ul style="list-style-type: none"> <li>○ Discuss existing policies that direct the estimate updates.</li> <li>○ Discuss any regulatory references that require current practice.</li> <li>○ Discuss any related advantages, disadvantages and/or savings that would be realized by implementing the recommendation.</li> <li>○ Summarize recommendations.</li> </ul>	Chief Engineer  State L&D Engineer	1/27/11		
2. Identify savings that would be gained by revising the policies.	Chief Engineer  State L&D Engineer	1/27/11		
3. Upon concurrence in step 1, revise IIM-183 and 2 PMO procedures – Project Development Budget and Estimate Procedure, and Construction Budget Development and Management Procedures - to remove the requirement for updates at 90-day intervals and add minimum	Chief Engineer  CO PMO	4/1/11		

of at least two updates per year. Continue to require estimate updates: <ol style="list-style-type: none"> <li>At major milestones, such as: Scoping, Public Hearing, Field Inspection, Right of Way, and Construction.</li> <li>Annually during development of SYIP.</li> <li>When there are significant changes to the project that would affect the cost. Project Manager has the authority to update at additional intervals, as necessary.</li> <li>Minimum of at least two updates per year.</li> </ol>				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
CO PMO	Internal	Input, development		
CO L&D	Internal	Input, development		
CO S&B	Internal	Input, development		
CO S&C	Internal	Input, development		
CO IPD	Internal	Input, development		
CO R/W & Utilities	Internal	Input, development		
CO Environmental	Internal	Input, development		
CO Materials	Internal	Input, development		
CO Programming	Internal	Input, development		
DPEMs	Internal	Input		
Chief Engineer	Internal	Input, Approval		

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other: \_\_\_\_\_

**Description of Output:**

Report – Report of comments and recommendations from meeting with PE Managers  
Policy – Revised IIM 183 and 2 PMO procedures – Project Development Budget and Estimate Procedure, and Construction Budget Development and Management Procedure  
Procedure – Revised IIM 183 and 2 PMO procedures – Project Development Budget and Estimate Procedure, and Construction Budget Development and Management Procedure  
Memorandum –  
Automated Solution –  
Other – Summary of savings from implementing recommendation.

## Performance Audit Action Plan

Item #\_28\_\_: Identify critical tasks and deliverables that should be reflected in the predefined Project Schedule application that are owned and performed in the Central Office Divisions. The planned start, planned completion, actual start and actual completion dates should be updated by the Central Office Divisions in their own Divisional IT applications. This process should also update the corresponding dates in the Job Schedule application.

Assigned Chief: Kerley

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)  
*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Direct Project Managers to maintain accurate project teams in iPM ensuring the team members have the needed levels of access to project Schedule.	Chief Engineer CO PMO	12/1/10		
2. Identify critical deliverables and respective project tasks owned and performed by CO staff.	Chief Engineer CO PMO	12/1/10		
3. Establish clear responsibilities for any new project tasks related to CO deliverables.	Chief Engineer CO PMO	1/15/11		
4. Review and update as necessary the currently available project schedule templates.	Chief Engineer CO PMO	2/1/11		
5. Review and update as needed the currently available guidelines for scheduling project deliverables and any related scheduling requirements.	Chief Engineer CO PMO	2/1/11		
6. Review the current automatically added minimal key tasks in the initial project schedule (prior to	Chief Engineer	2/1/11		

scoping) and update the automated process as needed to include key deliverables.	CO PMO			
7. Coordinate with ITD to ensure support for completing already initiated IT work request to refine and update the project schedule functionality including the availability of new tasks for CO Divisions, automatic cascading/adjusting feature in the schedule application, and integration with COTS scheduling tool like MS Project to eliminate duplicative tracking of various deliverables in multiple and independent sources and tools.	Chief Engineer CO PMO	3/1/11		

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
CO PMO	Internal	Development		
CO L&D	Internal	Input		
CO S&B	Internal	Input		
CO S&C	Internal	Input		
CO ITD	Internal	Input		
Chief Engineer	Internal	Input, Approval		

**Output (Attach draft):** \_\_\_ Report  Policy  Procedure \_\_\_ Memorandum

Automated Solution \_\_\_ Other: Training for CO staff

**Description of Output:**

Report –

Policy – Revised PMO Project Tasks and Scheduling Guide & Project Tracker elements

Procedure – Revised PMO Project Tasks and Scheduling Guide & Project Tracker procedures

Memorandum –

Automated Solution – Update project schedule templates

Other – Training to CO staff

## Performance Audit Action Plan

Item #\_29\_: “On time / On budget” measurements contemplate valid objectives that acknowledge VDOT’s obligation to the public for delivering projects in a cost effective and timely manner. However, these measures should be considered along with safety, quality, effectiveness, and other measures to keep the department focused on its core mission. For example, also reporting the incidence of worker injuries, traffic accidents and congestion at construction sites would provide a more balanced view on project management. Senior management should emphasize that the Dashboard performance measures are tools for making educated business decisions.

Assigned Chief: Kerley

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)  
*[Gather data; analyze/evaluate; make recommendation(s); obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Establish a working group with Safety and Performance Management Division, Scheduling & Contract Division and a representative from the Chief of Operations to: <ul style="list-style-type: none"> <li>• Examine the validity and reliability of such measures with respect to performance improvement and performance management</li> <li>• Review existing Dashboard safety measures which are: crashes, injuries, deaths, and work zone crashes; see: <a href="http://dashboard3/Pages/Safety/Crashes.aspx">http://dashboard3/Pages/Safety/Crashes.aspx</a> .</li> <li>• Consider including contractor safety as a part of the measures.</li> </ul>	Chief Engineer,  State Construction Engineer,  Assistant L&D Division Administrator	12/1/10		
2. Prepare report on findings from working group of the value of modifying/changing existing Dashboard Safety metrics. Present report and findings to Chief Engineer.	State Construction Engineer,  Assistant L&D Division Administrator	4/30/11		

3. Present findings to Executive Team for discussion and comments.	Chief Engineer	5/15/11		
4. Submit to Commissioner for approval.	Chief Engineer	5/30/11		

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
<i>CO S&amp;C</i>	<i>Internal</i>	<i>Input, development</i>		
<i>CO Safety &amp; Performance Management Division</i>	<i>Internal</i>	<i>Input, development</i>		
<i>DCEs</i>	<i>Internal</i>	<i>Input</i>		
<i>DPEMs</i>	<i>Internal</i>	<i>Input</i>		
<i>DAC</i>	<i>Internal</i>	<i>Input</i>		
<i>Regional Operations Managers</i>	<i>Internal</i>	<i>Input</i>		
<i>ITD</i>	<i>Internal</i>	<i>Input, development</i>		
<i>Chief Engineer</i>	<i>Internal</i>	<i>Input, Approval</i>		

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other: \_\_\_\_\_

**Description of Output:**

Report – Report of impacts of inserting additional measures, resources required to monitor and report data, and other ways of reporting data

Policy –

Procedure – Steps for modification to Dashboard reporting if report is favorable and if approved for reporting within the Dashboard

Memorandum –

Automated Solution – Dashboard modifications if report is favorable and approved for reporting within the Dashboard

Other -



## Performance Audit Action Plan

Item #\_30\_: The VDOT Commissioner should delegate to the Chief Deputy Commissioner or his designee to conduct very specific discussions on a routine basis with District Administrators and key members of their management teams. The focus of these discussions should be to discuss strategic operational plans, high priority projects where the Advertisement Date or other key milestones are in jeopardy, and other pertinent operational issues. We suggest that such discussions should be conducted on a quarterly basis at a minimum.

Assigned Deputy Commissioner: Kilpatrick

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

*Detailed Action Plan (Insert rows as needed before required **bolded** steps.)  
 [Gather data; analyze/evaluate; make recommendation(s); obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1.SPMD to utilize existing data bases to develop a series of reports used to measure status of operations to Include: <ul style="list-style-type: none"> <li>• Maintenance Spending</li> <li>• Project Development</li> <li>• Construction Projects</li> <li>• Safety</li> <li>• Prompt Pay</li> <li>• Customer Feedback</li> <li>• CQIP</li> <li>• Maintenance Quality, performance targets</li> </ul>	SPMD	12/1/2020		
2. Deputy Commissioner to conduct monthly reviews with each district based on reports	District Administrators, CDC	12/2010		
3. Districts to assemble and analyze data in advance of meetings	District Administrator	12/2010		
4. Commissioner Approval				
5. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
District Administrator	Internal	Input		
SPMD	Internal	Develop/Monitor		
CDC	Internal	Monitor,Review,Approve		

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_31\_: District level performance metrics pertaining to project management, construction activities, and other operational objectives should be developed and monitored by both district level management and by Central Office management. Stakeholders should be held accountable for performance results.

Assigned Deputy Commissioner: Kilpatrick

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
<b>1. See #30</b>				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_ Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_32\_: Management should develop a set of performance metrics against which project managers should be assessed at least annually. The performance metrics should focus on quality attributes of projects delivered. Specifically, the assessment process should consider value and quality related measures for the development and delivery of projects viewed holistically, as opposed to focusing on development phase or construction metrics separately.

Assigned Chief: Kerley

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

*Detailed Action Plan (Insert rows as needed before required **bolded** steps.)*  
*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Establish a Committee with Safety & Performance Management Division, CO PMO and District representatives to review appropriate performance metrics for project managers. <ul style="list-style-type: none"> <li>• Performance metrics will include a focus on value and quality measures for the holistic development and delivery of projects</li> </ul>	Chief Engineer,  Assistant L&D Division Administrator	12/1/10		
2. Develop proposed assessment tool (using performance metrics identified by Committee) and procedures to implement use in evaluating project managers.	Chief Engineer,  Assistant L&D Division Administrator	4/30/11		
3. Present findings of Committee and proposed assessment tool to Chief Engineer for review and approval.	Chief Engineer,  Assistant L&D Division Administrator	6/30/11		
4. Communicate findings and actions to DPEMs and DCEs.	Chief Engineer	6/30/11		
5. Review findings and planned actions with Executive Team.	Chief Engineer	7/15/11		
6. Commissioner approval.	Chief	8/1/11		

	Engineer			
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**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
CO S&C	Internal	Input		
CO PMO	Internal	Input, development		
Safety & Performance Management Division	Internal	Input, development		
TPMI Graduates	Internal	Input		
DPEMs	Internal	Input		
DCEs	Internal	Input		
Chief Engineer	Internal	Input, Approval		

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy  x  Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution  x  Other:  Performance Metrics for Project Managers

**Description of Output:**

Report –

Policy –

Procedure – Steps in implementing use of Performance Metrics for Project Managers

Memorandum –

Automated Solution –

Other – Performance Metrics for Project Managers

## Performance Audit Action Plan

Item #\_33\_: Central Office management should develop training programs designed to educate district program managers and engineers about the processes that exist within the Central Office divisions.

Assigned Chief: Kerley

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Each of the Chief Engineer's Divisions will continue to review and update all policies and procedures and develop training for the Districts that communicate ongoing changes.	Chief Engineer & Division Administrators	Complete/Ongoing		
2. Chief Engineers' Divisions will provide updated policies, procedures and training information on their respective Inside VDOT Technical Sites and/or through annual update visits to the Districts.	Chief Engineer & Division Administrators	Complete/Ongoing		
3. Each Division will identify the number of policies it is responsible for and identify the several most "critical" policies and processes to focus attention on when educating the District staff. <ul style="list-style-type: none"> <li>o Listing will be submitted to Chief Engineer with method of communicating training indicated by each (i.e. on-line training, in-person training, etc.)</li> <li>o For the several most critical items, include most recent date training was delivered, updated or planned for in near future.</li> </ul>	Chief Engineer & Division Administrators	12/30/10		

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
CO L&D	Internal	Input, development, approval		
CO S&B	Internal	Input, development, approval		
CO S&C	Internal	Input, development, approval		
CO PMO	Internal	Input, development, approval		
CO IPD	Internal	Input, development, approval		
CO Materials	Internal	Input, development, approval		
Chief Engineer	Internal	Input		

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other: Electronic & in-person training

**Description of Output:**

Report – Report from each Division to Chief Engineer on the policies each is responsible for and the several most critical to focus on when educating the districts.

Policy – Updated Policies

Procedure – Updated Procedures

Memorandum –

Automated Solution –

Other – Electronic and in-person training

## Performance Audit Action Plan November 4, 2010

Item #\_34\_: A Technology Steering Committee or similar group should meet regularly to discuss current IT initiatives, determine the nature of required system functionality, and set IT priorities. This group should include meaningful and significant representation from the districts, including project managers.

Assigned Chief: Allen

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Perform research to determine how private industries and the public sector make technology investment decisions. Review Software Engineering Institute's IT Investment Management recommendations.	ITD Governance Mgr	10/14/10	10/14/10	10/14/2010
2. Adapt the best practices from this research to determine the most effective governing structure(s) for VDOT's technology investment decisions.	Chief of Technology; ITD Director	10/18/10		
3. Determine the most effective governing structure(s) for VDOT technology investment decisions and propose model approach	Chief of Tech.; ITD Director	11/08/2010		
4. Obtain input from executives	Chief of Tech.; ITD Director	11/10/2010		
5. develop final proposal for the VDOT Technology Investment Board(s) by: a. Defining members b. Developing charter, guiding policies, operations, roles, responsibilities and authorities for each board.	Chief of Technology; ITD Director	11/18/2010		
6. Commissioner Approval	Chief of Tech.; ITD Director	11/21/10		
7. <b>Present Technology</b>	Chief of Tech.; ITD Director	11/30/10		



<b>Investment Management overview briefing to the agency.</b>				
8. Board meetings operational.	Chief of Technology; ITD Director	12/1/10		

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Commissioner	Internal	Approval of Action Plan	6	
Chief Deputy Commissioner	Internal	Chair VTIB	6-8	
Chief of Technology, Research, and Innovation	Internal	Develop action plan. Present to Commissioner. Present overview to VDOT. Begin board meetings	2 - 8	
IT Director	Internal	Develop action plan. Present to Commissioner. Present overview to VDOT. Begin board meetings	2 - 8	

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy X Procedure X \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_ VTIB Overview; VTIB Scope; VTIB Guiding Principles

**Description of Output:**

Report – Charter

Policy –

Procedure – VTIB Standard Operating Procedure

Memorandum –

Automated Solution –

Other - VTIB Overview; VTIB Scope; VTIB Guiding Principles

## Performance Audit Action Plan November 4, 2010

Item #\_35\_: Management has utilized system application user groups in the past to vet ideas pertaining to system functionality. The use of such groups pertaining to iPM, Project Pool, Schedule, and other key operational systems should not be limited to the development and implementation of IT applications, but should be institutionalized in order to manage the continuous improvement of such system applications.

Assigned Chief: Allen

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)  
*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Perform research to determine how private industries and the public sector make technology investment decisions.	Juanita Mack	10/14/10	10/14/10	10/14/2010
2. Adapt the best practices from this research to determine the most effective governing structure(s) for VDOT's technology investment decisions.	ITD Governance mgr	11/05/10		
3. Determine the most effective governing structure(s) for VDOT technology investment decisions.	ITD Governance mgr.	11/08/10		
4. Institute the VDOT Functional Work Groups by: a. Defining members b. Developing charter, guiding policies, operations, roles, responsibilities and authorities for the group.	Various chiefs establish members; ITD develop charters, working with groups	12/17/10		
5. Establish meeting details: frequency and location.	Governance Mgr. Functional Work Groups	12/31/10		
<b>6. Commissioner Approval</b>	Chief of Tech.; ITD Director	11/05/2010		
<b>7. Implementation Plan</b> (e.g, training, communication) Present Technology Investment	Chief of Tech.; ITD Director	11/30/2010		

Management overview briefing to the agency.				
8. Functional Work Groups meetings operational.	Functional Managers	1/31/11		
9. Institute the VDOT User Groups by: a. Defining members b. Developing charter, guiding policies, operations, roles, responsibilities and authorities for the group	ITD Systems Managers Functional Managers Business Systems Managers	2/25/11		
<b>10. Implementation Plan</b> (e.g, training, communication) Present Technology Investment Management overview briefing to the agency.	Chief of Tech.; ITD Director	3/18/11		

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Commissioner	Internal	Approval of Action Plan	6	
Chief of Technology, Research, and Innovation; Other Chiefs	Internal	Review and approve Functional Work Groups and User Work Groups charter. Present to Commissioner. Present overview to VDOT.	4 – 7 9 - 10	
Division Administrators for Construction and Engineering programs	Internal	Assist with schedule setup. Attend VTIM overview. Attend Functional Work Groups meetings. Assist with creation of User Groups (scope, purpose, member selection). Assist this UWGs meeting schedule.	5, 8 - 10	
Division Administrators for Maintenance and Emergency Operations Programs	Internal	Assist with schedule setup. Attend VTIM overview. Attend Functional Work Groups meetings. Assist with creation of User Work Groups (scope, purpose, member selection). Assist this UWGs meeting schedule.	5, 8 - 10	
Division Administrator and Regional Operations	Internal	Assist with schedule setup. Attend VTIM overview. Attend Functional Work Groups meetings.	5, 8 - 10	

Directors for Roadway Operations and Transportation Technology Programs		Assist with creation of User Work Groups (scope, purpose, member selection). Assist this UWGs meeting schedule.		
Division Administrators for Finance and Administration Programs	Internal	Assist with schedule setup. Attend VTIM overview. Attend Functional Work Groups meetings. Assist with creation of User Work Groups (scope, purpose, member selection). Assist this UWGs meeting schedule.	5, 8 - 10	

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_X\_\_\_ Procedure X\_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: VFWD and VUWG Overview: Scope: Guiding Principles

**Description of Output:**

Report – charters

Policy –

Procedure – VFWD and VUWG Standard Operating Procedures

Memorandum –

Automated Solution –

Other – VFWD and VUWG Overview: Scope: Guiding Principles

## Performance Audit Action Plan

Item #\_36\_\_: Management should form a group of project managers and other key users of project scheduling information to meet with the IT Department for the purpose of determining how to provide "best practice" project task management functionality through iPM. Ideally, this would be accomplished through the use of an off-the-shelf project management tool such as Microsoft Project, as opposed to a custom-developed tool.

Assigned Chief: Kerley

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)  
*[Gather data; analyze/evaluate; make recommendation(s); obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Establish working group with Knowledge Management to explore scheduling "best practices" with District PM's, CO PMO, S&C and ITD. <ul style="list-style-type: none"> <li>o Coordinate this action item with item #35, assigned to Chief of Technology, Research &amp; Innovation.</li> </ul>	Chief Engineer  S&C Scheduling Manager	12/1/10		
2. Identify scheduling enhancements that can be made to iPM (or other scheduling tool).	Chief Engineer  S&C Scheduling Manager	4/30/11		
3. Coordinate with ITD to incorporate solutions for scheduling needs.	Chief Engineer  S&C Scheduling Manager	4/30/11		

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

Knowledge Management	Internal	Input, development		
ITD	Internal	Input, development		
CO PMO	Internal	Input, development		
CO S&C	Internal	Input, development		
District PMs	Internal	Input, development		
Chief Engineer	Internal	Input, Approval		

**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum

Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

Report –

Policy –

Procedure –

Memorandum –

Automated Solution – Scheduling enhancement to iPM or another scheduling tool mechanism

Other -

## Performance Audit Action Plan

Item #\_37\_\_: Management should modify the Project Pool and iPM system applications to provide a processing variation that more efficiently allows maintenance activities to be set up and managed. (Related to Item #17.)

Assigned Chief: Chief of Systems Operations (Sorrell)

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Convene appropriate team to identify and map current for maintenance paving projects and problems related to their timely development. Based on analysis, develop recommendations for revisions to project development process flow diagram and needed business rule changes. This step will include work from Item 17.	Chief of System Operations	12/5/10		
2. Identify processes, and business rule owners and obtain approval from appropriate executives	Chief of System Operations	12/30/10		
3. Establish team to develop data for ITD to make changes. This is related to other project development recommendations.	Chief of System Operations	12/30/10		
4. Develop new business process flowchart with matrix of iPM/Project Pool information required at each step in the flowchart. iPM is owned by SCD. Project Pool is part of the iSYIP owned by Programming.	Project Management Office( iPM)/ Programming Division(iSYIP)	2/28/11		
5. Submit draft new	Project	3/7/11		

process workflow to Chief Engineer, Chief of Planning and Programming, and Chief of System Operations for review and approval.	Management Office/ Programming Division			
6. Develop specifications for changes to iPM and Project Pool	Project Management Office and Information Technology Division	3/31/11		
7. Implement changes in iPM and Project Pool	Project Management Office, Programming Division and Information Technology Division	5/30/11		
8. Communicate/train staff on changes	Project Management Office, Programming Division and Information Technology Division	6/30/11		
<b>9. Commissioner Approval</b>				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Chief of Systems Operations	Internal	Approval		
Chief Engineer	Internal	Approval/input/coordination		
Chief of Planning and Programming	Internal	Approval/input/coordination		
Information Technology Division	Internal	Development		
Project Management Office	Internal	Development/input		
Maintenance Division	Internal	Input		
Programming Division	Internal	Input		
Operations	Internal	Input		



Planning Division				
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**Output (Attach draft):** \_\_\_Report \_\_\_Policy  Procedure \_\_\_Memorandum

Automated Solution \_\_\_Other: \_\_\_\_\_

**Description of Output:**

Report –

Policy –

Procedure – Reduction in annual estimated staff hours to enter and update information on maintenance projects.

Memorandum –

Automated Solution – Completion of software modifications and sign-off by all business partners.

Other -

## Performance Audit Action Plan

Item #\_38\_: We recommend that management perform a detailed review of the processes and tasks currently involved in procuring project specific consultant engineers. Management should confirm that the tasks, reviews and authorizations required by the current process are in fact mandated by the Brooks Act. The Department should then weigh all other internal steps, approvals and verifications in the process against the time added to the process.

Assigned Chief: Kerley

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

*Detailed Action Plan (Insert rows as needed before required **bolded** steps.)  
 [Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Evaluate current process for procuring consultants and determine if there are steps that can be eliminated or timeframes shortened to improve the turn around time. <ul style="list-style-type: none"> <li>• Continue working with Office of Attorney General to obtain guidance on minimum legal requirements VDOT must meet in order to procure a professional services contract.</li> <li>• Review the policy, i.e. 2009 Manual for the Procurement and Management of Professional Services, looking for ways of streamlining the process.</li> <li>• Continue working with the Consultant Industry, which started with the ECLC meeting on 10/6/10, to provide input/comments to achieve shorter procurement time while meeting legal requirements.</li> <li>• Continue working through the VDOT Consultant Coordination Committee members to identify processes that might be eliminated or modified to improve/shorten the</li> </ul>	Chief Engineer  Assistant Director IPD	4/1/11		

procurement time.				
2. Prepare report of findings and proposed actions: <ul style="list-style-type: none"> <li>Identify the processes required by the law (VPPA), federal regulations and internal VDOT policies.</li> <li>Identify steps that will be changed or eliminated and the reasoning behind the change as well as time savings</li> </ul>	Chief Engineer  Assistant Director IPD	6/1/11		
3. Revise internal policies and procedures to include changes in process. <ul style="list-style-type: none"> <li>Include flow chart of the steps and timelines for procuring consultants, ensuring that mandated steps are all included and any unnecessary steps have been eliminated.</li> <li>Establish annual review process to monitor the time it takes to procure consultants. <ul style="list-style-type: none"> <li>Identify any steps that may be indicating increased time to process.</li> <li>Review steps as needed, based on trends in the data.</li> </ul> </li> </ul>	Chief Engineer  Assistant Director IPD	7/1/11		

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
ASD	Internal	Input		
IPD	Internal	Input, development		
CO L&D	Internal	Input		
CO S&B	Internal	Input		
CO Materials	Internal	Input		
CO S&C	Internal	Input		
OAG	External	Input		
Chief of Administration	Internal	Input		
Chief Engineer	Internal	Input, approval		

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other: \_\_\_\_\_

***Description of Output:***

Report – Report of the findings of legal requirements (State, Federal, VDOT) and steps that can be eliminated

Policy – Revise policies to include changes in process

Procedure – Revise procedures to include changes in process

Memorandum –

Automated Solution –

Other -

## Performance Audit Action Plan

Item #\_39\_\_: The Commissioner or his designees should regularly meet with the companies working to build, operate, and maintain the highway system of roads and bridges. Agenda topics could include discussion of the current schedule of work to be advertised, and a review of construction bid specifications to identify opportunities for efficiency and cost reduction.

Assigned Deputy Commissioner: Kilpatrick

Assigned Commissioner: Whirley

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Meet quarterly with VTCA, ACEC, Old Dominion to include C.O. staff and Districts.	Commissioner, CDC and CE	Underway, Schedule Future Meetings		
2. Conduct focused issue based sub meetings with industry reps to address specific issues.	CDC and CE	Schedule Meetings by 12/1/2010		
3. Prepare and send outreach letter to External Groups.	CDC and CE	12/1/2010		
4. Commissioner Approval				
5. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Business Groups	External	Input		
CDC	Internal	Input/Develop		
CE	Internal	Input/Develop		
Commissioner	Internal	Input		

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_ Procedure \_\_\_ Memorandum  
 \_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_40\_\_: VDOT should establish targeted goals for measuring the effectiveness of clearing incidents timely and then analyze the results to determine what improvements may be necessary.

Assigned Chief: Sorrell

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Gather relevant data and develop targets to measure results of incident management operations (include OPD staff and field).	Asst. Division Administrator, Operations and Security Division	1/30/11		
2. Engage State Police and other stakeholders through regular Statewide Incident Management Committee, share data and solicit input for report.	Chief of System Operations	1/30/11		
3. Prepare a quarterly report for January through March as a pilot to get user input.	Asst. Division Administrator, Operations and Security Division	3/01/11		
4. Make final changes to report for annual report format.	Asst. Division Administrator, Operations and Security Division	4/30/11		
5. Districts use quarterly data to make operations improvements and report actions. (ongoing)	Chief Deputy	4/30/11 Ongoing		
6. Conduct annual statewide analysis/ make recommendations for improving operations and the report.	Asst. Division Administrator, Operations and Security Division	6/30/11 Ongoing		
7. Disseminate the annual report for review and	Chief of System	7/30/11		

adoption of recommendations.	Operations			
8. Commissioner Approval				
9. Implementation Plan (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Deputy Commissioner	Internal	Input; review of district actions	Participation in steps 3 through 7	
Chief of System Operations	Internal	Input; Manage and approve process for evaluation and implementation recommendations	Concurrence on step 1; Lead 2; completion of steps 3 - 7	
District Administrators	Internal	Input; implement recommendations	Participation in steps 3 through 7	
Maintenance Division	Internal	Input	Participation in step 1 - 3	
Regional Operations Managers	Internal	Input; implement recommendations	Participation in step 1, 3, 5,6	
Operations and Security Division	Internal	Develop workplan, collect and analyze data, develop reporting format, prepare report	Coordination and management of steps 1-6	
Regional TOC's	Internal	Input; implement recommendations	Review of steps 1,3 and 5; implement f6	
Safety Service Patrols	Internal	Input; implement recommendations	Implement step 6	

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_ Procedure \_\_\_X\_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum – Annual Report
- Automated Solution –
- Other –

**Results Sought:** Produce an annual incident management plan that includes measurable performance measures for the Statewide Incident Management Program, as well as, the Regional Incident Management Programs.

**Performance Measures Used in the Report:** VDOT has a targeted goal for clearing incidents at less than 90 minutes. The VDOT Dashboard tracks incident clearance times, crashes, injuries, deaths and work zone crashes and can be found at <http://dashboard.virginiadot.org/default.aspx>

## Performance Audit Action Plan

Item #\_41\_\_: VDOT should analyze the effects of the reduction in safety patrols to determine whether there has been a negative impact on congestion, safety or the environment as a result of this change. This analysis should provide the recommended number and location of patrols throughout the State.

Assigned Chief: Sorrell

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Using the previous Safety Service Patrol (SSP) report from the Research Council, and more recent SSP data from NOVA and Hampton Roads, develop SSP coverage alternatives. Alternatives will identify candidate corridors and hours of operation.	Asst. Division Administrator, Operations and Security Division	1/30/11		
2. Develop maps and data depicting historical, current and proposed Safety Service Patrol (SSP) coverage.	Asst. Division Administrator, Operations and Security Division	2/28/11		
3. Present findings from the study to the ROD's and OSD DA for feedback and recommendation.	Asst. Division Administrator, Operations and Security Division	3/15/11		
4. Generate final report for review by ROD's and OSD DA.	Division Administrator, Operations and Security Division	4/15/11		
5. Present study recommendations to Executive Leadership.	Chief of System Operations	5/1/11		
6. Provide recommendations for FY2012 Budget adjustments	Chief of System Operations	5/1/11		



7. Commissioner Approval				
8. Implementation Plan (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Chief of Systems Operations	Internal	Approval	Review of the findings of step #1; review of the presentation in step #2; review and approval of step #4; distribution of the approved document.	
Operations and Security Division	Internal	Development	Coordination and management of steps #1-5	
Regional Operations Directors	Internal	Input	Review and concurrence of step #1; provide input for step #2; Review and concurrence for step #4	
District Administrators	Internal	Input	Review and concurrence for step #4	
Maintenance Division	Internal	Input	Review of map and narrative in step #1 & 2; review of step #4 findings	
TOC Managers	Internal	Input	Review of step #1; attend presentation in step #3;	
SSP managers	Internal	Input	Attend presentation in step #3	
Major project	Internal	Input	Provide input	

TMP managers with SSPs			in step #1	
VSP	External	Input	Provide input in step #1	
Towing associations	External	Input	Provide input for step #1	

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_ Procedure \_\_\_X\_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum – Report
- Automated Solution –
- Other –

**Results Sought:** Provide a post-Blueprint safety service patrol program and implementation.

**Performance Measures to be used:** Develop performance measures for both the motorist assist functions and incident management functions of the Safety Service Patrol.

**Notes/Issue:** The Operations and Security Division is preparing to initiate an evaluation of the current Safety Service Patrol services in Virginia at the five regions. The benchmark will be the current service with a number of stages that represent the scale of service that could be provided and the amount of funding necessary to provide the service. After an initial draft is developed by the Division, it will need confirmation with the five regional operation directors and then submittal to the Chief for review.

The research performed by the Research Council will be invaluable in providing the baseline in the development of the alternatives to be considered. Using this information, we should be able to determine where the SSP service should be implemented, and the estimated cost to provide the service.

"A Return on Investment Study of the Hampton Roads Safety Service Patrol", June 2007 Research Council, found that the total benefits of the Hampton Roads SSP (in terms of delay and fuel consumption) were approximately \$11.1 million. The costs associated with patrolling the routes in the region were \$2.4 million thus the savings generated by this program are nearly 5 times the expenditures to run it. The 2006 Research Council Study, "Performance Analysis of Virginia's Safety Service Patrol Programs: A Case Study Approach," showed that in Northern Virginia, illustrated that the SSP provided benefits outweighing costs by a ratio of 6.2:1.

## Performance Audit Action Plan

Item #\_42\_\_: VDOT has a congestion mitigation plan that considers short term needs and longer term solutions. However, it appears that the general public is not fully aware of many of the congestion information capabilities within the current system. For example, the current 511 system has the capability of sending emails to citizens advising them of traffic conditions throughout the day, but only 300 users have signed up for this system. VDOT should develop a marketing plan to inform the public of its congestion mitigation capabilities, especially in high congestion areas of NOVA and Hampton Roads.

Assigned Chief: Sorrell

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Determine specific items to market to the public and develop Marketing Plan. Draw upon current plan used for CSC roll out.	Chief of Public Affairs	12/30/10		
2. Public Announcement and rollout of the updated Marketing Plan.	Chief of Public Affairs	1/1/2011		
3. Measure and evaluate effectiveness of Marketing Plan by observing 511 usage data (# of phone calls, web visits).	Chief of Public Affairs	Monthly after implementation		
4. Commissioner Approval				
5. Implementation Plan (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Chief of Systems Operations	Internal	Input, Approval	Receive notification that step #1 has been completed. Conduct the evaluation in step #3.	
Operations and Security Division	Internal	Input	Participation in steps 1-2	
Chief of Communications	Internal	Development, execution	Update Marketing Plan to reflect current conditions; Determine funding source for marketing plan; Implementation, coordination and management of steps #1-2	
Regional Operations Directors	Internal	Input	Participation in steps #1-2	
Metropolitan Planning Organizations in the Richmond, Northern Virginia and Hampton Roads areas	External	Input	Participation in steps #1-2; possible provision of funding in step #2.	

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_ Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_  Other: \_\_\_\_\_ marketing plan \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other – Marketing Plan

Results Sought: Increase public awareness of recurring and non-recurring congestion and delays along Virginia's highways through an enhanced Traveler Information System.

A briefing, in the November – December 2010 time frame, will be conducted with the Metropolitan Planning Organizations in the Hampton Roads, Northern Virginia and Richmond with participation by the respective District Administrators from those areas to present the 511 marketing project and leverage the cost of the project using CMAQ funds for those areas.

Performance Measures to be used: Increased usage of the 511 services.

Notes/Issues: The number of users of the 511 Phone System in August 2010 was approximately 235,000 and there were 109,000 511 Web users. Twitter has increased in usage every month since its inception.

VDOT has a marketing plan for 511 that has been developed with the assistance of the Public Affairs Division.

A marketing plan was developed to advertise 511's capabilities but was put on hold by the former Commissioner. The current Commissioner has indicated that he would prefer to move forward with this marketing strategy and VDOT is in the process of updating the proposal and evaluating the appropriate mechanism for funding.

The Marketing Plan will now be aligned with a new comprehensive Traveler Information Program. This new initiative shall include Traveler Information procurement which will include 511 services, video distribution and distribution of other operations-related data.

## Performance Audit Action Plan

Item #\_43\_\_: VDOT should continue to improve its connectivity of the TOCs to enhance data and communication sharing across the state while providing additional operational redundancy. VDOT's Change Confirmation Board should continue to review the operation systems for each region because special customization within each region may slow or prevent its redundancy efforts.

Assigned Chief: Sorrell

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s); obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. <b>Develop Strategic Plan for TOC Interoperability.</b> Plan addresses current and planned interoperability actions.	Division Administrator, Operations and Security Division	1122/10		
2. Continue efforts to upgrade the four OpenTMS platforms to the same version.	Assistant Division Administrator, Operations and Security Division	2/28/2011		
3. Continue efforts to integrate the ATMS platforms with VDOT's VaTraffic roadway condition reporting system.	Assistant Division Administrator, Operations and Security Division	8/31/2011		
4. Initiate consultant task to develop a migration plan to deploy a new single statewide ATMS by the end of 2013.	Assistant Division Administrator, Operations and Security Division	6/1/2011		
5. Initiate consultant task to study the pros & cons of outsourcing the management and operation of the TOCs. Study to address	Assistant Division Administrator, Operations and Security Division	6/1/2011		

revenue models and impact on Public Safety decisions.				
<p><b>6. Proposed Fiber Optic Communications Deployment:</b>  I-81 - from mile marker 150 to 225 and on local routes to Staunton TOC.  Approximately 80 miles, estimated cost of \$37 million and 2 years to complete.  (FUNDING TBD)  Evaluate alternative technologies such as leased lines or long-haul microwave as mid-term solutions.</p>	Assistant Division Administrator, Operations and Security Division	1/30/13		
<p><b>7. Proposed Fiber Optic Communications Deployment:</b>  I-95 - starting from the Richmond TOC and continuing north to Stafford County where NOVA TOC fiber currently exists.  Approximately 85 miles, estimated at a cost of \$39 million and 3 years to complete.  (FUNDING TBD)  Evaluate alternative technologies such as leased lines or long-haul microwave as mid-term solutions.</p>	Assistant Division Administrator, Operations and Security Division	1/30/14		
8. Continue leveraging fiber optic resource sharing initiatives with private partners to interconnect the TOC's.	Division Administrator, Operations and Security Division	ongoing		
9. Commissioner Approval				
10. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Chief of Systems Operations	Internal	Approval	Manage progress of all steps	
Operations and Security Division	Internal	Development	Implementation, coordination and management of all steps	
5 Transportation Operations Centers and staff	Internal	Input	Participation in implementing steps #1-3	
Statewide ATMS, CCB, CO and District Permitting staff.	Internal	Input	Participation in implementing steps #1-3, and #6-8	
Fiber Optic Resource Sharing partners (Mid-Atlantic Broadband, Citizens Telephone, Bristol Virginia Utilities, AT&T, Woodlawn Communications)	External	Input	Participation in implementing step #8	

**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum

\_\_\_Automated Solution \_\_\_Other:\_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other –

**Results Sought:** By 2014, all 5 TOC's will be interconnected through the installation of new fiber optic routes and the use of resource sharing fiber. The TOC's will also be fully interoperable and have the ability to fail over for one another.

**Performance Measures to be used:** Full interoperability among VDOT's TOC's and increased reliability and performance of ITS communication backbone.

**Notes/Issues:** The Salem and Richmond TOCs are currently physically connected through a network of VDOT installed fiber and resource shared fiber.



VDOT will install fiber optic infrastructure and leverage fiber optic resource sharing initiatives to interconnect the remaining TOC's.

Several of VDOT's resource sharing partners are aggressively expanding their networks through recently awarded Broadband Stimulus Funding grants. The installation of the resource sharing fiber is to be completed by 2013 in accordance with the terms of the stimulus funding. OSD will deploy fiber infrastructure to connect its TOCs directly or through the expanded resource-sharing routes.

Top priorities for installing VDOT-owned fiber optics include the following segments:

I-95 - starting from the Richmond TOC and continuing north to Stafford County where NOVA TOC fiber currently exists. Approximately 85 miles, estimated at a cost of \$39 million and 3 years to complete.

I-81 - from mile marker 150 to 225 and on local routes to Staunton TOC. Approximately 80 miles, estimated cost of \$37 million and 2 years to complete.

The fiber installation will take approximately 3 years to complete which includes all of the necessary design, construction, integration and inspection activities.

Once complete, the Traffic Operations Centers will have the ability to share real time information and have redundant failover capabilities.

Four of the five TOC's are currently being upgraded to operate under the same Advanced Transportation Management System (ATMS) software platform. Efforts will continue to establish full interoperability with the fifth TOC (Hampton Roads) and to also fully integrate the ATMS platforms with VDOT's VaTraffic roadway condition reporting system.

## Performance Audit Action Plan

Item #\_44\_\_: By acting as a focal point for collecting and sharing traffic information and controlling all field devices, the technology for each TOC must continually be reviewed and updated because the cycle of technology obsolescence is very rapid compared with that of traditional roadway assets. Therefore, VDOT should consider implementing the Six-Year Operations Improvement Program, with the goal of sustaining funding and continuing development of multi-modal congestion and mobility-related initiatives. [see bulleted goals on page 101]

Assigned Chief: Sorrell

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s); obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Brief the District Administrators and Chief of Planning and Programming on proposed technology projects in their districts for FY 12-17.	Chief of System Operations	12/10/10		
2. District Administrators to brief local CTB members and MPOs.	District Administrators	12/30/10		
3. District Administrators to continue meetings with CTB and MPOs to propose technology projects for SYIP funding.	District Administrators	Complete by 12/15 annually		
4. Develop and propose Interstate/Primary allocations for ITS / Signal technology projects.	Operations and Security Division Administrator	Ongoing		
5. Annually update the technology plan and funding strategy for operations/technology projects.	Operations and Security Division Administrator	Complete by Sept 1 annually		
6. Commissioner Approval				
7. Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<b>Stakeholder</b>	<b>Internal or External</b>	<b>Role/Expectation (Approval, input, development, etc)</b>	<b>Milestone (relevant action step)</b>	<b>Comments</b>
Chief of System Operations	Internal	Approval	Discussion and resolution with Chief of Planning and Programming	
Chief of Planning and Programming	Internal	Input	Discussion and input into technology project funding availability	
District Administrators	Internal	Development	After being briefed on the technology projects planned for their districts, brief the local CTB members and MPOs.	
Regional Operations Directors/OSD DA	Internal	Development	Brief the DA's on the technology projects for their area.	
Operations and Security Division	Internal	Development	Conduct FY12-17 programming cycle	
Programming Division	Internal	Development	Coordination with OSD Programming for inclusion of projects into the Six Year Plan process.	

Traffic Engineering Division	Internal	Input	Participation in the development of FY12-17 program	
Operations Planning Division	Internal	Input	Coordination in the development of FY12-17 program	
Maintenance Division	Internal	Input	Participation in the development of FY12-17 program	
Transportation Planning Division	Internal	Input	Participation in the development of FY12-17 program	
Regions	Internal	Input	Participation in the development of FY12-17 program	
Districts	Internal	Input	Participation in the development of FY12-17 program	
DRPT	External	Input	Participation in the development of FY12-17 program	
DMV	External	Input	Participation in the development of FY12-17 program	
MPOs	External	Input	Participation in the development of FY12-17 program	
Local Governments	External	Input	Participation in the development of FY12-17 program	
Federal Entities – FHWA	External	Input	Participation in the development of FY12-17 program	

Industry	External	Input	Participation in the development of FY12-17 program	
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**Output (Attach draft):** \_\_\_ Report  Policy \_\_\_ Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy – Integration Plan
- Procedure –
- Memorandum –
- Automated Solution –
- Other –

**Results Sought:** A Six Year Improvement Plan that integrates the Six Year Operations Improvement Plan and the Six Year Improvement Plan.

Performance Measures to be used:

- Number of projects underway
- Dollars spent
- Yearly updates of SYOIP/SYIP
- Percentage of projects on time/on budget

**Notes/Issues:** The Chief of Planning and Programming and the Chief of System Operations need to develop a plan to integrate the two Six Year Improvement Plans into one process. The Operations and Security Division has completed an FY 11 Six Year Operations Improvement Plan. Preparations are underway to start the process for FY 12-17. The current target for completion of the FY12-17 Six Year Operations Improvement Plan process is April 30, 2011.

## Performance Audit Action Plan

Item #\_45\_: With the Department downsizing under the Blueprint, VDOT should analyze the available emergency response personnel to ensure that “minimally adequate” staffing levels are maintained to provide effective response when emergencies occur.

Assigned Deputy Commissioner: Kilpatrick

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1.SPMD working with the Maintenance Division to review staffing for maintenance/emergency operations compared with other State Highway agencies Review to include management and support functions Include outsourcing options.	SPMD, Maintenance Division	12/1/2010		
2.VTRC conduct a nationwide search of research and reporting on staffing	VTRC	12/1/2010		
3. Review staffing options with DA’s DME’s and develop staffing plan.	District Administrators, DME, Maint. Div	2/1/2011		
4. Draft policy on Field Staffing within 7500 MEL.	Maint. Division	3/1/2011		
5. Commissioner Approval				
6. Implementation Plan (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
SPMD	Internal	Develop		
Maint Div	Internal	Develop		

VTIC	Internal	Develop		
DA/DME	Internal	Input		
CSO	Internal	Approval		
CDC	Internal	Approval		
C Admin	Internal	Input		

**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum

\_\_\_Automated Solution \_\_\_Other:\_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_46\_\_: VDOT should continue to monitor the performance of the (TAMS) contractors to ensure that performance is properly measured, performance is deemed acceptable, and the projected cost savings continue to be recognized.

Assigned Chief: Sorrell

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Modify existing TAMS contracts	Maintenance Division	5/30/10	5/30/10	
2. Conducting contractor evaluations	Maintenance Division		2/28/11	
3. Conducting contractor evaluations (MRP)	Maintenance Division		6/30/11	
4. Compare Final FY11 expenses to projected cost savings as a result of earlier contract modifications	Maintenance Division		8/30/11	
5. Commissioner Approval				
6 Implementation Plan (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<b>Stakeholder</b>	<b>Internal or External</b>	<b>Role/Expectation (Approval, input, development, etc)</b>	<b>Milestone (relevant action step)</b>	<b>Comments</b>
Chief of Systems Operations	Internal	Approval	1, 4	
Maintenance Division	Internal	Develop, approve process and conduct evaluations. Report results	1, 2, 3, 4	
District Maintenance staff	Internal	Input, manage contracts locally	1, 2, 3, 4	
Administrative Services	Internal	Input, overall contract administrator role	1, 2, 3, 4	



Division				
TAMS vendors	External	Input, Direct Role	1, 2, 3	
Quality Assurance Contractors	External	Direct Role	4	

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other: \_\_\_\_\_

**Description of Output:**

Report – performance measure report

Policy – new contract language

Procedure –

Memorandum –

Automated Solution –

Other -

## Performance Audit Action Plan

Item # 47: VDOT should examine the use of contractors and consultants in all service areas to ascertain whether or not their use is financially prudent.

Assigned Chief: Johnson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. See Item #51. Item #'s 47-52 are combined into a single programmatic approach.				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or require input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_48\_: VDOT also needs to maintain the ability to provide policy, direction, and oversight in-house.

Assigned Chief: Johnson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. See Item #51.				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_ Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_49\_: Outsourcing should be done in a rational, deliberate approach so that the Department can maintain its ability to respond to emergencies without having to rely exclusively on contractors due to inadequate maintenance staffing.

Assigned Chief: Johnson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. See Item #51.				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum  
 \_\_\_Automated Solution \_\_\_Other: \_\_\_\_\_

**Description of Output:**

- Report – .
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_50\_: VDOT should consider managed competition as an alternative when determining the appropriate service provider.

Assigned Chief: Johnson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. See #51.				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_ Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_51\_: A policy needs to be developed for determining whether or not an activity should be outsourced or performed in-house.

Assigned Chief: Johnson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)  
*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Develop methodology for stakeholders in all service areas to cost <b>current functions.</b>	SPMD	1/1/11		
2. Develop “canned” queries for stakeholders to identify cost of contract, staff augmentation, etc.	SPMD	On-going		
3. Establish portal site for stakeholders to access tools/methodology and archive results. Consultant design and construction inspection may be the initial functions for review.	SPMD	1/1/11		
4. Review archived results and make recommendation on efficient and prudent level of contracting	SPMD	On-going		
5. Create outsourcing committee (SPMD chair)	SPMD	12/1/10		
6. Develop criteria to identify candidates for outsourcing.	SPMD	1/1/11		
7. Develop methodology for assessing cost of outsourcing.	SPMD	1/1/11		
8. Develop lessons learned from current managed competition reviews.	SPMD	On-going		
9. Develop policy for utilizing managed competition, RFQ, etc.	SPMD	1/1/11		

10. Formalize process to gather industry specific feedback on market opportunity.	SPMD	1/1/11		
11. Report findings to Commissioner (and TIC)	SPMD	On-going		
12. Develop change management methodology.	SPMD	1/1/11		

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Policy Office	Internal	Develop and review draft	Step 9	
Divisions	Internal	Assessment and review	Step 1, 2	
Information Technology	Internal	Portal site development, technical support	Step 3	
Fiscal	Internal	Development	Step 2	
Learning Services	Internal	Development	Step 12.	
Industry	External	Input, feedback	Step 5, 10.	

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_X\_\_\_ Procedure \_\_\_ Memorandum  
 \_\_\_X\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

Another anticipated programmatic responsibility will be Performance Management’s administration of the agency’s outsourcing program. The impetus for establishing an outsourcing program is the following recommendations from the performance audit:

- (#47) VDOT should examine the use of contractors and consultants in all service areas to ascertain whether or not their use is financially prudent.
- (#48) VDOT also needs to maintain the ability to provide policy, direction, and oversight in-house
- (#49) Outsourcing should be done in a rational, deliberate approach so that the Department can maintain its ability to respond to emergencies without having to rely exclusively on contractors due to inadequate maintenance staffing.
- (#50) VDOT should consider managed competition as an alternative when determining the appropriate service provider.
- (#51) A policy needs to be developed for determining whether or not an activity should be outsourced or performed in-house:
- (#52) As a part of VDOT’s ongoing review of business processes and organizational structure, and level of outsourcing, the Department may find that the 70% target does not provide the flexibility to provide services in the most cost

effective manner. Code of VA Section 33.1-13.01 requires that VDOT report annually on outsourcing, privatization, and downsizing.

The proposed program will have two distinct parts, which will encompass the above recommendations.

First, because of the sheer number of contractors, consultants, and staff augmentation contracts, a systematic review of each existing arrangement would take years to complete if led by a single entity (i.e., Performance Management). Instead, the tact would be for MOR to establish a costing methodology and make it available for use by process owners to assess the efficacy of their current arrangement. MOR staff would be available for technical assistance as well as ensuring each review is validated and archived. Besides costs, MOR would develop additional criteria, to also address policy, direction and oversight, for assessing the prudence of the action.

The second part of the outsourcing program is to establish an Outsourcing Committee to systematically and deliberately review future candidates for outsourcing. The committee would consist of :

- SPMD Division Administrator (Chair)
- Learning Services staff person
- Subject Matter Expert (SME) of impacted area
- Division Administrator
- District Administrator
- Ad hoc Industry representative

Performance Management would provide technical staff to the committee. The Outsourcing Committee would have an established and communicated process for assessing the viability of outsourcing a given function, communicating results to the Executive Team and/or TIC, and employ a change management process where applicable for implementing recommended actions. The outsourcing committee would also develop guidelines for the use of and monitoring of managed competition when employed. The vision is that managed competition would be used as an assessment tool when cost data, requests for quotes, and industry input and feedback do not provide adequate data or feedback to make an outright decision. There may be circumstances where managed competition is not the last resort, but a directive to utilize from stakeholders with the authority to request such action.

Report –

Policy – Develop policies to guide use of managed competition, and agency's use of outsourcing.

Procedure – Methodology for assessing candidate activities and making recommendations.

Memorandum –

Automated Solution – Electronic site for archiving results, and accessing methodology/tools

Other -





Other -

## Performance Audit Action Plan

Item #\_53\_: The General Assembly may wish to consider having the Department also report any proposed changes to staffing levels and outsourcing efforts based on its business process analysis.

Assigned Chief: Johnson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Determine the will of the General Assembly. Modification to the report may require legislative action.				
2. Amend outsourcing report to provide details on staffing level changes and outsourcing levels.	SPMD	11/2011		
<b>3. Commissioner Approval</b>				
<b>4. Implementation Plan</b> (e.g. training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

Stakeholder	Internal or External	Role/Expectation (Approval, input, development, etc)	Milestone (relevant action step)	Comments
Policy Division	Internal	Determine will of General Assembly to amend report requirements	Step 1.	

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other: \_\_\_\_\_

**Description of Output:**

Report prepared for Commissioner and Secretary

Report – Amend annual report to General Assembly.

Policy –

Procedure –

Memorandum –

Automated Solution –  
Other – Proposed legislation to contain the above language and desire.

## Performance Audit Action Plan

Item #\_54\_: VDOT should assess current business processes and desired service levels to decide what organizational structure is best for the Department. The organizational structure design could then be revised based on the processes rather than the structure based on a target number of divisions.

Assigned Chief: Johnson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. See item #57. Item #'s 54 and 55 will be addressed in conjunction with #57).				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):** \_\_\_ Report \_\_\_ Policy \_\_\_ Procedure \_\_\_ Memorandum

\_\_\_ Automated Solution \_\_\_ Other: \_\_\_\_\_

**Description of Output:**

Report to Executive Team and key stakeholders

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_55\_\_: We see an opportunity for Performance Management and the Internal Audit function to partner, at least initially, to focus the efforts of the new Division. Specifically, because of its breadth of experience auditing all areas of VDOT, Internal Audit is in a position to recommend certain processes for more indepth streamlining reviews. Internal Audit could help target the Performance Management Division to areas and processes already identified as needing improvement. In addition, proposed improvements identified by the Performance Management Division could be reviewed by Internal Audit for internal control considerations, to prevent implementation of process changes that might jeopardize controls.

Assigned Chief: Johnson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)  
 [Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. See Item #57				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):** \_\_\_x\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum

\_\_\_Automated Solution \_\_\_Other: \_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -

## Performance Audit Action Plan

Item #\_56\_\_: We found that key positions among the Planning and Investment organization have yet to be filled. As a result, the Planning and Investment organizations have been unable to get fully implemented without the necessary staffing. Furthermore, once the sections retain the necessary staffing required, they will need time to evolve and establish their working relationships and responsibilities among the other sections in the district. It appears that an improved dedication to the programming management effort (as is currently just beginning to get underway with the establishment of PIM organizations) would put them into a position where they can operate effectively to achieve their “program” goals. In addition, as the Central Office, PIM sections, and the districts work together to further define the working relationships and responsibilities, the Employee Work Profiles should be updated accordingly.

Assigned Chief: Busher

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
(1) Encourage DA's to complete hiring for PIM positions.	DA's, HR, PIM units, TMPD, PD	Ongoing.		
(2) Continue monthly PIM meeting.	PD, OPD, LAD, FP, Fiscal, TMPD, PIM	Ongoing.		
(3) Establish consistency in EWP's for PIM positions in each district and with CO.	HR, PIM	Ongoing.		
(4) Provide CO training for each district Programming Director and Planning/Land Use Director.	PD, PIM	Ongoing.		
(5) Work with HR to streamline the process for filling vacancies in PD.	HR, PD	Ongoing.		
(6) Prepare documentation of Programming policies and procedures for PIM units in districts, including Federal Strategy, SYIP development, phase authorizations, Project Closeout, processing transfers, project monitoring, etc.	PD, PIM	January 2011 - after completion of audits and approval of action plans.		
<b>7. Commissioner Approval</b>				
<b>8. Implementation Plan</b> (e.g, training, communication)				

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>

**Output (Attach draft):** \_\_\_Report \_\_\_Policy \_\_\_Procedure \_\_\_Memorandum

\_\_\_Automated Solution \_\_\_Other:\_\_\_\_\_

**Description of Output:**

- Report –
- Policy –
- Procedure –
- Memorandum –
- Automated Solution –
- Other -



## Performance Audit Action Plan

Item #\_57\_: The operational impacts of many of the Blueprint changes are unknown at this time. The use of the Performance Management Division is critical to the post implementation process for the Department. The Division's draft charter (and related plans) should be reviewed, modified, and approved by the Commissioner in order to provide a clear direction for the Division's involvement in reengineering the significant business processes. This charter should include detailed performance measurements for the Division in order to provide accountability to the process and measure the success. The Division will need to create detailed work plans based on risk to the Department and frequency of reviews while also creating a monitoring system to track the status of approved recommendations. In addition, a review of the resources currently available within the Division needs to be considered and tasks will need to be prioritized based on the available resources, using either internal resources or outsourcing certain process reviews.

Assigned Chief: Johnson

Action Plan approved as designed \_\_\_\_\_  
Commissioner Date

**Detailed Action Plan** (Insert rows as needed before required **bolded** steps.)

*[Gather data; analyze/evaluate; make recommendation(s), obtain approvals; implement; define output]*

Steps	Responsible Party	Due Date	Actual Completion Date	Date Commissioner briefed on step
1. Solicit formal approval of charter from Chief of Administration, Commissioner, and Secretary of Transportation.	Chief of Administration, Commissioner, Secretary of Transportation	11/16/2010		
2. Review OIG reviews of critical areas/processes impacted by Blueprint, or that are already known to require action.	SPMD	12/1/2010		
3. Interview industry to get perspective on key business processes.	SPMD	1/1/2011		
4. Interview FHWA to get perspective on key business processes.	SPMD	1/1/2011		
5. Validate results of steps 3 and 4 by establishing workgroup to include VDOT staff and external stakeholders.	SPMD	1/1/2011		
6. Develop risk based	SPMD	1/1/2011		

criteria to prioritize results from steps 2-5. Some key areas to consider are: -Residency Review -Design staffing -Residency Business Offices				
7. Develop workplan for approval by Commissioner and Transportation Improvement Committee.	SPMD	1/1/11		
8. Develop a reporting mechanism.	SPMD	1/1/11		

**Key Stakeholders** (Internal and/or external parties that have a direct and integral role in the execution of the action plan, or requires input, review, and/or approval.)

<i>Stakeholder</i>	<i>Internal or External</i>	<i>Role/Expectation (Approval, input, development, etc)</i>	<i>Milestone (relevant action step)</i>	<i>Comments</i>
Chief of Administration	Internal	Approval	Step 2	
Commissioner	Internal	Approval	Step 2	
Secretary	Internal	Approval	Step 2	
Industry	External	Input, feedback	Steps 3-5	
FHWA	External	Input, feedback	Steps 3-5	

**Output (Attach draft):**  Report  Policy  Procedure  Memorandum

Automated Solution  Other: \_\_\_\_\_

**Description of Output:**

Report – Develop mechanism to report results to external stakeholders.  
 Policy –  
 Procedure –  
 Memorandum –  
 Automated Solution –  
 Other -