MEMORANDUM

Texas Department of Transportation

TO: All TxDOT Employees **DATE:** December 1, 2008

FROM: Amadeo Saenz, Jr., P.E. AS

SUBJECT: Review and Comment – Regionalization/Restructuring Documents

---

As I have stated in previous memorandums and videos to you regarding restructuring, we have been working diligently to prepare the regionalization plan documents for all employees' review and comment. I am pleased to announce that we have achieved that goal, and all employees now have the opportunity to review the plan and submit comments.

As of December 1, the following restructuring documents have been posted on our intranet Web site, Crossroads, for your review and comment. For those employees who do not have computer access, hard copies will be printed and made available for review at your work location. These documents include:

1. Restructuring Vision
2. Restructuring Management Perspective
3. Deloitte Regionalization Plan Assessment
4. Functional Work Group Reports and Executive Summaries
5. Staffing Plan

We invite all employees to visit Crossroads and navigate to the "Regionalization and Restructuring" page where these documents are posted. As you read the plans, rest assured that staffing recommendations in each functional work group report are based on future projections and will be ultimately achieved by natural attrition. I would like to reiterate that no one will lose their job, or involuntarily relocated, as part of this regionalization effort.

Once you have carefully read all the documents, click the "Submit Comments" link to send me any questions or concern you may have through January 9, 2009. My responses to your comments will be posted on Crossroads, and all pertinent issues will be incorporated into the final restructuring documents, as appropriate.

I would like to extend my appreciation to the outstanding efforts of our work group members and their supervisors who developed the reports outlining the restructuring recommendations. Each member of the group put in countless hours to research and create these plans, which will ultimately allow this agency to better serve Texas.

Looking back at this process over the last several months, my hope is that all employees understand our commitment is to remain open and responsive to your concerns and issues. In fact, we revised the proposed restructuring plan based on your initial feedback because your ideas made it better, and we'll continue to listen. Thank you for helping us make our agency more efficient, accountable, and transparent.

cc: Texas Transportation Commission

TxDOT Restructuring Vision Statement

Vision:

The Texas Department of Transportation (TxDOT) is committed to provide an efficient, accountable and transparent organization designed to meets the evolving transportation needs of a growing state. In the 21st Century, TxDOT must perform as a single, cohesive and responsive agency.

The Road Ahead

Successfully addressing the state's mobility will require TxDOT to find creative ways to deliver more projects and services. TxDOT must build upon its partnerships with our federal and state agency partners, elected officials at all levels, metropolitan planning organizations, toll authorities, rail and public transportation authorities, private sector partners and the citizens of this state. Innovative partnerships are critical to advancing our state's transportation needs.

Operating our transportation infrastructure through a regional business model again provides a shared pooling of manpower, resources and equipment. With a regional/district level, administration, divisions and offices can more efficiently direct the department's response to emergencies, plan maintenance along corridors and streamline our operations. To insure this is effective, we will implement the GAP analysis outlined by Deloitte Consulting in their review.

Strategies:

- TxDOT must continue to provide its service products while adapting its organization to integrate new and evolving transportation funding, delivery systems and infrastructure.

- Business relationships and product responsibility critical to the **efficient and effective** delivery of our core business products: the design, construction and maintenance of the state transportation system must continue to be delivered by our 25 District Offices. In addition, Business Support Functions currently housed in each District will benefit from the development of standardize processes and consolidation of delivery systems housed in the new Regional Support Centers.

- An enhanced focus on the **transparency** of the Department's performance will be addressed through the development and reporting of logical measures. The resources dedicated to the effort will be housed in the new Regional Support Centers. Agency performance information will be available to the general public in an intuitive and interactive manner.

Management Perspective
TxDOT Restructuring

Overview: TxDOT management is committed to improving department efficiency, accountability, and transparency. Restructuring offers opportunities to apply more funding to the transportation system, improve project development processes, and enhance TxDOT transparency by delivering project and programming information in a meaningful and comprehensive manner.

History: TxDOT engaged Deloitte Consulting to provide pre-Sunset recommendations in the areas of Management and Support Functions, Field Operations, and Contracting and Project Delivery. After receiving those recommendations, the Executive Director commissioned internal teams to study restructuring and make recommendations for possible implementation. These teams recommended a phased approach to restructuring:

- *Phase I* would restructure the Districts by consolidating operations support and project delivery support into four Regional Support Centers (RSCs). With the RSCs providing the operations and delivery support, Districts would be able to better direct resources to local daily operations and project delivery.
- *Phase II* would restructure Divisions and Offices and would occur after the Legislative and Sunset processes conclude.

Vision: TxDOT is restructuring to improve efficiency, accountability, and transparency. The assigned teams are developing and delivering plans designed to maximize the implementation of this vision while minimizing the impact to current employees. Management has clearly stated its requirement that the restructuring goals and vision be achieved with minimal impact to the current workforce. Based on that directive, TxDOT will use current employees and virtual environments for service delivery. Management specified this requirement in its staffing plans in order to permit the realignment of personnel to new business units without requiring physical relocation. The agency will rely on attrition to meet future staffing goals.

The Plan: TxDOT subject matter experts, from throughout the organization and located across the state, drafted implementation plans for functional areas that had been identified for restructuring. These individual function plans, along with the overall plan, have been evaluated by District Engineers, Division Officers, and Office Directors (DDOs), Deloitte Consulting, and the TxDOT employee workforce.

Conclusion: Management recommends the adoption of Phase I of the restructuring plan based on the recommendations of the restructuring teams, the plan developed by the functional area experts, the independent review by Deloitte Consulting, and the review by all department employees.

MEMORANDUM

TO: David Casteel, P.E. AED DO
John Barton, P.E AED EO

DATE: February 17, 2009

FROM: Interim Regional Directors

SUBJECT: Proposed Restructuring Edits

This memorandum describes our recommendations for making changes to the Phase I restructuring plan based on employee review of and comment on the plan. Once Administration has reviewed these recommendations and develops a list of approved changes, we will make the changes and re-publish the edited plan to employees.

Recommended Changes:

- **Board of Directors –** Change the Board of Directors name to "Regional Leadership Team" to better reflect the regional DE's role as collectively making recommendations to the AED DO for management of regional activities.
- **Audit –** (a) Develop an audit organizational structure where district and regional auditors report directly to the Audit Office. This will create greater objectivity and independence while maintaining an audit presence. (b) Allow the regional audit position to be virtual.
- **Payroll –** Allow the DE to put payroll in either district HR or under the District Business Coordinator for proper separation of duties
- **HR -** Consider centralizing HR under HRD in Phase II restructuring review. In this approach, each district would have physical HR presence in the district but centralizing HR could eliminate district/region lines, standardize HR processes, and reduce HR overhead.
- **ROW –** Continue with plans to regionalize ROW acquisition functions but include in the plan an analysis after 18 months by the AED DO, AED EO and the DE's to determine if regionalization has achieved the desired streamlining results.
- **Shop –** Since recent evidence supports regionalization ($30 million is savings in FY09) continue with but include in the plan an analysis after 18 months by the AED DO, AED EO and the DE's to determine if regionalization has achieved the desired cost savings results with the same or better level of service.
- **Regional ROW Attorney –** Add the Attorney classifications to the list of authorized regional ROW classifications. This has widespread support from employees, ROW customers, and DE's.
- **Regional Classifications –** List all Administration-approved titles and salary groups as part of the staffing plan.

- **Regional Project Management Office –** Rename the Regional PMO to the Regionalization Project Office or RPO to eliminate confusion.
- **Supervisory Positions** – List and number the supervisory positions in each region and compare that to the current number of supervisors as part of the staffing plan. The idea here is to show the decrease in the number of supervisors over time and through attrition.
- **GAP Analysis** – Add to the "Road Ahead" that we will address the GAP analysis as part of the transition plan to make this clear.
- **Service Level Agreement (SLA) –** Attach a draft SLA to the plan as an example. Employees had questions about what this document looks like.
- **Survey Contracts –** Add Survey Contracts as a responsibility of the Contracts Management Office (Professional Contracts). This is not explicit in the plan and it should be.
- **Virtual Offices –** Add detail to the staffing plan regarding virtual office operations in terms of daily operations, duty assignments, sharing assignments across district lines, and performance plans/evaluations. Also add a requirement for virtual office training for employees and supervisors.
- **Regionalization Schedule –** Publish the regionalization schedule in terms of "Commission Approval" being "Day 1." We can use that schedule as a guide if the Commission approves at the March Commission (standup would be Sept 1st for example) or it could apply to any Commission approval date. Also edit the transition timelines accordingly.
- **Glossary –** Add a glossary of terms to the plan.
- **Editing –** Employees made several recommendations with regard to minor edits, many of which were made on the spot. Those not already made will be included in this final edit.
- **Detailed Implementation Plan Recommendations –** Employees made many recommendations with regard to the detailed implementation plans that are best delivered to the regional management team if and when regionalization is approved. These suggestions will be very helpful to functional managers charged with developing detailed implementation plans, standard operating procedures, and service level agreements.

Finally, we look forward to making employee-recommended improvements to the plan when approved by Administration.

Deloitte.

Deloitte Consulting LLP

Regionalization Plan Assessment

Prepared for the Texas Department of Transportation
November 24, 2008

Table of Contents

Section I: Executive Summary 3

Section II: Background 6

Section III: Challenges 8

Section IV: Pre-Sunset Recommendations and Work Group Plans 10

Section V: Gap Analysis 13

Section VI: Shared Services Lifecycle 28

Section VII: Future Direction 31

Appendices 33

- **Appendix A – Shared Services Lifecycle** 34
- **Appendix B – Center of Excellence Graphic** 35
- **Appendix C – Organizational Charts** 36
- **Appendix D – Regional Leadership Team Concept- Developed by TxDOT** 43

Section I: Executive Summary

The Texas Department of Transportation (TxDOT) contracted for five independent assessments of its management and business operations to prepare for the 2009 Sunset Review Process. Deloitte was requested to conduct the independent assessment of TxDOT operations including Management and Support Functions, Contract/Project Delivery and Field Operations. As a follow-up to these Pre-Sunset Audits, TxDOT leadership performed significant review and analysis of the findings and recommendations with the overall goal of implementing organizational change and transformation. As one component of implementing the recommendations made by Deloitte Consulting in the Pre-Sunset audit reports, TxDOT began the process of developing regionalization plans to streamline the department's statewide business operations.

TxDOT leadership commissioned restructuring teams to develop plans for the creation of the Regional Support Centers (RSCs) with the objective of increasing agency-wide efficiency, accountability and transparency. The proposed locations for the RSCs are San Antonio, Houston, Lubbock and Fort Worth.

Eighteen support functions were chosen for regionalization. These include:

Support Functional Areas Selected for Regionalization	
• Accounting	• Plans Specifications & Estimate Review
• Contract Management	• Project Scheduling
• Corridor Planning & Schematics	• PTN
• Environmental	• Purchasing
• Facility Management	• Resource Management & Budget
• Fleet Management	• Right of Way
• Information Systems	• Sign Shop
• Maintenance Utility Permits	• Training
• MPO	• Warehousing

Each of the 18 support functions convened work groups to create detailed plans for regionalizing their function. TxDOT contracted Deloitte to assess the regionalization plan for consistency with the Pre-Sunset recommendations and also to help ensure that the work group documents were standardized in content and structure. Deloitte also provided a style guide and a template so that work group plans would have consistent format and information. A gap analysis was also performed with the results described below.

Summary of Gap Analysis

Based on analysis of TxDOT's plans, review of the internal project work program, and review of the individual functional area work group documents, Deloitte found that there are three major challenges that TxDOT should address as part of its efforts to improve efficiency, transparency and accountability. The challenges identified were the need to develop a clear agency-wide organizational vision, the requirement for a staffing and organizational study which would support this vision and the need for a regionalization transition and implementation plan to provide a foundation for a successful regional service delivery model.

Eighteen mutually agreed upon criteria were developed to evaluate the progress of TxDOT's regionalization plans to date and determine areas where TxDOT must address deficiencies. These criteria were customized for the TxDOT environment but were based on our experience in establishing successful shared services operating models in both the public and private sectors. Deloitte recommends that these criteria be utilized as a baseline for building a successful regionalization model both now and in the future as both implementation and optimization activities are performed.

Gap Analysis Review Criteria	
• Service Offerings	• Organization Structure/ Management Structure
• Service Integration	• Performance Monitoring/SLAs
• Service Delivery Methods	• Customer Service
• Technology Capabilities	• Implementation Strategy
• Efficiency of Operations	• Change Management Strategy & Stakeholders
• Effectiveness of Operations	• Communication Strategy with Stakeholders
• Cost Savings/ Avoidance	• Skill Sets
• Investment	• Staffing Models
• Process Standardization and Redesign	• RSC Site Determination

Based on our review, the existing gaps were in technology capabilities, cost savings/ avoidance, investments, organization structure, change management and staffing models. Details specific to each criterion and the gaps observed are provided in the gap analysis section of the report.

Key Findings and Recommendations

Based on the review of TxDOT documents and the gap analysis, there were a number of recurring themes and success drivers identified that are of importance to TxDOT. The following findings are the most critical to TxDOT to ensure a successful regionalization model is developed for the organization.

1. The purpose of regionalization is to foster efficiency and improve responsiveness of service delivery. Therefore it is important that the regionalization does not create additional bureaucratic complexities. TxDOT has proposed a Regional Leadership Team model to ensure that the RSCs avoid the creation of an additional layer of bureaucracy and to provide focused support to the districts. (See Appendix D)
2. The regionalized model will require flexible work arrangements such as virtual offices. TxDOT should build and monitor the virtual offices to ensure that technology, customer service and performance are consistent with established metrics.
3. TxDOT should have ongoing regionalization benefit verification through audits and published performance measurement to ensure the success of the RSCs.
4. TxDOT has considered the hardware/software needs for the regionalization. However, an agency-wide perspective on the connectivity of TxDOT's technology platforms is needed.
5. TxDOT has put in a significant amount of initial effort into restructuring and regionalizing its support functions. However, the Agency still faces significant efforts in transforming its support operating model as it moves forward into critical steps such as build, pilot, roll-out and optimization. (See Appendix A) The most critical phase for the success of the RSCs is the pilot phase. It is recommended that the Agency consider piloting one RSC first or piloting individual functions in all four RSCs simultaneously.

Phased piloting will allow TxDOT to refine the operating model as needed, enhancing the success of the full implementation.

   a. The transformation efforts will be managed through a Project Management Office (PMO). The PMO, staffed by hiring the four Regional Business Directors, will continue to advance the operating model through the build, pilot, roll-out, and optimization phases.
   b. Staffing the PMO with the four Regional Business Directors and charging these employees with completing the shared services lifecycle key activities would create ownership of the plan for which the RSC leaders would be responsible.

6. The Agency should continue to communicate with the Sunset Commission and the legislature about the intent, progress and future steps in regards to regionalization.
7. TxDOT should continue to refine its staffing needs for the RSCs and the districts. It should also determine if attrition will adequately staff the best candidate for non-supervisory positions. TxDOT determined that supervisory positions will be staffed competitively.
8. An effective change management and communication strategy is critical to gaining buy-in from internal and external stakeholders. TxDOT should have a clear agency-wide vision and ensure that it is communicated to all stakeholders.
9. TxDOT should continually revisit and update its business case for regionalization. It is an iterative process that will require the Agency to change its operational model based on its service delivery needs and the operating environment.

By regionalizing its support functions, TxDOT has demonstrated that it is willing to be adaptable and proactive in changing to meet new operational and transportation challenges. We found that TxDOT is directionally sound in meeting the intent of our recommendations in both the approach and work products to date. The above Executive Summary provides an overview of the most common observations and themes from Deloitte Consulting's Regionalization Plan Assessment. The following report details the gap analysis based on the review criteria and provides next steps based on shared services best practices within each phase of TxDOT's regionalization.

Section II: Background

Introduction

The Texas Department of Transportation (TxDOT) is one of 27 agencies, boards and commissions undergoing Sunset review during the 2008-2009 legislative biennium. To prepare for the review, TxDOT contracted for five independent audits of its management and business operations. TxDOT retained Deloitte Consulting LLP (Deloitte Consulting) to conduct three independent audits of the Department's operations related to Management and Support Functions, Field Operations, and Contracting/Project Delivery. The results of these audits yielded comprehensive reports with recommendations for improvement opportunities.

As a follow-up to these Pre-Sunset Audits, TxDOT leadership performed a review and analysis of the findings and recommendations of the independent audit. The overall goal was facilitating operational improvements and implementing organizational change and transformation. As a major component of the organizational change and realignment recommended in the Field Operations report, TxDOT began the process of developing regionalization plans. The plans were developed with the goal of restructuring the department's statewide business operations as well as the staffing model and organizational structure supporting them. These plans represent Phase 1 of a comprehensive effort to develop a business model for TxDOT that best meets the transportation needs of a changing and growing state.

The Restructuring Initiative began in April, 2008 with the formation of three internal teams (Executive, Core, and Resource). These teams were requested to review the restructuring plans and make prioritized recommendations for the implementation of both organizational and operational changes. In July, 2008 the Core Team recommended a phased approach to restructuring with Phase 1 focused on Districts and the formation of a regionalized structure. The goal was to regionalize selected functions to increase efficiency, reduce redundant functions, and facilitate the implementation of leading practices throughout the organization. In September, 2008, detailed plans for the creation of four Regional Support Centers (RSCs) were developed. The RSCs consolidate 18 support functions, which are currently performed in 25 districts across Texas, into the four regional centers under a shared service model. (See Appendix C) Regions will remain focused on project delivery support and daily operational support functions. The recommended locations of the RSCs are Fort Worth, Houston, San Antonio, and Lubbock. TxDOT's service delivery model would focus District operations on four key functions:

- Design
- Construction
- Maintenance
- Operations

Project Scope

Deloitte Consulting was contracted to conduct a review of the TxDOT regionalization plans. The scope of the project included a detailed review of each workgroup report and an assessment of whether the intent of the recommendations contained in the Pre-sunset Audits was being met. Deloitte Consulting worked with the interim Regional Directors and 18 workgroups to facilitate the improvement of the content and standardize the structure and consistency of the reports through an editing process. (See Supplemental Material) The key component of the project scope was a gap analysis that identified components that TxDOT should address during the implementation of the RSCs. To maintain the integrity of the process, all substantive content issues relating to the workgroup reports were addressed by TxDOT.

Project Workplan

Reviewed Documents

Deloitte Consulting reviewed the following documents:

- 18 Functional Work Group Plans
- Executive Management Summary
- TxDOT Restructuring Overview

Conducted Interviews

Deloitte Consulting conducted interviews with the Interim Regional Directors and key members of TxDOT management to gain understanding of the work completed since the Pre-Sunset audits.

Analyzed Regionalization Plans

Deloitte Consulting conducted a detailed review of all 18 work group plans. The purpose of the review was to determine the completeness and fit of the plans with (1) TxDOT's goals and objectives for the future and (2) the recommendations and intent of the Pre-Sunset audits. Deloitte Consulting also performed a Gap analysis utilizing mutually established review criteria.

Assisted with Plan Content and Structure Improvement

Deloitte Consulting worked with the Interim Regional Directors and workgroups to improve the content and structure of the regionalization plans. (See Supplemental Material) In addition to providing comments and edits on the content of the report, Deloitte also developed a common report template and a detailed style guide to facilitate the revision process. (See Supplemental Material)

Final Report and Executive Presentation

Deloitte Consulting prepared a written report that summarizes the findings of the review. The report also contains supplemental material. The supplemental material contains the style guide and template used to guide the editing process of the work group documents along with the management perspective on restructuring, the revised work documents for the 18 functional areas and executive summaries for each of the functional areas. The Team also developed a presentation for TxDOT administration and other identified stakeholders.

Section III: Challenges

TxDOT has historically relied on Offices, Divisions, and Districts operating in a decentralized and hierarchical organizational structure. Although this is common in most large governmental organizations, common issues that result from this structure are siloed organizational units, absence of information sharing, limited cross-organizational communication and disparate operating practices. TxDOT's organizational structure has historically relied on 5 offices, 21 divisions, and 25 districts to fulfill TxDOT's role as chief financer, designer, builder, and operator of the state's transportation system. (See Appendix C) TxDOT has a long history of using this structure to deliver quality infrastructure and transportation services to the public. However, as the scope of the state's transportation challenges becomes greater and more complex, TxDOT must reassess how it organizes and manages operations to ensure that it is optimally meeting twenty-first century challenges.

TxDOT must meet a new set of challenges that include addressing the complex issues that include congestion, mobility, and environmental protection. Successfully addressing each of these challenges will require significant investment in the state's infrastructure utilizing both traditional and innovative financing tools. These new investments, coupled with TxDOT's responsibility to maintain and improve the state's existing (and aging) infrastructure, will require TxDOT to find creative new ways to deliver more projects and services with limited financial resources.

First, TxDOT must adapt its organizational structure to become more efficient. As an example, the existing operating structure relies on 25 district offices with each district performing over 20 functions. (See Appendix C) This has resulted in duplication of services and redundancy of effort as identified in the Pre-Sunset audit reports. The Division and Office levels must also examine their organizational structure and staff deployment to help ensure that resources are focused on core objectives. Overall department staffing levels must also be analyzed.

Second, TxDOT must become more transparent. The diversity of projects and project funding sources has brought a new level of stakeholder scrutiny to the organization's operating environment. This scrutiny involves not only the project management component of the Agency but also involves all day-to-day functions. Each organizational unit will be continually challenged to provide accurate information on key metrics relating to departmental performance including project, fiscal and human resource management. The organization must be structured to facilitate open and accurate communication without the obstructions which may be caused by bureaucratic inefficiencies or a fragmented service delivery model.

Third, TxDOT must maintain a high level of accountability to the public. Areas with high levels of private and public partnerships as well as capital projects will need to adjust their operations increase accountability. Managing these partnerships and projects efficiently and effectively, while holding partner organizations accountable to the public, is absolutely necessary for TxDOT to build and maintain a world class transportation infrastructure in the most cost efficient manner possible. Standardization of operating procedures and processes is essential in this environment as operational consistency with the requisite accountability will allow for the dedication of time and resources to improving the transportation network without organizational and/or operational barriers.

Finally, TxDOT must develop and maintain the ability to adapt quickly to new challenges. The challenges TxDOT faces today will continue to evolve in the future. The optimal organization structure today may no longer be suited to meet the state's transportation challenges in the next 1,5,or 10 years. As an organization, TxDOT

must maintain the ability to recognize new challenges and trends in order to adapt its organizational structure quickly to meet those challenges.

The regional organization structure proposed by TxDOT is a positive first step in addressing the challenges described above. A major checkpoint for each of the activities in the regionalization effort will be to determine if the regional structure addresses these challenges on an on-going basis. The following sections provide key components that are important for the department to address and/or implement to form the foundation for success of the regional operating model.

Section IV: Pre-Sunset Recommendations and Work Group Plans

4.1 Intent of Restructuring Plans

A key component of this project was to assess if the regionalization efforts undertaken by TxDOT had met the intent and objectives of specific recommendations made by Deloitte in the Pre-Sunset audits. Our reports contained four major recommendations relating to regionalization and/or the benefits that the Agency could gain from establishing this type of organizational structure. We found that TxDOT is directionally sound in meeting the intent of our recommendations in both the approach and work products to date. In addition to the specific recommendations detailed in the following section, TxDOT is also addressing the key components which include:

1) Eliminating redundancy and duplication of services in the Regional offices

2) Standardizing processes and procedures to foster efficiency and enhance customer service

3) Sharing best practices across the organization

4) Providing for District offices to focus on core functions

5) Evaluating FTE allocation

6) Improving communications/transparency

From an approach perspective, we found that the Agency has addressed areas including:

1) Demonstrating executive sponsorship

2) Assigning experienced professionals to lead the regionalization efforts

3) Providing for employee input in the workgroup process and comprehensive employee review of the workgroup product

4) Contracting for an independent review on the regionalization work products and status

The following section provides specific detail on actions taken by the workgroups to address Deloitte's Pre-Sunset recommendations and intent.

Pre-Sunset Recommendation:

As a result of the independent assessment, Deloitte recommended that there were some services and functions that could be provided more efficiently and effectively in a regionalized or centralized, shared service environment.

Pre-Sunset Recommendation Intent:

The Right of Way (ROW) function was listed as an example of a function that would benefit from regionalization. It was noted in the assessment that many districts with limited staff must borrow ROW personnel to help complete projects. ROW is a critical function to the project development process. If resources are not allocated appropriately, it could result in delays in the letting schedule and increase costs.

TxDOT's Progress:

TxDOT's plan to create Regional Support Centers (RSCs) that will provide 18 support functions meets the intent of this recommendation. Establishing RSCs to perform the common functions that support core district activities will help eliminate the redundancy and the duplication of services. This new organization structure will allow the districts to remain focused on the core functions of project delivery and daily operations. Restructuring offers opportunities to apply more funding to the transportation system, improve project development processes, and enhance TxDOT transparency by delivering project and programming information in a meaningful and comprehensive manner.

Regionalizing critical functions such as ROW and Environmental should enable the Agency to meets it mission of project delivery in a timely and cost effective manner. This also provides the opportunity for resource sharing with a more flexible staffing model.

Pre-Sunset Recommendation:

The assessment found that there might be an opportunity to improve communications and streamline business processes through some consolidation and/or coordination of redundant functions.

Pre-Sunset Recommendation Intent:

During the assessment, an evaluation of MPO determined that certain activities performed by that function were also performed by Texas Council on Government (COGs) and Metropolitan Planning Organizations (MPOs). Analysis showed that TxDOT, COGs and MPOs all performed Planning/Design and Project Coordination activities. This is one example provided in the assessment that would benefit from coordinating redundant functions. Doing so would improve coordination, resource sharing and communication between TxDOT and other organizations.

TxDOT's Progress:

As part of the functional work group planning process, work groups were asked to review all their current processes to determine which could be outsourced, eliminated or combined to improve efficiency. For example, MPO has chosen to outsource the regional travel demand model alternatives analysis and the air quality and conformity analysis.

Pre-Sunset Recommendation:

The pre-sunset audit report recommended that TxDOT consider functional areas where consolidation makes good business sense and to make sure that leading practices can be used throughout the organization instead of the fragmented use that TxDOT was currently experiencing.

Pre-Sunset Recommendation Intent:

The assessments determined that many best practices were not being shared as a result of the decentralized nature of the Agency. Consolidation of selected functions was recommended because co-locating internal resources and consultants would help to enhance communication and knowledge sharing to ensure that projects are developed utilizing a common vision and goals.

TxDOT's Progress:

As part of the functional work group planning process, work groups were asked to identify best practices and tools that could be shared across the state in the regionalized structure. Examples of best practices and tools that will be shared as a result of regionalization include the El Paso district's Training manager program that will be integrated with HR Online for use Agency-wide. The Professional Services function will also develop a standardized invoicing process and standardized contract documents and progress reports. Additionally a statewide contract data base will be developed to share information across regions.

Pre-Sunset Recommendation:

As a result of the independent assessment, Deloitte recommended that TxDOT reevaluate FTE distribution across the Districts to ensure that allocations are in line with changing demographics and needs.

Pre-Sunset Recommendation Intent:

The intent of this recommendation was to evaluate the current FTE allocations to determine if resources could be moved to higher value activities in a shared service environment.

TxDOT's Progress:

In developing the work group plans for regionalization, each function was asked to evaluate its current staffing model. The workgroups provided a model that fit the needs of the Agency in the RSC organizational structure. In the process, work groups were asked to provide metrics to justify the number of FTEs requested in their work group plans. At this time, staffing has been evaluated for the support functions of the organization. Evaluations of construction, design and maintenance have been initiated at the time of this report.

Although TxDOT has demonstrated that it is meeting the intent of specific recommendations contained in our Pre-Sunset audits, it is important to recognize significant efforts face the Agency in the future as this effort continues. The following sections address the gap analysis and the future steps to help ensure success on a go-forward basis.

Section V: Gap Analysis

A successful organization challenges itself to be dynamic and adaptable to meet changing internal and external needs. This may mean changing how an organization operates or creating new organizational or staffing models. There is no one optimal model to organize to achieve change. However, it is important that an Agency undertaking reorganization has an overall vision that unites its change strategy for new organizational and staffing structures.

As TxDOT deals with the imperatives of improving customer service, increasing transparency and promoting efficiency, the existing legacy practices and hierarchical structures may limit its flexibility to accomplish major objectives. TxDOT has undertaken an effort to identify opportunities for improving the delivery of its services. One component of this evaluation is the Agency's effort to regionalize 18 support functions as it adapts to a changing operating environment and allows other organizational units to focus on core functions.

TxDOT has put in substantial effort upfront into the planning and design of the RSCs including:

- Establishing nine major criteria that were internally developed as the first steps in the 'design' phase in this process. The criteria include:
    - Functional Overview
    - Reports and Information
    - Constraints
    - Risk Management
    - Primary Duties
    - Detailed Processes
    - Changes Recommended
    - Measuring Success
    - Staffing Recommendations
- Challenging itself to look at alternative operating models and processes to deliver services
- Involving employees and taking a bottom up approach to its restructuring efforts

Although TxDOT has begun the process of reviewing organizational redesign and staffing models for regionalization, our review found there are still gaps that should be addressed to lay the foundation for a successful model. Based on shared services best practices (See Appendix A) and our assessment of TxDOT's efforts, gaps have been identified that are important for TxDOT to address to successfully design and implement its regionalization concept.

Section 5.1: Organization-wide Gaps

1. TxDOT's Vision for the Future

It is important for TxDOT to have a clear vision about the overall Agency direction and how the organization structure will support that direction and vision in the future. As such, the Agency must look strategically at all organizational units to develop a plan that supports its core objectives. Executive leadership is focusing its organizational restructuring efforts to improve efficiency, accountability, and

transparency. However, given the size and complexity of the organization it is imperative to take a holistic view of the organization to enable TxDOT to meet these three goals.

An organization-wide shared vision of TxDOT should provide an outlook of how all organizational components of the Agency will help improve efficiency, accountability and transparency in a changing operating environment. The shared vision stated above needs to be a key concept for each of the functional areas in redefining how their duties and objectives need to be realigned within the regionalized model as this model is implemented.

2. Need for Organization and Staffing Study

The Agency would benefit from an overall study of its organizational structure and its staffing model. This would allow TxDOT to develop a comprehensive understanding of the staffing needs necessary for all organizational units. TxDOT has stated that one of its priorities is ensuring that there is minimal impact on the current workforce. A uniform approach and methodology for determining staffing levels provides consistency in the allocation of resources. As an example, functional area work groups provided some initial regional staffing recommendations but an overall Agency viewpoint is necessary.

TxDOT should ensure that it is responsive to customer needs by staffing positions based on core competencies. It is our understanding that regional non-supervisory staffing levels will be reached through attrition while supervisory positions will be staffed competitively. This will allow for shared services to be provided efficiently and facilitate personnel resources being assigned optimally. TxDOT should continually revisit its own service needs and resource availability to change staffing models as needed.

TxDOT has studied the support FTE needs in the regionalization concept. Outside of this Phase I study, TxDOT has already reviewed its internal design FTE capacity and is sharing work between districts to maximize that capacity. In Maintenance, a “Strategic Plan for Maintenance Assets” team has been commissioned to review the maintenance model and the allocation of all maintenance assets including FTE statewide. Finally, the Assistant Executive Director for District Operations and the District Engineers are collecting four-year construction volume data to determine the construction workforce needs going forward.

3. Transition Plan to the New Business Model

TxDOT will be challenged to move 18 diverse services to a regionalized model. The Agency should develop a detailed transition plan as a major component of the roll-out strategy. Continuation of dedicated internal project resources to manage this effort is essential to manage operational and administrative issues as they arise. Additionally, these resources will be a valuable tool to address service integration and overlap issues. . The transformation efforts can be managed through a Project Management Office (PMO). The PMO, staffed by hiring the four Regional Business Directors, will continue to advance the operating model through the build, pilot, roll-out, and optimization phases. Staffing the PMO with the four Regional Business Directors and charging these employees with completing the shared services lifecycle key activities will create ownership of the plan for which the RSC leaders will be responsible.

We recognize that a major goal for TxDOT is to have a seamless integration of services and standardized processes in the regionalized model. The following section addresses gaps that should be addressed to maximize service delivery from a regional perspective.

Section 5.2: Regionalization Gaps

In order to assess gaps in the strategy and existing work products for moving to a regionalized model, the following criterion and review questions were utilized:

Key Criteria	Review Question
Service Offerings	▪ For which service offerings can TxDOT make a good business case for regionalization? ▪ What factors determine if a service should remain centralized? ▪ What factors determine if a service should remain at the district or division level?
Service Integration	▪ How will services be integrated at the District, Regional, and Central offices to ensure continuity of service? ▪ How will services be integrated at the District, Regional, and Central offices to avoid duplication of efforts and redundancy? ▪ How will services be integrated to avoid another level of bureaucracy?
Service Delivery Methods	▪ How will current business operations change with the development of Regional Service Centers (RSCs)? ▪ How will transparency in service delivery be accomplished? ▪ How can technology be utilized to enhance service delivery? ▪ Are there statutory regulations or TxDOT policies that could constrain operations in a regionalized structure?
Technology Capabilities	▪ Have specific operational and tactical plans for IT architecture and infrastructure needs been developed to support both regional and virtual office structures? ▪ Is new computer hardware needed? Are system-wide upgrades needed for software and telecommunications requirements? ▪ Is there appropriate expertise in-house?
Efficiency of Operations	▪ Have targets been identified for the types of efficiencies that can be realized including improved productivity and customer service? ▪ How will efficiency gains be tracked and measured? ▪ Have potential redundancies been identified and plans developed to mitigate any that are anticipated?
Effectiveness of Operations	▪ How will the RSCs create value for TxDOT? ▪ How will resource allocation be tied to goal achievement and outcome? ▪ How will effectiveness gains be measured? ▪ How will operations become more seamless?
Cost Savings/ Avoidance	▪ What are the immediate cost savings due to human resource changes or changes in operational methods and practices?

Key Criteria	Review Question
	▪ What are the medium and long term savings due to improved efficiencies? ▪ What costs/investments are avoided due to regionalization?
Investment	▪ What initial investments are required to develop and implement the RSCs? ▪ Will the investment be primarily in personnel and personnel related programs? Real estate? Or technology maintenance and operations? ▪ How will the investment be financed? ▪ How long will it take for the investment costs to be offset by ongoing cost savings?
Process Standardization and Redesign	▪ How must TxDOT business processes be redesigned to accommodate service delivery in a regionalized structure? ▪ How will best practices be shared within and across regions? ▪ How will process standardization occur within and across regions?
Organization Structure/ Management Structure	▪ Does the organization structure reflect best practices including functional assignments, seamless handoffs, appropriate span of control, and appropriate layers of management? ▪ How will the current workforce adjust to meet the needs of the regionalized structure? ▪ Is there a clear delineation of the roles, responsibilities, and accountabilities of management across Divisions, Regions, Districts, and Offices?
Performance Metrics Monitoring/ SLAs	▪ What are appropriate Service Level Agreements (SLAs) relating to internal and external customer service? ▪ How will the performance of the RSCs be measured? ▪ What performance metrics will be used?
Customer Service	▪ How will internal customer service levels be determined and monitored? ▪ How will external customer service levels be determined and will customer service surveys and analysis be an integral feedback component?
Implementation Strategy	▪ Who will make up the team that manages the implementation roll out? ▪ What is the methodology for prioritizing the roll-out of the 18 functional areas? ▪ How does the Agency plan to co-ordinate & manage the RSC effort? ▪ How will the implementation status at each RSC be monitored by, and communicated to, TxDOT leadership? ▪ How will risks be managed and issues resolved? ▪ What is the remediation plan if major service delivery issues arise?
Change Management Strategy & Tools	▪ Has management created a comprehensive and proactive plan to prepare the organization for change? ▪ What resources will be available to employees to transition and succeed in the reorganized TxDOT? ▪ How will employees be trained on now processes and acquire new skills necessary for success in the RSC service model?
Communication Strategy	▪ Has a detailed communication plan been developed for both internal

Key Criteria	Review Question
with Stakeholders	and external stakeholders? ▪ Has a strategy been developed to create initial buy-in and subsequently build on that buy-in? ▪ Have key spokesmen been identified to handle communications with the legislature? ▪ How will issues and risks be escalated to management and what is the resolution process? ▪ How will management stay aware of internal anxiety and rumors and ensure that employees understand the reasons for change? ▪ How will management ensure that stakeholders have the opportunity to submit timely feedback?
Skill Sets	▪ Have necessary employee skill sets for each RSC function been identified? ▪ Have job descriptions been revised to reflect the new operating environment? ▪ Will new skills sets be required for service delivery in a regional model? ▪ Are appropriate knowledge transfer mechanisms in place for the current dynamics of the TxDOT workforce? ▪ Is there a comprehensive Talent Recruitment and Retention strategy to ensure a pipeline of high-quality employees?
Staffing Models	▪ Have staffing models for the RSCs been established and what methodology was utilized? ▪ How will job vacancies at the RSCs be filled? ▪ What functions allow for flexible staffing, such as virtual offices?
RSC Site Determination	▪ Have physical sites been located for the RSCs? ▪ Does the physical site balance cost considerations with appropriate business and operating conditions?

5.2.1 Service Offerings

Service Offerings should make a good business case for regionalization with appropriate factors determining which services remain at the district level and which services are centralized.

TxDOT's Progress:

- Executive leadership made a business case for TxDOT to restructure by stating the need for TxDOT of the 21st century to be a single, cohesive and agile Agency.
- In an effort to better meet Texas's transportation needs and improve the Department's efficiency, district will remain focused on the core functions of project delivery and daily operations while common functions that support core district activities will be handled by four Regional Support Centers (RSCs)..
- The intent of TxDOT's reorganization was to eliminate duplication of services and common functions.
- Each of the functional area workgroups identified duties that should remain at the district or division level based on whether the duty being performed was common to the functional area or if it was a core duty that needed to be performed at the district level.

Management Level Gap:

- TxDOT has provided reasons why it should regionalize. However, as a whole TxDOT needs to have a clear agency-wide vision of the tangible and intangible value that the RSCs will create for management, employees and its external stakeholders.
- The existence of a clear vision will provide better stakeholder buy-in enabling the change management process.

5.2.2 Service Integration

TxDOT regionalization plans should lay out services that will be integrated at the District, Regional, and Central offices to achieve continuity of services and avoid another level of bureaucracy.

TxDOT's Progress:

- TxDOT introduced a two phased approach for the creation of the RSCs. Phase I would restructure the Districts by consolidating operations support and project delivery support into four Regional Support Centers (RSCs).
- Functional Area Work Groups have listed division of duties by district, Regional and Central offices. The functional areas also listed duties that could be eliminated, combined or outsourced in order to show avoidance of duplication of efforts and redundancy.
- Some functional area work group documents contained an implementation and interim plan for operations from the time the RSCs were rolled out until the time their performance was optimized.
- The teams developed three high-level plans to address the first 90 days, the RSC organizational overview and the hiring and staffing plan. These plans were the team's first step to moving towards a regionalized structure.

Management Level Gap:

- Overall, there is no agency-wide transition plan for operations to ensure continuity of services during implementation and roll out.
- Increasing transparency and reducing bureaucracy is one of TxDOT's goals in the creation of RSCs. Therefore it is important that the regionalization does not create additional bureaucratic complexities. TxDOT has proposed a Regional Leadership Team model to ensure that the RSCs avoid the creation of an additional layer of bureaucracy and provide focused support to the districts. (See Appendix D)
- The development of PMO and immediately staffing the PMOs with the four Regional Business Directors will address these gaps.

Functional Area Gap:

- All the functional areas need to consider an interim plan for transition of operations to ensure seamless service integration and limited interruption to customer delivery.
- The development of PMO and immediately staffing the PMO with the four Regional Business Directors will address these gaps.

5.2.3 Service Delivery Methods

Service Delivery Methods should clearly demonstrate how business operations will change with the development of the RSCs including service enhancements due to technology and constraints due to existing legislative and TxDOT policies. They should also identify how regionalization will improve transparency of TxDOT's business operations.

TxDOT's Progress:

- The functional areas provided a current and future statement on how business operations will change with the development of RSCs.
- Some work group documents incorporated technology and showed how it would help increase enhancement of service delivery.
- The IT Work Group has listed technology needs, as applicable for each functional area necessary to enhance service delivery.

Management Level Gap:

- Agency-wide there needs to a clear definition of transparency and how it will be accomplished in service delivery.
- TxDOT as a whole needs to identify how its policies will change to accommodate the operations of the RSCs. These may include legislative changes that need to be addressed by the Agency over the long and short term horizon.

5.2.4 Technology Capabilities

Technology Capabilities need to provide specific operational and tactical plans for IT architecture and infrastructure needs that must to be developed to support both regional and virtual office structures.

TxDOT's Progress:

- The IT group has generated a planning document that has considered the security access requirements for each area and the additional hardware/ software requirements.
- They also listed whether each support area under the RSCs was proposing a virtual office.
- The IT report contained a timeline for short and long term solutions to IT issues for each functional area.
- This plan addresses constraints in the IT implementation and also recognizes training requirements and whether the costs associated are related to TxDOT resources or will require additional budgetary consideration.

Management Level Gap:

- TxDOT needs to provide specific operational and tactical plans for IT architecture and infrastructure needed to support the virtual offices. There need to be details on whether these virtual offices will require new technology and how they will operate on a day to day basis.
- There also needs to be a management perspective on the ownership and management of virtual offices.
- The IT group has performed an extensive analysis for hardware needs and system-wide upgrades necessary for software and telecommunications. However, there needs to be a plan to determine how the different systems will be connected together when the 25 districts are combined into 4 RSCs.

5.2.5 Efficiency of Operations

The Agency should identify the types of efficiencies that can be realized from regionalization including improved productivity and customer service. It should also lay out a plan to track and measure efficiency gains.

TxDOT's Progress:

- The functional areas have listed outcomes and measures to track performance improvement.
- TxDOT has focused on reducing duplication of effort and redundancy of operations.

Management Level Gap:

- TxDOT must develop a plan to measure efficiency improvements agency-wide.
- A team has been commissioned to establish the non-personnel cost savings.

5.2.6 Effectiveness of Operations

Effectiveness of Operations should tie resource allocation to goal achievement and outcome. There should be a plan to measure how effectiveness will be measured and how operations have become more seamless due to regionalization.

TxDOT's Progress:

- TxDOT has reallocated FTEs to improve service delivery.
- TxDOT RSC site selection was based on geographical proximity and being more effective in providing customer service delivery.

Management Level Gap:

- The Agency has laid out its priorities in terms of which functional area impacts the Agency as a whole but not provided any impacts of these functions to the Agency as a whole.

Functional Level Gap:

- Some functional areas address how regionalization will make service delivery more seamless.
- All the functional areas need to consider effectiveness gained due to regionalization and how regionalizing their function is providing better service delivery.

5.2.7 Cost Savings/ Avoidance

The Agency's plan should provide the short, intermediate and long term cost savings due to changes in human resources, operational methods, practices and improved efficiencies under regionalization.

TxDOT's Progress:

- TxDOT estimates $30 million in potential personnel cost avoidance related to changes in FTE allocation under the regionalized model.[1] This savings will be realized through employee attrition in the regionalized structure and is therefore not likely to be fully realized in the first year. Instead, TxDOT estimates the savings will be achieved over several years. We recommend

[1] The calculation for the personnel saving is based on a $44,000/year salary X 1.427 additive rate X 466 = $29.25 M. A composite rate of 1.69 was used in the calculation.

TxDOT closely monitor cost savings to ensure the Agency is on course to achieve the projected savings.

- It is important to note that the projected cost avoidance results from a reallocation of funds from adjusted FTE counts listed in work group documents—this is not a savings due to changes in operational methods and practices.

Management Level Gap:

- While not all the efficiencies gained due to regionalization will have a monetary cost saving associated with them, there is still a need for an agency-wide understanding of short and long term savings due to improved efficiencies in operations under the RSCs.

Functional Level Gap:

- Each functional area needs to identify cost avoidances due to combining, outsourcing or eliminating duties under TxDOT's regionalized model.
- A team has been commissioned to establish the non-personnel cost savings.

5.2.8 Investment

Investments should list initial investments required to develop and implement the RSCs including-personnel, real estate, technology maintenance and operations. It should also have a time frame for how long it will take for the investment costs to be offset by ongoing cost savings.

TxDOT's Progress:

- TxDOT has stated a need to assess technology Agency-wide.

Management Level Gap:

- Overall TxDOT documents did not contain information on initial investments required to develop and implement the RSCs.
- Only investments shown are in personnel and real estate.
- No investment costs shown for technology maintenance and operations.
- Training costs for new technologies have not been included in the work group plans.
- No plans shown of how the investments will be financed or how long it will take for the investment costs to be offset by ongoing cost savings.
- TxDOT can measure savings due to avoidance of redundancy in duties and operations after comparing the cost of RSCs in investment against the benefits realized.

Functional Level Gap:

- Only a few functional areas listed costs/investments that are needed for new site location and new operational processes under regionalization.
- Each of the functional areas need to have an investment budget listing the cost of transitioning operations to RSCs and the cost, if applicable, of new physical sites or other expenses.
- A team has been commissioned to establish the non-personnel cost savings.

5.2.9 Process Standardization and Redesign

TxDOT must determine how business processes will be redesigned to accommodate service delivery in a regionalized structure. A method to share best practices across regions and standardize processes should be determined.

TxDOT's Progress:

- Work group documents detail processes under the regionalized structure providing a guide for how processes need to be re-designed.

Management Level Gap:

- Management should lead the effort to share best practices across the region for the success of the RSCs.

Functional Level Gap:

- Some work group documents outline how process standardization will occur.
- All the work group documents need to list how processes will be standardized and communicated to the functional areas.
- Some functional areas have identified best practices and ways to share them across regions. However, all functional areas need to identify best practices in order to improve the efficiency of business processes.
- The development of a PMO and immediately staffing the PMO with the four Regional Business Directors will address these gaps.

5.2.10 Organization Structure/ Management Structure

The Organization and Management Structure should reflect best practices and there should be a clear delineation of roles, responsibilities, and accountability across Divisions, Regions, Districts, and Offices.

TxDOT's Progress:

- TxDOT has provided organizational charts for the Agency overall. (See Appendix C)
- Each functional area has organizational charts for their operations within districts and the regions.
- Each functional area has divided its roles and responsibilities across districts, divisions and regions.

Management Level Gap:

- Management needs to provide an overall vision of how TxDOT will operate under the regionalized structure.
- The development of a PMO and immediately staffing the PMO with the four Regional Business Directors will address these gaps.

5.2.11 Performance Monitoring/ Service Level Agreements (SLAs)

TxDOT should have appropriate SLAs related to internal and external customer service. There should be a determination of what performance metrics will be used to measure the performance of the RSC.

TxDOT's Progress:

- Functional Areas have provided performance metrics to measure performance under the RSCs.

Management Level Gap:

- Management needs to provide an overall standard of expected performance for the SLAs for internal and external customer service.
- These SLAs should reflect TxDOT's vision for improved efficiency, accountability and transparency under the regionalized model.
- The PMO will develop SLAs for each element by utilizing the already-established functional work groups.

5.2.12 Customer Service

The Agency should determine how internal and external customer service levels will be determined and monitored including customer service survey and analysis.

TxDOT's Progress:

- Some functional areas have provided a plan for surveys that will monitor customer service satisfaction.
- Functional areas have tied improved efficiency in customer service to their performance metrics.

Management Level Gap:

- TxDOT leadership should provide overall guidance on what is expected in customer service levels for the Agency and from each functional area.

Functional Level Gap:

- All functional areas need to develop some form of surveys to monitor customer service satisfaction in a qualitative and quantitative manner.

5.2.13 Implementation Strategy

TxDOT should have an implementation Strategy that contains details on the management team handling the rollout including an agency-wide plan to co-ordinate and manage the RSC effort. There should be a strategy in place to manage any major service delivery issues as they arise.

TxDOT's Progress:

- TxDOT has appointed executive and core teams and Interim Regional Business Directors to handle the roll out of the RSCs.
- Management used a two phased approach to the RSCs.
- There was also a regionalization analysis team to ensure that TxDOT had considered timeline and details of implementation.

Management Level Gap:

- TxDOT Leadership should set up a Project Management Office (PMO) to ensure that any issues or problems with service delivery under the RSCs are addressed in a timely manner.

- The transformation efforts will be managed through a PMO. The PMO, staffed by hiring the four Regional Business Directors, will continue to advance the operating model through the build, pilot, roll-out, and optimization phases.
- Staffing the PMO with the four Regional Business Directors and charging these employees with completing the shared services lifecycle key activities will create ownership of the plan for which the RSC leaders will be responsible.

Functional Level Gap:

- All functional areas need to have a transition plan that provides mitigation strategies for major service delivery issues that may arise in moving to a regionalized model.

5.2.14 Change Management Strategy & Stakeholders

TxDOT Leadership should have a comprehensive and proactive plan to prepare the organization for change. There should be resources like training available for employees to acquire new skills to succeed in the RSCs environment.

TxDOT's Progress:

- There is planned employee feedback on the work group documents.

Management Level Gap:

- TxDOT has not created a comprehensive list of resources that will be available to employees to transition and succeed in the reorganized structure.
- TxDOT leadership needs to create a comprehensive and proactive plan to prepare the organization for change.

Functional Level Gap:

- In the work group documents there is some mention of training needs related to systems but not related to processes.
- A plan to train employees on new processes and skill sets necessary for success in the RSC service model has not been established.

5.2.15 Communication Strategy with Stakeholders

TxDOT's communication strategy should create initial buy-in and subsequent buy-in from internal and external stakeholders after the TxDOT's has regionalized. There should be a method for employees to provide timely feedback and for TxDOT leadership to stay aware of internal anxiety and ensure that employees understand the reasons for change to the RSC model.

TxDOT's Progress:

- TxDOT has had employee briefings to discuss the planning process, implementation timeline and staffing strategies being used by the Agency.

Management Level Gap:

- There have been memos sent internally from executive leadership to TxDOT employees. However, there is no comprehensive strategy developed to create initial buy-in and subsequently build on that buy-in.

- TxDOT must develop a comprehensive communications plan that identifies key stakeholders (internal and external), communication owners, communication vehicles and frequency of messages.
    - An agency-wide communication plan will help keep the message of regionalization consistent and emphasize the TxDOT regionalization goals of efficiency, transparency and transparency to internal and external stakeholders.
- TxDOT should continue to get feedback from employees and stay aware of internal anxiety that could affect the operating environment of the RSCs through the use of "Ask TxDOT".

5.2.16 Skill Sets

TxDOT should determine appropriate skills sets for each RSC function identified and provide job descriptions accordingly to reflect the new operating environment. Overall there should be knowledge transfer mechanisms and a comprehensive Talent Recruitment and Retention strategy to ensure a pipeline of high-quality employees.

TxDOT's Progress:

- Functional areas provided job descriptions for changed or newly created positions.
- TxDOT has listed the creation of virtual and remote work locations.
- Business Job Descriptions (BJDs) have been developed for supervisors.

Management Level Gap:

- There needs to be an overall talent recruitment and retention strategy to ensure continuous level of high quality employees.
- Management needs to think of training or oversight required to fill the virtual or remote location positions.

Functional Level Gap:

- Job descriptions and positions in each functional area need to reflect skills needed to operate in the new RSC models.

5.2.17 Staffing Models

Staffing Models should be established for the RSCs applying methodology and should have a plan for filling vacancies and determining which functions allows for flexible staffing, such as virtual offices.

TxDOT's Progress:

- Management has listed normal attrition as its method for staffing non-supervisory positions. Supervisory positions will be competitively hired.

Management Level Gap:

- In the short term this might reduce impact to current employees, but over the long term this may not provide TxDOT with the best skilled person for non-supervisory positions.

Functional Level Gap:

- Functional areas need to provide a better division of duties that could be available for flexible staffing or virtual offices.

5.2.18 RSC Site Determination

RSC Site Determination should locate physical sites for the RSCs and demonstrate how the locations balance cost consideration with appropriate business and operating conditions.

TxDOT's Progress:

- Potential office space allocation within the four districts has been identified.
- The geographical and real estate consideration has given to site determination for the RSCs.
- TxDOT leadership has developed an operating budget based on site determination for each of the RSCs.

Functional Level Gap:

- Functional areas need to provide cost considerations of their operations and physical locations.

Summary of Gap Analysis

TxDOT has taken steps towards regionalizing its support functions to the RSC models. It has provided a business case for regionalizing operations for improving transparency, efficiency and accountability through shared services in 18 different functional areas.
These following gaps should be addressed for TxDOT to have a successful restructuring effort:

- Overall TxDOT should develop an organization-wide vision that is communicated to internal and external stakeholders.
    - There needs to be a common understanding of why TxDOT is regionalizing and how this will change the way it operates.
    - Service Level Agreement (SLAs) and metrics to measure performance should be determined and monitored as the RSCs move from implementation to optimization.

- TxDOT should perform a comprehensive study of its organizational and staffing models under the regionalized model.
    - This will assess what skills will be required of employees and how restructured positions need to be staffed in order for TxDOT to be successful in achieving transparency, efficiency and accountability. Attrition might not be the optimal staffing model given the need for specialized skill sets and changed operating environment.
    - TxDOT should implement the use of the "Regional Leadership Team" model developed by the Restructuring Teams to ensure that the RSCs avoid the creation of an additional layer of bureaucracy. (See Appendix D)
    - Special consideration should be given to the management and ownership of virtual offices. The development of a PMO and immediately staffing the PMO with the four Regional Business Directors will give these leaders ownership of the plan they develop.
    - The organizational structure of TxDOT must reflect its goal of being a single, cohesive and adaptable Agency that meets the challenges of the twenty-first century.

- TxDOT must continue to have dedicated project leadership that drives future activities and addresses issues and risks as they arise as the RSCs operations are implemented.
    - As TxDOT moves to regionalizing, it should have concrete transition plans so that transfer of management and operational responsibilities to the RSCs will be seamless and there will be limited interruption in service delivery.
    - The project leaders should help address issues in a timely manner and provide a channel for employees to raise concerns to management.

- The enhancement of services at TxDOT will rely on technology being applied uniformly and employees being able to capitalize on efficiencies gained through technology to improve processes.
    - Consideration needs to be given to whether the current staffing models proposed by TxDOT will achieve this efficiency through technology.

- Costs and investments should be identified in the regionalization processes since the RSCs will result in upfront and operational cost to the Agency.
    - A cost benefit analysis should be conducted to ensure the regionalization efforts result in cost savings.

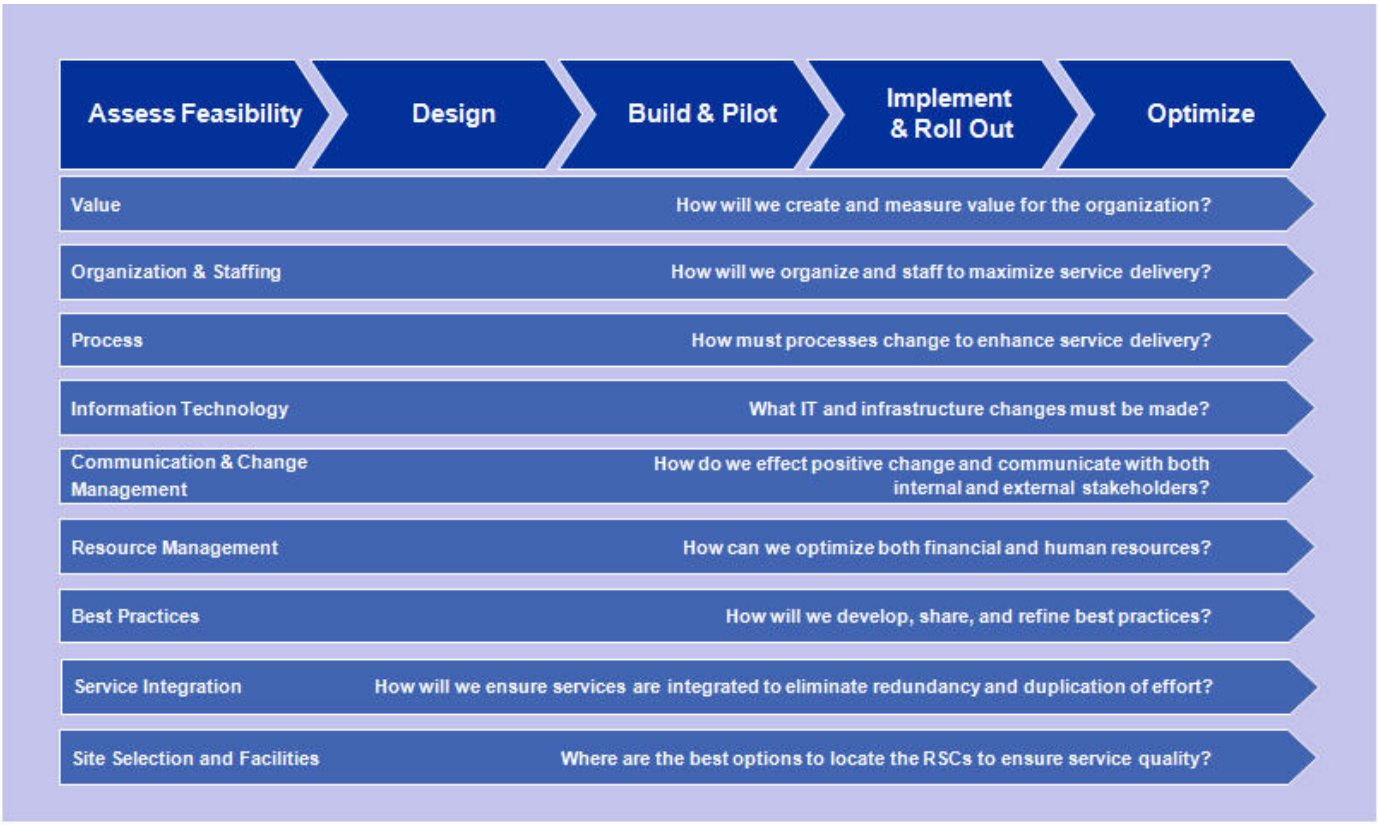
- Overall change management is imperative to the success of TxDOT's restructuring efforts. There should be a clear, consistent message from the beginning to employees and outside stakeholders about the vision and benefits of regionalization. TxDOT also needs to keep the legislature, especially the Sunset Commission, informed of their intentions, key activities and progress in regards to regionalization.

- After the RSCs are rolled out and their performance is optimized, TxDOT leadership needs to continually revisit their regionalized business model and ensure that it is the best operating model for the Agency. (Appendix B) It is an iterative process that requires ongoing attention and revision.

Section VI: Shared Services Lifecycle

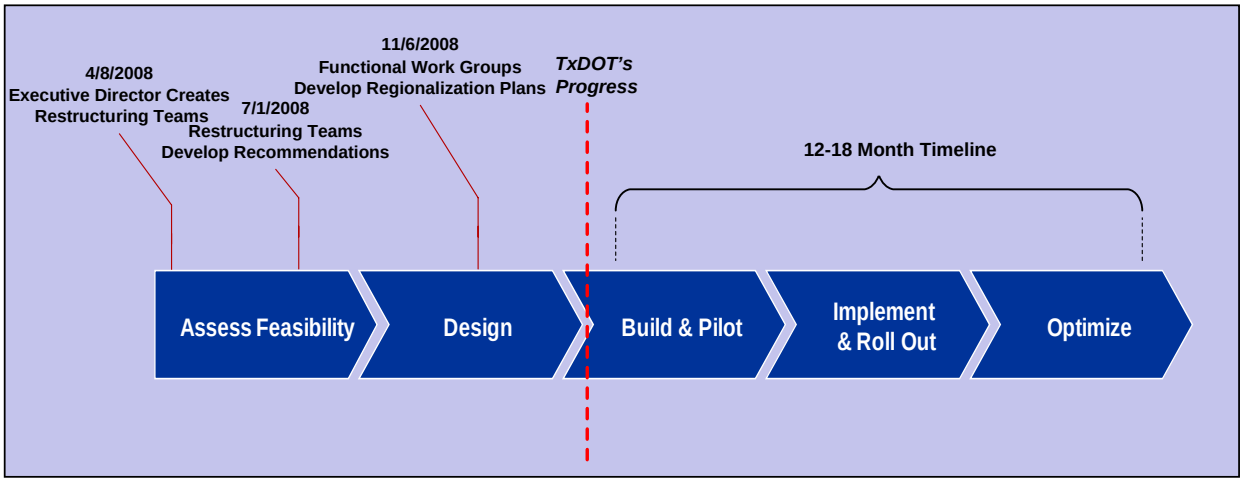
6.1 Shared Service Lifecycle

The shared services lifecycle below details the steps involved with creating regional support centers. The lifecycle will guide TxDOT through the best practices for each of the following phases- feasibility assessment, design, build and pilot, implementation and optimization. This section will provide TxDOT leadership and restructuring teams with a roadmap for the key activities necessary in the successful implementation of RSCs.



6.2 TxDOT's Progress in the Lifecycle

TxDOT has begun the process of regionalizing by completing the first two phases the lifecycle. Substantial work and challenges lie ahead. Although the design phase is now complete to a large extent, the Agency should incorporate the recommendations of this report into future phases with a major focus on the gap analysis provided.



6.3 Shared Services Lifecycle Components

The following table provides a brief overview of the key activities for each phase of the lifecycle.

Shared Services Lifecycle					
	Assess Feasibility	Design	Build & Pilot	Implement & Roll Out	Optimize
Key Activities	• Develop a shared vision for regionalization • Build a business case • Conduct cost/benefit analysis • Conduct high-level site location analysis • Identify implementation barriers • Develop a comprehensive communications plan that identifies key stakeholders (internal and external), communication owners, communication vehicles and frequency of messages. • Develop a high-level project workplan	• Develop a detailed design for the Agency that fulfills the vision • Plan software integration and development activities • Design the approach for preparing end users • Assess legal and regulatory impact • Develop operating model • Develop SLAs and performance measures	• Create detailed process maps • Develop Procedure Manuals • Implement and test all of components of technical infrastructure • Conduct RSC employee training • Develop a Project Management Office	• Develop a clear implementation strategy o Establish order of implementation o Manage the RSC transition • Provide post Implementation support o Dedicate IT support o Train, motivate and retain personnel	• Benchmark performance against original business case • Conduct regular RSC visits • Establish continuous improvement policies • Update SLAs • Establish continuous communications strategy

Section VII: Future Direction

TxDOT has conducted an assessment for its restructuring and moved towards regionalizing its support functions. The Agency is currently in the design phase of the shared services life cycle. (See Appendix A) TxDOT has put in substantial effort and planning towards the regionalization effort. The Agency has challenged itself to be proactive in realigning its organizational structure to meet upcoming transportation challenges and in changing the way it currently operates.

However, moving forward TxDOT needs to give more consideration to the gaps in the first two phases of the shared service life cycle and focus on the following factors that are important next steps:

1. Develop an organization-wide vision that is consistent with how TxDOT will need to operate to meet the challenges of the twenty-first century. The organizational structure should ensure that it is not adding an additional layer of bureaucracy to the Agency.
2. Ensure proper reporting to management and ownership of the virtual offices under the regionalized model.
3. Verify benefits to measure success of the restructuring efforts. Benchmark existing performance for functional areas in the RSCs and establish an ongoing performance measurement system to monitor the performance of the Agency as a whole.
4. Continue dedicated project leadership now and when the Agency plans to roll out to the RSCs so that operational issues are resolved in a timely manner. The development of a PMO and immediately staffing the PMO with the four Regional Business Directors will provide this dedicated leadership.
5. Focus priorities on managing change – internally and externally. TxDOT leadership should send a consistent message to stakeholders about the restructuring efforts and its benefits to the Agency and project delivery.
6. Engage in ongoing communication with the legislature about the intent, progress and future action steps of TxDOT in regards to regionalization.
7. Identify the right roles and responsibilities within the RSCs by continuing to conducting an organization-wide staffing and organizational study.
8. Assess the Agency's resource and funding needs properly in order to prevent delays in the implementation of RSCs.
9. Consider people, process and technology and their impacts on operations in the design phase of TxDOT's restructuring. (See Appendix A)
10. Emphasize training and support needs for employees as the creation of the RSCs will require new skills sets and flexible work environments.
11. Revisit the business case for the regionalization of support functions over time and ensure that it is the best operating model for TxDOT. This is an iterative process that will require TxDOT leadership to continually evaluate costs against benefits and efficiencies gained from regionalization.
12. Fill in the existing gaps while moving to the 'build & pilot' phase of the shared services life cycle. TxDOT has put in a lot of effort into this process and the establishment of PMOs with Regional Business Directors will help TxDOT transform its support operations model while building, piloting, implementing, rolling out, and optimizing the model.(See Appendix A)

While TxDOT addresses the gaps in the 'assess feasibility' and 'design' phases, it should move to the 'build and pilot' phase in its regionalization efforts. TxDOT should develop a specific workplan that includes all major activities and related tasks and milestones. The work plan should also address any gaps identified in

Deloitte's assessment of TxDOT's progress. Additionally TxDOT should continue internal gap analyses to ensure that all gaps are addressed.

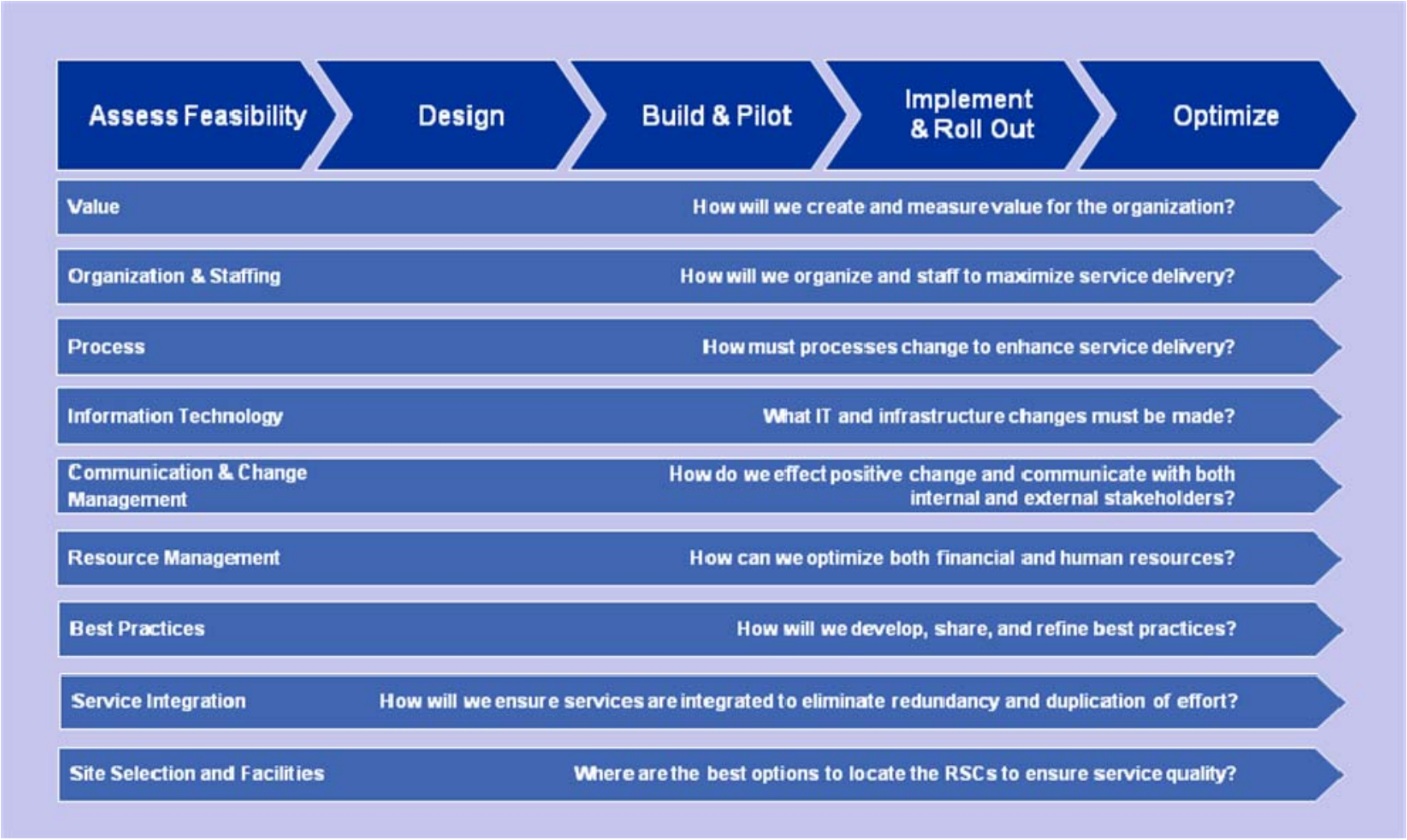
In the 'build and pilot' phase TxDOT should prepare to make the technology upgrades, staffing modifications and operational enhancements needed for the RSCs. This phase will test the preparation of the Agency in areas of staff training, project management and technology by piloting one RSC first or by piloting individual functions in all four RSC's simultaneously. After TxDOT has piloted and made final changes, it should implement and roll out additional functions in all RSCs. At this stage, the RSCs should improve service delivery and provide the Agency with benefits. After TxDOT has piloted and made final changes, it should implement and roll out all four RSCs. At this stage, the RSCs should improve service delivery and provide the Agency with benefits.

Ultimately, TxDOT should monitor the RSCs and continue to improve its service provision through post-implementation reviews. This will ensure that TxDOT's vision and objectives in the creation of the RSCs were achieved. (See Appendix B) Even after the optimization of the RSCs, TxDOT should continue to have an improvement plan to realize benefits and keep identifying new areas where it could enhance its performance.

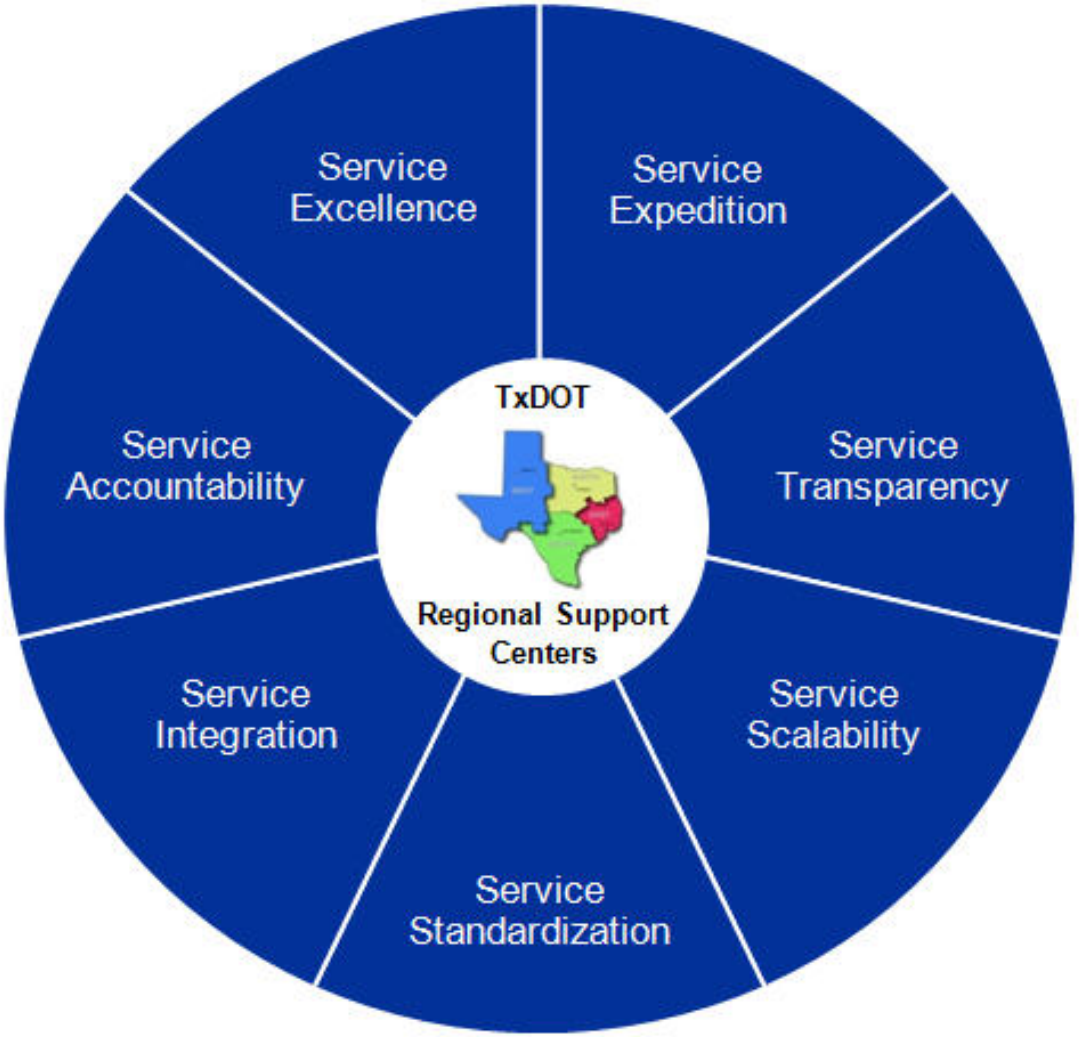
Appendices

Appendix A: Shared Services Lifecycle
Appendix B: Center of Excellence Graphic
Appendix C: Organization Charts
Appendix D: Work Group Plan Style Guide
Appendix E: Work Group Plan Template

Appendix A – Shared Services Lifecycle

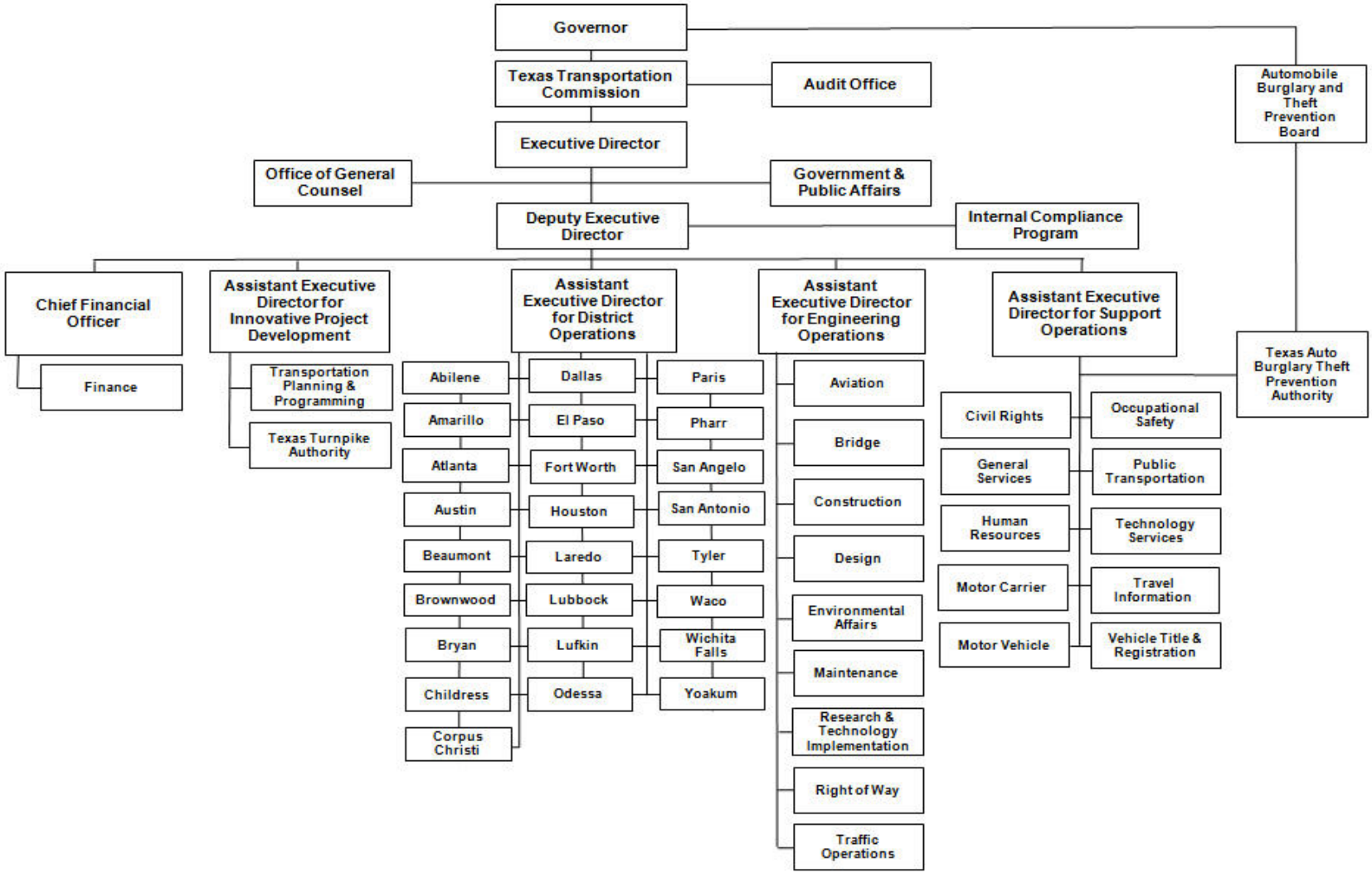


Appendix B – Center of Excellence Graphic

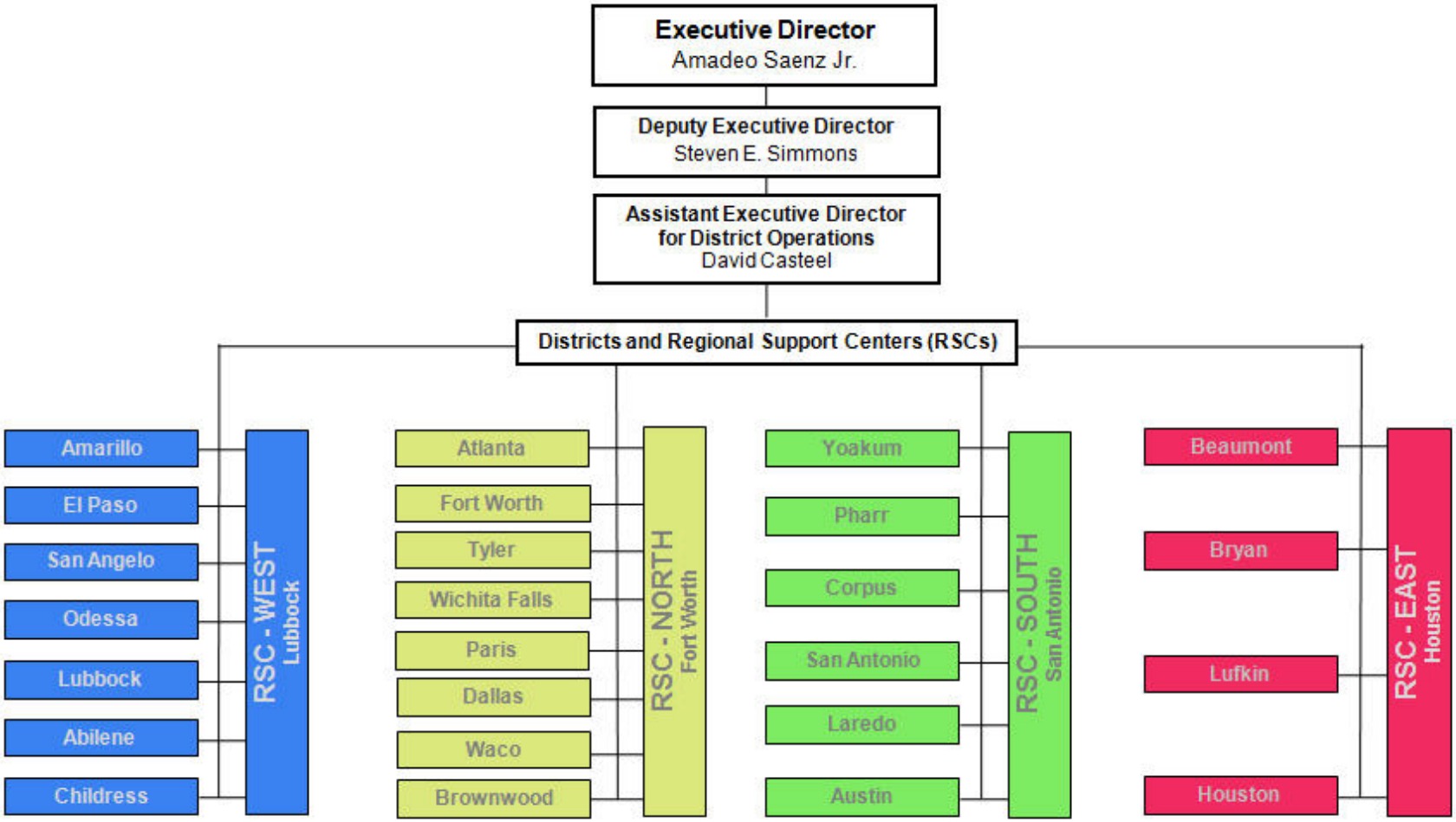


Appendix C – Organizational Charts

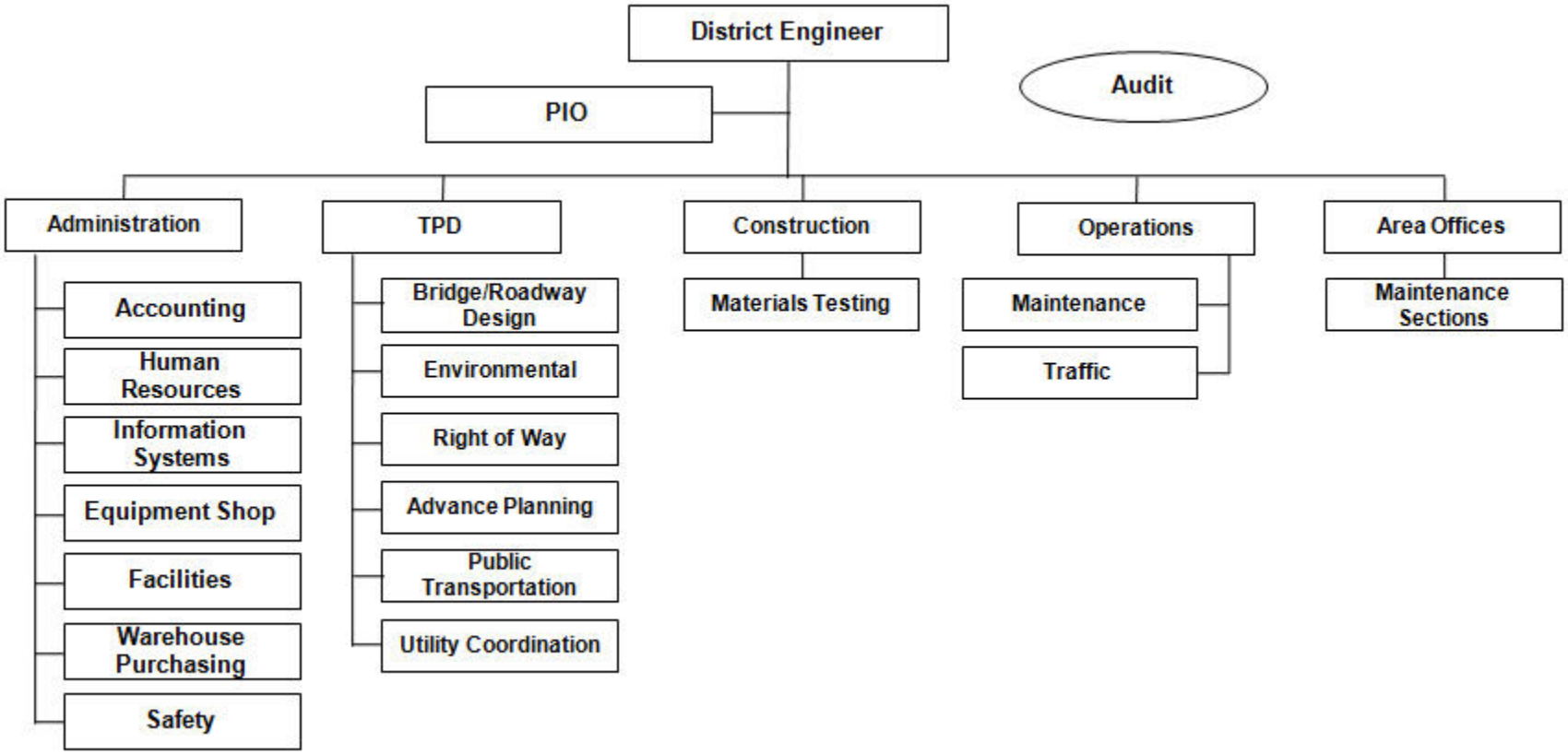
TxDOT "As-Is" Organization



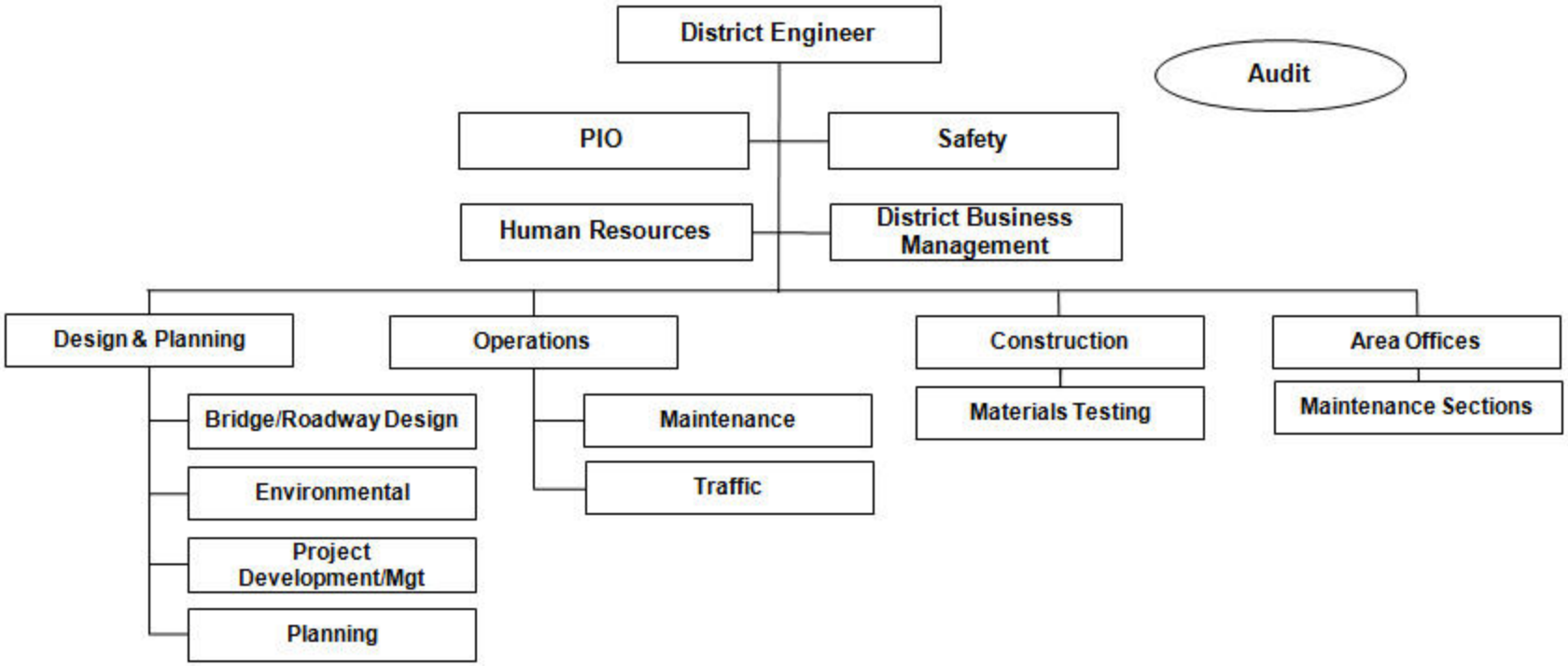
TxDOT "To-Be" Regionalization



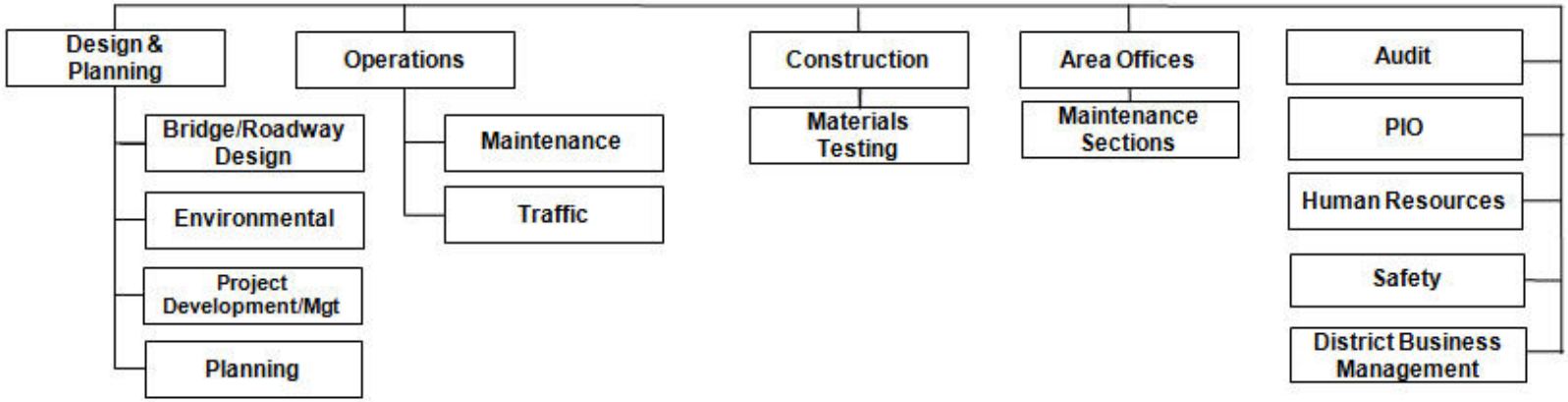
"As-Is" District Organization



"To-Be" District Organization



"To-Be" District Functional Areas



"To-Be" Regional Functions

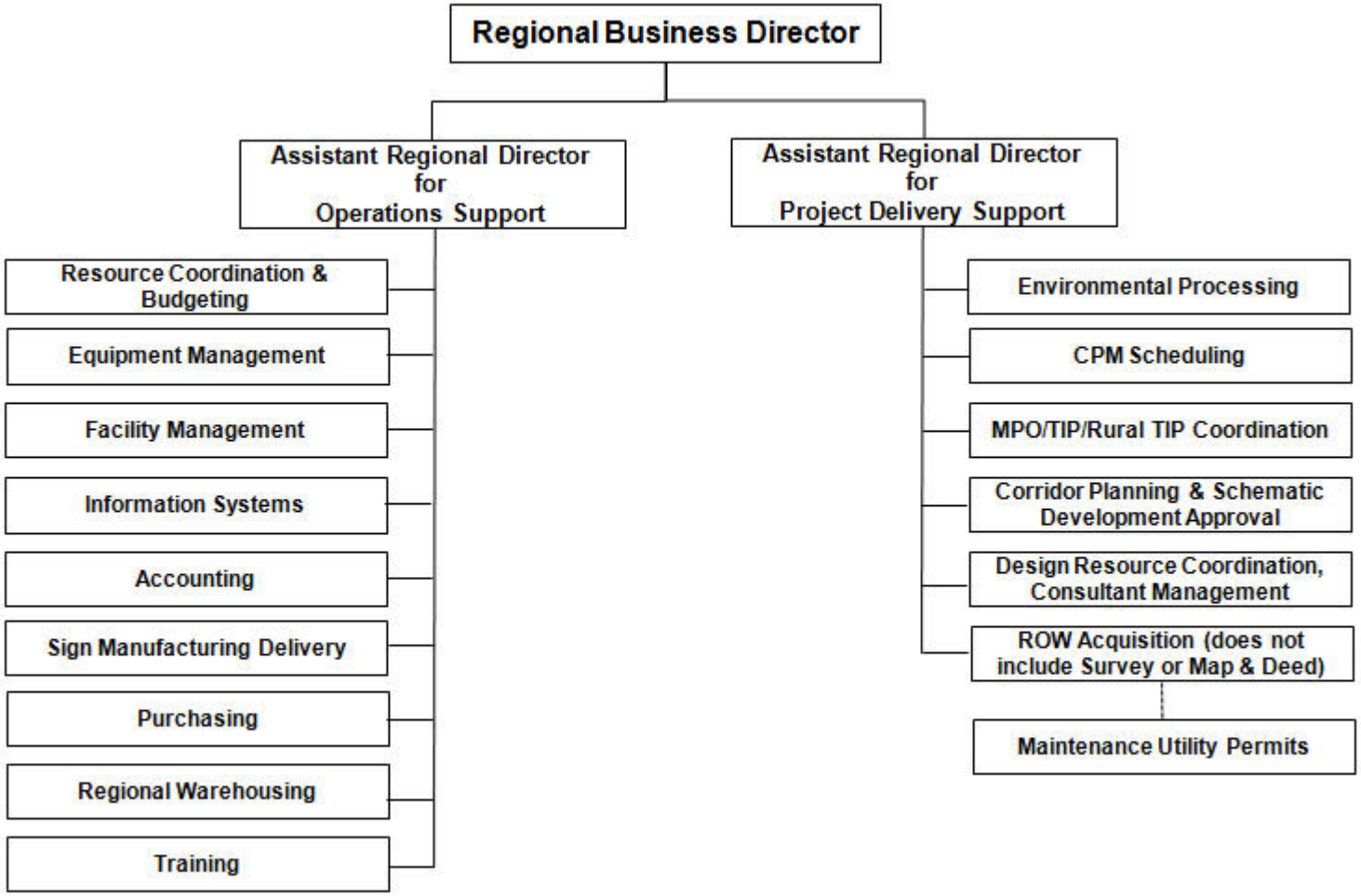
Operations Support

- Resource Coordination & Budgeting
- Equipment Management
- Facility Management
- Information Systems
- Accounting
- Sign Manufacturing Delivery
- Purchasing
- Regional Warehousing
- Training

Project Delivery Support

- Environmental Processing
- CPM Scheduling
- MPO/TIP/Rural TIP Coordination
- Corridor Planning & Schematic Development Approval
- Design Resource Coordination, Consultant Management
- ROW Acquisition (does not include Survey or Map & Deed)
- Maintenance Utility Permits

"To-Be" Regional Organization



Appendix D – Regional Leadership Team Concept- Developed by TxDOT

Regional Organizational and Management Structure
Regional Leadership Team Concept

" . . . There are two things that I have emphasized . . . Those are economy and decentralization. If we are not careful, department procedures become centralized in Austin. Only policy and guidance must come from Austin. We must keep the initiative in the field."
D. C. Greer

1. **Structure**
   - Organizationally, the Regional Business Director reports to the AED DO
   - Functionally, the Regional Business Director works for a "Regional Leadership Team" comprised of the Regional DE's.

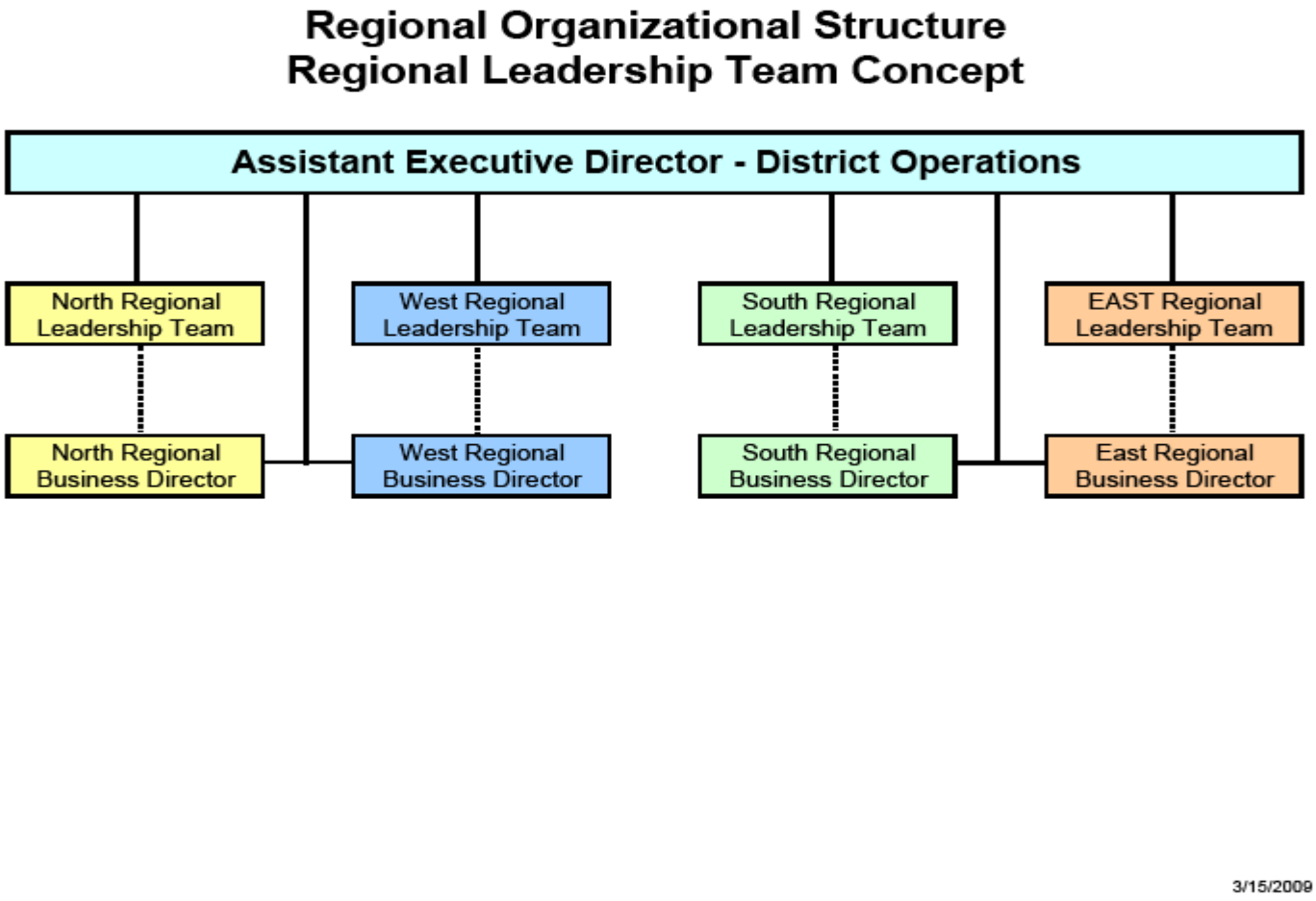
2. **Functional Organization:**
   - District Engineers comprise the Regional Leadership Team
     a. Interview and recommend Regional Business Director hire to the AED DO
     b. Develop performance plan and evaluate Regional Business Director with the AED DO
   - Chair and Vice-Chair of the Regional Leadership Team are appointed from the Regional Leadership Team and serve a once year term.
   - Chair will communicate and coordinate with all other DE's for special needs, concerns, and issues
   - Regional Business Director will develop policies and procedures to achieve Regional Leadership Team goals and meet Regional Leadership Team expectations.

3. **Responsibilities of Chair and Vice-Chair:**
   - Develop meeting agenda
   - Conduct meeting and lead discussions
   - Coordinate with RSC Director to produce needed meeting materials
   - Insure regional goals are developed and measured

4. **Regional Leadership Team Responsibilities:**
   - Make collective recommendations to the AED DO for the Region regarding the management and continuing optimization of:
     1. Operating Budgets
     2. Capital Budgets
     3. Human and Capital Resource Distribution
     4. Contingency Outlay for Emergencies
     5. Identification and Evaluation of Future Trends – Maintenance Plans, Revenue Constraints, Capital Investments and Workforce Assignments (FTEs)
     6. Staffing of Regional Emergency Operations Center
     7. Identifying, quantifying and implementing Best Practices
     8. Establish regional performance measures

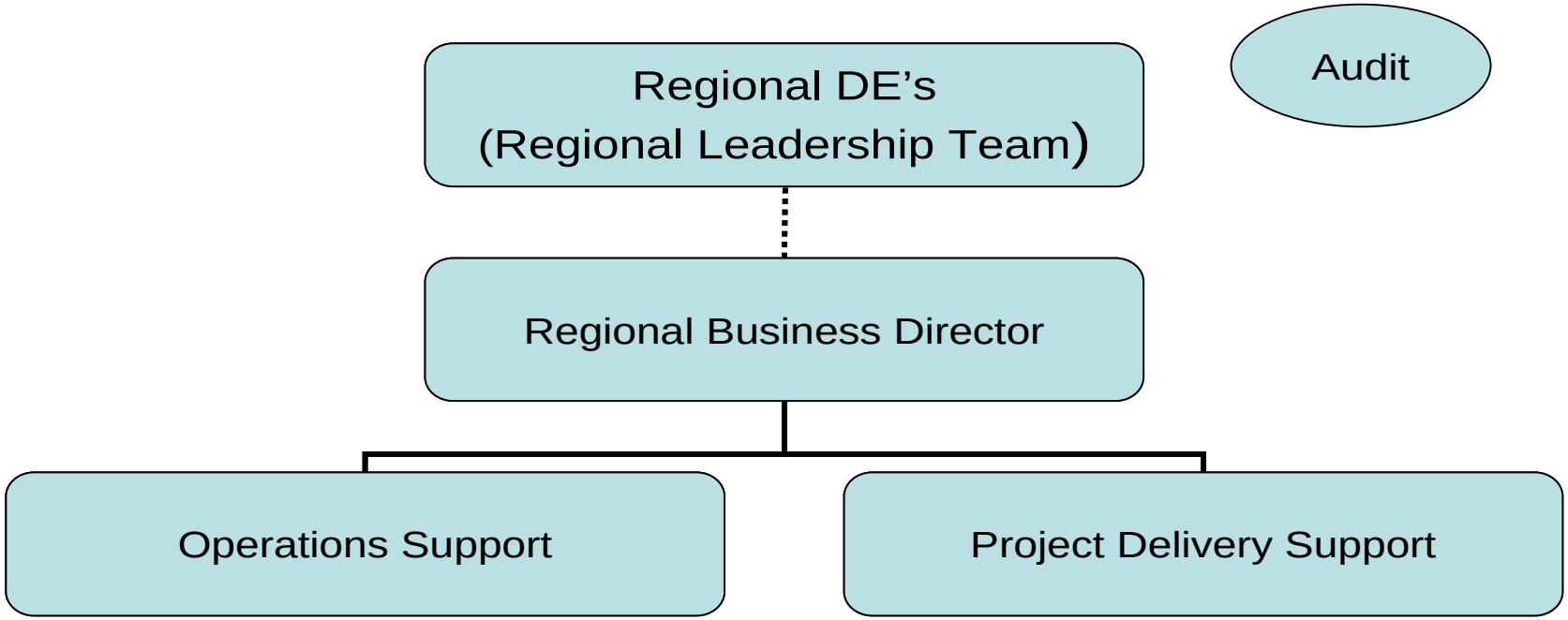
9. Establish models for distribution of “rewards” for exceptional district performance for TxCAP/PMIS Scores, Design Production, Construction Change Orders, Safety, Production per employee

Regional Organizational Structure
Regional Leadership Team Concept



Regional Organizational Structure
Regional Leadership Team Concept

Regional Management Structure



- Regional Leadership Team (RLT) make recommendations with regard to regional goals, resource allocations, and risk management.
- Regional Staff develop reports and makes recommendations to the RLT for their use.
- RBD develops policies and procedures to achieve RLT goals and meet RLT expectations.

Regional Accounting
Functional Work Group

Executive Summary

Overview: In the regionalized approach, accounting activities will focus on accounts payable and receivable and will no longer oversee payroll, stock management and other functions often handled by district accounting offices..

Why Regionalize: Regionalization of accounting operations and staffing according to metrics is being accomplished successfully in South Texas. There is an opportunity to reduce staff, consolidate billing, utilize available technology, and provide high-quality service with a reduction in personnel.

Staffing Considerations: The work group recommended 79 FTE total, compared to a current FTE authorization of 148 FTE. This is a reduction of 70 accounting FTE. The work group allocation is based on 15,000 voucher lines per month per accountant; a metric that has been proven in South Texas. The work group recommended that all accounting positions be virtual except for the Regional Chief Accountant.

Other Considerations:
These are some of the highlighted work group recommendations:

- Uniform EDMS implementation. We will be able to obtain the desired work metric when EDMS is deployed and standardized.
- Move payroll from Accounting to Human Resources or the District Business Manager (at the discretion of the DE) to keep payroll function local to each district
- Eliminate petty cash in all locations except the district headquarters
- Eliminate employee cash advances
- Outsource utility payments
- Establish uniform damage claim processes for all regions
- Move binding encumbrance reports from districts to Finance Division
- Deploy EDMS procurement card processing model for all regions
- Coordinate with Finance and Comptroller to streamline inefficient voucher processes

Staff Recommendation:
Recommend regionalization of this function, which would result in a reduction of 69 FTE. Recommend that this function be regionalized in the second group, after IR and Budget/Management Resources, and that it be regionalized at the same time as Purchasing. To realize this savings, payroll should be transferred to district Human Resources which should be transitioned over a 12-month timeline to ensure that all issues are properly addressed.

Regional Auditing

Executive Summary

Overview: In the regionalized approach, the Auditing work group's initial consideration was to have the host district auditor also support the regions. However, upon DDO review of the management summaries and work group recommendations, both the Audit Office and OGC raised concerns about proper controls and oversight in regionalized functions where considerable risk exists.

Why Regionalize: The district audit function has proven that consistent, on-going, and intentional audits improve operations and controls. This function should be replicated in the regions complete with regional audit plans and Audit Office oversight of the regional audit function. If this is a shared host district/regional duty, this audit function may not receive the focus and energy it requires at the host district or region.

Staffing Considerations: Recommend that one auditor be assigned to each region and that the position be located at the Regional HQ office. Recommend that Business Job Descripton of Auditor VI, A268 classification, based on the level of risk for (1) standing up a new organization and (2) the functions should be assigned to the region. This position will be competitively posted and filled since it is a new position. The work group recommends reduction of the FTE allocation in another regional function to accommodate this FTE and not increase the regional FTE allocation. The regional audit position may be virtual and is not required to be located at the regional HQ.

Staff Recommendation:
Recommend that each Regional Support Center have one dedicated auditor assigned. This auditor would report to, and work with, the Regional Director, much like the district auditors report to the District Engineer.

Subsequent to Employee Feedback, the following staff recommendation is added:
Recommend during Phase II restructuring that an audit structure where district and regional auditors report directly to the Audit Office be reviewed and considered. Employee feedback on the plan coupled with District Engineer feedback indicates that an organizational structure outside of the district/regional structure would give the audit function greater independence and objectivity.

Contract Management and Design Resource Coordination
Functional Work Group

Executive Summary

Overview: The objective of the work group was to regionalize the procurement and management of professional service contracts including survey contracts. Also, the group took on the coordination, management, development of Advance Funding Agreements (AFA) and the financial close out of AFA and consultant contracts. Finally, the work group recommended how to coordinate District design production efforts within the region.

Why Regionalize: Using the RSC for consultant contracting will result in consistency in procurement, negotiation, contracting and payment practices. This consistency would benefit our transportation partners in the consultant community and provide transparency. Also, the department would gain from reduced execution time along with the economies of scale from larger contract volumes in the regions, and gain similar benefits with the RSC managing AFAs. The RSC will be able to allocate resources to track and manage the close out of contracts, collection of third party funding and design error and omission coordination. This will increase the department's ability to collect appropriate compensation from consultants and/or third parties. Coordination of design resources at regional level will ensure that consultant and state in-house resources are optimized and effectively utilized.

Staffing Considerations: The work group proposed 49 FTEs be allocated to this function compared to 69 existing FTE's in the districts; representing a reduction of 20 FTE's. The work group recommended a three-year transition due to short-term inefficiencies as the regional function is implemented. FTE staffing within the regions would vary from 14 to nine, based on workload. These positions would consist of engineering and contract specialist staff.

Other Considerations:
The work group made numerous recommendations regarding increased signature authority, increased contracting amounts, standardize invoicing procedures, consolidate the contract approval process, legacy system improvements, etc., to decrease processing times, improve operations and efficiencies.

Staff Recommendation:
Recommend regionalization of this function. Recommend a phased implementation with rural districts being implemented first within a region followed by urban and metro districts.

Corridor Planning and Schematics Functional Work Group

Executive Summary

Overview: The work group assessed the future needs (FY 2009 – 2019) of districts in the development of corridor planning documents and schematics. The group made recommendations as to the specific duties the districts would maintain, and the Regional Support Centers could assist or assume, in the coordination and development of project documents and schematics.

Why Regionalize: To standardize the management and delivery of the Department's "Corridor Study" processes and products and track/report projects through the planning process. The regional approach will ensure coordination of planning and preliminary design activities across district boundaries and provide transparency to the public, and ensure retention of planning and preliminary design expertise statewide.

Staffing Considerations: The work group recommends 7 FTE's for each region dedicated to the Corridor Planning and Schematic Design/Approval function. Staffing would consist of teams comprised of one transportation engineer and one transportation specialist. Each RSC would house two to three teams, based on projected workload. These teams could handle additional preliminary design, contract management, or other engineering functions within the region. Each team could also operate in a virtual-office environment.

Other Considerations:
The work group made these recommendations:

- Move Corridor Study responsibilities from districts to RSC. This will provide consistency for corridor studies within a region.
- At the request of the district, the RSC will develop schematics. This will facilitate schematic development for districts with that have insufficient staff.
- Allow either RSC or districts to develop schematics. This will provide flexibility for Districts with overloaded schematic staff to shift some work to RSC.
- Provide consistencies within corridors that cross district boundaries. This will provide the districts the information needed to plan for future improvements for corridors located in multiple district jurisdictions.
- Incorporate the RSC duties in current manuals. This will provide guidance and procedure for the districts, divisions and regions.

Staff Recommendation:
Recommend regionalization of this function to enable standardization of the management and delivery of the Department's Corridor Planning and Schematic Design/Approval processes. The work group staffing levels may be incorporated into other RSC functional areas for increased efficiencies. These are newly created regional positions taking on new activities.

Regional Environmental Function

Executive Summary

Overview: The purpose of this function is to move the less complicated environmental documents from the Environmental Division to the region so that the Divisions can focus their energy and talent on the more complicated environmental issues and documents. Implementation of the Regional Environmental Centers for Excellence, as approved by the Executive Director, began on October 20, 2008.

Why Regionalize: From FY 05 – 07, approximately 95 percent of the environmental documents approved by TxDOT were Categorical Exclusion (CE) documents supporting linear transportation projects which did not individually or cumulatively have a significant environmental impact. CE documents included Blanket CEs, State CEs, and Programmatic CEs. Of these, 90 percent were Programmatic CEs. In fact, the three-year average number of Programmatic Categorical Exclusions (PCE) documents was 615. This represented the bulk of environmental documents prepared by TxDOT.. Regionalization of this function focuses on the approval process for PCEs. Regionalization is streamlining the National Environmental Policy Act (NEPA) process for the majority (90 percent) of TxDOT projects by allowing decision-making to occur at the most local level, the Districts. In this way, projects are reviewed by a single Regional coordinator rather than as many as eight individual specialists at the Environmental Affairs Division (ENV). The final project-specific quality assurance review/approval would occur at the Regional level.

Staffing Considerations: District or Division staffing will not be impacted. However, the work group anticipates each region will need two environmental specialists for this function.

Other Considerations:
The REC task force made these recommendations for regional duties:

- Review PCE documents for compliance with Standards of Uniformity (SOUs) and FHWA/TxDOT Programmatic Agreement.
- Certify PCE documents.
- Coordinate the sharing of resources both in the Region and between Regions.
- Serve as a resource to the Districts by answering questions, providing guidance and otherwise directing the methods for PCE preparation.

Staff Recommendation:
Move the Regional Environmental Centers for Excellence into the overall regionalization plan.

Facilities Management
Functional Work Group

Executive Summary

Overview: Regional Facility Management (RFM) is responsible for partnering with Facilities Management Section of Maintenance Division to plan, design, construct, and maintain facilities. The functions of RFM include capital improvement plans, space management, preventative maintenance programs, facility use plans, emergency planning, and development of trades contracts for districts. The goal is to assist the districts with facility planning, design, construction and maintenance activities.

Why Regionalize: Facilities management functions are most often done by the Director of Maintenance as an "additional responsibility" subordinate to the Transportation System maintenance responsibilities. The effectiveness of facility management and maintenance programs varies widely among districts and lacks standardization. Regionalizing this function would provide focus on preserving these assets in a consistent and cost effective manner. Districts would continue to be responsible for facility maintenance.

Staffing Considerations: The work group recommends that the North, South and West regions each have 4 FTE's, and the East 3 FTE's, for a total of 15. These positions would include a Special Project Coordinator (or Architect), Facility Coordinator and Contract Specialist. All but lead worker may be virtual.

Other Considerations:
These are some of the highlighted work group recommendations:

- Move the Division Facility Management Section from Engineering Operations to Support Operations to better align this support function
- Districts should inspect CIP projects with regional/divisional oversight using DCIS and Site Manager rather than CMCS and manual dairies
- Regions coordinate RFP land-for-building swap projects
- Develop and deploy regional building trades contracts (HVAC, electrical, etc.) for districts to release from to speed repairs and decrease costs
- Establish procedures to standardize facility management/maintenance
- Develop web-based facility management systems for all regions
- Develop standard PM programs for facilities similar to programs for equipment and roadways where PM prevents repairs
- Regular, scheduled regional/divisional planning and coordination meetings

Staff Recommendation:
Recommend regionalization of this function in order to establish consistency, standardization, preservation, and operating cost reductions. The schedule for regionalizing this function is not critical and it can be one of the last to regionalize.

Fleet Management
Functional Work Group
Executive Summary

Overview: In the regionalized approach, equipment shops would operate without the restrictions of district boundaries and equipment fleet size. The work group determined that regionalization would significantly improve fleet management.

Why Regionalize: Regionalizing fleet management and equipment operations would result in standardization, improved use, and enhanced capacity to pool and share equipment throughout the region based on need. A single regional fleet manager will be able to more efficiently make lease vs. buy decisions, develop large fleet repair contracts, and ensure that like equipment is configured similarly which enhances interoperability. The key reasons for regionalizing fleet operations are to reduce down time and expenses through the use of best practices already established in some districts.

Staffing Considerations: The work group recommended a total fleet operations staffing number of 254 FTEs. This is a reduction of 53 FTEs over time. In the work group report, all equipment shops will stay open as either full mechanic shops or satellite shops.

Other Considerations:
The work group made these recommendations:

- Equipment should be repaired at nearest TxDOT repair facility when necessary without regard to home District or Regional affiliation to reduce travel time and normalize workloads.
- Maintain greater presence of mechanics in rural districts, and outsource more equipment repairs in metropolitan areas as consistent with strategic plans.
- Regional equipment shop mechanics should become mobile/shop mechanics and cover an area repairing equipment on the roadway and/or in shop, when needed, to reduce downtime and transporting of equipment.
- Move radio technicians to district traffic shop operations to perform district operations such as repairs to phone systems, radios and radio towers.
- Procurement of new equipment, surplus disposition and trade off equipment should be handled through four Regional locations to reduce redundancies in each district.
- Districts should have a maintenance technician/section mechanic/section PM perform preventative maintenance and minor repairs in each of the District's maintenance sections.
- Consolidate make-ready operations at two central locations in each Region. These should be located in metropolitan areas where vendor services are most available.

Staff Recommendation:
Recommend regionalization of this function. Recommend that the Regional Fleet Management function be analyzed after 18 months by the AED EO, AED DO, and District Engineers to insure that it has achieved the desired cost savings results with the same or better level of service.

Information Systems
Functional Work Group

Executive Summary

Overview: The Department's Information Systems (IS) professionals currently located and serving the 25 districts could be realigned into regional offices designed to capitalize on the diversified talents of IS support specialists. The Regional IS sections will provide for a "single number" Help Desk support, a "New" business application and development focus and strategic deployment of IS support specialists to enable emerging technologies in the field.

Why Regionalize: To consolidate information systems personnel and operations providing better service with less people. Regionalization will standardize operations, provide new and better support services, optimize staff specialization, and allow for the efficient use of resources. Regionalization will allow the Department to capitalize and share best practices within the regions and districts.

Staffing Considerations: The work group recommended a total of 126 FTE, reduced from the existing 155 FTE allocations in the districts, based on an analysis of IS inventory, help desk and security requests. Each district will be staffed with a regional IS coordinator, a team of regional IS Specialists to respond on-site trouble calls, and a virtual team of IS Analysts, Support Specialists and Programmers dedicated to developing and deploying IS solutions to business needs.

Other Considerations:
The Work Group made these recommendations:

- Existing Legacy Systems need updating or replacement
- Deploy Enterprise Systems Management software (ESM) consistently across the state
- New Regional Help Desk model requires "remote" control access to all workstations in the region
- "One Call" number for all regional IS support
- Standardized and shared application development and support
- Provide Regional IS with direct access to Team For Texas during on-going problem resolution
- Position regional IS personnel to support mobile workforce applications such as SiteManager
- Involve the Regional IS Administrator in department-wide IS initiatives
- Accept electronic form submission for security access approvals

Staff Recommendation:
Recommend regionalization of this function to provide IS professionals with the collective resources to develop and support the dynamic technology needs of the districts. Regionalization would reduce IS FTE needs by 29.

Maintenance Utility Permitting Work Group

Executive Summary

Overview: The Maintenance Utility Permit work group was tasked to analyze and implement regional procedures for the process, approval, inspection and close-out of utility permits.

The work group recommended the implementation of the Utility Installation Review (UIR) program as an integral part of regionalizing this function. The UIR is an automated system for receiving and approving utility permits, and it provides an electronic means to route permits between individual offices within each region and utility company.

Why Regionalize: The success of the Maintenance Utility Permit Process will be determined by several measures. The regionalization of this function will allow the average maintenance utility permit to be approved within 10 working days of receipt. The workload for the utility permit function can be normalized and standardized regionally and statewide. Each utility coordinator will have the ability to process on average of 1,500 permits per year, provided anticipated volume of permits is attained. The standardization of this function will allow the department to demonstrate compliance with the Utility Accommodation Rules.

Staffing Considerations: Recommendations to staff the RSC permit function is based on processing 1,500 permits/year. They will be responsible for preliminary review to ensure compliance with the UAR and uniformity with regional specifications. Preliminary figures indicate the following utility coordinator FTE allocation needs:

North Region – 5 FTEs
East Region – 3 FTEs
West Region – 2 FTEs
South Region – 4 FTEs

Other Considerations: Texas Administrative Code 21.54 should be updated to reassign signature authority from the District Engineer to the Regional Business Director. All other references to districts in the Texas Administrative Code pertaining to utility accommodation will need to be reviewed to determine if other changes will be required. This process may take up to six months.

Final approvals of the permits will need to be performed by one of the right of way supervisors under Project Delivery Support as a part-time function.
.

Staff Recommendation:
Recommend regionalization of this function after the completion of the Utility Installation Review (UIR) training for the 20 districts currently not using this program.

Metropolitan Planning Organizations & Rural Planning Coordination Functional Work Group

Executive Summary

Overview: The Metropolitan Planning Organization (MPO) and rural planning coordination will require a more efficient development of rural transportation improvement plans (rural TIPs) due to coordinate beyond existing District boundaries. The regional MPO coordination efforts would provide guidance and direction on long-range and short-range rural transportation planning, coordinate with District/MPO's on implementation of the Unified Planning Work Program (UPWP), and monitor expenditures and contacting. This function would provide for an appropriate TxDOT organizational structure to facilitate coordination with a future rural Planning organizations..

Why Regionalize: By coordinating regionally with Districts and MPO's, a more consistent application of planning activities can be achieved across District boundaries. Also, this coordination will lead to standardization of planning documents such as the STIP. Regional personnel will provide more efficient monitoring and reporting of UPWP and MPO contracting efforts and ensure federal and state requirements are followed. District personnel will provide day-to-day coordination with the MPOs. Finally, for rural citizens in this state, the coordination of rural planning by the region will provide a greater degree of transparency.

Staffing Considerations: The workgroup recommended that three of the regions staff this function with 4 FTE's each. The East region will need only 3 FTE's due to the reduced number of planning organizations within the region, for a total FTE count of 15. These regional positions would be planners and transportation funding specialists. The possibility exists that these positions could handle additional planning, contract management, or other functions within the region. These positions could be virtual.

Other Considerations:
The Work Group made these recommendations:

- Synchronize the development of the UTP and 3 year letting schedule with the development of the TIP
- Create a shared PC-based data system between TxDOT, MPOs, and FHWA which will be used to develop the TIP, MTP and UTP
- Develop system to share best practices among districts, MPOs, and RSCs
- Develop four regional rural TI's

Staff Recommendation:
Recommend regionalization of this function.

Regional Project Scheduling Function

Executive Summary

Overview: The purpose of this regional function is to track development of projects to ensure project delivery dates are met, ensure design resources are optimized and effectively used and to provide data to Web-based applications for public consumption.

Why Regionalize: Previously, TxDOT's project development practices allowed Districts to determine project delivery dates, and letting volume is based on these dates. No real coordination or resources had been allocated to ensure projects met delivery dates, other than internal District analysis. By regionalizing this function, the region will provide resources to track projects. This will provide greater control to ensure delivery dates are met and give opportunities for the region to resolve delays in project development. This regional approach, in coordination with Design Division, will provide a systematical process for delivering project development status information to TxDOT's proposed Windshield web site.

Staffing Considerations: District or Division staffing will not be impacted. However, we believe the region will need to staff an engineer and information data manager in each region. We believe, once the processes and applications are final, these positions would do other work within the regional project development support section.

Other Considerations:
Staffing may develop or enhance additional project tracking needs in the region such as district P.S. & E. processing, design change orders, etc. This additional data management and reporting will be key in managing regional project development and operations within the region.

Staff Recommendation:
Recommend regionalization of this function.

Plans, Specifications and Estimate Review
Functional Work Group
Executive Summary

Overview: The objective of the work group was to analyze TxDOT's Plans, Specification & Estimate (PS&E) Review process, including coordination, preliminary review, final PS&E review and processing for letting to improve the efficiency of project delivery statewide.

Why Regionalize: The work group reviewed the possibility of regionalizing this function, but ultimately decided that a realignment of duties between the districts and divisions was the best solution. Therefore, **this workgroup does not recommend regionalizing this function**.

Using the district for plan review of low-risk projects would allow division resources to be allocated for higher risk, added-capacity projects and proactive involvement in project-preliminary engineering activities and early PS&E development. This early coordination by the Engineering Division would lead to resolution of issues with little impact on project schedule. Changes could be done early, rather than during final PS&E review which would cause delay of project letting or result in higher bids by contractors due to late addendums. The work group proposed that certain projects types (non-added capacity projects) would be reviewed by the districts and submitted directly to Austin for letting. Based on preliminary project letting lists, approximately 70% of the projects but only 30% of the funding in a given year would be reviewed at the district level. Project types submitted for division review would be mostly added capacity/on-system new location projects. This would represent about 30% of the projects but 70% of the funding in a year. The benefits of regionalizing this function would be similar to the Center for Environmental Excellence initiative. Performance regarding this function would be tracked based on number and amount of design change orders in the field and compliance reviews by divisions.

Staffing Considerations: There are no staffing changes recommended.

Other Considerations:
The work group made numerous recommendations regarding the PS&E process, meeting federal requirements, quality assurance requirements in the District, training needs and division focus on improving expertise in critical engineering support areas. The work group recommends a staged implementation of district design review starting with the November 2009 letting. This would result in an increase of district review responsibilities beginning in July 2009. The July 2009 time frame will provide divisions and districts an opportunity to revise manuals reflecting new processes and to provide training for district personnel.

Staff Recommendation:
Recommend implementation of this plan.

Centralized Public Transportation Coordinators Functional Work Group

Executive Summary

Overview: Public Transportation Coordinators (PTCs) provide a contact in the field to administer state and federal grant agreements and contracts, provide project oversight and compliance monitoring, provide technical assistance to internal and external partners and to the public, and facilitate coordination and planning efforts as required by the Federal Transit Administration.

Why Centralize: Centralizing the PTCs under the division's direction would allow for improved direction and federal program guidance, improved statewide consistency of public transportation directives, cross training opportunities, and improved compliance monitoring and best practices and applications.

Staffing Considerations: The division recommends 22 FTEs be allocated for field staff in public transportation. Currently approximately 33 employees are assigned to various levels of public transportation duties in the districts. The level of effort from a FY 2007 analysis revealed a 22.6 FTE level of effort across the districts. The division recommends achieving target allocations through attrition by region recognizing that initial levels may be higher due to the considerations below.

Other Considerations:
The division made these recommendations:

- Centralize the 17 district FTEs currently funded from the public transportation budget
- Consider centralizing additional staff performing 50 percent or more public transportation duties
- FTE levels should be allocated by region
- Staff can physically remain in districts until they elect to change positions
- A Lead position by region be selected as the main point-of-contact
- Lead positions should have an assistant to assist with managing regional information

Staff Recommendation:
Recommend centralization of this function into PTN but staff will remain located in the field (except Austin District), which would result in a more accountable and less diluted public transportation workforce. Recommend that this function be centralized in Spring 2009 so that cross-training and transfer of duties can occur prior to regionalization of the districts.

Regional Purchasing
Functional Work Group

Executive Summary

Overview: Purchasing develops, coordinates and deploys the resources necessary to procure materials, goods, supplies, and services to meet operational needs.

Why Regionalize: Regionalization of purchasing and staffing is being accomplished successfully in South Texas. There are several opportunities to use larger contracts, which reduce the number of purchases and total costs by combining purchasing power. GSD has reviewed and concurred with the work group's proposal and recommendations.

Staffing Considerations: The work group recommended 83 FTEs be allocated to purchasing operations. The current FTE authorization is 134. This is a reduction of 51 purchasing FTEs. The work group FTE allocation is based on a .76% ratio of purchasers per district FTE - a metric that has proven effective in South Texas. The work group also recommended an addition to purchasing classifications, specifically a contract specialist classification, to develop, bid and manage the larger contracts associated with this change.

Other Considerations:
The work group made these recommendations:

- Increase signature authority for Regional Purchasing Manager to the GSD Manager level.
- Increase State of Texas purchasing card limits to $5,000 for regional purchasers and $1,000 for district card holders with DE approval
    - Level 1 Purchasing training required above $500
- Authorize regional purchasers to make internet purchases
- Authorize the purchase of stock items with State of Texas Purchasing Card (STPC) as long as the item is directly charged or consumed and not put into stock
- Uniform EDMS implementation for all regional purchasers to assist with virtual purchasing.

Staff Recommendation:
Recommend regionalization of this function. Recommend that this function be regionalized in the second group, after IR and Budget/Management Resources, and that it be regionalized at the same time as Accounting. GSD reviewed the draft recommendation and fully concurred with work group and staff recommendations.

Resource and Budget Management Functional Work Group

Executive Summary

Overview: The resource and budget management function is designed to improve efficiency by monitoring resource use and developing metrics and reports to help managers maximize use of resources. This group would also be responsible for regional budget development and monitoring, while districts manage the budgets.

Why Regionalize: By monitoring and managing resources region-wide, we will be able to share resources according to priority. District boundaries are truly erased for resources such as equipment, stock and budgets. Further, by developing and deploying standard budget management tools and then monitoring regionally, we will better equip DEs and regional managers to make timely decisions based on needs.

Staffing Considerations: The workgroup recommended that all four regions staff this function with 4 FTEs each for a total of 16 FTEs. These positions would include budget coordinators and three budget analysts. The budget coordinator must be located at the RSC but the budget analysts may work from virtual offices.

Other Considerations:
The work group made these recommendations:

- Develop a regional budget that facilitates the allocation of resources across district boundaries and thus ensures that the highest priority activities are adequately funded.
- Develop Web-based real-time budget forecasting tools to ensure that financial goals are being achieved.
- Develop integrated data management tools that track expenditures and resource use in real-time.
- Establish a regional contingency allocation to provide for rapid re-deployment of resources as needed.
- Prioritize non-budgeted major expenditures regionally to expedite projects/purchases as funds become available.
- Establish standard operating procedures (SOPs) to standardize budget operations throughout the region.
- Expand the Budget/Forecasting Coordinator II (B261) business job description (BJD) to include regional assignments.

Staff Recommendation:
Recommend regionalization of this function. The Resource Management function needs to be one of the first elements regionalized, so budgets can be established and resources managed from the start. Recommend that these positions be filled competitively along with regional supervisory positions because these are newly-created regional positions.

Right of Way
Functional Work Group
Executive Summary

Overview: The right of way (ROW) work group evaluated workloads projected by TxDOT FY 07- FY 10 Unified Transportation Planning document regarding ROW Acquisition and Utility Agreements. They determined resources needed based on previous right of way acquisition performance.

Why Regionalize: Regionalizing ROW acquisition will allow the Department to restructure and standardize processes to mitigate project delays, eliminate bottlenecks, and improve project delivery. Retaining TxDOT right of way acquisition expertise and professional knowledge will maximize the use of the right of way resources to meet the priority needs of the Statewide Transportation Program (STP) regardless of location. Regionalized ROW functions would include ROW acquisition and utility agreements. Districts would retain map and deed, utility coordination, and survey in district design production units.

Staffing Consideration The work group determined 167 FTEs would be needed statewide. This is based on a production workload of $8.6 million per ROW employee annually. Most employees assigned to the region would be located in remote offices currently within Districts. The work group distributed the FTEs to each region according to the percentage of the work to be performed with the exception of the East Region. Due to historically high eminent domain rates, jury trials and professional turn-over, the East Region has been allocated more FTE resources.

Other Considerations:
The work group made these recommendations:

- Shifting approval for ROW maps from the division to the regions
- Shifting approval authority from division to region for contract agreements, administrative settlements, relocation supplements, mediation and litigation settlements, and various service support contracts
- Change allocation of ROW budget in each district to match ROW budgets with projects to develop total project costs
- Standardize ROW map requirements and other ROW elements to focus on outcomes rather than processes
- Create of Right of Way Aide (B4) position to provide entry level staffing
- Consultant ROW services contracts should be revised to pay costs during the process and fees after ROW acquisition is complete.

Staff Recommendation:
Recommend regionalization of this function to maximize the use of and support the enhancement of the statewide right of way acquisition expertise.
Recommend that the Regional ROW function be analyzed after 18 months by the AED EO, AED DO, and District Engineers to insure that it has achieved the desired results.

Sign Shop Functional Work Group

Executive Summary

Overview: The sign shop work group developed a plan detailing the manufacturing, warehousing, packaging and delivery system that would provide signs for districts' use in each region. The plan calls for a five to seven year transition to the Athens model (current sign manufacturing at the Athens warehouse facility) resulting in three manufacturing facilities at the current regional warehouse locations.

Why Regionalize: By combining the regional warehousing and sign shop operations into three statewide centers into one physical location within each region, appropriate employees can have direct access to materials and supplies and use currently existing shipping routes and delivery schedules which enhances efficiency. This will result in a reduction of handling and shipping of materials and signs. This consolidation of operations would also reduce overall FTEs for sign fabrication, packaging and shipping.

By implementing the proposed/permanent operations to the regional warehouse sites, the Department would reduce current sign shop FTE levels by 13 and would eliminate two delivery trips per week within the region.

Staffing Considerations: Initial staffing would call for a reduction from 47 existing FTEs to 34 FTE's statewide. Sign manufacturing in 12 districts would be eliminated, however sign manufacturing would occur at the following locations:

- North/East Regions – Athens 18 FTEs
- West Region – Post 8 FTEs
- South Region – Seguin 8 FTEs

Positions at each location call for a sign shop coordinators with appropriate technical staff. Staffing is based on a work metric of 1750 sq. ft. per employee per month.

Other Considerations:
The work group makes the following recommendations:

- A five to seven year transition.
- Sign manufacturing and delivery operations would not follow proposed regional boundaries, due to workload balancing between the three regional warehouses.
- Sign deliveries would take advantage of existing material deliveries from the Regional Warehouses.

Staff Recommendation:
Recommend regionalization of this function.

Training
Functional Work Group

Executive Summary

Overview: The training work group evaluated the district training functions to determine efficiencies and standardization that could be supported at a Regional level. Process and application improvements were identified that would contribute to the effectiveness of regionalization of these functions.

Why Regionalize: To standardize the management and delivery of the Department's training program state-wide.

Staffing Considerations: The work group recommends a total of nine (9) Regional Training Specialists to staff the four regional offices. The recommendation is based on the number of average annual training courses per employee in each regional service area. Currently, a total of 19 FTE are dedicated to training coordination duties in the 25 districts.

Other Considerations:
The work group made these recommendations:

- Create a uniform career development program for each job family
- Enhance HR Online to assist the supervisor and employee in evaluation of and enrollment in training courses
- Automate HR Online Performance Plans
- Implement and automate standard procedures for the annual Training Needs Survey and Approval Process
- Implement a uniform tracking system (El Paso Model)
- Continue to enhance I-Way training resource
- Enhance VTC facilities to support remote training capabilities
- Standardization of the Training Assistance Program funding and approval process
- Training prerequisite override authority transferred to Region

Staff Recommendation:
Recommend regionalization of this function to enable standardization of the management and delivery of the Department's training resources to the districts, to ensure uniform delivery of training products to the entire workforce, and aid with workforce retention.

Regional Warehousing
Functional Work Group

Executive Summary

Overview: Warehousing operations supplies materials in support of the daily operation. Warehouses exist in most districts and in GSD regional warehouses.

Why Regionalize: In private business, warehousing operations have changed significantly as customers demanded just-in-time deliveries and lower costs. The districts regionalized part of their warehousing operations a few years ago. It is now evident that we need to complete that process because warehouse functions are redundant at the district and regional warehouses.

Staffing Considerations: The work group staffing recommendations are based on their recommendation that a fourth Regional Warehouse (RW) be established in Huntsville. However, after consulting with GSD, the work group recommends maintaining the three current RWs. Along with staff and GSD, the work group recommends that regional warehouses be synchronized with sign production to provide the greatest efficiency. Our staffing recommendation is based on only three RW's. GSD offered to staff the three RW's with GSD FTE allocations. Currently, there are 48 employees in district warehouses and the work group recommends a total of 25; a reduction of 23 FTE. Currently, GSD staffs the RW's with 36 FTE with a recommended total of 40; a net gain of 4 FTE. Total warehouse personnel reduction is 19.

Other Considerations:
These are some of the highlighted work group recommendations:

- Add an RW at Huntsville to put an RW in each region.
    - GSD and IRD's do not concur due to cost/benefit analysis
- Close the Post RW and move it to Odessa
    - GSD and IRD's do not concur due to cost/benefit analysis
- Move MES responsibilities to the District Business Manager
- Move MES and MSMS stock inventories to the District Business Manager
- Analyze supply and demand requirements to determine products needing to be stocked versus those needing Blanket Master Purchase Orders.

Staff Recommendation:
Recommend regionalization of this function In addition to personnel reductions, there are internal hauling, shipping, and handling savings available by having more supplies delivered directly to the user. GSD reviewed the draft recommendation and fully concurs with staff recommendations. Recommend that GSD continue to manage the RWs in this fully regionalized approach for up to 24 months, at which time the RW's will move to the Regional Support Centers.

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

ACCOUNTING

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: **Rhonda Branecky, DOA, Yoakum; David Haley, Chief Accountant, Brownwood; Glenda Haugh, Chief Accountant/HRO, Atlanta; Toni Kirkland, Chief Accountant, Lufkin; Suzette McCandless, Chief Accountant, Lubbock; Adrian Valencia, Chief Accountant, El Paso; David Williams, Chief Accountant, Houston; Cathy Floyd, CPA, DOA, San Antonio (Team Leader)**

VERSION:

DATE: **11/4/2008**

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 4

2 SOURCE DOCUMENTS AND INFORMATION 5
2.1 Reports and Information 5

3 CONSTRAINTS 6
3.1 Implementation Constraints 6
3.2 Operating Constraints in a Regional Concept 7

4 RISK MANAGEMENT 8
4.1 Risks 8
4.2 Projected Impacts if Not Resolved 8
4.3 Mitigation Strategies 9

5 PRIMARY DUTIES 10
5.1 RSC, Division, and District Duties 10
5.1.1 RSC Duties 10
5.1.2 Division Duties 10
5.1.3 District Duties 11
5.2 RSC Duties in Order of Importance 11
5.3 Duties that may be Outsourced, Combined, or Eliminated 12

6 DETAILED PROCESSES 13
6.1 Overview of Function Processes in a Regional Concept 13
6.2 Coordination and Communication of Processes 13
6.3 Detailed Processes and Procedures 13

7 CHANGES RECOMMENDED 16
7.1 Changes Recommended 16
7.2 Steps To Achieve Changes 17

8 MEASURING SUCCESS 18
8.1 Success Metrics (Measures) 18

9 STAFFING RECOMMENDATION 19
9.1 Staffing recommendation 19
9.2 Staffing methodology 19

APPENDIX: GLOSSARY OF TERMS 21

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

District Accounting Departments maintain accounting and financial management records and ensure that financial transactions are recorded in accordance with generally accepted accounting principles, State Comptroller requirements, and applicable statutes. District Departments also ensure procurements payments, report costs, manage receivables, maintain records of all receipts, reconcile the department's cash records with those of the State Comptroller, perform inventory management and payroll processing, and prepare, process, and monitor District budgets and requests for changes.

1.1.2 Purpose in a Regional Concept

Regional Accounting Departments will support the core activities of the department by ensuring timely payments of obligations to vendors, employees and contractors, and maintaining and managing cash receipts and financial reporting for the Region they represent. The Accounting department in the Regional Support Center (RSC) will consolidate repetitive accounting support functions to gain efficiency statewide. Regional accounting will reduce redundancy and ensure internal controls with the Regional office handling all accounting and using the best practices of currently trained staff.

1.2 CORE DUTIES

1.2.1 Current Duties

- Establish, develop, interpret, and review policies and procedures to ensure proper accounting principles are applied by the Districts.
- Oversee and manage the setup of proper financial accounts and ensure they are properly used to accurately account for all expenditures.
- Audit expenditures for accuracy of cost accounting processes, authorization, and budget impact.
- Process vouchers for prompt payment to vendors for goods and services for the District.
- Perform cashier and cash management duties for miscellaneous cash receipts and manage Revenue Logging.
- Perform Claims Management including billing and receipts.
- Manage Payroll processing, from entering detail expenditure data to distributing warrants, etc.

- Prepare, monitor, and adjust budgets.
- Provide financial information to meet financial, budgeting, and legislative requirements.
- Manage Travel Information Coordination.
- Perform Stock, Major and Minor Inventory including Material Supply Management System (MSMS) support and oversight.
- Process Journal Voucher (JV) adjustments to accounts as necessary to correct errors.
- Monitor the Financial Information Management System (FIMS) to ensure accuracy and prepare and maintain reports, records, and files.
- Investigate and reconcile complex accounting discrepancies.

1.2.2 Duties in a Regional Concept

- Establish, develop, interpret, and review policies and procedures to ensure proper accounting principles are applied by the Region.
- Oversee and manage the setup of proper financial accounts and ensure they are properly used to accurately account for all expenditures.
- Audit expenditures for accuracy of cost accounting processes, authorization, and budget impact.
- Process vouchers for prompt payment to vendors, contractors, and employees for goods and services for the Region.
- Perform cashier and cash management duties for miscellaneous cash receipts and manage Revenue Logging.
- Manage Claims Management including all billings and receipts.
- Provide financial information to meet financial, budgeting, and legislative requirements.
- Process JV adjustments to accounts as necessary to correct errors.
- Monitor FIMS to ensure accuracy and prepare and maintain reports, records, and files.
- Investigate and reconcile complex accounting discrepancies.

2 SOURCE DOCUMENTS AND INFORMATION

2.1 REPORTS AND INFORMATION

- **Accounting personnel lists from each District.** Used to determine the number of personnel and their roles, i.e., the number of voucher payables processers in each District.
- **Monthly Payables Transaction ID 20 Report obtained from Finance Division.** Used to determine the actual number of line items processed by the control group and provided a comparison of transactions processed by each accounting office across the state.
- **Voucher Logs of the control group.** Used to analyze dollar volume and percentage by the type of payments processed, providing allowance for more complicated payments, requiring more research and audit. Also used to help determine the number of accountants needed for each Region.
- **List of estimated processing times for various types of vouchers from Chief Accountants across the state.**
- **Interviews**
    - Brian Hohle, Finance Division. To discuss the following:
        - Trends among the District, current voucher processing reports, new programs to become available to the Districts in the near future, and other issues to consider.
    - Robert Snipes, Finance Division. To discuss the following:
        - Details of the Transaction ID 20 Report.
    - Numerous Chief Accountants both on the team and not represented on the team, regarding detailed information of the District accounting operations and input.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

Technology Limitations

- To implement this plan completely and effectively, significant changes to the agency's current systems will be necessary. Additionally, the agency's current requirements for security and confidentiality issues will create the need for duplicate access keys for many Regional accounting employees.
- Additional equipment such as dual monitors for voucher processors and enhanced scanning equipment and software need to be purchased. This will require a significant capital outlay.
- New systems will require extensive employee training.
- More time for implementing the regionalization process may be needed to guarantee adequate technology and the associated training is in place prior to implementation.

Lack of standardization in each District

- In each District, from the end user to the purchaser or accountant, different procedures are used. It will take time to get all procedures standardized and all employees trained on the procedures.

Change in process, procedures, and associated confusion for the vendors and employees

- As the transition takes place there will be confusion on the part of the vendors as to whom they will communicate with. Although notification will be sent to vendors instructing them to send invoices to the Regional office, it will take some time before all invoices get to the Regional office instead of to the District offices. This can cause delay in payments.
- Reduced internal customer service, requiring more effort and accountability from field and District areas of responsibility. More responsibility and accountability will need to be placed on the originating office to ensure the proper cost accounting is performed. This is necessary because there will be fewer accountants and with less first hand information of the work being done to audit and make corrections before processing is accomplished.
- The transition will make training necessary for field employees, and it will take time for accountants to become familiar with employees with whom they work closely.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

Loss of oversight/control

- The need for specific internal controls can limit the duties that can be assigned to virtual offices.
- Limited staff in the Region's virtual offices restricts the ability to set up a system of backups in the event an employee is off due to an emergency or unexpected sick leave.
- Virtual offices will create a lack of direct supervision. Direct supervision of employees can help ensure consistency of priorities, goals, and objectives set by the region. Additionally, the lack of direct supervision at virtual offices will cause additional travel time for the supervisor.
- Technological constraints will cause repetitive scanning and e-mailing of documents from virtual offices to the Regional office. These documents will have to be printed, signed and scanned again into Finance Division's Voucher Imaging System possibly delaying payment. Electronic signature authority would eliminate the need to print and rescan documents.

Lack of cross training and backups

- As staffing levels decrease in the virtual offices due to attrition, opportunities for cross training will decrease because those left in the virtual office will most likely be specialized in one area of the accounting process. This may lead to fewer career ladder advancement opportunities for virtual office employees as well as opportunities to blend knowledge, skills, and experiences. Staff may not exist in the districts to provide hands-on guidance and training for procedure changes to the sections and office personnel in the field.

Cross functions such as accounting and purchasing not being located in proximity to each other.

- Reduction in coordination and communication with other functional offices such as accounting and purchasing can increase errors and processing time. There is a tremendous amount of coordination between these offices to ensure proper handling of contracts or blanket purchase orders from the beginning of the process through payment. The more spread out and disjointed the distribution of work, the harder it is to coordinate.

Employee attitude toward Regionalization

- Employees' loss of a sense of ownership of the entire process, or resentment due to unwanted change, may increase errors.
- Employee burnout/Information overload can lead to indifference, and selective handling of details to meet time lines and work level measurements.

4 RISK MANAGEMENT

4.1 RISKS

1. Reduced auditing due to larger volume of invoices per voucher processor.
2. Physical distance from end users could causes time lag to correct errors.
3. Reduced internal and external customer service.
4. Loss of oversight/control.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1. Reduced auditing due to larger volume of invoices per voucher processor
   1.1. Increased unnecessary interest payments and duplicate payments.
   1.2. Increased risk of fraud, waste, and abuse not detected by accountants could cause negative public image to the department.
2. Physical distance from end users could causes time lag to correct errors
   2.1. Reduced personal contact and knowledge of supervisors and office managers and their processes can increase the risk of fraud. Increased risk of fraud could create a negative public image of the department.
   2.2. Loss of coordination and lost production due to down time in distant offices. As workloads shift or there is a lag in redirecting efforts, a reduction in turn around on time sensitive issues may occur. This could result in increased unnecessary interest payments.
3. Reduced internal and external customer service.
   3.1. Some loss of relationships with vendors due to spreading of payments between locations and processors. Vendors may experience confusion regarding whom to send invoices to and where to go to seek problem resolution.
   3.2. As staffs shift, so to will the work from District to District, and processor to processor, losing the clear line of authority and responsibility for vendor accounts, making it harder to hold employees accountable and retain a history of the events or transactions. This could require more effort and accountability from field and District areas of responsibility and could slow error correction and processing and create a negative public image of the department.
4. Loss of oversight/control
   4.1. Increased potential for collusion among local vendors due to limited oversight and knowledge of environment. This can create a negative public image of the department.

4.2. With limited staff in various locations, there will be the risk of inadequate separation of duties, particularly in virtual/remote offices, which could increase the risk of fraud.

4.3 MITIGATION STRATEGIES

1. Reduced auditing due to larger volume of invoices per voucher processor
   - 1.1. Invest resources in a new financial management system to reduce data entry and provide improved access to information.
   - 1.2. Improve technology with improved internal controls built in.
   - 1.3. Invest resources in required software and equipment to increase speed and accuracy of voucher processing.
   - 1.4. Shift audit to Internal Auditor and assume more post and exception audits.
   - 1.5. Provide extensive training for field employees in proper auditing principles and procedures.
2. Physical distance from end users could causes time lag to correct errors.
   - 2.1. Shift responsibility and accountability to District to streamline operations.
3. Overall reduced internal and external customer service.
   - 3.1. Dedicate necessary up front time to familiarize staff with the various personnel, procedures, etc., of individual offices.
   - 3.2. Use technology, such as webinar and video teleconferencing (VTC), to effectively train personnel in virtual and field offices.
4. Loss of oversight/control
   - 4.1. Develop a detailed written policy including uniform standard operating procedures to be implemented statewide.
   - 4.2. Develop and implement sound production measures
   - 4.3. Emphasize and prioritize prompt payment based on cost analysis and risk.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Establish, develop, interpret, and review policies and procedures to ensure proper accounting principles are applied by the Region and the Districts.
- Oversee and manage the setup of proper financial accounts and ensure they are properly used to accurately account for all expenditures.
- Audit expenditures for accuracy of cost accounting processes, authorization and budget impact.
- Process vouchers for payment to vendors for goods and services for the Region.
- Perform cashier and cash management duties for miscellaneous cash receipts and manage Revenue Logging.
- Manage Claims Management including billing and receipts.
- Provide financial information to meet financial, budgeting, and legislative requirements.
- Process JV adjustments to accounts as necessary to correct errors.
- Monitor the FIMS to ensure accuracy and prepare and maintain reports, records, and files.
- Investigate and reconcile complex accounting discrepancies.

5.1.2 Division Duties

- Develop policy and implement legislative and program changes and provide support to the Regions and Districts.
- Receive and consolidate vouchers statewide and submit to the Comptroller's office for payment.
- Provide broad oversight and audit to ensure consistent compliance with state law, policies and procedures.
- Consolidate and distribute revenue and cash receipts.
- Oversee the distribution of overhead and indirect costs.
- Oversee the proper setup and consistent management of all financial accounts.
- Oversee and manage the Financial Information System.

5.1.3 District Duties

- Manage the District travel program.
- Manage relocation assistance.
- Monitor cell phone bills/usage.
- Report quarterly contract consultant Full Time Equivalents (FTEs).
- Manage Electronic Document Management System (EDMS) coordination/processing.
- Manage surplus property receipts.
- Handle District petty cash account.
- Manage cash receipts as needed.
- Prepare cash on hand report.
- Handle GEXA contract utility set up and cancellations.
- Enter Section credit card transactions into Smart Data Online (the State of Texas Payment Card System).
- Process payroll.
- Conduct minor equipment inventory and stock inventory.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Establish, develop, interpret, and review policies and procedures to ensure proper accounting principles are applied by the Region and the Districts.
2) Oversee and manage the accurate setup of proper financial accounts and ensure they are properly used to accurately account for all expenditures.
3) Audit expenditures for cost accounting process accuracy, proper authorization, and budget impact.
4) Process vouchers for payment to vendors for goods and services for the region.
5) Process JV adjustments to correct errors.
6) Monitor the FIMS to ensure accuracy and prepare and maintain reports, records, and files.
7) Investigate and reconcile complex accounting discrepancies.
8) Perform cashier and cash management duties for miscellaneous cash receipts and manage revenue logging.

9) Manage claims management including billing and receipts.
10) Provide financial information to meet financial, budgeting, and legislative requirements.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- Utility Payments: There are currently vendors that will provide the payment of certain types of utility payments. Significant personnel savings could be realized if this could be expanded to all utility payments.

- All Inventories: There are vendors that can perform these duties to meet the needs of the department.

  Both activities will increase expenses to the department due to out-sourcing these activities.

Combined

- None

Eliminated

- Petty cash: Allow only one account for the District office. Multiple accounts in the Districts take considerable time to reconcile and audit. Most needs of this nature can be handled by the use of department credit cards, significantly reducing staff time and staffing levels.

- Multiple Payroll Systems: Currently our payroll system has salary and hourly payrolls, overtime, back time, etc. which require numerous submissions during the month. Changing to only salaried payrolls will greatly reduce or eliminate hourly and back time payrolls since it is paid after the fact reducing the need for the others.

- Employee Cash Advances: Processing of cash advances requires duplicate handling to reconcile an account for overpayments, etc. Requiring employees to use corporate credit cards or pre-loaded debit cards would reduce staffing needs.

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Establish standard operating procedures to standardize operations throughout the Region and the State, and implement best practices.
- Coordinate with the Districts and Finance Division to set up financial accounts and ensure that the accounts are properly used to accurately account for all expenditures.
- Audit accounting documents and process vouchers for payment to vendors for goods and services for the Region.
- Perform cashier and cash management duties for miscellaneous cash receipts.
- Manage revenue logs and reconciliations.
- Manage damage claims, including billing and receipts.
- Provide financial information to meet financial, budgeting, and legislative requirements.
- Investigate and correct accounting discrepancies.
- Prepare and reconcile reports (daily, monthly and annually).

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

- The Assistant Executive Director of District Operations will give direction to Regional Managers. Regional Managers will give direction to their assistants and supervisors keeping with the Mission of the department.
- Regional management with the Regional Chief Account will determine overstaffed or understaffed areas.
- Regional management will determine the most efficient and effective method of workload distribution considering the human assets and their locations, work loads, production levels, and long term goals, and shift the work load accordingly to meet the needs.
- Regional management will work with Technology Services Division (TSD), the Region, and the Districts to coordinate and implement the EDMS to improve the regionalized work flow processes.

6.3 DETAILED PROCESSES AND PROCEDURES

Utilizing EDMS (Electronic Document Management System)

- **Voucher Processing**

- Includes payment for engineering, surveying and lab contracts, interagency and advance funding agreements, minor equipment, utilities, roadway materials, fuel and LPG contracts, employee education, travel, and miscellaneous reimbursements, purchase orders for goods supplies and services, procurement and fuel cards, and miscellaneous products and services.
- Invoice received into the Region and scanned into EDMS.
- Work is sorted into accountant's folders.
- Accountant retrieves and audits expenditures for proper cost accounting, processes, authorization, and budget allocations are done in all functions.
- Accountant vouchers for payment.
- Accountant then transmits to the Regional office.
- Chief Accountant signs and the voucher is scanned into imaging.

Without Utilizing EDMS

- **Voucher Processing**
  - The Regional Manager including the Regional Chief Accountant will determine how and to whom the work will be distributed throughout the Regional accountants. The invoices will be scanned and emailed to the proper accountant.
  - Accountant retrieves and audits expenditures for proper cost accounting processes, authorization, and budget allocations are done in all functions.
  - Accountant vouchers for payment.
  - Accountant then transmits to the Regional office.
  - Chief Accountant signs and the voucher is scanned into imaging.

- **Cash Management**
  - Receive e-mail with information on deposit from the District and reconcile what has been logged into revenue logging by the District employees.
  - Regional accountant prepares and submits weekly transmittals to Finance Division.

- **Claims Management**
  - **Damage Claims**
    - Establish uniform threshold for the dollar amount that determines whether or not a damage claim is opened. Also establish a threshold for the dollar amount that determines which claims can be written off by the District Engineer. Implement statewide.
    - Written direction on when to bill as actual and when to bill as standard (or estimate). Implement statewide.
    - A damage claim number is requested by the Districts by sending a request to a proxy email account in the Regional accounting office.
    - Damage claim number is entered into Segment 04 by the Regional accountant.
    - Statement of repair is emailed by the Districts to the proxy email account.

        - Utilize an Access database to coordinate all damage claims in the region. The database will include written correspondence, reports, payment tracking, and claims forwarded to Office of the Attorney General.

- **Department of Public Safety (DPS) Billing**
    - Region monitors daily FIMS reports, prints issues, and maintains files.
    - Region creates an interagency transaction voucher (ITV) with supporting documentation to invoice DPS.
    - Region creates receivable in Segment 04 (same as Damage Claims).
    - Region sends memo to Finance.
    - Region monitors and reconciles the claim numbers.

- **Journal Voucher adjustments to the accounts**
    - The need for an adjustment is identified by various levels of the agency and should be reported to the regional accounting office for correction.
    - Research and gathering of documentation for Journal Voucher preparation is done by the area that identified the error and submitted to the regional accountant
    - JV is prepared and submitted to the Finance Division by the regional accountant.
    - Use JV database program created by a district to submit JVs.

- **Financial Reporting**
    - Compile and provide timely financial reports to Regional and Central management when requested.
    - Regularly monitor daily, weekly, annual, and on-demand reports for accuracy and completeness of accounting data.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Require employees to pay reimbursements to the agency by check or money order, when it is not possible to payroll deduct. This will reduce risk by reducing cash handling at District level.

- Encourage employees to use Direct Deposit for payroll and travel reimbursements and/or for the exceptions, set up an ATM/Debit card that receive and disbursed their pay to them. This will save considerable time by eliminating checks handling.

- Statewide Auxiliary Voucher System (AVS) should be supported by TSD. Resources to support the program are located at central site.

- Eliminate Petty Cash. Allow only one account for the District office. Multiple accounts in the Districts take considerable time to reconcile and audit when most needs of this nature can be handled by the use of department credit cards, significantly reducing staff time and staffing levels.

- Streamline voucher numbering system to 4 Regions, instead of 25 Districts.

- Use JV Adjustment Program created by one of the Districts. Dedicate resources in the Division to enhance and support the program. Standardize the use of the program statewide. This will result in time savings, less data entry and reduction in errors.

- Dedicate resources in the division to enhance and support the Procurement Card Processing model (EDMS) developed by Districts. Standardize the use of the program statewide. This paperless model will result in significant time savings, eliminate duplicate handling and data entry.

- Use a corporate travel card. This will streamline process and eliminate travel advance.

- Eliminate Employee Cash Advances. Processing of cash advances require duplicate handling to reconcile and account for overpayments, etc. Requiring employees to use corporate credit cards or pre-loaded debit cards would reduce staffing needs.

- Change personnel cell phone policy to require employee to pay if minutes are exceeded. The money recovered does not exceed the costs of performing the

reconciliation. This will eliminate additional revenue/cash handling and reconciling.

- Create a team in the Region and in Finance to work with the Comptroller to streamline numerous processes to increase efficiency and reduce unnecessary restrictions, such as vendor on hold dollar limits, voucher identification numbers (VID#s), vendor refusal of interest payments, and credit card policies.

- Change FIMS to not allow duplicate payment of the same receipt document.

- Change MSMS to not allow back out of a receipt already paid.

- Implement new automated financial system. This will reduce data entry and staffing, increase efficiencies, and provide easier access to the information.

- Implement electronic signature authority to provide time saving and eliminate the need to print documents that are in EDMS.

7.2 STEPS TO ACHIEVE CHANGES

- Management authorizes and develops detailed written policy changes resulting in uniform procedures determined and implemented for most items listed.
- Management delegates responsibility and support for systems developed by the Districts to a TSD, the centralized office of responsibility.
- Provide additional training and direction to district personnel on better alternatives for travel expense, petty cash, reimbursements, etc.
- Train and implement statewide systems developed that improve efficiencies, such as JV Adjustment program, EDMS procurement card process, VLog, and AVS system.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

Measuring success within the accounting function is primarily based on the processing timeframe and time lines with acceptable error rates. Each component of the accounting function can be assigned an average processing time for completion with in an acceptable success rate.

Regional standard operating procedures will be developed employing the best practices available throughout the state to standardize procedures and equalize the processes measured, and acceptable error rates for each component will be developed and clearly communicated.

Accounts Payable Success Measures

- Voucher log system recently pushed out to the District will provide detailed processing information by line of input by individual processer each month. The VLog will display number of invoices and dollar amounts by type of voucher allowing easy measurements of production by individual processor. This will replace the Transaction ID 20 report.
- Required adjustments linked to vouchers will identify error rates per processor. Adjustments will require analysis to determine error origination.
- Interest paid reports will uncover deadlines for processing not met that will result in additional charges for interest due and can be linked to individual processor.
- Past due reports will also uncover lengthy processing times resulting from not handling payments or researching problems when received. Date stamping signifies point of responsibility for accounting personnel and processing times.
- Vendor complaint calls to identify potential problems with processing times and accurate account reconciliations.
- Employee complaints to identify unpaid or untimely claims submitted.

Other Accounting Duties Measures

- Receivable reports will show processing times for accounts receivables and cash receipts collections.
- Tracking processing times for claims processing, billings, and receivable.
- Adjustments to payroll records for errors in overtime, comp time, vacation, and sick leave and charging errors.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

Recommend reducing the existing 148 FTEs to 79. This will reduce the overall existing FTE levels of the accounting functions by approximately 54% statewide. If the Department contract with the outside vendor to process utility payments is cancelled, then the payroll function will stay in the Regional accounting office and staffing will change. Reduction would then be from the existing 148 FTEs to 91, a 38% reduction statewide.

These staffing recommendations will be accomplished through virtual offices and attrition as stated in the Regionalization Staffing Plan. The Regional Accounting Manager will be competitively hired. Current district accounting personnel will not realize any loss of pay, nor be required to relocate, through this restructuring effort.

9.2 STAFFING METHODOLOGY

All FTE figures are based on an average production rate of 1,500 to 2,000 line items per voucher processer. This figure was arrived at by utilizing current production rates of the control group of voucher processers located in the Yoakum District performing voucher processing for both Yoakum and Corpus Christi payables. This control group production rate was tested for reasonableness with other processors across the state.

In addition, two additional FTEs were included to cover damage claims processing, one for a supervisor, and one for revenue processing and other miscellaneous functions.

The spreadsheet analysis on the following page includes the possibility of utility payments returning to TxDOT.

Count of Trans-ID 20s by Source District and Kind

Lines of Code per Month 15000

District Name	DD #	May 2008	June 2008	July 2008	Average	Vouchers	Dmg Claims	Revnue/Misc	Supervisor	Total FTEs	Current FTEs	Reduction	Utilities	Payroll	Adj FTEs
		Trans-ID 20 Counts											If moved to Regional Office		
Beaumont District Total	E	32,941	34,492	31,626	33,020						5				
Bryan District Total	E	33,599	42,679	43,326	39,868						4				
Houston District Total	E	76,008	73,290	78,585	75,961						14				
Lufkin District Total	E	34,563	37,835	37,374	36,591						4				
					185,439	13	2	1	1	17	27	10	1	2	20
												37%			26%
Atlanta District Total	N	33,666	33,727	37,231	34,875						4				
Brownwood District Total	N	20,944	24,322	21,888	22,385						5				
Dallas District Total	N	62,874	60,096	66,570	63,180						11				
Fort Worth District Total	N	47,517	47,639	50,098	48,418						6				
Paris District Total	N	38,243	38,942	38,467	38,551						7				
Tyler District Total	N	36,072	36,020	42,364	38,152						5				
Waco District Total	N	32,450	30,040	33,069	31,853						3				
Wichita Falls District Total	N	27,269	28,882	31,315	29,155						5				
					306,568	20	2	1	1	24	46	22	1	2	27
												47%			40%
Austin District Total	S	46,454	43,690	46,821	45,655						11				
Corpus Christi District Total	S	32,868	28,374	33,671	31,638						4				
Pharr District Total	S	35,510	31,902	34,010	33,807						5				
San Antonio District Total	S	58,958	60,081	56,217	58,419						8				
Yoakum District Total	S	31,836	34,151	32,609	32,865						4				
Laredo District Total	S	23,429	21,406	20,121	21,652						7				
					224,036	16	2	1	1	20	39	19	1	2	23
												49%			41%
Abilene District Total	W	28,803	27,191	28,492	28,162						6				
Amarillo District Total	W	41,264	42,618	46,336	43,406						5				
Childress District Total	W	19,123	19,889	20,786	19,933						5				
El Paso District Total	W	21,904	21,790	22,613	22,102						4				
Lubbock District Total	W	42,834	41,004	45,456	43,098						6				
Odessa District Total	W	28,247	33,936	31,782	31,322						5				
San Angelo District Total	W	23,890	26,578	28,117	26,195						5				
					214,218	15	2	1	1	19	36	17	1	2	22
												47%			39%
Grand Totals		911,266	920,574	958,944	930,261					80	148	68			94
												46%			37%

Prepared by: Robert Snipes 8/06/08

U:RSNIPES\Reorganization Report Requests\Report on Counts of Trans ID 20s May Jun July 08.xls

DRAFT

APPENDIX: GLOSSARY OF TERMS

Auxiliary Voucher System (AVS)- designed by one of the districts to simplifies the Journal voucher processing for utility payments.

Back-end- A computer program that performs final edits on transactions to confirm all data is correct for the receiving subsystem.

Back-time payroll– The payroll process that handles exceptions to the regular payroll process on the first or fifteen of the month. Could be used to handle situations where there are time issues that can not be resolved prior to the entry of the monthly payroll which is accomplished prior to the end of the month.

Claims Management – The processes and procedures in place to identify, process, bill, and receive cash from claims by TxDOT of third parties. This could include claims assessed to individuals for damage (**Damage Claims**) to items on our roadway such as signs or guardrail by an individual or billing to other agencies or entities that we handle business for and they reimburse our expenditures.

DPS– Department of Public Safety.

Electronic Document Management System (EDMS)- An electronic document management system is an electronic document management application that supports the storage, indexing, retrieval, management, and archiving of documents (electronic files) in a controlled environment utilizing a storage subsystem and a catalog subsystem. Also called an enterprise document management system.

Employee Cash Advances– The process of issuing cash dollars to employees prior to travel commitments to pay for their travel expenses. Used for individuals who do not have or want a state credit card to use for the actual expenses while traveling. Requires voucher processing in advance of the trip, reconciliation upon return and a second voucher processing after the travel is complete and at times cash handling if expenses were less than the cash given in advance.

Financial Information Management System (FIMS)- Managed by the Finance Division, is the department's accounting system. FIMS is made up of approximately 35 segments and 700 programs.

FIMS Journal Voucher (JV)- A TxDOT accounting transaction to distribute or redistribute costs and to make adjustments.

Front End- A front end performs edits on transactions that are too time-consuming for online use.

Full Time Equivalent (FTE)- Full time equivalent is the term used to measure work hours paid compared to the standard work hours in a time period (not the same as number of employees). One employee who gets paid for more that the standard work hours in a time period is measured as more than one FTE.

GEXA– The contracted provider and system to manage the payment of non-regulated utilities across the state.

Interagency Transaction Voucher (ITV)- Voucher used to reimburse a state agency for costs of providing services or resources through an interagency contract.

Major Equipment and Minor Equipment Inventories- The inventory and asset management procedures for major capitalized roadway equipment and minor non-capital equipment with a dollar value of over $5000.

Material Supply Management System (MSMS)- Managed by the General Services Division.

Quarterly Contract Consultant FTEs - A quarterly report generated by the district counting and reporting the number of contract employees performing work for TxDOT for that time frame.

Regional Management (RM)- To include the regional manager and the two assistant managers.

RSC- Regional Service Center

Revenue Logging- The process and system to log and record all revenue that is received in the Districts and Regions.

Segment 04– The sub account in the FIMS system where the receivables are recorded as being owed to the state.

Smart Data Online– The state of Texas procurement card system used by card holders to procure small purchases and bill us monthly for payment processing.

Technology Services Division(TSD)- The Technology Services Division (formerly ISD) provides information technology hardware, software, services and staffing to support and enhance the business operations of the department, including the oversight and management of the statewide data center services contract, develops and implements new systems and technologies, provides photogrammetry services and supports statewide land surveying and develops, maintains, manages and enforces TxDOT and State of Texas IT policies, standards and procedures. The Director of TSD serves as the department's Chief Information Officer, Information Resource Manager, and Information Security Officer.

Transaction ID 20 Report – The report calculating and listing the number of line items processed by voucher payables processors in each district monthly. Obtained from the Finance division and used by the work group to determine the appropriate level of production for each district.

VID#s – Voucher Identification numbers assigned to all vendors who do business with the state of Texas. It is a unique number derived from the Social Security number of the business and tracks all business transactions between this vendor and the state.

VTC – Video Tele-conference. Used to communicate by live interactive video feeds to various locations at the same time across the state.

Voucher - The accounting document used to make payment to an individual or entity.

Voucher Logs– Manual logs that are maintained in the district and records each voucher that is processed and assigns the voucher number to that voucher identifying it throughout the payment process.

VLOG - Voucher Tracking Log. Recently pushed out to the districts counts and reports the lines of data produced by individual accounts payable processors in each district.

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

CONTRACT MANAGEMENT & DESIGN RESOURCE COORDINATION

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: **Elvia Cardinal – HOU – Team leader, Homer Bazan – PHR, Dale Booth – TYL, Lizette Colbert – SAT, Barty Diaz – ELP, Moosa Saghian- DAL, Sam Skrehot - LFK**

VERSION:

DATE: **11/04/2008**

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 3

2 SOURCE DOCUMENTS AND INFORMATION 5

3 CONSTRAINTS 6
3.1 Implementation Constraints 6
3.2 Operating Constraints in a Regional Concept 6

4 RISK MANAGEMENT 7
4.1 Risks 7
4.2 Projected Impacts if Not Resolved 7
4.3 Mitigation Strategies 7

5 PRIMARY DUTIES 8
5.1 RSC, Division, and District Duties 8
5.1.1 RSC Duties 8
5.1.2 Division Duties 8
5.1.3 District Duties 9
5.2 RSC Duties in Order of Importance 9
5.3 Duties that may be Outsourced, Combined, or Eliminated 9

6 DETAILED PROCESSES 11
6.1 Overview of Function Processes in a Regional Concept 11
6.2 Coordination and Communication of Processes 11
6.3 Detailed Processes and Procedures 12

7 CHANGES RECOMMENDED 13
7.1 Changes Recommended 13
7.2 Steps To Achieve Changes 13

8 MEASURING SUCCESS 16
8.1 Success Metrics (Measures) 16

9 STAFFING RECOMMENDATION 19
9.1 Staffing recommendation 19
9.2 Staffing methodology 22

APPENDIX: GLOSSARY OF TERMS 23

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

The current purpose is to obtain and administer professional services contracts, develop Advance Funding Agreements (AFA), conduct financial contract closeouts for professional services contracts and AFAs, and assess and monitor in-house design production capacity for Districts.

1.1.2 Purpose in a Regional Concept

The main purpose in a Regional concept is to develop and provide a knowledgeable and professional pool of contract administration personnel through training and certification. The benefits of regionalization include the enhancement of customer services in the administration of AFAs by setting time lines and establishing points of contact, and more efficient coordination of professional contract services administration to allow for consistency and efficiency through specified checklists and standardization. Regionalization will also result in the maximization of the efficient allocation of internal resources in the assessment and production of design work by establishing need and prioritization of projects and personnel.

1.2 CORE DUTIES

1.2.1 Current Duties

- Assess the District's design capacity in identifying the need for use of professional services prior to initiating the consultant contract procurement process.
- Develop and negotiate professional services contracts.
- Administer professional services contracts.
- Develop AFAs.
- Perform project management for services performed under a professional services contract.
- Perform final financial close-out for all agreements.

1.2.2 Duties in a Regional Concept

- Assess the in-house design production capacity and availability within and outside Regional boundaries to determine the need for professional services.

- Initiate and conduct the consultant contract procurement process.
- Develop and negotiate professional services contracts.
- Administer professional services contracts.
- Develop AFAs.
- Perform final financial close-out for all agreements.

2 SOURCE DOCUMENTS AND INFORMATION

- **GSD-CSS Charts, Annual Contract Volumes, GSD-CSS Contract Log, Houston District's Contract Activity Log, DES Annual Letting Schedules & Volumes, and DES-CCO Annual Contract Volumes.** Used to develop production rates and determine staffing levels for the Regional Support Centers (RSC).

- **DES-CCO Roles and Responsibilities for Provider Selection through Project Management.** Used to help determine the roles and responsibilities for the District, Region and Division in the professional services contracts arena.

- **Interviews**

  Janice Mullinex, GSD-CSS, regarding: various agreements administered throughout the State. This consultation helped the Work Group to better identify the primary roles and responsibilities at the District, Region and Division levels for AFAs.

  Camille Thomason, DES-CCO, regarding: information pertaining to professional services contracts. This consultation helped the Work Group have a better perspective of the current practices across the State in procuring, administering and managing professional services contracts. She helped the Group identify the primary roles and responsibilities at the District, Region and Division levels, and she also provided the Work Group with valuable insights in determining the staffing positions for the RSC.

  Various district personnel from home Districts, regarding: gathering information and validating and/or clarifying the workgroup's understanding of the District's current business practices in the area of professional services and AFAs.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **Differences in the administration and management of professional services contracts in each District and transitioning the functions to a RSC.** This is true for all aspects of contract administration. For example, negotiation techniques and contract rates used within the Regions need to be consistent in administering contracts state-wide in determining a fair and reasonable rate. Otherwise, external customers, namely consultants, may complain.
- **Lack of standardization in contract documents in administering consultant contracts.** This could impact timely execution of contract documents as RSC's negotiate internally the format of contract documents to be used.
- **Transitioning existing District contracts to Region contracts in the Financial Information Management System (FIMS) and in various databases maintained by the Districts.** This could impact tracking, monitoring and reporting contract activity within a Region.
- **Identifying and maintaining the resources that will provide the regional support functions for the Districts.** Having appropriate resources with applicable experience to perform contract management is critical to the success of the RSC.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **Regional resources located in a virtual office remain exclusive to the RSC.** Work performance and the ability to perform core job functions in a timely manner are likely to be impacted.
- **Sufficient travel budget for the performance of core functions for the Region.** The allocation of a travel budgets for the District and Region to perform primary and secondary roles of contract administration may not be consistent with the strategy to reduce cost and improve efficiency.
- **Lack of a contract management database to manage professional services contracts for use by all users in the Region.** Presently, districts are operating with individual own contract management database and/or spreadsheets to manage contracts. The Work Group believes a centralized contract database is necessary in order to capture and maintain information by all users in order to administer contracts. If this system is not in place, customer service might deteriorate in a Regional model.

4 RISK MANAGEMENT

4.1 RISKS

1) Lack of experienced and knowledgeable personnel.
2) Inability to assess and assign design production work in a timely manner.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1) Lack of experienced and knowledgeable personnel could negatively impact the quality of customer services, design production, administration of professional contracts and AFAs, Strategy 111 budget and database management.
2) The ability to assess and assign design production work in a timely manner could negatively impact the letting schedule and Strategy 111 budget.

4.3 MITIGATION STRATEGIES

1) Analysis of personnel needs would allow for adequate placement of personnel with the work tasks and the prioritization by customer service and efficiency. This will require constant updates and a response to immediate needs.
2) Need analysis will require constant updates and dedicated personnel to allow for timely administration and meeting of letting schedules.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Design Resource Coordination – Coordinate with regional point of contact.
- Strategy 111 Budget Tracking – Run monthly expenditure reports.
- Procure Professional Services Contracts – Responsible for all required procurement, documentation, processing and retention including survey contracts.
- Contract Development and Negotiation – Responsible for scoping, negotiation documentation and retention of the contract.
- Contract Administration and Historically Underutilized Business (HUB) Monitoring – Responsible for following all contract requirements (e.g., expiration dates, supplemental agreements, etc.)
- Work Authorization (WA) Assignment by Contract – Assign contracts to Districts to maintain work assignment balance for indefinite deliverable contracts.
- Payment of Invoices – Receive invoices and distribute to the appropriate District for technical review and then complete the payment process in the Region.
- Implement Errors and Omissions Procedures – Send the notification letter to the consultant. Supporting information from the District will be provided for collections.
- Develop AFAs (all) – Standardize agreements which the Work Group believes may provide quicker implementation.
- Final Financial Agreement Close-Out – Send out the notification and collection letters after the construction close-out occurs.
- Manage and provide support for special projects and RSC related assignments – Coordinate and provide a larger pool of subject matter experts.

5.1.2 Division Duties

- Signature Authority on contracts with maximum amount payable greater than $2 million (for indefinite deliverable and project specific type contracts).
- Establish Policies and Procedures.
- Provide training to Regional and District employees.

- Provide reference materials and subject matter expertise.

5.1.3 District Duties

- Identify the need for specific types of contracts.
- Manage projects as daily operations will continue to occur at the District level.
- Provide Performance Evaluations – The District will continue to be required to evaluate contracts and work authorizations.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Procurement of professional services contracts
2) Contract Development and Negotiation
3) Develop AFAs
4) Final Financial Closeouts
5) Contract Administration and HUB Monitoring
6) Payment of Invoices
7) Implement Errors and Omissions Procedures
8) Design Resource Coordination
9) Strategy 111 Tracking
10) Manage and Provide Support for Special Projects
11) WA Assignment by Contract

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- Depending on the level of tracking/scheduling desired in using the Primavera software program to assess design in-house capacity, the scheduling and tracking effort using Primavera could potentially be outsourced initially until expertise is more fully developed internally. This outsourcing effort could also include internal training to develop subject matter experts.

Combined

- Procuring professional services will require a combined effort by the Region and District, with the Region having the primary responsibility.
- Development of a contract scope of services will be a combined effort by the Region and the District, with the Region having the primary responsibility.
- Payment of invoices will be a combined effort with the District reviewing the services performed are in line with the billing statement and the Region ensuring

that the invoice is in accordance with the terms of the contract, within the maximum amount payable and paid within 30-days of date-stamped received.

Eliminated

- None

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- The District will identify the need for design services.
- The Region will coordinate with the District in design activities.
- The Region will assess the in-house design capacity and availability to determine if the use of a professional services contract is warranted.
- The Region, with assistance from the District, will procure the professional services contracts, develop the contract scope and perform the contract negotiations.
- The Division will execute all professional services contracts.
- Once a consultant is under contract, the Region will administer the professional services contracts for the districts.
- Payment of invoices will be handled by the Region with verification of services performed done by the District.
- The District will manage and monitor the work performed by the consultant and perform the provider performance evaluation. The Region will monitor the provider performance evaluation activity.
- The Region will assist in developing the Region budget allocation under Strategy 111 and monitor the Strategy 111 budget expenditures.
- The District will identify a need for an AFA and provide the terms of the agreement to the Region for development of the AFA.
- The Region, upon notification from the District of a contract close-out, will perform the final financial agreement close-out.
- The Division will continue to execute contracts, establish policies and procedures, and provide training and reference materials to the Region and District.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

The Divisions (Design and General Services) will continue to provide general guidelines, policies and procedures via their website, interoffice memorandums, and emails to the Region and Districts.

Contract administration activities between the Region and the District will be handled by e-mail, telephone, field visits, teleconferencing and the use of a contract management database. The Work Group envisions a Region website for readily available contract

information, such as calendar of activities, contract activity log, status of a procurement process, point of contact for specific contracts, and a staffing and contact information list for each of the RSC.

AFA activities between the Region and the District will be handled by e-mail, telephone, field visits, and teleconferencing much as it exists today within some of the larger metro districts. Use of an AFA activity log available on a Region website could provide status of agreements to the District.

6.3 DETAILED PROCESSES AND PROCEDURES

Refer to Exhibit B entitled *"Roles and Responsibilities for Provider Selection through Project Management*" for specific details of the processes and procedures.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Eliminate sending a "Draft" of a WA to Division for review prior to securing signatures at the RSC. This change would potentially save on average a week of processing time to execute a WA.
- Consolidate the contract approval process at the Division level by eliminating the two step review by the General Services Division and Design Division. This may increase the responsiveness of the Region to the District and external customers.
- Allow the Regional Business Manager to have signature authority to up to $2 million for a WA executed for a Metro District. This would eliminate one level of review and approval in executing a WA for a Metro district.
- Develop standardized contract attachments. This would likely provide more consistency and efficiency in contract administration.
- Implement a standardized invoicing procedure. This would likely provide more efficiency in the review and approval of payment of invoices. It would also allow for more efficient tracking of payments to be in compliance with the 30-day Prompt Payment Act. The Work Group suggests implementing the Electronic Billing Process currently implemented in the Houston district. Refer to Exhibit E to view the *"Electronic Billing Process Flowchart."*
- Develop and maintain a department-wide comprehensive contract management database.
- Develop a more systematic and timely process to secure pre-negotiation audit information needed to initiate contract negotiations. Implementing a new procedure may allow the contract negotiations to be conducted within the allotted time frame to execute a contract and may minimize the request for time extensions to execute a professional services contract.
- In performing final financial closeouts for an AFA, implement a procedure to send out first, second and third collection letters to local entities. This may improve collection of funds owed to the Department.
- Adequate allocation of travel funds for the District and Region will have a high impact on the efficient and effective administration of AFAs, professional services and design production and negates the rationale for the regional concept.

7.2 STEPS TO ACHIEVE CHANGES

- **Eliminate sending a "Draft" of a WA to Division for review prior to securing signatures at the RSC.**

- **Consolidate the contract approval process at the Division level by eliminating the two step review by the General Services Division and Design Division**.

  These changes may require development of subject matter experts at the Region level before concurrence by the respective Division offices. Furthermore, additional training and continued oversight maybe required as the Department rolls out the regionalized structure.

- **Allow the Regional Business Manager to have signature authority to up to $2 million for a WA executed for a Metro District.**

  Steps to implement the change will require administrative approval and revision to the delegation of signature authority policies.

- **Develop standardize contract attachments**.

  The change will require the formation of a work group to determine best practices in developing contract documents.

- **Implement a standardized electronic invoicing procedure.**

  The recommended change will require the formation of a work group to evaluate and test the current process used in Houston and assess hardware and software needs. This will be followed by the Department's approval, training and support to launch this process state-wide.

- **Develop and maintain a state-wide comprehensive contract management database.**

  The change will require the Department's continued support in the development of a comprehensive contract management database presently being developed by Design Division. This will need to be followed up with populating and testing the database, training and support by Technology Services Division (TSD). Continued use of the various databases should be in use while the new database is phased in at the Region to reduce negative impact on customer service and work efficiency.

- **Develop a more systematic and timely process to secure pre-negotiation audit information needed for initiating contract negotiations.**

  The change will require the formation of a work group to develop a plan to streamline securing pre-negotiation audit information in a timely manner.

- **In performing final financial closeouts for an AFA, implement a procedure to send out first, second and third collection letters to local entities.**

  The change will require the formation of a work group to identify best practices and develop a standardized process to collect funds from local entities.

- **Adequate allocation of travel funds for the District and Region will have a high impact on the efficient and effective administration of AFAs, professional services and design production and negates the rational for the regional concept.**

  The budget should be allocated and adjusted to accommodate unforeseen circumstances. Will require dedicated task budget personnel to manage the budget in order to perform timely reports, respond to District, Region and Division requests and inquiries.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

The success of the RSC will be measured by the following:

- Effective Coordination and Scheduling of Design Resources
- Accuracy in Budget Tracking and Control
- Professional Services Procurement Efficiency
- Contract Development and Negotiation Efficiency
- Prompt Payment of Invoices
- Effective Errors and Omissions Policy
- Prompt Development of Advance Funding Agreements
- Prompt Close-Out of Financial Agreements

The values and thresholds of success for these metrics are described in more detail below.

- Design Resource Coordination:
    - 90% of PS&E ready by April for fiscal year certified projects.

- Strategy 111 Budget Tracking:
    - RSCs are within +/-10% of budget goal for the fiscal year.
    - RSC will develop a Strategy 111 budget by establishing priorities through the identification of the UTP Authority, category of funding, letting date, status of ROW, environmental clearance, railroad agreements, and percentage of work complete. Additionally, those projects identified by upper management as having political support and/or representing safety issues to the public such as structurally deficient on/off system bridges will also take precedence. This effort greatly assists the Department to determine the best utilization of its limited funds. Budget expenditures are tracked on a monthly basis and needs are reassessed quarterly.

- Procure Professional Services Contracts:
    - **Indefinite Deliverable –** 75% of consultant contract procurements (advertisement to award time) reduced from 6 to 4 months.
    - **Project Specific** – 75% of consultant contract procurements (advertisement to award time) reduced from 6 to 5 months.
    - Refer to Exhibit C for *"Procurement Process Cost Saving."*

- Contract Development and Negotiation:
  - Reduce the time from award to contract execution from 12 to 6 weeks by 85% of all single selection standard contracts by expediting the pre-negotiation and rate schedule process. This would amount to an approximate savings of $5,000 for one FTE to handle this task.
  - Reduce the time from award to contract execution to 8 weeks for 95% of all single selection standard consultant contracts by expediting the pre-negotiation and rate schedule process. This would amount to an approximate savings of $2,500 for one FTE to handle this task.
  - Contract type, dollar value of the contract, number of contracts (single selection versus multiple), status of the pre-negotiation audit and the complexity of the work, all play a role in the time it takes from award to execution.

In particular, the length of time (averaging 4 to 5 months) it takes to obtain the pre-negotiation audit from the Audit Office drives the time it takes to complete negotiations and is outside of the control of the Contract Management Group (CMDR). Another factor is the time it takes the prime provider and sub-providers to develop their rate schedules.

- Contract Administration & Payment of Invoices:
  - 75% of invoice submissions standardized within 6 months.
  - 95% of invoices submissions standardized within 12 months.
  - 90% of District PM or technical review complete within 5 days.
  - 90% of Payment by RSC within 22 days.

- Implement Errors and Omissions Procedures:
  - 75% of Change Orders (under $200,000) coded 1E and the Region has direction from the District to implement the Errors and Omissions procedures, collection completed within 9 months.
  - 50% of Change Orders (between $200,000 and $ 1 million) coded 1E and the Region has direction from the District to implement the Errors and Omissions procedures, collection completed within 12 months.
  - 25% of Change Orders (greater then $1 million) coded 1E and the Region has direction from the District to implement the Errors and Omissions procedures, collection completed within 12 months.
  - <5% of 1E change order collections go through litigation in a 3-year period.
  - The time is measured from the day the initial notification letter is sent to the consultant to the day that money is collected by the Department.
    Time saving for collecting funds is difficult to measure due to lack of historical data. However with the E&O procedures centralized as a regional function, the Work Group believes the process will become more uniform and consistent. This in turn will save time and effort.

- Develop Advance Funding Agreements (all):

- Standard Agreement 85% of AFAs executed within 3 months of notification of agreement terms from the District.
- Complex Agreement 85% of AFAs executed within 4 months of notification of principal deal structure.
- Complexity of an agreement is not always measured by the amount of money, but by the type of agreement and the type of the 2nd party, e.g. a $5 million agreement with NTTA or DART could be more complex than a $20 million agreement with the City of Lewisville.

Time saving for AFA development is variable due to types of AFAs and accommodating local entities' processes and procedures. Please refer to Exhibit F entitled "*AFA Development Savings"* and Exhibit F-1 that attempts to show potential cost savings in regionalizing this effort. Regionalizing the AFA efforts will provide one point of contact and improve implementation of standardized agreements.

- Final Financial Agreement Close-Out:
  - 90% of AFA Final Financial close-outs notification letter will go out within 3 months upon district notification of project construction completion.

Time savings for reconciling AFA close-outs is variable. The process is dependant on local entities' internal process and procedures. Regionalizing this effort most likely will provide a more efficient process for monitoring, reporting and collecting third-party funds. Furthermore, moving the collection process to the RSC should help insulate Districts from local pressure.

- Manage and Provide support for special projects RSC related assignments:
  - Coordinate and provide a larger pool of subject matter experts

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

Current district employees engaged primarily in consultant contract activities will be converted to regional employees. The standard for determining which employees were engaged primarily in consultant contract activities was 50% or more of daily duties. This determination was made by each district engineer.

Vacancies remaining after converting district employees primarily engaged in consultant contract activities will be competitively posted and filled.

Current district employees engaged in consultant duties but at a level less than 50% of their daily duties will remain district employees and take on other district duties as determined by the District Engineer.

The RSC staffing recommendations will be accomplished through virtual offices as stated in the Regionalization Staffing Plan. Current consultant contract employees who are regionalized will not realize any loss of pay, nor be required to relocate, through this restructuring effort. Current consultant contract employees who are not regionalized (those who stay in the district will also not realize any loss of pay nor will they be required to relocate.

There are currently approximately 69 employees statewide whose primary job function (51% or more) is in contract management. The proposed plan reduces the FTEs to 49 by 2011.

Document Production & Administration Activities & Supervisor/AFA/Close Out

	EXISTING	2009	2010	2011	2012	2013	2014
NORTH	22	20	17	15*	15*	15*	15*
EAST	18	16	14	13**	13**	13**	13**
SOUTH	17	16	14	12	12	12	12
WEST	12	11	10	9	9	9	9
Total	**69**	**63**	**55**	**49**	**49**	**49**	**49**

As the Regional functions are brought together, the Department will see some short-term inefficiency. To mitigate this inefficiency, we recommend a phased approach to reach the final FTE allocation. As processes are put into place, the Department will see more efficient operations, increased contract management expertise and economy of scale. A recommended job classification break down for 2011 and beyond is provided below:

Staffing Plan							
			North	South	East	West	Overall FTE Total
E308	Transportation Eng., Sup. V	B19C	1	1	1	0	3
E230	Transportation Eng., VI	B18B	0	0	0	1	1
E229	Transportation Eng., V	B17	2	2	2	1	7
E228	Transportation Eng., IV	B16	1	1	1	0	3
E227	Transportation Eng., III	B15	0	0	1	0	1
J229	Contract Specialist VIII	B15	2	1	1	0	4
J228	Contract Specialist VII	B13	3	2	2	2	9
J226	Contract Specialist VI	B11	2	2	2	2	8
J224	Contract Specialist V	B09	2	1	1	1	5
J222	Contract Specialist IV	B07	1	1	1	1	4
A084	Administrative Asst. IV	A15	1	1	1	1	4
Total FTE			**15**	**12**	**13**	**9**	49

The recommended FTE allocation by function is provided below:

FTE ALLOCATION per FUNCTION					
	North	**South**	**East**	**West**	**Total**
Consultant	7	6	7	5	25
AFA's	6	4	4	2	16
Supervisor	1	1	1	1	4
Administrative Assistant	1	1	1	1	4

At the initial meetings held in Austin, the Work Group's understanding was that the position for the Design Resource Coordinator would be allocated elsewhere in the RSC. Based on that understanding, an FTE slot was not allocated in our recommended staffing plan.

**** Explanation of an Additional FTE for North Region:***

1. The North Region will witness an infusion of $3.7 billion from two CDA projects (SH 121 for $3.2 billion & SH 161 for $0.5 billion). Several additional CDAs are in

the pipeline for the Dallas and Fort Worth Districts. These CDAs demand a lot of man-hours for coordination in various aspects such as AFAs, procurement, analysis, etc.

2. This additional revenue will also result in multiple additional design projects that will certainly require consultants for engineering and multiple agreements (AFAs) with various local, regional, municipal, governmental and transit agencies.
3. The NCTCOG is the largest and arguably the most complex council of governments in the state.

***** Explanation of an Additional FTE for East Region:***

1. Currently, the number of FTEs at the Houston District alone whose primary responsibility (defined as 51% or more) is contract administration and management is 12. This count does not account for the FTEs associated with Advanced Funding Agreements. The FTE count of 12 is derived from all areas of professional services such as engineering design, surveying, project development, transportation planning and materials engineering. Each of these areas currently is responsible for identifying their resource needs, undertaking their own procurement, contract development and negotiations, contract administration, invoice payments, budget tracking, and contract closeout.

2. It is difficult to predict at this juncture how significantly the contract workload will be impacted in the years to come. The East Region has been identified as containing Beaumont, Lufkin, Bryan and Houston Districts. We anticipate a greater level of interface between the Consultant Management group with both its internal and external customers (local participation, HCTRA, etc) whether it is by identifying resources available within the region itself or by utilizing the consultant community. To meet the growing transportation needs of this State and in particular this region, it is important to maintain sufficient administrative/management personnel whom play a critical role in minimizing the State's risk. It is for this reason that this task force recommends the Proposed FTEs for the East Region be increased to 13.

TOTAL PROPOSED FTEs BY DISTRICT FOR EACH REGION

NORTH	FTE		EAST	FTE		SOUTH	FTE		WEST	FTE
Fort Worth	5		Houston	11		San Antonio	8		Lubbock	4
Dallas	8		Bryan	0		Austin	1		El Paso	5
Atlanta	0		Beaumont	1		Corpus Christi	1		Abilene	0
Paris	0		Lufkin	1		Laredo	1		Childress	0
Tyler	1					Pharr	1		Odessa	0
Brownwood	0					Yoakum	0		San Angelo	0

Waco	1								Amarillo	0
Wichita Falls	0									
TOTAL	**15**		**TOTAL**	**13**		**TOTAL**	**12**		**TOTAL**	**9**

9.2 STAFFING METHODOLOGY

Refer to *Exhibit G, "State-wide FTE Allocation"* for calculations.

			STATE-WIDE FTE ALLOCATION												
		2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	
Letting in $ Bill		2.707	4.014	3.991	$4.56	$5.35	$3.83	$2.80	$2.56	2.56	2.56	2.56	2.56	2.56	
No. of Contracts		1597	1545	1688	1,709	1,800	2088	1,929	1,536	1,408	1,221	1,221	1,221	1,221	
(Historic Avg.)	>>	1765													
Production Ratio		589.95	384.90	422.95	374.62	336.26	545.88	688.93	600.00	550.00	477.00	477.00	477.00	477.00	<<<Stabilize at historic avg.
(Historic Avg.)	>>	477.64													
Production Based FTEs	>>	>>	>>	>>	>>	>>	69	69	**61**	**56**	**49**	**49**	**49**	**49**	
Contr Value in $ Bill		1.165	1.478	1.87	$2.04	$2.67	$2.82	$2.29	$1.92	$1.66	$1.38	$1.38	$1.38	$1.38	
(Historic Avg.)	>>	2.047													
Value Ratio		0.43037	0.36821	0.46855	0.44673	0.49785	0.73804	0.81786	0.75	0.65	0.54	0.54	.54	0.54	<<<Stabilize at historic avg.
(Historic Avg.)	>>	0.538230449													
Value Based FTEs	>>	>>	>>	>>	>>	>>	69	69	**65**	**56**	**47**	**47**	**47**	**47**	
								<<<<Existing	Projected >>>>						
		REGIONAL FTE ALLOCATION :													
	Document Production & Admin & Supervisory & Close-Out														
NORTH		20	17	15	15	15	15								
EAST		16	14	13	13	13	13								
SOUTH		16	14	12	12	12	12								
WEST		11	10	9	9	9	9								
		63	55	49	49	49	49								

APPENDIX: GLOSSARY OF TERMS

AASHTO -- American Association of State Highway and Transportation Officials.

Administrative qualification--A department process conducted to determine if a prime provider or sub-provider can:
(A) support all the various rates proposed to do the work;
(B) have an indirect cost rate audit that meets department requirements;
(C) have a job cost accounting system adequate for segregating direct and indirect costs; and
(D) is aware of federal cost eligibility and documentation requirements.

Audit Office--An office of the department whose internal function conducts independent and objective reviews of departmental operations and procedures to ensure that they are functioning as intended and whose external function has the responsibility to audit cost reimbursement/negotiated contracts external to the department including review of indirect cost rate data.

Available personnel--The total number of personnel employed by the provider proposed to be used on the advertised contract

CCIS --Consultant Certification Information System.

Close out--The actions required to close out or complete the contract, including receipt and acceptance of deliverables, resolution of audit findings, receipt of outside approvals if applicable, resolution of other contract-related issues, and issuance of final payment.

Code Chart -- A list of standard codes used in the automated system to describe department activities.

Consultant selection team (CST)--The department's managing office team that selects the long list and short list and evaluates proposals and interviews.

DART – Dallas Area Rapid Transit authority

Disadvantaged business enterprise (DBE)--Any business certified by the department in accordance with 49 CFR Part 26.

DBE/HUB goal participation--The participation goal for DBE/HUB providers expressed as a percentage of the total cost of the contract.

Debarment certification--A certification that the provider and its principals are not debarred from participation and not under consideration for debarment anywhere, and are eligible to perform the contract.

Department--The Texas Department of Transportation.

Department project manager--The department employee designated as the official contact for management of the contract and all correspondence between the department and the provider.

Design Division--The department division responsible for the preliminary stage of each project's development, and continue through the detailed design stages to the completion of plans, specifications and estimates up to release for construction bidding.

DES-CCO -- Design Division, Consultant Contract Office, the department division office responsible for overseeing the contracting procedures for professional services, including engineering, architectural, and surveying services.

FHWA--The Federal Highway Administration

FIMS – Financial Information Management System, managed by the Finance Division, is the
department's accounting system. FIMS is made up of approximately 35 segments and 700 programs.

FTE – Full Time Equivalent to determine an employee work production capabilities. This is based on a 40 hour work week.

General Services Division – The department division responsible for providing the essential services to support the core functions of TxDOT.

GSD-CSS – General Services Division, Contract Services Section, the department division office responsible for providing support, guidance and resources for all department contracting activities.

Good faith effort--A provider must demonstrate to the department's satisfaction that sufficient effort on its part was made to obtain DBE/HUB participation.

Historically underutilized business (HUB)--Any business so certified by the Texas Building and Procurement Commission.

HCTRA –Harris County Toll Road Authority, a tolling authority located in Harris County.

IT –Information Technology

Indefinite deliverable contract--A contract containing a general scope of services that identifies the types of work that will be later required under work authorizations, but does not identify deliverables, locations, or timing in sufficient detail to define the provider's responsibilities under the contract.

Interview and Contract Guide (ICG)--An instructional document furnished to providers on the short list when a Request for Proposals is not used.

Letter of Interest (LOI)--A letter from a prime provider to be prepared and submitted in response to and according to instructions in a Notice of Intent.

Licensed state land surveyor--A professional land surveyor described in Occupations Code, Chapter 1071.

Long list--The list of qualified providers submitting an acceptable letter of interest for a contract.

Lower tier debarment certification --A debarment certification form that is completed by sub-providers or other lower tier participants.

Lower tier participant--A sub-provider or other participant in the contract, other than the state, that is not the prime provider.

Managing office--The division, office, or district with the responsibility for awarding and managing the contract.

Managing officer--The division director, office director, or district engineer of the managing office.

Metropolitan district--One of the geographical areas of the department managed by a district engineer that is headquartered in Austin, Corpus Christi, Lubbock, Dallas, El Paso, Fort Worth, Houston, Pharr, or San Antonio.

NCTCOG – North Central Texas Council of Governments

NTTA – North Texas Tolling Authority is a tolling authority in the Dallas Area.

Notice of Intent (NOI) --Formal notice of the department's intent to enter into one or more professional service contracts with instructions or reference to instructions for preparation and submittal of a Letter of Interest.

Pre-certification --A review process conducted by the department to determine if a prime provider or sub-provider meets the minimum technical requirements to perform work identified in a work category.

Prime provider--The provider awarded a department provider contract.

Professional engineer--An individual licensed to practice engineering in the state or states that he or she performs professional services.

Professional services provider (provider)--An individual or entity that provides engineering, architectural, or surveying services.

ROW – Right of Way

Registered architect--An individual licensed to practice architecture in the state or states that he or she performs professional services.

Registered professional land surveyor--An individual licensed to perform land surveying in the state or states that he or she performs professional services.

Request for proposal (RFP)--A request for submittal of a technical proposal from a provider that demonstrates competence and qualifications to perform the requested services, and shows an understanding of the specific contract.

Relative importance factor (RIF)--The numerical weight of each evaluation criterion as it relates to a particular contract.

Short List--The list of providers from the long list, selected by the CST, that best meet the requirements indicated by the letter of interest.

Short list meeting--A meeting held with the providers on the short list to answer questions regarding the contract and distribute the RFP or ICG prior to submittal of proposals or interviews.

Specific deliverable contract--A contract containing a specific scope of services that identifies deliverables, locations, and timing in sufficient detail to define the provider's responsibilities under the contract, although additional particulars may later be enumerated in work authorizations.

Strategy 111 – the department’s assigned specific 3 digit code listed on code chart 81 that is assigned to track budget and expenditures for the professional services appropriation authority.

Sub-provider--A provider proposing to perform work through a contractual agreement with the prime provider.

TSD – Technology Services Division, is a department division responsible to develop, maintain, manage and enforce the department’s and State of Texas IT policies, standards and procedures

Team--The provider and all proposed sub-providers who will be working on a particular contract.

UTP – The Texas Transportation Commission and the department use the Unified Transportation Program as a 10-year plan to guide transportation project development and construction.

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

CORRIDOR PLANNING & SCHEMATICS

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: PAUL FRERICH – CHAIR; JOSEPH CARRIZALES, JERRY CASH, CHARLES CONRAD, STEVE EKSTROM, JIM HEACOCK

VERSION:

DATE: 11/04/2008

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 4

2 SOURCE DOCUMENTS AND INFORMATION 5

3 CONSTRAINTS 6
3.1 Implementation Constraints 6
3.2 Operating Constraints in a Regional Concept 7

4 RISK MANAGEMENT 8
4.1 Risks 8
4.2 Projected Impacts if Not Resolved 8
4.3 Mitigation Strategies 9

5 PRIMARY DUTIES 10
5.1 RSC, Division, and District Duties 10
5.1.1 RSC Duties 10
5.1.2 Division Duties 10
5.1.3 District Duties 10
5.2 RSC Duties in Order of Importance 11
5.3 Duties that may be Outsourced, Combined, or Eliminated 11

6 DETAILED PROCESSES 12
6.1 Overview of Function Processes in a Regional Concept 12
6.2 Coordination and Communication of Processes 12
6.3 Detailed Processes and Procedures 13

7 CHANGES RECOMMENDED 14
7.1 Changes Recommended 14
7.2 Steps To Achieve Changes 14

8 MEASURING SUCCESS 15
8.1 Success Metrics (Measures) 15

9 STAFFING RECOMMENDATION 16
9.1 Staffing recommendation 16
9.2 Staffing methodology 16

APPENDIX: GLOSSARY OF TERMS 18

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

Currently, the planning, programming and preliminary design functions are developed at each District Office. These functions are the first steps in developing all projects. These steps also vary depending on project size and funding type. Two key tasks within the functions of planning, programming and preliminary design include corridor studies and preliminary schematic design. These two tasks can take many years to complete, with a great deal of public involvement. This work is done by Advanced Project Development Sections, Planning Sections, District Design Sections, Central Design Sections or Area Offices. In some cases, these are the only functions that these district sections perform. While for smaller Districts, these functions are only a small part of a section's everyday duties.

1.1.2 Purpose in a Regional Concept

In an effort to facilitate a focused effort in corridor studies and preliminary schematic design, these key tasks can be developed at a Regional level. This would allow Districts with limited staff to focus on project delivery. For larger Districts that have staff to develop such projects, the Region would augment the District staff when needed. Since some offices in smaller Districts do not routinely work on corridor studies and preliminary schematic designs, those offices may not be familiar with new design guidelines. Therefore, this also ensures that TxDOT staff is up-to-date with applicable design guidelines.

1.2 CORE DUTIES

1.2.1 Current Duties

- Provide long range planning of major corridor projects in the Districts.
- Develop schematics.
- Ensure that schematics are developed in accordance with applicable design guidelines.
- Coordinate with local entities during development to address local needs and conduct public involvement.

1.2.2 Duties in a Regional Concept

- Provide corridor studies for Districts without available staff, and approve corridor studies for Districts with available resources.
- Develop schematics for Districts without available staff, and approve schematics for Districts with available resources.
- Ensure that schematics are developed in accordance with applicable design guidelines.
- Coordinate with local entities during development to address local needs and conduct public involvement.

2 SOURCE DOCUMENTS AND INFORMATION

- **2009-2019 funding levels MO 111335.** Used to determine TxDOT work load.
- **Project Development Process Manual.** Used to determine primary duties.
- **Polling of TPD for current staffing levels on schematic.** Used to determine work load.
- **Working Group knowledge of current procedures.** Used to determine primary duties.
- **Guidance from Mary Meyland and Mario Medina**
- **Phone interviews with TPDs.** Used to determine staffing needs.
- **Business Job Descriptions.** Used to determine staffing needs.
- **Suggested Design Staffing & Organizational Structure memo (6/5/08).** Used to determine staffing needs.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **There may be issues with transferring an existing project to the Regional office since some projects have been under development for many years with outstanding design and corridor issues**. In addition, the public may be wary of TxDOT staff located in another city being able to understand their local issues.
- **Ensuring that projects are developed in accordance with local, state and federal guidelines.** Adding the Regional office to the process will require that the Project Development Process manual be changed to incorporate this new office.
- **Employee resistance.** Those employees who see the current process as the best way to develop a project may see changing the process as illogical. These employees may be hesitant to buy into a regional concept.
- **Available funding.** At a time when funds are constrained, TxDOT will be required to fund the development of new sections including staff, offices, automation equipment, and supplies. Consequently, additional funds will be needed to develop Regional offices. Current funds being used by District may also be available; however, it may be difficult to ascertain current funding levels for offices that handle multiple duties including corridor studies and preliminary schematic design.
- **Lack of understanding by local agencies.** Changing the current process will require that local agencies (e.g., Metropolitan Planning Organizations, etc.) be educated on the new TxDOT structure and process.
- **Many employees choose a position based on the location of the job.** The Regional concept may change the location where corridor studies and preliminary schematic designs take place. Although the use of virtual offices will allow some staff to remain in their current locations, this is more difficult for supervisors. This could mean a lack of qualified Supervisors willing to relocate to Regional offices in another city. Also, since the Regional Offices are located in larger Districts and these offices will continue to provide corridor planning and schematic services, supervisors may not desire to move to the Regional level.
- **Finding office space.** Since the larger districts will still be allowed to retain staff for corridor studies and preliminary schematic design, more room will be needed to house the additional staff for the Region.
- **District Ownership Transfer.** Districts have a stake in projects that traverse their geographical area which will require a good deal of communication between the Regions and multiple districts. .

- **Bringing regional staff up to speed.** Some projects have been under development for many years with a lot of design and corridor issues. Regional Staff will need to be educated on these local requirements and issues.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **Travel funding**. Travel will need to increase because project managers will oftentimes be located farther away from the project sites. This will lead to increased funding levels for travel to meetings outside Regional centers (e.g., travel from Lubbock to El Paso for Metropolitan Planning Organization Meetings, etc.)
- **Lack of knowledge of local agencies and issues.** Project managers must understand the key stakeholders and their issues. Developing local awareness may be more difficult due the Regional office being located in another city.
- **Issues regarding responsibility.** Since corridor projects that traverse several districts will have multiple TxDOT stakeholders, the Regional Support Centers must communicate clearly with the districts to insure success. While corridors are a regional responsibility, districts have a stake in positive outcomes.

4 RISK MANAGEMENT

4.1 RISKS

1) Increased review time of Schematic layouts resulting from both District and Regional office review of all schematics prior to submission to the Design Division and the Federal Highway Administration (FHWA).
2) Reduction in effective communication between the District offices, general public, project stakeholders and elected officials due to confusion over the hierarchy of the Regional and District office staff.
3) Reduction in effective public involvement during Corridor Studies conducted through the Regional office because of lack of local knowledge.
4) Lack of local buy-in of results of Corridor Studies and Schematic layouts developed by a Regional office located hundreds of miles from the project site.
5) Lack of communication of issues between Region and Districts. Key issues are determined in the planning process in the region and must be carried forward to the district.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

6) Increased review time of Schematic layouts could result in delay in the project development process.
7) Reduction in effective communication between the District offices, general public, project stakeholders and elected officials could erode relationships required for efficient project development.
8) Reduction in effective public involvement during Corridor Studies could result in diminished public trust and inadequate public involvement. If local governments are not fully informed of potential projects, development plats could be approved that could increase right-of-way costs.
9) Lack of local buy-in of results of Corridor studies and Schematic layouts developed by a Regional office, located hundreds of miles from the project site, could result in project delays and public mistrust.
10) Lack of communication of issues could result in possible non-compliance with promises made in the planning level being followed through at the construction stage.

4.3 MITIGATION STRATEGIES

11) Increased review time of Schematic layouts could be reduced if periodic schematic reviews are conducted as the schematic is being developed (i.e., interim reviews at 60% and 90% complete).

12) Effective communication between the District offices, general public, project stakeholders and elected officials could be maintained as long as the District office remains the sole point of communication.

13) Effective public involvement during Corridor Studies could be accomplished if the local District staff members are included as advisors in the Corridor Studies.

14) Local buy-in of results of corridor studies and schematic layouts developed by a Regional office could be accomplished if they are developed with input from local District staff.

15) Communication of key issues determined in the planning process could be accomplished if there is a single point-of-contact between the Regional office and the District staff.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Develop corridor studies in-house and/or using consultants.
- Work with partners to guide them through the TxDOT planning process.
- Be responsible for tracking projects through the planning process.
- Coordinate projects across District and Regional lines for consistency.
- Conduct technical workgroup meetings for corridor studies.
- Manage/track schematic work load within the Region.
- Develop schematics in-house and/or use consultants, when District staff is not available.
- Review and submit schematics to DES for further processing.

5.1.2 Division Duties

- Provide mapping and/or Digital Terrain Models as needed.
- Provide traffic forecasting as needed.
- Review, approve and submit schematics to FHWA when required.
- Provide support when requested by the Region (traffic analysis, agreements, railroad right of entry, aerial photography, and/or multimodal issues).

5.1.3 District Duties

- Develop corridor studies in-house and/or use consultants when regional staff is not available.
- Provide information and guidance to RSC for corridor studies.
- Maintain involvement in corridor planning when done by others.
- Facilitate local public involvement.
- Review all corridor plans.
- Allocate Full Time Employees (FTEs) to assist with corridor projects for the development of schematics.
- Develop schematics in house and/or using consultants.
- Maintain involvement in schematic development when done by others.

- Review all schematics.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Develop corridor studies in-house and/or use consultants.
2) Develop, review and submit schematics in-house and/or use consultants.
3) Coordinate projects with partners and technical workgroups.
4) Manage/track project progress.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- Corridor studies when TxDOT staff is not available.
- Schematic designs when TxDOT staff is not available.

Combined

- Move planning and preliminary design for corridor study and schematic design responsibilities from multiple Districts to the RSC.

Eliminated

- None

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Manage corridor studies and schematic development.
- Guide corridor projects from concept through schematic development.
- Guide development of schematics that are not within a corridor.
- Manage consultant contracts.
- Ensure commitments of corridor plan are implemented in the schematics.
- Ensure commitments of schematics are implemented in the construction.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

Administration – Administration will concur with the need for corridor studies.

Districts – Districts will request corridor studies and schematic development projects, provide local knowledge of projects, provide primary contact with local officials, and provide coordination during the development of corridor studies and schematic development.

RSC – The RSC will provide assistance with transportation partners and local entities in communicating the project development process, as well as develops plans/processes for public involvement of corridors and schematics, when district staff is not available.

RSC Section Supervisor – The RSC Section Supervisor will coordinate with Districts and Divisions in the development of corridor studies and schematic development.

RSC Corridor Team – The RSC Corridor Team will be responsible for the development of the corridor studies, when district staff is not available. The team will obtain input from local entities, coordinate with MPO/RPO, obtain traffic data, and prepare AFA.

RSC Schematic Team – The RSC Schematic Team will be responsible for the development of the schematics, when district staff is not available. The team will conduct design concept conference, obtain existing utility locations, obtain necessary mapping, assist with public involvement, railroad coordination, and participate in VE study.

Divisions – Design will provide review and approval of schematics and coordination with FHWA. Traffic will provide preliminary corridor traffic analysis, draft schematic analysis and final schematic analysis, as well as review, comments, and approval of large guide signs on schematics.

6.3 DETAILED PROCESSES AND PROCEDURES

Corridor studies and schematic design will be requested from the Districts, with concurrence from Administration. The RSC will be responsible for the planning preliminary design and development of the corridor studies and schematics, when District staff is not available.

The Districts will be actively involved during the entire development process, including stakeholder and public involvement. Divisions will review, comment and approve the final schematics.

Planning

The District begins the process by identifying the project's goals and how these goals will be achieved (need and scope). The District then makes a formal request (project authorization) to work on the project followed by identifying how the project will be funded (funding identification), and must then validate the project is part of the local, regional and statewide plans (compliance and planning requirements). The Region then will determine if the project meets regional, state and federal requirements (study requirement determination).

Preliminary Design and Development

The Region and District will hold a design concept conference to establish and agree on the fundamental scope, concepts and preliminary design criteria of the project. Data collection and preliminary design preparation will be conducted by the Region to obtain data necessary for making engineering, environmental and right of way decisions related to the project. This phase of development will involve early coordination with stakeholders, as well as assistance from the District. After the preliminary design preparation, the Region and District will conduct public meetings to present the proposed project to the public for their review and comments. Based on comments received at the public meetings and District input, the Region will refine the design of the project. If the project requires control of access or is upgraded to an Environmental Impact Statement level document, the Region may develop a geometric schematic and/or perform a value engineering analysis. The schematic will be used in the public hearing which is the final proposed design prior to receiving environmental clearance for the project. If there are any comments from the public hearing, the Region will refine the design and submit to Division for geometric schematic approval.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

The following changes are recommended to facilitate a focused effort in corridor studies and preliminary schematic design at a regional level. This would allow Districts with limited staff to focus on project delivery. For larger Districts that have staff to develop such projects, the Region would augment the District staff when needed.

- Move Corridor Study responsibilities from Districts to RSC. This will provide consistency for corridor studies within a region.
- At the request of the District, the RSC will develop schematics. This will facilitate schematic development for Districts with that have insufficient staff.
- Allow either RSC or Districts to develop schematics. This will provide flexibility for Districts with overloaded schematic staff to shift some work to RSC.
- Provide consistencies within corridors that cross District boundaries. This will provide the Districts the information needed to plan for future improvements for corridors located in multiple District jurisdictions.
- Incorporate the RSC duties in current manuals. This will provide guidance and procedure for the Districts, Divisions and Regions.

7.2 STEPS TO ACHIEVE CHANGES

- Develop a line of communication between the Districts and the Region to assign responsibility for corridor studies and schematic designs.
- Develop procedures to ensure that the District's input is included as the RSC conducts corridor studies.
- Amend current Division manuals to include RSC duties.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

Measuring the effects of regionalization on the success of work related to Corridor Planning and Schematic Design will be difficult. The inherent nature and general uncertainty involved in this type of work make the direct comparison of projects impossible. Each project will have its unique set of physical, operational and political issues and constraints. This “uniqueness” of project scope will make direct metrics such as study duration and study cost unsuitable for comparison. However, there are some metrics that may be able to be developed that can be used to measure the success of regionalization on the Corridor Planning and Schematic Design efforts by the Department.

Success of Corridor Planning could be measured by:

- An increase in the number of stakeholder meetings.
- An increase in the number of participants in Public Meetings.
- Adoption of Corridor Plans by Regional Planning Authorities.

Success of Schematic Design could be measured by:

- A reduction in number of revisions required by DES and FHWA.
- A reduced turn around time for review by DES and FHWA.
- Number of revisions required by PS&E.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

As touched upon in the main purpose, the Regional concept was developed to provide assistance to smaller Districts that lacked the staff to develop corridor studies and preliminary design schematics. It also ensured that TxDOT staffs were up-to-date on applicable design guidelines. Consequently, a reduction in staff was not the goal of this process. For this reason, we have not purposely developed a comparison of FTEs for the existing and Regional model. This will also allow each District to determine if it would like to reserve FTEs for corridor studies and preliminary schematic designs.

The Regional Support Center staff will comprise of 7 staff members:

- Corridor Planning and Schematic Section Supervisor
    - 1-Transportation Engineering Supervisor IV-E306-B18A

- Corridor Planning and Schematic Section Teams (3 two member teams) made up of (one team will develop corridor studies and two teams will develop schematics):
    - 1-Transportation Engineer IV – E228-B16
    - 1-Transportation Specialist II – E057-B13

These positions will be competitively posted and filled.

Total of 7 FTEs per RSC

Large Districts would continue to have staff working on corridor planning and schematics as they see fit.

9.2 STAFFING METHODOLOGY

Currently there are approximately 48 FTEs working on corridor planning and schematics throughout the state.

In the development of schematics, we looked at the 2009-2019 Unified Transportation Program (UTP), a 10-year program that predicts projects and funding. This Program estimated that we would build approximately $510 million per year in construction projects. We determined that, at a minimum, each design team needs to have two employees. Based on a production rate of $15 million per person per year, each team could produce $30 million per year. Each Region would have two teams; or eight teams

statewide. With eight teams statewide, those employees could produce $240 million per year; or roughly 47% of the $510 million programmed. The remaining $270 million would be developed by District staff or contracted by consultants.

Additional comments on staffing

- These teams may be virtual, but both team members need to be located in the same location. The three teams may be in different locations at the discretion of the Corridor Planning and Schematic Section Supervisor.
- This setup will allow a team to carry a project from corridor study through schematic completion.
- The reason for schematic work remaining in District is the majority of work will be done in large Districts with staff that have knowledge of local agencies and local issues. These District staff will need to work with environmental staff conducting the environmental document.
- However, developing a team to prepare schematics in the Region will allow the Region to aid Districts without the schematic design staff. When small Districts do not need assistance, the Regional schematic team can help develop schematics for the large District in which they are housed.
- We eventually see the RSC providing approval for schematics and coordination with FHWA.
- The Corridor Planning and Schematic Section Supervisor could also handle other sections within the Region (ex. MPO/RPO and Design Resources).

APPENDIX: GLOSSARY OF TERMS

Advance Funding Agreements

AFA

AFA is a financial agreement between local agencies or third parties for the appropriate percentage of funding in the administration, design, and construction of a project.

Corridor Studies

Corridor studies involve long range plans for proposed transportation projects.

Metropolitan Planning Organization/Regional Planning Organization

MPO/RPO

MPO is responsible for planning of cities over 50,000 in population. RPO is responsible for planning in the rural areas outside the MPO boundary.

Schematics

Schematics are a geometric design of a proposed roadway in order to provide the basic information necessary to properly develop a project. Schematics are used in public involvement to show the public and stakeholder the intended design of a roadway, determine environment impacts, and determine right of way acquisition.

Value Engineering Study

VE Study

Value Engineering Study is an analysis of a design to provide the necessary functional reliability at the least overall costs.

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

ENVIRONMENTAL

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: RANDY HOPMANN – CHAIR, MARY PEREZ (ENV) AND VALERIE COLLINS (SAT) – CO-CHAIRS, DAN PERGE (DAL), MIKE RHODES (WAC), SUE THEISS (HOU), RICK HOPKINS (ODA), MARY TELLES-GOINS (ELP)

VERSION:

DATE: 11/4/2008

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 3

2 SOURCE DOCUMENTS AND INFORMATION 4

3 CONSTRAINTS 5
3.1 Implementation Constraints 5
3.2 Operating Constraints in a Regional Concept 5

4 RISK MANAGEMENT 6
4.1 Risks 6
4.2 Projected Impacts if Not Resolved 6
4.3 Mitigation Strategies 6

5 PRIMARY DUTIES 7
5.1 RSC, Division, and District Duties 7
5.1.1 RSC Duties 7
5.1.2 Division Duties 7
5.1.3 District Duties 7
5.2 RSC Duties in Order of Importance 8
5.3 Duties that may be Outsourced, Combined, or Eliminated 8

6 DETAILED PROCESSES 9
6.1 Overview of Function Processes in a Regional Concept 9
6.2 Coordination and Communication of Processes 9
6.3 Detailed Processes and Procedures 9

7 CHANGES RECOMMENDED 10
7.1 Changes Recommended 10
7.2 Steps To Achieve Changes 10

8 MEASURING SUCCESS 11
8.1 Success Metrics (Measures) 11

9 STAFFING RECOMMENDATION 12
9.1 Staffing recommendation 12
9.2 Staffing methodology 12

APPENDIX: GLOSSARY OF TERMS 13

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

Implementation of the Regional Environmental Centers for Excellence, as approved by the Executive Director, began on October 20, 2008. As a result, the current purpose and purpose in the Regional concept are the same.

1.1.2 Purpose in a Regional Concept

Regionalization of this function focuses on the approval process for Programmatic Categorical Exclusions (PCEs). Regionalization is streamlining the National Environmental Policy Act (NEPA) process for the majority (90 percent) of TxDOT projects by allowing decision-making to occur at the most local level, the Districts. In this way, projects are reviewed by a single Regional coordinator rather than as many as 8 individual specialists at the Environmental Affairs Division (ENV). The final project-specific quality assurance review/approval would occur at the Regional level.

1.2 CORE DUTIES

1.2.1 Current Duties

Current duties are the same as duties in a Regional concept. See Section 1.2.2 below.

1.2.2 Duties in a Regional Concept

- Districts prepare and approve their own PCE documents.
- Regional Service Centers ensure that PCE documents meet established standards.
- Regional Service Centers facilitate the sharing of personnel resources in the Region and between Regions.
- The Environmental Division signs Letters of Authority and performs Environmental Compliance Reviews.

2 SOURCE DOCUMENTS AND INFORMATION

- **Environmental Affairs Division's Environmental Tracking System (ETS).** Historical data was collected from ETS to determine the number of PCE documents approved for each district for FY 05-FY 07.
- **Florida Transportation Commission website, Annual Performance and Production Review of the Department of Transportation Fiscal Year 2006/07.** The workgroup reviewed how Florida reports performance to the public. The workgroup reviewed this source in the process of developing performance measures for the PCE program.
- **North Carolina website.** The workgroup consulted the North Carolina Department of Transportation website to review how performance is reported to the public. The workgroup reviewed this source in the process of developing performance measures for the PCE program.
- **TxDOT Human Resources Division (HRD).** HRD was consulted to determine the number of FTEs that perform environmental functions in the districts.
- **TxDOT Districts.** Each District was queried to determine the number of FTEs that perform environmental duties and to identify areas of technical expertise.
- **District Environmental Personnel and PCE Production per Region.** This is a spreadsheet that consolidated information collected from Districts, ETS and FTE data from HRD by district. This information was used to determine potential workload for PCE review and necessary staffing levels.
- **Proposed Roles and Responsibilities**. This is an 11-page document that identifies proposed roles and responsibilities by District, Regional Environmental Centers, Environmental Affairs Division, and Federal Highway Administration (FHWA), for the operational implementation of the Regional Environmental Centers program.
- **Standards of Uniformity (SOUs).** This is a collection of stand-alone documents that define the minimum requirements for each element of a work product. The workgroup reviewed the SOUs to structure the methods under which PCE documents would be prepared, submitted and reviewed.
- **Standard Operating Procedures.** This is a collection of procedures that detail how Districts, Regional Environmental Centers, Environmental Affairs Division and FHWA will function upon operational implementation.
- **Customer Service Questionnaire Regional Environmental Center.** This is a questionnaire developed by the workgroup to "gauge" customer satisfaction with the new PCE process.
- **Regional Environmental Centers: PCE Determination**. Flowchart of the Regional concept for PCE documents.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

The RSC concept is in place and has been fully implemented in practice. However, District environmental staff members are currently serving as Interim Regional Environmental Coordinators (RECs). These RECs are dividing their work responsibilities between their District environmental duties and Regional PCE review. This division of duties has been a constraint by limiting the amount of time the RECs have to spend on both sets of duties.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **Prioritization and sharing of workload will continue to be a constraint until permanent Regional Managers are in place and permanent RECs have been hired.**
- **Sharing in-house resources could be a constraint if staff is not properly trained to perform certain tasks outside their area of the state.** Staff in one part of the state qualified to conduct wetland delineations, habitat assessments and wildlife surveys, etc. may not be qualified to perform those same tasks in another region of the state.
- **Travel budget may be a constraint if staff must travel long distances to other Districts/Regions on multiple occasions to collect field information, participate in public involvement, etc.**

4 RISK MANAGEMENT

4.1 RISKS

1) Not filling the REC positions with permanent employees. Project delivery could be affected if one or more RECs are ill, on vacation, or working on higher priority projects, or if one or more of the interim coordinators were to leave TxDOT employment.
2) Not identifying backups for each interim REC.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1) This risk could result in delays such as missed lettings associated with the processing of PCE documents.
2) The lack of providing backup for the REC positions could be an operational risk. Again, this program became operational prior to a RSC organization structure being established. This risk could result in delays associated with the processing of PCE documents.

4.3 MITIGATION STRATEGIES

- Filling the REC positions with permanent employees as quickly as possible and providing an interim or permanent structure that would provide backup for each of the Regional Environmental Coordinators would mitigate these risks.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Review PCE documents for compliance with Standards of Uniformity (SOUs) and FHWA/TxDOT Programmatic Agreement.
- Certify PCE documents.
- Coordinate the sharing of resources both in the Region and between Regions.
- Serve as a resource to the Districts by answering questions, providing guidance and otherwise directing the methods for PCE preparation.

5.1.2 Division Duties

- Administer the PCE program.
- Maintain Standards of Uniformity, including revisions and development of new standards as needed.
- Provide training to Districts on environmental issues.
- Provide policy and procedures on environmental issues.
- Conduct Environmental Compliance Reviews of the PCE decentralization program.
- Provide technical services on a variety of social, economic and environmental issues to Districts.
- Maintain Scientific and Professional Service Contracts for District use and provide support.
- Coordinate with FHWA on requests for exceptions to the PCE agreement.
- Provide letting approval.
- Provide interagency coordination with state and federal environmental resource agencies.

5.1.3 District Duties

- Use the SOUs to prepare and perform quality control check and certify PCE documents.
- Responsible for the accuracy of the document content.
- Perform or request all necessary surveys.

- Perform or request resource agency coordination.
- Conduct public involvement.
- Complete delegated Environmental Tracking System (ETS) entries.
- Perform technical requirements as per District/ENV Continuous Improvement Agreements.
- Request exceptions to SOUs and the TxDOT/Federal Highway Administration Programmatic Agreement.
- Maintain official project file.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Review PCE documents for compliance with SOUs and FHWA/TxDOT Programmatic Agreement.
2) Certify PCE documents.
3) Coordinate the sharing of resources both in the Region and between Regions.
4) Serve as a resource to the Districts.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- PCE Document review and processing.
- PCE Document preparation.
- Technical services (biological evaluations, noises analyses, wetland delineations etc.).

Combined

- The current program for reviewing completed PCEs through a regional center has combined the efforts of as many as 8 individual reviewers (for biology, water, air, noise, socio-economic, hazardous-materials, archeology, and historical structures) into review by one person. Technical experts at ENV are now able to focus on helping Districts complete the studies that support the PCE decision and conducting resource agency coordination rather than reviewing the PCE document. Review and approval of completed PCEs has been reduced from weeks to days.

Eliminated

- Districts that demonstrate regular compliance with the PCE approval process could possibly self-certify their own PCEs and eliminate the requirement for review at the RSC.

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Submit PCE/Re-evaluation/Continuous Activity Documents for Processing.
- Request FHWA Exceptions.
- Review Technical Reports.
- Requests Technical Services.
- Train to Support PCE Determinations to RECs.
- Implement Performance Measures.
- Perform Environmental Compliance Review.
- Maintain File Records.
- Implement Conflict Procedures.
- Complete Required ETS Entry Procedures.
- Maintain Regional Environmental Center Project Tracking Log.
- Facilitate Resource Sharing in REC and Between RECs.
- Request Exceptions to SOUs.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

The functional processes in Section 6.1 above have been coordinated and communicated in the Standard Operating Procedures (SOPs) developed for the PCE Determination Process.

6.3 DETAILED PROCESSES AND PROCEDURES

The functional processes in Section 6.1 above have been coordinated and communicated in the Standard Operating Procedures (SOPs) developed for the PCE Determination Process.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- More interaction between the Regional managers and the RECs as the development of the Regional model continues.
- Provide information system tools to facilitate the program. This would include an Electronic Data Management System (EDMS) to prepare, coordinate and transfer PCE documents. In addition, substantial improvements to the Environmental Tracking System are needed to fully implement this and other programs.
- Since the project is ongoing, any changes will not occur until after the first environmental compliance review. This may entail revising the Standards of Uniformity (SOUs). Minor changes to the SOUs are anticipated in January 2009. At this point however, no other changes can be predicted.

7.2 STEPS TO ACHIEVE CHANGES

- TxDOT needs to fully implement the RSC. This involves finalizing the workgroup plans, setting up the permanent RSCs and hiring full-time REC staff. There are multiple workgroup support tasks such as setting up EDMS as mentioned above that should be completed to fully implement the permanent changes.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

Project level success. Project level success will be measured by the following performance measures:

- turnaround time for REC review of PCE document
- total time for PCE approval
- completeness of ETS entries

Program level success. Program level success will be measured by the following performance measures:

- compliance with SOUs and Programmatic Agreement
- percentage of documents with 100% compliance with the Programmatic Agreement
- savings associated with resource sharing
- number of document revisions

Customer satisfaction. A survey to gauge satisfaction of district environmental personnel will be an internal performance measure.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

The workgroup recommends that each Regional Service Center should employ two Regional Environmental Coordinators (RECs) These positions will be competitively posted and filled.

9.2 STAFFING METHODOLOGY

Using the proposed RSC boundaries, environmental resources and the number of PCE documents cleared were totaled by Region for fiscal years 2005 to 2007 using historical data. The workgroup cautions that this is a very cursory survey of the Districts and that information was not verified for this report. This information may be helpful in projecting the potential future number of PCE documents that may be submitted by Region based on historical numbers of PCE documents cleared and the staffing level that may be needed to support the RECs.

Number of PCEs Produced by Region for Fiscal Year 2005-2007				
Region	FY 2005	FY 2006	FY 2007	Avg.
North	264	227	188	226
South	119	203	192	171
East	81	212	146	146
West	75	75	62	71
Total	539	717	588	615

If 615 PCEs per year (see chart above) were evenly distributed among the four Regions, each Region would receive approximately 13 PCEs to review per month. It is likely that two RECs at each RSC could handle this workload as well as the duties of resource sharing and training around the state.

NOTE: If this PCE program were expanded to include review and processing of higher level NEPA documents (CEs, EAs, EISs) additional staffing would be necessary.

APPENDIX: GLOSSARY OF TERMS

23 CFR 771: FHWAs regulations to comply with the National Environmental Policy Act.

Categorical Exclusions (CE): Projects which do not have significant social, economic and environmental impacts. CEs are defined in 23 CFR 771.117.

Electronic Data Management System (EDMS): Data management system allowing for statewide transfer of documents and files.

Environmental Affairs Division (ENV): The Division of TxDOT headquarters that is responsible for central coordination and oversight of the environmental program.

Environmental Compliance Review (ECR): Review of randomly sampled projects to ensure that Standards of Uniformity and filing requirements are met.

Environmental Tracking System (ETS): The TxDOT computer database by which environmental project data is organized.

FHWA-TxDOT Programmatic Agreement (FHWA-TxDOT PA): The agreement (signed in 2004) between FHWA and TxDOT allowing TxDOT to determine whether certain projects are eligible for assignment under the agreement. Projects under this PA are referred to as Programmatic Categorical Exclusions (PCE).

Letter of Authority (LOA): The document approving a project for construction letting.

Memorandum of Understanding (MOU): An agreement between TxDOT and an environmental resource agency on coordination issues.

National Environmental Policy Act (NEPA): The overarching federal environmental law, requiring the systematic analysis of the social, economic and environmental impacts of federal actions.

Performance Measures: Specific quantitative measures by which program success is measured.

Programmatic Categorical Exclusions (PCE): Projects included in a FHWA-TxDOT Programmatic Agreement (FHWA-TxDOT PA), signed in 2004. The agreement allows TxDOT to determine whether certain CEs are eligible for assignment under the agreement. Individual PCEs are not reviewed by FHWA.

Regional Environmental Coordinator (REC): The personnel responsible for certifying PCE documents in each Regional Service Center.

Regional Manager (RM): The personnel responsible for managing each Regional Service Center.

Regional Service Center (RSC): TxDOT's four regional centers to be located in Fort Worth, Houston, Lubbock and San Antonio. The centers will be the focus of a number of functions currently done by Districts.

Standards of Uniformity (SOU): Standards by which PCE documents are prepared and evaluated. There are 15 such standards covering the entire range of social, economic and environmental issues.

Standard Operating Procedures (SOP): The procedures by which the PCE decentralization program is operated. The procedures include roles and responsibilities for the regional centers, ENV, and Districts.

THC: Texas Historical Commission

TPWD: Texas Parks and Wildlife Department

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

FACILITY MANAGEMENT

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: **Mike Bassett (Team Leader) Waco, Glen Campbell – Abilene, Andrew Chavez – Lubbock, Sam Copeland – San Antonio, John Huser – Houston, Tommy Johns - Dallas**

VERSION:

DATE: **11/04/2008**

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 4

2 SOURCE DOCUMENTS AND INFORMATION 5

3 CONSTRAINTS 6
3.1 Implementation Constraints 6
3.2 Operating Constraints in a Regional Concept 6

4 RISK MANAGEMENT 7
4.1 Risks 7
4.2 Projected Impacts if Not Resolved 7
4.3 Mitigation Strategies 7

5 PRIMARY DUTIES 8
5.1 RSC, Division, and District Duties 8
5.1.1 RSC Duties 8
5.1.2 Division Duties 8
5.1.3 District Duties 9
5.2 RSC Duties in Order of Importance 10
5.3 Duties that may be Outsourced, Combined, or Eliminated 11

6 DETAILED PROCESSES 12
6.1 Overview of Function Processes in a Regional Concept 12
6.2 Coordination and Communication of Processes 12
6.3 Detailed Processes and Procedures 13

7 CHANGES RECOMMENDED 19
7.1 Changes Recommended 19
7.2 Steps To Achieve Changes 20

8 MEASURING SUCCESS 21
8.1 Success Metrics (Measures) 21

9 STAFFING RECOMMENDATION 22
9.1 Staffing recommendation 22
9.2 Staffing methodology 22

APPENDIX: GLOSSARY OF TERMS 27

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

The Facility Management function preserves and protects TxDOT's $2 billion investment in buildings and other support structures. This investment consists of approximately 2,800 buildings which comprise over seven million square feet of space. District personnel, with the assistance of contractors, perform preventive maintenance and repair of all facilities. In some Districts the facility personnel will also oversee other functions such as security, telephone systems, various district shops, etc. District personnel also assist with oversight of capital improvement projects which are managed in the Facilities Management Section of the Maintenance Division. District personnel strive to maintain facilities to be safe, functional and presentable to employees and the public.

1.1.2 Purpose in a Regional Concept

Facility Management's purpose in the Regional concept is to continue the preservation and protection of buildings and support structures as safe, functional and presentable to employees and the public. The Regional Support Center (RSC) will assist in the monitoring and oversight of facility design, construction and maintenance. The RSC will assist in providing the necessary tools in the way of resources (plans, programs, processes and budget) needed to manage and maintain District facilities, including preventive and routine maintenance and repairs. Efficiencies will be realized by preventive maintenance (PM) measures being implemented and documented. These measures will also make the process more effective through scheduling of repairs and/or replacement of equipment before expensive repairs are required.

1.2 CORE DUTIES

1.2.1 Current Duties

- Facilities Management Section (FMS) of the Maintenance Division has sole responsibility for all aspects of planning, design and construction of all new facilities.
- FMS manages CIP projects.
- FMS assists Districts with facility issues as needed.
- Districts submit annual capital improvement project (CIP) requests to FMS for consideration.

- Districts attend to routine maintenance, security and building repair matters within their respective Districts.
- Districts oversee trades contracts.
- Districts schedule and coordinate small projects funded by the Districts operating budget (Projects over $25,000 are considered capital improvements and must go through the CIP process).

1.2.2 Duties in a Regional Concept

- Establish standard operating procedures (SOPs).
- Develop and deploy state wide facility PM plan and work order repair process.
- Monitor budget and brief executive management on trend analysis.
- Manage contract administration with the District for RFCs under $300,000.
- Develop, input into data base, and submit regional CIP.
- Develop Master Plans for each facility within the Region.
- Coordinate the development of RFPs for land swaps/building improvements with FMSO and the Districts.
- Ensure consistency of facility improvements and buildings throughout the Region.
- Coordinate space management utilization plans.
- Specify, and develop specs, drawings, designs, bid (purchasing function) and manage building trades contracts for the Region.
- Develop Emergency Action Plans (natural or man made disaster plans as it relates to facilities).
- Standardize and unify facility security processes.
- Ensure that Districts perform required inspections and maintain copies of all required inspection reports (with asbestos O&M, gas testing, etc).
- Manage CIP contract administration and oversight.
- Handle all TDLR issues within the region and coordinate with Districts on compliance issues.
- Coordinate with municipalities on new construction.
- Coordinate OJT for District personnel by sharing resources throughout the Region.

2 SOURCE DOCUMENTS AND INFORMATION

- **Historical CIPs.** Used to determine the quantity and type of CIPs statewide and by Region.

- **FY 2010 and 2011 Capital Improvement Plan.** Used to determine proposed CIP workload for the next 2 years.

- **Facility Asset Verification Reports.** Used to determine workload by district and by Region. This helped in the staffing plan.

- **Current Asset Inventory from Integrated Facility Management System (IFMS).** Used to determine workload by District and by Region. This helped in the staffing plan. Also, determined this system would work to provide necessary information to Districts and management for budget allocation and to schedule repairs or building replacements.

- **District survey of existing FTEs, trade contracts, and documented PM efforts.** Used to determine what if any methods are currently in place and existing district FTEs dedicated to facility maintenance.

- **Budget Monitoring Reports.** Used to determine approximate expenditures on facility maintenance in the Districts.

- **Interviews.** Interviews provided valuable information on the functions of the FMS, IFMS, CIPs, facility security issues, trades contracts and desirable number of FTE's needed to maintain facilities.

  Ulysses Flores, Facilities Management Section Director

  Elizabeth Hogeda-Romo, Special Projects Supervisor

  Randy Sakai, Headquarters Building Operations Section Director

  Rick Greer, Building Maintenance Branch Supervisor

  Larry Rayburn, Security/Housekeeping Operations Manager

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **Training and change in habits of district personnel.** Regionalization represents a significant change for District personnel. Employees will need to adapt to changes to programs and procedures.
- **Development or procurement of new software.** No existing PM scheduling software and work order tracking software. This will need to be developed or procured.
- **Budget.** Routine facility maintenance should be budgeted at the region level rather than from each district's operating funds. This will require a portion of the operating budget to be dedicated to facility maintenance.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **Lack of existing facility management manual or standard operating procedures (SOP's).** Until a manual and/or SOP's are created inconsistencies in maintenance and other issues will be a concern.

- **Lack of existing preventive maintenance (PM) scheduling software.** Currently this is being performed in various methods throughout the department; there is no department-wide consistency. The lack of a standard, uniform system contributes to issues being overlooked, which can ultimately lead to major repairs in the future.

- **Limited support from Facility Management Section of MNT due to staffing and budget constraints.** This will always be a constraint until the regional offices are staffed up to handle all issues. With oversight and responsibility delegated to the regional personnel this will become less of an issue.

- **Funding and lack of FTEs.** Routine facility maintenance and repair needs to be funded properly and separately from operating budgets. Some districts may need to devote adequate staff to properly maintain facilities and/or oversee trades contracts.

- **Inconsistent work order/tracking system.** Inconsistencies will exist until software is procured and implemented. This should be included in one package with a PM scheduling software.

4 RISK MANAGEMENT

4.1 RISKS

1) Resistance to new programs and/or procedures by both District and Division personnel.
2) Inconsistency in maintenance levels and building design and construction between Regions.
3) Acceptance and ability to achieve expected goals (facilities maintained to have 90% of facilities with a good or better condition assessment score.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1) Resistance could result in deterioration of facilities causing low morale among employees and dissension among facility work groups.
2) Inconsistency could negatively impact employee morale and lead to inefficiencies state-wide. Deferred maintenance can cause greater repairs later.
3) If goals are not attainable and accepted, then overall facility maintenance, safety, functionality and appearance could suffer.

4.3 MITIGATION STRATEGIES

1) Properly and concisely communicate all aspects of the plan and its perceived benefits. A properly implemented plan can have positive effects on the overall maintenance, appearance, and safety of facilities. Cost savings can also be realized due to proper scheduling of maintenance and replacement of equipment.
2) Effective and frequent communications between RSC management, FSM and District facility staff. This should be accomplished with frequent discussions, field visits and video teleconferences to disseminate information. Due to their statewide travel, FSM will need to bring any inconsistencies noted during their visits to the RSCs' attention.
3) Goals should be attainable and defined properly. Adequate resources (funding, FTEs, contracts, etc.) must be made available to achieve stated goals.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Establish standard operating procedures (SOPs) to standardize operations throughout the Region and the state where applicable.
- Develop and deploy state wide facility PM plan and work order repair process.
- Monitor budget, and brief executive management on trend analysis.
- Manage contract administration with the District for RFCs under $300,000.
- Develop, input into date base and submit regional CIP.
- Develop Master Plans for each facility within the Region.
- Coordinate the development of RFPs for land swaps/building improvements with FMSO and the Districts.
- Ensure consistency of facility improvements and buildings throughout the Region.
- Coordinate space management utilization plans.
- Specify, develop specs, drawings, designs, bid (purchasing function) and manage building trades contracts for the Region
- Develop Emergency Action Plans (natural or man made disaster plans as it relates to facilities).
- Standardize and unify facility security processes.
- Ensure that Districts perform required inspections and maintain copies of all required inspection reports (with asbestos O&M, gas testing, etc).
- Manage CIP contract administration and oversight.
- Handle all TDLR issues within the Region and coordinate with Districts on compliance issues.
- Coordinate with municipalities on new construction.
- Coordinate OJT for District personnel by sharing resources throughout the region.

5.1.2 Division Duties

- Submit Regional proposed CIPs to Administration and LBB.

- Plan, Design and prepare PS&E for major CIP projects.
- Coordinate CIP management and oversight.
- Handle CIP projects through the award of contract (PS&E and letting).
- Continue to modify and improve plans and specs to make more energy efficient, functional, cost-effective, and customized to end user needs.
- Handle land acquisition issues.
- Serve as development lead for RFPs, land swaps/building improvement, and serve as mediator between OGC, GLO, etc.
- Assist with TDLR issues as needed.
- Relay legislative and policy issues relating to facilities to the Regions.
- Provide expertise in the area of engineering systems (electrical, HVAC, etc.).
- Conduct regular meetings with RSCs over next year to better plan for phase II of restructuring.
- Receive feedback from Regions on facility improvements to make things better and conduct review of plans with RSC personnel during programming.
- Coordinate hazardous material issues.
- Align FMSO regional contacts with new region lines.

5.1.3 District Duties

- Perform regular and daily PM.
- Execute emergency action plans.
- Prioritize and respond to District work requests.
- Oversee/inspect trades contracts and provide input for future contracts.
- Oversee/inspect cleaning contracts.
- Accomplish minor maintenance items as needed (lights, plumbing, etc).
- Submit requests to RSC for CIP projects.
- Assist the RSC in the development of master facility plans.
- Assist the RSC with RFPs for land swap/building improvements.
- Inspect CIP projects with Regional oversight.
- Collect and file all warranties for equipment installations send electronic file to RSC.

- Coordinate furniture purchases with RSC when space utilization is impacted and maintain inventory of modular furniture not being used.
- Request emergency contracts from RSC when needed.
- Conduct all required facilities inspections (asbestos O&M, gas testing, etc), maintain reports and send copies to Regions.
- Perform PS&E and letting after coordination with the Region (for Districts with expertise and FTEs).
- Submit requests to RSC for trade contracts or BPOs, issue work authorization, inspect and approve invoice for payment.
- Provide and manage security for a safe environment.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Establish standard operating procedures (SOPs) to standardize operations throughout the Region and the state where applicable.
2) Develop and deploy state wide facility PM plan and work order repair process.
3) Monitor budget, and brief executive management on trend analysis.
4) Manage contract administration with the District for RFCs under $300,000.
5) Develop, input into date base and submit Regional CIP.
6) Develop Master Plans for each facility within the Region.
7) Coordinate the development of RFPs for land swaps/building improvements with FMSO and the Districts.
8) Ensure consistency of facility improvements and buildings throughout the Region.
9) Coordinate space management utilization plans.
10) Specify, develop specs, drawings, designs, bid (purchasing function) and manage building trades contracts for the Region.
11) Develop Emergency Action Plans (natural or man made disaster plans as it relates to facilities).
12) Standardize and unify facility security processes.
13) Ensure that Districts perform required inspections and maintain copies of all required inspection reports (with asbestos O&M, gas testing, etc).
14) Manage CIP contract administration and oversight.
15) Handle all TDLR issues within the region and coordinate with Districts on compliance issues.

16) Coordinate with municipalities on new construction.
17) Coordinate OJT for District personnel by sharing resources throughout the Region.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- The workgroup strongly recommends the use of trades contracts (electrical, plumbing, HVAC, etc.) to supplement TxDOT forces.

Combined

- The workgroup strongly recommends the inspection of CIPs be moved to the Districts with regional /FMSO oversight.

Eliminated

- None

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Establish standard operating procedures (SOPs).
- Develop and deploy state wide facility PM plan and work order repair process.
- Monitor budget and brief executive management on trend analysis.
- Manage contract administration with the District for RFC's under $300,000.
- Develop, input and submit regional CIP.
- Develop Master Plans for each facility within the Region.
- Coordinate the development of RFPs for land swaps/building improvements with FMSO and the Districts.
- Ensure consistency of facility improvements and buildings throughout the Region.
- Coordinate space management utilization plans.
- Specify, develop specs, drawings, designs and bid (purchasing function), and manage building trades.
- Develop Emergency Action Plans (natural or man made disaster plans as it relates to facilities).
- Standardize and unify facility security processes.
- Ensure that Districts perform required inspections and maintain copies of all required inspection reports.
- Manage CIP contract administration and oversight.
- Handle all TDLR issues within the Region and coordinate with Districts on compliance issues.
- Coordinate with municipalities on new construction.
- Coordinate OJT for District personnel by sharing resources throughout the Region.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

The workgroup recommends that a Facility Management Manual be created to include detailed processes and recommended procedures. The manual will serve as a means of communicating programs, processes and procedures to District personnel. The

FMSO will also serve as the communicator of policies, laws, regulations, etc. to the RSCs and the Districts.

Regional personnel will conduct regular site visits at the Districts to assist District personnel with issues that may arise. This will ensure uniformity of processes and procedures and also ensure consistent interpretation of the processes and procedures. While Regional and FMSO personnel will always be available to assist the Districts, District personnel should contact regional staff first and/or keep them informed of all issues as they arise.

6.3 DETAILED PROCESSES AND PROCEDURES

- Establish standard operating procedures (SOPs)
    - Develop and deploy regional facility SOP's with District input.

- Develop and deploy state wide facility PM plan and work order repair process.
    - A Web based PM software program including a work order and tracking system will be provided and implemented state wide.
    - Develop long term plan (10 years) which will include upgrading to more energy efficient equipment.
    - Develop PM schedule (i.e. painting every 5 years, etc.).
    - Meet with each District and train personnel on the PM plan and how it can be used to budget for upcoming years.
    - 5 Year plan to include goals of improvement to be accomplished to a level of maintenance and condition.
    - 10 Year plan to include goals of improvement to be accomplished to a level of maintenance and condition.

- Monitor budget and brief executive management on trend analysis.

    - Overseeing/approving **major** expenditures
    - Work with RSC budget office and RSC manager to develop a regional facility upgrade and repair budget.
    - Expenditures should be coordinated and reviewed by the RSC. This can be done through APS approval process $5,000 and above.

    <u>Budgets:</u>

    - 1) Capital - Thru project management of CIP (created in RSC; submitted to FMSO)
    - 2) Maintenance & Repair – RSC to have access to BIS reports for all Districts within the region. Monitor on a monthly basis.
    - 3) Remodels – Monitor RFC management and APS expenditure reports
    - 4) Trades Contracts – Monitor releases from contracts through APS

- Manage contract administration with the District for RFC's under $300,000

    <u>RFC's up to $25,000</u>

    - District submits a written request with justification for a RFC.

- If no plans are required, the RSC will develop the specifications and schedule the project for letting. The District office may perform this function as resources allow.
- If plans are required, the District may develop the PS&E for the project. The District will submit the PS&E to the RSC for review and approval.
- The District will then schedule the project for letting.

<u>If RFC is processed by the RSC:</u>

- The RSC will forward the contract documents to the District. The District will issue the work authorization, schedule and conduct pre-work meeting, perform the inspection, and process payment. Upon completion of the project the RSC and District personnel will perform the final inspection. RSC will approve change orders.

<u>If RFC is processed by the District :</u>

- The District will issue the work authorization, conduct the pre-work meeting, inspect the work, maintain documentation, process change orders, and process payment. Upon completion of the project the RSC and District personnel will perform the final inspection. RSC will approve change orders.

<u>Manage Contract Administration for RFCs $25,000.00 to $ 300,000.00</u>

- RSC and District personnel will coordinate with FMSO Section on PS&E of CIP.
- Upon approval of PS&E the RSC and/or the District (if resources allow) will process the letting of the project.
- Due to signature authority and accounting requirements the RSC or the District will send the contract documents to the FMSO for signature.
- FMSO will send the executed contract to the RSC/District.
- The FMSO will process all submittals and forward copies to the District and RSC.
- The District will coordinate with the RSC and FMSO in the issuance of the work authorization, conduct the pre-work meeting, inspect the work, maintain documentation, process change orders, and process payment.
- The RSC, FMSO, and District personnel will meet with the contractor for the monthly pay estimates.
- Upon completion of the project the RSC, FMSO and District personnel will perform the final inspection.
- The RSC or FMSO will be responsible for the close out documents, warranties, etc. and approval for release of retainage.
- After approval the District will process payment of retainage.

- Develop, input and submit regional CIP
  - Determine 2010 and 2011 projects that are approved.
  - Determine 2010 and 2011 proposed projects not approved, which carry forward.
  - Analyze IFMS for condition assessment to submit future projects utilizing state wide standard
  - Query Districts for future projects, visit sites to confirm conditions.

  - Coordinate, manage, monitor submittal of CIP to meet deadline.
  - (All RSC contract specialists must receive Access training)

- Develop Master Plans for each facility within the region
  - A master facility plan will be developed for each District facility within the RSC. This effort should be coordinated with the District's input and should be based on actual needs, work load, condition assessment and maintenance cost. The master plan will be a working document as, needs will change over time. The master plan will serve as a means to identify needed contracts and assist in the development of the CIP.
- Coordinate the development of RFP's for land swaps/building improvements with FMSO and the Districts.
  - The RFP process is a great tool to supplement the cost of new facilities and/or to fund improvements to existing facilities. The RSC needs to identify and maintain an inventory of potential properties within the region that are candidates for this process. When it is determined that an RFP is the best option the RSC will coordinate with the District and FMSO to see the process to completion.

- Ensure consistency of facility improvements and buildings throughout the region (spreader racks, snow and ice material sheds, asphalt containment areas, etc.)
  - The RSC will coordinate all facility improvements within the region to ensure consistency and uniformity throughout. The needs within the region should be fairly consistent; therefore the same type of building or improvements should work throughout with slight modifications. This would allow for prototype plans that with only minor adjustments based on the location and/or District input can be put together quickly and then let. This also makes PM easier and less expensive because everything is the same.

- Coordinate space management utilization plans
  - Remodeling proposals, furniture management, furniture purchases and options for sharing furniture will be coordinated by the RSC.
  - RSC will ensure compliance with required standards (ADA, 153 rule, etc.)
  - District furniture purchases shall be coordinated with the RSC when space utilization is impacted.
  - Receive/archive "as built" drawings of all sites & buildings in region.
  - Upgrade "current status" drawings if no upgrade exists.
  - Produce current furniture plans, if none exist.
  - Review all existing documents for life safety code compliance, ADA.
  - Review proposed changes (submitted by Districts) to building walls/modular furniture configurations.
  - Furniture (free standing or modular) purchases over $5,000 approved (in APS) at RSC.
  - Modular furniture inventories maintained by districts, recorded in RSC.

- Specify, develop specs, drawings, designs and bid (purchasing function), and manage building trades contracts for the region
    - Trades contracts blurred to District and regional lines.
    - Existing contracts will remain in place until expiration of contract.
    - Manage emergency facility contracts with proper authority to expedite contract with coordination with FMSO.
    - Emergency contracts will be requested by the District from the RSC and coordinated with the RSC purchasing staff (rent/lease generators, repair severely damaged roof, etc.).
    - Develop uniform specs to be used region wide for both state use and purchase of services.

    <u>Blanket Purchase Order (BPO) Specifications:</u>

    - District will submit a written request to the RSC.
    - The RSC will develop the specification with input from the District.
    - RSC will coordinate with the purchasing staff and District to develop the specifications regarding the BPO.
    - RSC purchasing staff will process the letting of the BPO thru award and forward the executed contract to the regional office.
    - The RSC will send the BPO to the District point of contact for use by the District.
    - District will issue work authorization, inspect, and process payment.
    - RSC will monitor expenditures and expiration dates.
    - District will be responsible for Spot purchases under $5,000 ($5,000 to $25,000 need RSC approval).

- Develop Emergency Action Plans (natural or man made disaster plans as it relates to facilities)
    - Building evacuation plans should be coordinated statewide so all Districts use the same template.
    - Action plans will be developed that identify and assemble needed resources and/or expertise to respond to various facility emergencies state wide.
    - Identify and prepare for procurement requirements during emergencies.
    - Properly and consistently equip District EOC rooms.
    - With input from the Districts and FMSO the RSC will develop the criteria for the Emergency Action Plans (EAP) to be used by the Districts.
    - RSC will send the criteria to the District point of contact for plan development.
    - District will develop the EAP and submit it to the RSC for review and approval. Upon approval the RSC will forward the plan to the District for implementation of the EAP plan. The District will be responsible for the maintenance of the EAP.
    - The District will notify the RSC upon complete implementation of the EAP.
    - The RSC will inspect for proper implementation.

- Standardize and unify facility security processes

- Long term goal to standardize keys, access control, alarm, cameras, etc as systems need replaced or new systems installed.
- RSC will develop the criteria for the security processes to be used by the Districts.
- RSC will send the criteria to the District point of contact for plan development.
- District will develop the security process and submit it to the RSC for review and approval. Upon approval the RSC will forward the plan to the District for implementation. The district will be responsible for the maintenance of the security plan.
- The District will notify the RSC upon complete implementation of security plan.
- The RSC will inspect for proper implementation.

- Ensure that Districts perform required inspections and maintain copies of all required inspection reports
  (with asbestos O&M, gas testing, etc).
  - Perform annual evaluation/inspection with District personnel and complete report (i.e. fire and safety issues, fuel tank registration, fuel monitoring, etc.).
  - Provide needed assistance to the Districts as necessary.
  - Review with each District, requirements and needs for compliance.
  - Assist with schedule for annual inspections and certifications.
  - Set schedule with District on monthly and annual inspections.
  - Set assignment for responsibility of records.
    <u>RSC will establish required due dates for the various reports or tests: (i.e. asbestos, gas line testing, boilers, elevators, etc.).</u>
  - District will submit inspection reports to RSC. The original is to remain on file at the District.
  - RSC will review and approve all inspection reports.

- CIP management, contract admin. and oversight
  - This will be coordinated with all 4 regions and FMSO for proper management and oversight (i.e. FMSO handle everything within approx.150 miles of Austin and regions take care of everything beyond. Within the 150 mile radius the District would still be responsible for the daily inspections. The FMSO would handle the management and oversight.)
  - All capital improvements should be coordinated with FMSO, regional management, District management, and District or section where construction of new facility or remodel will take place.
  - All plans should be reviewed by District and RSC for needs and specific environmental issues for each area location in the state. This should include all aspects of construction including storage facility, spreader box hangers, bins and layout along with any Spill Prevention Control & Containment (SPCC) requirements.

- RSC will assist FMSO with inspection, information, monthly/weekly meetings, payment approval, review, problems that arise, issues with contractor and staff, coordination of work and completion. RSC will act on behalf of FMSO if absent on a monthly/weekly and make recommendation, reviews, inspections, and approval of progress reports.
- FMSO will still be in charge of project and will still be responsible for all other aspects of construction of new capital projects.
- Smaller ($300,000 or less) in house projects using FMSO funds can be done by the RSC and District staff with FMSO project funds, plans, and specifications.

- Handle all TDLR issues within the region and coordinate with Districts on compliance issues
  - Review, reply and coordinate all non compliance notices.
  - Review with each District, requirements and needs for compliance.
  - Assist with modifications and drawings to meet ADA through use of staff, contractor, or RFC.
  - Funding for modifications should not come from District budget.
  - Assist with schedule for annual inspections.
  - Set assignment for responsibility of records.

- Coordination with municipalities on new construction.
  - Coordinate hazmat issues with local entities on removal and replacement; (natural gas requirements, water, fiber optic, etc.).
  - Occupancy level of building
  - Access management to city streets
  - Emergency access
  - Clearly posted address on building for emergency response
  - Coordinate temporary utilities

- Coordinate OJT for District personnel by sharing resources throughout the region
  - OJT should be equal to techs abilities
  - Vendors who supply equipment should provide training
  - Cross training
  - Journeyman training or apprentices program
  - Safety standards on each piece of equipment
  - Knowledge of local codes
  - Know the limits of equipment
  - Start stop emergency shut down procedures of equipment
  - Keep log on large equipment of PM and long term reports

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- The Integrated Facilities Management System (IFMS) that FMSO is currently working should be put on the fast track to completion. The information in this system will provide greater insight into proper staffing by proving a condition grade for each facility in the state. IFMS will also provide a grading system or recommended performance level for facilities. The performance level should be used much like the PMIS scores are used to rate roadway maintenance (i.e. a standard should be set of 90% of facilities should maintain a score of 70 or better).
- RSCs should develop Master Plans for each facility within the region. A master facility plan serves as a tool to aid in recommending CIPs. The Master Plan takes into consideration expansion needs, age of facilities, maintenance and repair costs, functionality, health and safety issues. The plan provides rationale and justification for each CIP.
- RSCs should assist with the coordination and development of RFPs for land swaps/building improvements. The RFP land swap for building improvements is a great tool for TxDOT to leverage existing surplus property. TxDOT can get the needed improvements on new or existing facilities by utilizing the existing assets no longer needed.
- Districts should inspect CIP projects with RSC and FMSO oversight. District personnel are on site everyday and involved in every step of the construction processes. They have daily contact with the contractor and should be allowed to make decisions as necessary to expedite the project. Critical items should require consultation with the project manager or architect.
- FMSO should solicit feedback from Regions for recommended facility improvements and should conduct review of plans with regional personnel during programming. Some design modifications should be allowed to adjust plans to best suit the personnel that occupies the building.
- New facilities should be turnkey (complete parking, out buildings, SPCC requirements, etc.). Currently the districts are tasked with completing projects after the contractor moves out. Districts are forced to spend thousands of dollars in operating funds to complete necessary out buildings, sheds, racks, etc. The capital improvement threshold of $25,000 makes it even more difficult to get the project completed.
- The capital improvement threshold should be increased from $25,000 to $50,000 (requires legislative action) due to the increased cost of building materials, labor, fuel. This change would require legislative action.

- Districts should have FTEs dedicated to facility maintenance or use trade contracts appropriately to accomplish the same level of maintenance. Performance level agreements will require either dedicated FTEs or the use of trades contracts.
- Since facilities management is a support function we recommend the current Division Facility Management Section become a special office under the Executive Director of Support Operations. This change would allow the Maintenance Division to better focus on its core function. In addition, funding for facility maintenance and repairs should also be dedicated.

7.2 STEPS TO ACHIEVE CHANGES

- The IFMS needs to be put on the fast track to completion.
- Over time the RSC will need to develop master facility plans for each District complex.
- The RSC should work with the districts and develop relationships with the communities and developers to identify potential RFP projects.
- District and regional personnel given the authority to oversee CIP projects.
- There needs to be an understanding by all parties that not all projects are the same. Each district or office has unique situations that may require adjustments within reason to building plans.
- Re-evaluating the way we fund new facilities. Instead of partially building two facilities in order to maximize budgeted funds, complete construction on one facility should be accomplished.
- Legislative action to increase to capital improvement threshold from $25,000 to $50,000.
- District allocation of FTE's or allocation of funding to accomplish routine tasks with trade contracts.
- Restructuring of MNT to move FMS as special office under the Assistant Executive Director of Support Operations.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

- Time required to make repairs or perform maintenance
  - Facilities are consistently maintained to an established level with a PM program and work order system implemented for reporting and tracking requests and creating a user friendly system of documenting maintenance.
- Condition assessment score
  - Annual facility evaluations/inspections conduct by RSC will result in updated condition assessments, which will enable better forecasting for maintenance needs and CIP.
- Funding expended by districts to complete projects
  - New facilities are totally complete, turnkey. District operations budget will not have to be allocated to complete necessary improvements.
- Facility maintenance costs
  - Overall reduced maintenance cost due to better PM program and planning of maintenance, repairs and capital improvement projects (first few years might be higher to bring all facilities up to established level).
- Higher scores state wide
  - Established level of maintenance (i.e. 90% of facilities with a good or better condition score.
- Tracking expenditures
  - Facility maintenance expenditures will be captured per building in the financial information management system (FIMS). This will enable management to quickly view reports indicating maintenance trends, etc.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

The RSC positions are dedicated to facility management and not facility maintenance. There will be a total of 15 FTEs dedicated to this function which is an increase over the amount of employees currently engaged in facility management in the districts.

Current district employees engaged primarily in facility management activities will be converted to regional employees. The standard for determining which employees were engaged primarily in facility management was 50% or more of daily duties. This determination was made by each district engineer.

Vacancies remaining after converting district employees primarily engaged in facility management activities will be competitively posted and filled.

Current district employees engaged in maintenance activities will remain district employees.

These staffing recommendations will be accomplished through virtual offices as stated in the Regionalization Staffing Plan. Current facility management employees will not realize any loss of pay, nor be required to relocate, through this restructuring effort.

9.2 STAFFING METHODOLOGY

The staffing recommendations are based on four factors; the total number of facility square footage for each region reduced by 10% to account for out buildings that do not require significant and/or continuous maintenance; the total number of buildings per region also reduced by 10%; the amount of funding spent on building repair and parts (object 461) in FY 2006, 2007 and 2008; and the geographical size of each region. (Refer to Staffing Metrics bar charts.) The figures are listed below.

North – Net sq ft 2,223,926	Net number of buildings 623	Sq miles 55,081
Funds expended:	FY 2006 - $1,472,984	
	FY 2007 - $1,872,270	
	FY 2008 - $1,017,677	

4 FTEs

1 - Contract Specialist

2 – Facility Coordinators 1 located in Ft Worth and 1 Remote office in eastern part of region

1 – Special Project Coordinator (Lead Worker)

South – Net sq ft 1,633,542 Net number of buildings 530 Sq miles 63,901

Funds expended FY 2006 - $1,408,010

FY 2007 - $1,217,330

FY 2008 - $ 546,130

4 FTEs

1 - Contract Specialist

2 – Facility Coordinators 1 located in San Antonio and 1 Remote office in southern part of region

or Corpus Christi

1 – Special Project Coordinator (Lead Worker)

East – Net sq ft 1,130,005 Net number of buildings 340 Sq miles 27,510

Funds expended: FY 2006 - $792,281

FY 2007 - $646,814

FY 2008 - $597,074

3 FTEs

1 - Contract Specialist

1 – Facility Coordinator Located in Houston

1 – Special Project Coordinator (Lead Worker)

West – Net sq ft 2,099,203 Net number of buildings 570 Sq miles 116,023

Funds expended: FY 2006 – $1,732,144

FY 2007 - $1,667,921

FY 2008 - $ 594,697

4 FTEs

1 - Contract Specialist

2 – Facility Coordinators 1 located in Lubbock and 1 Remote office located in southern part of region

1 – Special Project Coordinator (Lead Worker)

Titles and Business Job Descriptions

Contract Specialist IV, V, VI (J222, J224, J226 - B7-B11)

Facility Coordinator II (K406 - B10) Modified to match RSC duties

Special Projects Coordinator IV (A294 - B13)

Staffing after Phase II (Divisions)

This phase II staffing recommendation is offered for consideration only and would need to be examined by both FMSO and Region Managers during the implementation of phase II. The workgroup believes this recommendation has merit and could increase the efficiency, effectiveness and overall success of the CIP and facility maintenance program.

This would resemble the District and regional plan for highway design and PS&E review. The vision is that the FMSO would be an oversight office for facility management. Certain functions would need to stay at the FMSO level (facility management coordination issues, CIP final processing, coordinating land acquisitions, policy issues, some architectural and engineering expertise, etc.). The FMSO is the office of expertise and should continue to provide that support to the Districts and Regions. Everything else could be moved out to the regions (total CIP oversight, architectural and engineering expertise, etc.) where it is needed and can be much more effective and efficient.

FMSO – 12 FTEs (Does not include Rest Area Group)

North – 8 FTEs

South – 8 FTEs

East – 6 FTEs

West – 8 FTEs

1 Supervisor (architect or engineer)

1 additional architect or engineer

2 contract specialists

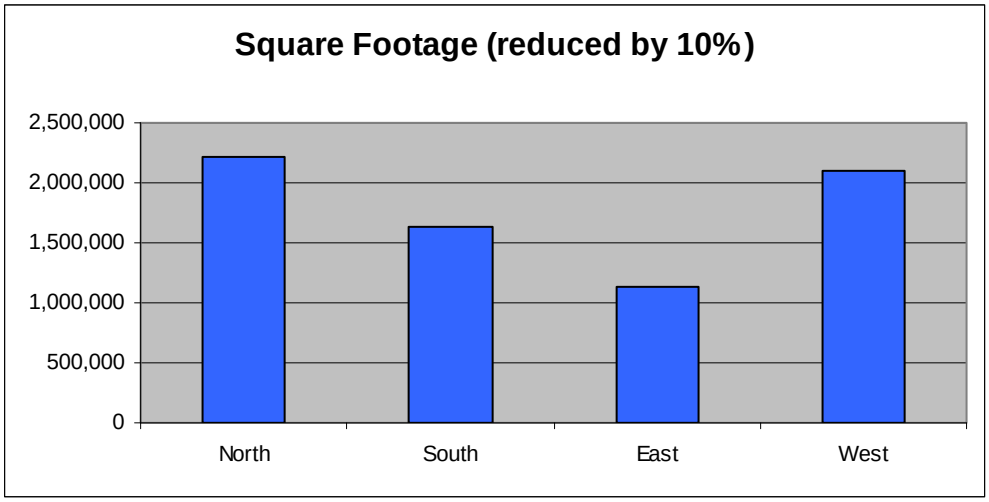
2 designers

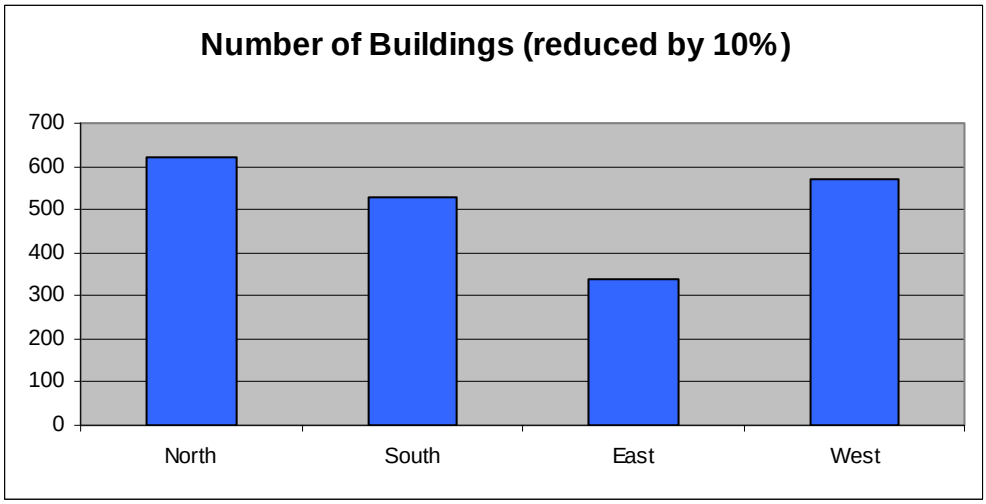
2 coordinators

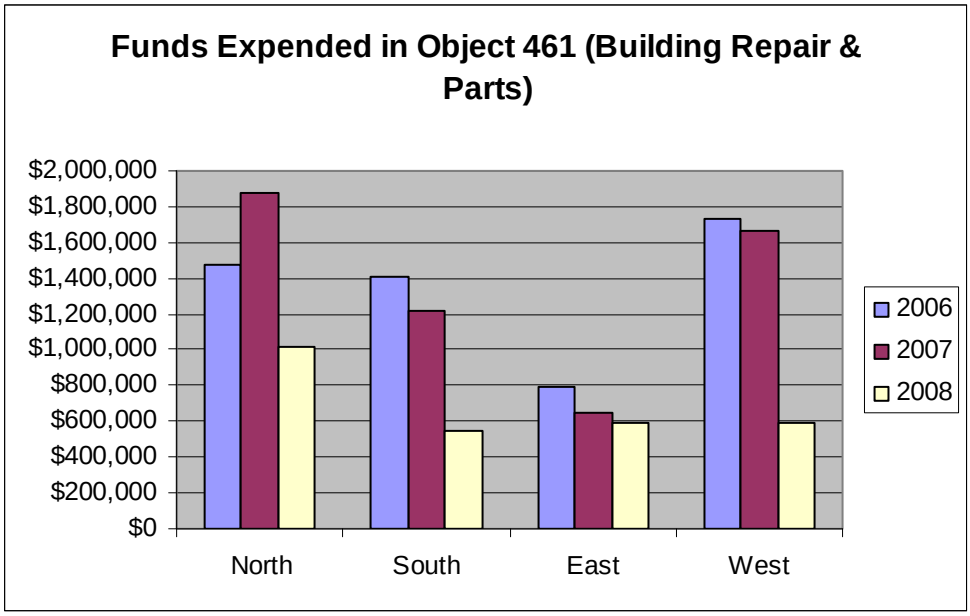
Summary

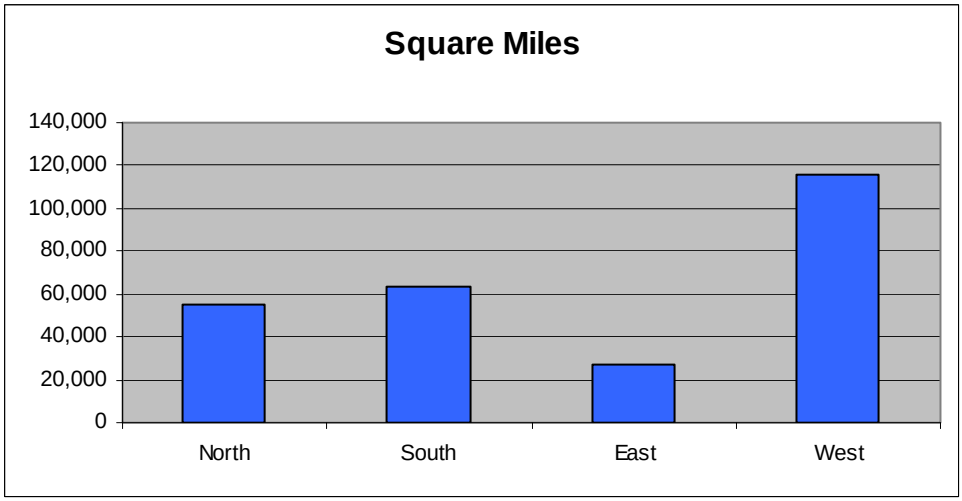
The workgroup believes this detailed plan, if implemented as described, can result in the desired outcome as intended by regionalizing the facility management function. The

staffing recommendations are reasonable and based on actual documented information (square footage of buildings per region, number of buildings per region and geographical square miles per region). In phase II of the restructuring process more efficiency can be achieved by distributing many of the duties that currently reside in the Facility Management Section of MTN to the regions. This would require some of the FTEs to be distributed to the regional offices.






Funds Expended in Object 461 (Building Repair & Parts)
$2,000,000
$1,800,000
$1,600,000
$1,400,000
$1,200,000
$1,000,000
$800,000
$600,000
$400,000
$200,000
$0
North
South
East
West
2006
2007
2008


Square Miles
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0
North
South
East
West

APPENDIX: GLOSSARY OF TERMS

ADA Americans with Disabilities Act

APS Automated Purchasing System

BIS Budget Information System

BPO Blanket Purchase Order

CIP Capital Improvement Project

EAP Emergency Action Plan

EOC Emergency Operations Center

FMS Facilities Management Section of Maintenance Division

FMSO Facility Management Special Office

FTE Fulltime Equivalent

GLO General Land Office

HVAC Heating, Ventilation & Air Condition

IFMS Integrated Facility Management System

LBB Legislative Budget Board

MNT Maintenance Division

O&M Operations & Maintenance

OGC Office of General Council

OJT On Job Training

PM Preventative Maintenance

PMIS Pavement Management information system

PS&E Plans, Specifications & Estimate

RFC Routine Facility Contract

RFP Request for Proposal

RSC Regional Support Center

SOP Standard Operating Procedures

SPCC Spill Prevention, Control & Containment

TDLR Texas Department of Licensing & Regulation

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

FLEET MANAGEMENT

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: TIM NICHOLES, DONALD JIRKOVSKY, KEITH HARRIS, KEITH YOUNG, KELLY ROBERTS, MARK MCCOLLUM, DAVID MCCOY AND MIKE STOLLINGS

VERSION:

DATE: 11/04/2008

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 4

2 SOURCE DOCUMENTS AND INFORMATION 5

3 CONSTRAINTS 7
3.1 Implementation Constraints 7
3.2 Operating Constraints in a Regional Concept 7

4 RISK MANAGEMENT 8
4.1 Risks 8
4.2 Projected Impacts if Not Resolved 8
4.3 Mitigation Strategies 8

5 PRIMARY DUTIES 9
5.1 RSC, Division, and District Duties 9
5.1.1 RSC Duties 9
5.1.2 Division Duties 10
5.1.3 District Duties 11
5.2 RSC Duties in Order of Importance 12
5.3 Duties that may be Outsourced, Combined, or Eliminated 12

6 DETAILED PROCESSES 13
6.1 Overview of Function Processes in a Regional Concept 13
6.2 Coordination and Communication of Processes 13
6.3 Detailed Processes and Procedures 14

7 CHANGES RECOMMENDED 15
7.1 Changes Recommended 15
7.2 Steps To Achieve Changes 15

8 MEASURING SUCCESS 17
8.1 Success Metrics (Measures) 17

9 STAFFING RECOMMENDATION 18
9.1 Staffing recommendation 18
9.2 Staffing methodology 19

APPENDIX: GLOSSARY OF TERMS 21

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

The current purpose of fleet management is to independently support each District's operations by properly identifying equipment needs, initiating the procurement process and managing, repairing, and maintaining District equipment. This purpose is achieved by maximizing the serviceability and safety of the District equipment fleet in performing the duties listed under item 1.2.1 Current Duties.

1.1.2 Purpose in a Regional Concept

The Regional concept of fleet management is to aggregate the 25 Districts into four Regions which will manage equipment fleet operations. This aggregation will reduce redundancies in the 25 separate District fleet operations and will help Standardize equipment fleet and fleet operations. Additionally, there will be four regionalized locations for procurement, surplus disposition and trade-off equipment. The Regional model will:

- Optimize capital equipment investment by installing uniform standards, benchmarking operations, and maximizing lifetime utilization over broader areas of the state.
- Improve equipment utilization across District and Regional boundaries.
- Expand shop service area to minimize travel, normalize workload, and improve equipment repair turnaround times.
- Promote the sharing of best practices.

1.2 CORE DUTIES

1.2.1 Current Duties

The core Fleet Management duties are to manage equipment fleet operations. Each District independently manages the following duties:

- Repair and maintain all types of equipment.
- Develop and monitor capital equipment and operating budgets.
- Procure, acquire and dispose of equipment.
- Manage equipment repair and service contracts.

- Monitor equipment utilization.
- Oversee compliance of major equipment policies and procedures.
- Develop and manage equipment preventative maintenance program.
- Manage alternative fuel program.
- Procure parts and supplies.
- Schedule equipment for specific projects within each District.
- Assist as first responders in emergency situations such as hurricanes, ice, snow and other catastrophic events.
- Perform all administrative duties associated with equipment operations.

1.2.2 Duties in a Regional Concept

The core duties of fleet management in the four Regions are the same as the current duties listed above with the exception of the scheduling of equipment for specific projects within each District. This function will be retained by the Districts.

2 SOURCE DOCUMENTS AND INFORMATION

(Note: The reports listed below were used to determine measures of workload to workforce ratios used by the public sector and private industry)

- **The Association of Equipment Management Professionals (AEMP) Certification Manual.** Provided a formula for measuring workload to workforce ratio.
- **TxDOT's Fleet Management's Major Equipment Fleet Statistics.** Provided data for measuring workload.
- **Various EOS (Equipment Operating Systems) reports furnished by the EOS Support Group in the General Services Division**. Provided data to calculate workload to workforce ratio.
- **Various audit reports, studies and strategic business plans performed on other public equipment fleets.** Provided information for comparison of workload to workforce ratio with other government fleet operations.

Additional notes on information used in the report:

- Utilizing formula from the AEMP manual, TxDOT should have a ratio of pieces of equipment to mechanic of 100:1 in rural areas of the state, a ratio of 115:1 in urban areas of the state and a ratio of 130:1 in metropolitan areas of the state (difference occurs due to more increased opportunities for contracting repairs in the urban and metropolitan areas of the state)
- TxDOT's ratio of 100:1, 115:1 and 130:1 is twice the industry standard but can be achieved by relying on support from district personnel (i.e. maintenance section employees) to perform minor equipment repairs and some preventative maintenance. These maintenance section personnel are not replacements for the more skilled shop/mobile mechanics that have more technical and diagnostic abilities
- Industry ratio of number pieces of equipment to mechanic is an average of approximately 50:1 with a high of 67:1 from fleet management in Volusia County in Florida, which was named the number one fleet in North America for 2007 and recognized by Government Fleet magazine as an efficient and effective fleet management operation
- Audit report from city of Portland, Oregon, specifies a ratio of number of pieces of equipment to mechanic ratio of 60:1
- Audit report located on the Window on State Government by Susan Combs pertaining to the San Antonio Independent School District specifies a ratio of number of pieces of equipment to mechanic ratio of 39.4:1
- Study performed by the Capitol Region Council of Governments specifies a ratio of number of pieces of equipment to mechanic ratio of 34:1

- Operating budget from the city of Concord, New Hampshire that specifies a ratio of number of pieces of equipment to mechanic ratio of 27.9:1

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **Lack of standardization in District operations prevents uniformity of operating procedures.**
- **Lack of up-to-date technology restricts the improvement of fleet management operations.**
- **Lack of standardization in capturing fleet data for analysis hinders the comparison of fleet operations**.
- **Existing fleet structure not aligned with future strategic plans for increased contract roadway maintenance in metro Districts.** This constraint will require reapportionment toward a smaller fleet having a higher proportion of light duty vehicles.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **Varying geographic nature and climates prevents the standardization of equipment fleet.**
- **Differing travel times between offices (due to different distances) affect equipment movement and mechanic response time.**
- **Vast rural areas of state have different equipment needs and fewer opportunities to contract out equipment repairs than metropolitan areas.**
- **Legislative mandate to contract 35% of equipment repair work.**

4 RISK MANAGEMENT

4.1 RISKS

1) Loss of sufficient staff and expertise due to change in nature of job structure.
2) Loss of District's ability to share Regional personnel resources in times of emergencies due to different priorities and less in-house personnel to respond.
3) Differences in priorities between Districts and Regions could cause District to lose control of equipment due to fleet management employees working under the Region.
4) Increased implementation of more blanket equipment repair/maintenance contracts could introduce increased opportunity for misuse of funds by contracted equipment repair vendors.
5) Regional concept of standardizing equipment could result in loss of opportunity for districts to customize equipment to meet special needs.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1) Possible increase in turnover of knowledgeable employees that would require additional training for new employees.
2) Loss of support during emergencies.
3) Project delays due to unavailability of equipment.
4) Theft, fraud, or unnecessary repairs.
5) Unauthorized modification of equipment by Districts to address specific needs.

4.3 MITIGATION STRATEGIES

1) Normalize workloads across Regions and target adequate training for newer employees.
2) Maintain and enhance open communication between District engineers and Regional staff for sharing of resources.
3) District retains control of scheduling and transporting of equipment within the District.
4) Increased management oversight of operating procedures and control processes.
5) Include adequate representation from District and Region during the equipment procurement process.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Develop and manage an aggressive equipment preventative maintenance program to protect assets.
- Monitor utilization, fleet capacity and best practices to ensure right size and normalized fleet.
- Allocate equipment shop resources based on varying demands around state.
- Develop, coordinate, and execute equipment capital and operating budgets.
- Procure, acquire and dispose of major and minor equipment.
- Develop and deploy processes for pooling, scheduling, and sharing specialized equipment within the Region.
- Establish Standard Operating Procedures (SOPs) and best practices throughout the region to include:
    - Standardize equipment management operations
    - Ensure uniformity of equipment
    - Standardize equipment preventative maintenance program
- Identify, procure and utilize web-based technology for monitoring equipment utilization and equipment fleet management operations.
- Develop controls for major equipment management expenditures.
- Develop equipment needs based on current and future operational plans and historical usage.
- Develop and deploy processes for managing equipment utilizing IT applications such as EOS and Fleet Tracks.
- Coordinate allocation and reallocation of equipment as required.
- Establish requirements for contracted versus in house equipment repairs.
- Develop and deploy a “Rapid Repair Response” program to utilize field mechanics to repair equipment at jobsites to reduce downtime.
- Develop and deploy a “Service Life Extension Program.”
- Manage toll tag operations.
- Manage alternative fuel program.

- Repair and maintain equipment.
- Manage equipment repair personnel and facilities.
- Review current equipment procurement term contracts, available Quantity Increase Provisions (QIPs) and equipment specifications to make sound equipment procurement decisions.
- Procure parts and supplies.
- Prepare and ensure compliance of equipment specifications.
- Oversee compliance of major equipment policies and procedures.
- Adhere to special directives from GSD (Equipment Component Uniformity Plan, Fleet Reduction Plan "Rightsizing", EOS to MES, etc.).
- Conduct the annual equipment inventory.
- Assist in the development of equipment repair contracts and administer, monitor and provide auditing process on contracts.
- Schedule the equipment needed for training classes provided by Districts.
- Train and instruct operators on the maintenance and operation of equipment.
- Prepare all required documentation relating to equipment preventive maintenance activities, including equipment repairs and equipment operation such as repair orders, utilization, etc.
- Install and repair specialized equipment unique to TxDOT (DMIs, Acreage Counters, etc.).
- Coordinates environmental waste disposal generated by equipment shop operations.
- Transport equipment to repair facilities and transport specialized equipment throughout the Region.

5.1.2 Division Duties

- Purchase and issue purchase order for major equipment.
- Maintain and revise major equipment specifications.
- Act as liaison between Regions and manufacturers on equipment specification issues.
- Develop blanket purchase orders for goods and services.
- Monitor and provide for Central Master Bid List (CMBL), Electronic State Business Daily (ESBD), Texas Multiple Award Schedule (TxMAS) and other purchasing outlets.
- Provide Terms and Conditions for rental equipment.

- Coordinate disposal of major equipment.
- Maintain statistical data for fleet management.
- Develop and maintain online and hard copy of manuals.
- Maintain financial reports.
- Pay for capital equipment.
- Maintain Budget Information System.
- Conduct safety surveys.
- Handle worker compensation issues.
- Resolve 3rd party accidents and incidents.

5.1.3 District Duties

- Coordinate with RSC on equipment needs, repairs and modifications.
- Schedule and coordinate specialized equipment for roadway operations within District.
- Review utilization of equipment in District.
- Assess new equipment needs for procurement for the district.
- Perform oil and filter changes in-house or coordinate with contract vendors.
- Perform preventative maintenance on major and minor equipment in section.
- Perform minor repairs to major equipment such as belt and hose replacement, alternators, batteries, tires, safety items, lights, etc.
- Coordinate minor repairs with contract vendors when needed.
- Perform field analysis of equipment needing repairs and forward information to equipment repair shop coordinator.
- Coordinate state inspections with contract vendors.
- Perform repairs to formal and informal minor equipment.
- Prepare all required documentation relating to equipment repair activities (repair orders, utilization, etc.).
- Perform emergency spot repairs.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Repair and maintain equipment fleet.
2) Manage an aggressive equipment preventative maintenance program to protect assets.
3) Monitor utilization, fleet capacity and best practices to ensure right size and normalized fleet.
4) Allocate equipment shop resources based on varying demands around state.
5) Develop, coordinate and execute Equipment Capital and Operating Budgets.
6) Procure major equipment.
7) Develop and deploy processes for pooling, scheduling and sharing specialized equipment within Region.
8) Establish Standard Operating Procedures (SOPs) throughout Regions.
9) Identify, procure and utilize web-based technology for monitoring utilization and for managing fleet operations.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- Additional blanket equipment repair/maintenance contracts statewide.
- Repairs requiring specialized tools, equipment and expertise.
- Installation of non-factory improvements to new vehicles (Make Ready).
- DOT and state vehicle inspections due to cost of inspection/emission testing equipment.
- Wrecker and towing services.
- Two-way radio installation and repair.
- Paint and body work.
- Tire installation and repair.
- Annual inspection of aerial devices and cranes.

Combined

- Duties of administrative technicians and EOS Coordinators.

Eliminated

- No duties eliminated but regionalization will prevent redundancies in fleet operations.

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

1. Repair and maintain equipment.
2. Optimize equipment utilization and minimize fleet capacity by pooling, scheduling and sharing specialized equipment.
3. Develop and implement equipment preventative maintenance program to protect assets.
4. Maximize utilization of equipment shop resources and fleet management personnel.
5. Minimize cost by optimizing use of equipment capital and operating budgets in the Region.
6. Identify, procure and utilize web-based technology for monitoring equipment utilization and for managing fleet operations.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

1. Regional equipment supervisors and regional shop coordinators prioritize equipment repairs and inform the regional fleet manager of major budget impacts.
2. Regional fleet manager oversees equipment utilization and coordinates with Regional equipment supervisor and District personnel on equipment distribution.
3. Regional fleet manager develops PM program and coordinates administration through the Regional equipment supervisor and District personnel.
4. Regional fleet manager coordinates with Regional equipment supervisor to normalize mechanic staffing and workloads.
5. Regional fleet manager coordinates with Regional equipment supervisors and District representatives to develop, coordinate and execute equipment capital and equipment operating budgets
6. Regional fleet manager communicates new technology with Regional equipment supervisors.

6.3 DETAILED PROCESSES AND PROCEDURES

Repair and maintain equipment

District personnel contact Regional equipment supervisor to request repair services. A mobile mechanic is deployed to assess repair needs. The equipment is repaired on location, if possible. Equipment transport is arranged to handle major repairs by the equipment shop or contract vendor.

Optimize equipment utilization and minimize fleet capacity by pooling, scheduling and sharing specialized equipment

Regional fleet manager monitors equipment utilization throughout the Region. Underutilized equipment is identified with cause determined. Districts are notified of available equipment.

Develop and implement equipment preventative maintenance program to protect assets

Regional fleet manager researches best industry practices to develop and standardize PM guidelines. Guidelines and goals are implemented by the Regional equipment personnel and District personnel with monitoring by the Regional PM Coordinator for compliance.

Maximize utilization of equipment shop resources and fleet management personnel

Regional fleet manager analyzes equipment downtime data, shop rates, and District complaints. Shop workloads are normalized and excess repair demand is contracted.

Minimize cost by optimizing use of equipment capital and operating budgets in Region

Regional fleet manager receives an equipment needs assessment from the Districts. Regional fleet manager analyzes historical use data, replacement criteria, and future trends and project demands. Equipment procurements and operating budget allocations by the Region are developed in coordination with the District Engineers.

Identify, procure and utilize web-based technology for monitoring equipment utilization and for managing fleet operations.

Regional fleet manager selects equipment management software program. Regional and District personnel are trained in program use.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Equipment should be repaired at nearest TxDOT repair facility when necessary without regard to home District or Regional affiliation to reduce travel time and normalize workloads.
- Maintain greater presence of mechanics in rural Districts and outsource more equipment repairs in metropolitan areas as consistent with strategic plans. This will allow mechanics to serve as support for the continued level of in-house maintenance operations used directly for roadway repairs in rural areas where there is lesser availability of contract vendor services.
- Regional equipment shop mechanics should become mobile/shop mechanics and cover an area repairing equipment on the roadway and/or in shop when needed to reduce downtime and transporting of equipment.
- Move radio technicians to District traffic shop operations to perform District operations such as repairs to phone systems, radios and radio towers.
- Procurement of new equipment, surplus disposition and trade off equipment should be handled through four Regional locations to reduce redundancies in each District.
- Districts should have a maintenance technician/section mechanic/section PM perform preventative maintenance and minor repairs in each of the District's maintenance sections. This will allow more skilled and trained Regional mechanics to focus on more of the major equipment repairs.
- Consolidate Make Ready operations to two central locations in each Region. These should be located in metropolitan areas where vendor services are most available.

7.2 STEPS TO ACHIEVE CHANGES

- Regional managers to normalize workloads in Regions.
- Implement blanket equipment repair contracts throughout state.
- Up fit utility bed trucks with mechanic tools.
- Transfer radio technicians to Districts to perform District operations such as phone systems, radios and radio towers.
- Hire four Regional fleet managers.
- Minor repairs and preventative maintenance should be performed by maintenance sections and/or area offices using their own personnel.

- New equipment should be shipped to locations performing make ready of new equipment.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

Important performance management measures are listed below:

- Number of equipment repair technicians per number of pieces of equipment.
- Percent repair cost per equipment repair code.
- Percent spent on preventative maintenance per piece of equipment.
- Total equipment preventative maintenance cost.
- Total equipment repair cost.
- Operating cost per mile/hour of equipment utilization.
- Average repair cost per piece of equipment.
- Repair times in-house versus commercial repair facilities.
- Ratio of scheduled repair work to unscheduled repair work to measure success of preventative maintenance program.
- Comparison of in-house labor rate to contract vendor labor rate to determine competitive rates.
- Percent of equipment repairs performed by contract equipment repair vendors to determine if in compliance with legislative mandate to contract 35% of equipment repairs.
- Ratio of actual hours equipment is utilized on a job compared to hours equipment is committed to be available for a job.

Other metrics to consider are listed below:

- Average preventative maintenance cost per piece of equipment.
- Response time to repair vehicle.
- Availability rate of equipment to perform its required duties.
- Required time to perform make ready and up fit new equipment to put into service.
- Required time to accept new equipment into service.
- Equipment repair turnaround time.
- Parts cost.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

The staffing recommendations below will be accomplished through virtual offices and attrition as stated in the Regionalization Staffing Plan. The Regional Fleet Manager position will be competitively hired. Current district equipment shop personnel will not realize any loss of pay, nor be required to relocate, through this restructuring effort.

Reduce existing FTEs from 307 to 254. This will reduce the overall existing FTE levels of the fleet management functions by approximately 17% statewide. If it is determined that the radio technician, machinist, purchasing clerk and pump technician function will stay in the regional fleet, and management structure and blanket equipment repair purchase orders are not implemented to provide for more outsourcing of equipment repairs, then staffing levels will change. Reduction would then be from the existing 307 FTEs to 287, a 7% reduction statewide.

North Region **Reduction of 9 FTE**	**Regional Fleet Manager**	**Regional Equipment. Supervisors**	**Regional Shop Coordinators**	**Regional EOS Coordinators**	**Regional PM Coordinators**	**Mechanics**	**Welders**	**Radio Techs/ Machinist/ Pump Techs/ Purchasing Clerk**
Current Allocations	0	8	7	10	8	51	8	0
Proposed Allocations	1	4	9	8	8	45	8	0

South Region **Reduction of 5 FTE**	**Regional Fleet Manager**	**Regional Equipment. Supervisor**	**Regional Shop Coordinators**	**Regional EOS Coordinators**	**Regional PM Coordinators**	**Mechanics**	**Welders**	**Radio Techs/ Machinist/ Pump Techs/ Purchasing Clerk**
Current Allocations	0	6	6	6	4	34	8	2
Proposed Allocations	1	4	5	5	4	34	8	0

East Region **Reduction of 15 FTE**	**Regional Fleet Manager**	**Regional Equipment. Supervisor**	**Regional Shop Coordinators**	**Regional EOS Coordinators**	**Regional PM Coordinators**	**Mechanics**	**Welders**	**Radio Techs/ Machinist/ Pump Techs/** **Purchasing Clerk**
Current Allocations	0	4	5	8	5	30	4	5
Proposed Allocations	1	3	5	6	4	23	4	0

West Region **Reduction of 24 FTE**	**Regional Fleet Manager**	**Regional Equipment. Supervisor**	**Regional Shop Coordinators**	**Regional EOS Coordinators**	**Regional PM Coordinators**	**Mechanics**	**Welders**	**Radio Techs/ Machinist/ Pump Techs/** **Purchasing Clerk**
Current Allocations	0	7	7	9	4	44	10	7
Proposed Allocations	1	4	8	5	4	38	4	0

Total State **Reduction of 53 FTE**	**Regional Fleet Manager**	**Regional Equipment. Supervisor**	**Regional Shop Coordinators**	**Regional EOS Coordinators**	**Regional PM Coordinators**	**Mechanics**	**Welde rs**	**Radio Techs/ Machinist/ Purchasing Clerk**
Current Allocations	0	25	25	33	21	159	30	14
Proposed Allocations	4	15	27	24	20	140	24	0

9.2 STAFFING METHODOLOGY

- Equipment totals for each District were used to calculate the ratio of number of pieces of equipment per mechanic.

- Regional support staff was calculated based on the number of pieces of equipment per District and the number of mechanics in each Regional equipment repair facility
- The formula used to make the calculations is from the manual for national fleet manager's certification called Association of Equipment Management Professionals (AEMP)
- TxDOT should have a ratio of pieces of equipment to mechanic of 100:1 in rural areas of the state, a ratio of 115:1 in urban areas of the state and a ratio of 130:1 in metropolitan areas of the state (using the formula from AEMP manual and utilizing percentage of equipment repairs currently performed by outsourcing). The difference occurs due to more increased opportunities for contracting repairs in the urban and metropolitan areas of state.
- Proposed staffing allocations are based on radio technicians being transferred to districts.

APPENDIX: GLOSSARY OF TERMS

AEMP – Association of Equipment Management Professionals

APS - Automated Purchasing System

CMBL – Central Master Bid List

EOS – Equipment Operating Systems

ESBD – Electronic State Business Daily

FTE – Full Time Employees

PM – Preventative Maintenance

QIP – Quantity Increase Provision

RSC – Regional Support Center

TxMAS – Texas Multiple Award System

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

INFORMATION SYSTEMS

Please select the appropriate stage:

Draft Stage	☐
Final Version	**X**

TEAM MEMBERS: DONNA HILL, ELLIE SALGADO, SCOTT DORSETT, BILLY FERGERSON, TONY PARLAMAS, KEVIN SETODA, CINDY GLOYNA, GIL HERNDON

VERSION:

DATE: 11/04/2008

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 4

2 SOURCE DOCUMENTS AND INFORMATION 6

3 CONSTRAINTS 7
3.1 Implementation Constraints 7
3.2 Operating Constraints in a Regional Concept 7

4 RISK MANAGEMENT 9
4.1 Risks 9
4.2 Projected Impacts if Not Resolved 9
4.3 Mitigation Strategies 11

5 PRIMARY DUTIES 13
5.1 RSC, Division, and District Duties 13
5.1.1 Regional IT Department Duties 13
5.1.2 Division Duties 13
5.1.3 District Duties 14
5.2 RSC Duties in Order of Importance 14
5.3 Duties that may be Outsourced, Combined, or Eliminated 14

6 DETAILED PROCESSES 16
6.1 Overview of Function Processes in a Regional Concept 16
6.2 Coordination and Communication of Processes 16
6.3 Detailed Processes and Procedures 17

7 CHANGES RECOMMENDED 20
7.1 Changes Recommended 20
7.2 Steps To Achieve Changes 21

8 MEASURING SUCCESS 22
8.1 Success Metrics (Measures) 22

9 STAFFING RECOMMENDATION 24
9.1 Staffing recommendation 24
9.2 Staffing methodology 24

APPENDIX: GLOSSARY OF TERMS 31

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

Information Technology (IT) departments located in each of TxDOT's 25 Districts currently provide technology support to all functions within a District as well as to offsite areas, maintenance, and Division offices located within the District boundaries. The IT department provides administrative support and technical assistance needed to accomplish the core business activities of the agency.

1.1.2 Purpose in a Regional Concept

Information Technology (IT) will be used to enhance the core activities of the department while maintaining the current or better level of IT support. IT will be a vital part of the strategy needed to meet the goals of the Regional Support Center (RSC). The Regional business model for IT should reduce redundancy while continuing to provide support for the core business functions of the Districts and Regions within TxDOT. This will be accomplished by consolidating like functions within the 25 District IT offices into 4 Regional IT support centers and aligning technical resources to customer needs, and by maintaining a local presence of Regional IT support employees in each District.

1.2 CORE DUTIES

1.2.1 Current Duties

- Establish and administer information resource policies, procedures, strategic and operational plans for the District.
- Manage the IT help desk.
- Provide support for engineering and GIS/GPS applications and hardware.
- Provide technical support to District, area and maintenance offices.
- Provide system management and maintenance.
- Process IT system security access requests and perform security compliance auditing.
- Provide telephone system support.
- Provide network infrastructure support.
- Develop applications and provide support.
- Develop and support District Intranet sites.
- Provide administrative functions.
- Perform IT planning, budgeting, and deployment.
- Manage the Electronic Document Management System (EDMS) for the District.

- Provide technical support for the Video Teleconferencing System (VTC).
- Provide audio/visual support.
- Provide design visualization and photography services.
- Support process control systems such as fuel, HVAC, building security systems, and sign cutters.
- Support the Intelligent Transportation Systems (ITS).
- Maintain the IT and audiovisual equipment loan library.
- Provide support for copiers, fax machines, and other equipment.
- Assist TSD with network infrastructure support for equipment located at county tax offices.
- Setup and deliver classroom training in the use of department IT applications and hardware.
- Manage and track IT assets.
- Provide consulting services to both internal and external customers.
- Research, analyze, and test new hardware and software for compatibility with existing systems.
- Research, analyze, and test new hardware and software for providing solutions to our customers' business needs.
- Maintain up-to-date client/server lab to simulate production for accurate and effective testing.
- Provide support for wireless local network access.
- Provide support for wireless cellular data access.
- Stay abreast of IT trends in the industry to assist with District, Regional, or enterprise decisions.
- Manage both standard and end-of-life cycle hardware and software upgrades.
- Manage and supervise technical employees.
- Manage and support local user groups.
- Create, maintain, and support electronic forms.
- Provide support for bulk scanning, data entry, and special projects.
- Represent TxDOT's IT interests with local area partners.

1.2.2 Duties in a Regional Concept

- Establish and administer information resource policies, procedures, strategic and operational plans for the Region.
- Manage the IT help desk.
- Provide support for engineering and GIS/GPS applications and hardware.
- Provide technical support to District, area, maintenance offices and Regional employees.
- Provide system management and maintenance.
- Process IT system security access requests and perform security compliance auditing.
- Provide VOIP telephone system support.

- Provide network infrastructure support.
- Develop applications and provide support.
- Develop and support District and Regional Intranet sites.
- Provide administrative functions.
- Perform IT planning, budgeting, and deployment.
- Manage the Electronic Document Management System (EDMS) for the Districts and the Region.
- Provide technical support for the Video Teleconferencing System (VTC).
- Manage and track IT assets.
- Provide consulting services to both internal and external customers.
- Research, analyze, and test new hardware and software for compatibility with existing systems.
- Research, analyze, and test new hardware and software for providing solutions to customers' business needs.
- Maintain up-to-date client/server lab, simulating production for accurate and effective testing.
- Provide support for wireless local network access.
- Provide support for wireless cellular data access.
- Stay abreast of IT trends in the industry to assist with District, Regional, or enterprise decisions.
- Manage both standard and end-of-life cycle hardware and software upgrades.
- Manage and supervise technical employees in virtual office setting.

2 SOURCE DOCUMENTS AND INFORMATION

- **Information was collected from various sources from the Districts.**
- **IT Equipment counts.** Used to verify IT equipment to IT staff ratios.
- **Helpdesk call request volume.** Used to verify IT helpdesk call volumes to IT staff ratios.
- **Current and projected IT Staff to employee ratios.** Used to compare to industry standards.
- **Industry standards, Gartner Research Company.** Used as a benchmark.
- **Information Security Manual**. Used as policy and procedures reference.
- **TxDOT Core Architecture 4.0.** Used for workgroup's reference.
- **TSD's SharePoint sites.** Electronically available information/documentation from TxDOT's Technology Services Division for workgroup's reference.
- **Workgroup knowledge of current procedures.** Individual workgroup members' knowledge and experience of TxDOT and industry policies and procedures was used as reference.
- **Guidance from Ms. Mary Meyland, P.E. and Mr. Tim Powers.** The IRDs' knowledge and experience as managers was used as reference and guidance.
- **Internet Research.** Used currently available reference information, including policies, procedures and standards.
- **District management.** Used local District management knowledge and experience as reference and guidance
- **TxDOT IT support community.** Other D/D/O IT staff's knowledge and experience was used as reference and guidance.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **IT security access for the mainframe, SiteManager, ROWIS, BIS and other applications will require modifications to function in a Regional environment.** Security models and access to various applications are currently managed by user accounts in Windows, Novell and the individual mainframe applications. Security access needs to be modified to include Regional access, so that Regional employees can perform their new functions and access Region-wide information.

- **New standard operating procedures need to be defined for the IT functions under a Regional model.** Each District IT department has developed and follows its own established department procedures. Service levels may be negatively impacted if new procedures are not clearly defined at the Regional level.

- **Regional employees will need to be trained in the most efficient use of IT resources for accomplishing tasks in a virtual office setting.** Documents will need to be distributed electronically so that employees located at different geographical locations can share them. Training in the best practices for scanning documents and distributing them electronically will minimize the impact of distributing and storing electronic files on server storage and bandwidth.

- **TSD will need to modify the existing help desk system to include Regional level processing for help desk requests.**

- **The Region will need a method to track the inventory of IT equipment in the Districts and Region.** Most of the IT equipment is not included in the standard MES system. This inventory is used to develop the Information Technology Detail and the Planned Procurement Schedule. Currently, each District maintains this information in separate databases or spreadsheets. MES does not contain all of the fields needed to complete the planning and procurement tasks.

- **Current EDMS technology is not fully developed and ready to support the Regional model.** EDMS cannot be implemented as a business process solution for the regionalized departments because some Districts have not fully deployed and trained their staff to use EDMS. Regional libraries and accounts need to be set up before EDMS is implemented.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **EDMS and other processes that require additional bandwidth could be less effective if the bandwidth is not sufficient to support operations.** Slow response time could result in reduced productivity.

- **With the regionalization of existing IT support staff there will be a need for increased coordination and management of competing projects.** This coordination will help ensure levels of service are not reduced and work requests are properly addressed and completed in a timely manner. Employees are accustomed to one-on-one support and will need to adjust to an off-site help desk scenario.

- **Currently, District IT support personnel are not allowed to install temporary server operating systems and database management systems for development and testing purposes.** Need to evaluate or re-evaluate the current workgroup scenario that TSD has established. While it addresses testing and development, it may not be the most efficient method to address Regional expectations. IT staffs need an effective to way to develop and test applications before they are deployed.

- **Purchasing high volumes of IT equipment at the Regional level will most likely exceed established purchasing limits and require GSD to process the requests.** This adds an additional layer of processing and may cause delays in product delivery.

- **The geographic distance and travel time from a Regional service center to the Districts in a Region, makes it necessary to have regional IT employees located at the District office complex to provide support for its core business functions.** The distance from the RSC to the districts ranges from a just a few miles to 337 miles.

- **As staffing levels are reduced through attrition, break/fix contracts may need to be executed.** In the past, it has been difficult and/or expensive to get vendors to contract for support in the rural areas of the state.

4 RISK MANAGEMENT

4.1 RISKS

1) Employees are accustomed to the current District processes and procedures for requesting and receiving IT support. Changing to a Regional model will result in a change of current business practices and may result in a negative perception of IT support.

2) The ability to provide adequate support for SiteManager, field offices, and mobile devices, could be negatively impacted.

3) The Districts and Divisions will need to have the technical knowledge or additional skills sets to assume the non-IT business functions currently supported by local IT offices such as building security, HVAC, and fuel systems.

4) Employee productivity in the regionalized business functions could be impacted if current security access for existing applications is not modified to include Regional accounts and reports.

5) Providing end user assistance in the proposed Regional help desk model could be impacted if the tools used by IT to deploy software and to remotely support end users are not reliable.

6) Network bandwidth could be impacted with increased file sharing and transfer of data across the network after the implementation of virtual offices.

7) The business function of designing roadways could be impacted if IT staff and technical support for engineering & GIS/GPS applications is not maintained at a Regional level.

8) Maintenance or further enhancements of existing locally developed applications that are used on a daily basis could be impacted.

9) Reduced FTE allocations for IT staff could reduce customer service levels.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1) Employees may continue to use the processes that were in place before regionalization for obtaining technical assistance. Employee productivity may be impacted if hardware or software issues are not resolved in a timely manner. Employees may resort to attempting to solve hardware or software problems without assistance from the IT department. This could result in warranty issues, non-standard software installations, increased time to complete a support request, and distortion of the data used to measure the productivity of the IT employees.

2) Statewide initiatives that require on-site setup and support, such as providing construction inspectors with laptops equipped with air cards, may be adversely affected. Without adequate IT support located at the Districts to provide support for the field offices and mobile devices, work productivity may be negatively impacted.

3) The ineffective transfer of technical knowledge or skills sets for the functions identified in 5.1.2 Division Duties and 5.1.3 District Duties could result in the functions not being performed satisfactorily. Alternatively, the regional IT department could continue to perform the function with a reduced level of IT staff.

4) If the security access is not modified to include Regional access, employees will not be able to provide support for or enter transactions for the Regional functions.

5) Available technological tools used by IT staff need to be effective and perform reliably to provide timely remote end user assistance, reliable deliveries of software installations, and to track IT assets in an enterprise environment. The proposed Regional help desk model relies heavily on Remote Control Option (RCO) and reliable Software Delivery Option (SDO).

6) If network bandwidth does not support increased file sharing or transfer of data across the network, employee productivity could be negatively impacted. Sufficient IT staff located at each District will be needed to troubleshoot connectivity problems and resolve them in a timely manner. Lengthy network infrastructure and/or critical systems downtime would also result in loss of production or completing design work by designated deadlines.

7) IT staff at most Districts currently provides technical support for engineering and GIS/GPS applications. Not implementing Regional support for engineering and GIS/GPS applications to supplement the training and support provided by TSD could result in a loss of standardization of processes and fewer best practices being shared across the districts in the regions.

8) District programmers have already written and deployed various applications that may need to be maintained or further customized to meet the end user's business need. Regional programmers will need to coordinate regional programming efforts and become familiar with and maintain all the District applications in the Region. If this does not occur, District operations that depend on the customized applications would be negatively impacted.

9) Less than two minimum Regional IT employees in any District could cause loss in customer service and production. If network infrastructure and/or critical systems or downtime occurs there will be a loss of production. IT staff reduction to less than the industry standards may result in decreased customer service levels, increased stress levels for IT employees due to work overload, and high employee turnover.

4.3 MITIGATION STRATEGIES

1) Regional IT policies and Standard Operating Procedures (SOPs) need to be established to ensure that quality service continues while standardizing processes and implementing best practices across the regions. District engineers need to assist with communicating new procedures to employees and providing feedback about the service provided by the Regional IT office.

2) Regional IT managers and District engineers need to work together to define expectations for acceptable levels of service in the new Regional model. District processes for communicating equipment needs to setup and support new or existing projects should also be defined.

3) District engineers need to assign employees to assume the responsibility for the functions that will remain in the District. These engineers need to develop standard operating procedures and a continuity plan to ensure that technical knowledge and skill sets are successfully transferred for these functions.

4) The OPR for each business function that will be changing to a Regional structure should be provided a copy of the workgroup recommendations as soon as they are approved. The OPR will need time to determine what changes will be needed and how to implement them. This will require coordination with TSD. The OPR will need to develop a timeline for completion and identify short and long term solutions to security issues. The short term solution would be to allow Region employees to maintain IT security access for the District and the Region simultaneously during the transition period. This will ensure that the Region can maintain the current level of support for the Districts while the new processes are being implemented.

5) With TFT coordination, upgrade CA Unicenter's enterprise package to improve reliably.

6) Network bandwidth issues may not be able to be resolved without a costly investment by the agency. The interim Regional administrators will need to request that TSD research the options available to mitigate bandwidth issues. Regional IT managers should explore the feasibility of using the existing ITS system fiber to connect remote area offices directly into District headquarters network infrastructures where it is available. File sharing of large design files should be performed through established FTP sites. Training will need to be provided to employees in the creation and use of electronic files.

7) Regional IT managers and District engineers need to work together to develop a comprehensive engineering support and training program that will meet the business needs of the Districts and the Region. Regional IT managers will develop a detailed plan for providing GEOPAK, MicroStation, GIS/GPS training and support to supplement the training and support provided by TSD. The Districts' requirements will be reviewed by the Regional IT manager in coordination with TSD to determine what will be handled by the Regional office and what can be handled

by TSD. Regional support of engineering and GIS/GPS applications should also be developed so that processes and best practices will be available to all Districts. SOPs should be developed at the region to deploy across the Districts.

8) Regional IT Managers will need to develop a plan to transfer the programming knowledge to the appropriate personnel who will be responsible for maintaining the applications in the Region. District developed applications need to be analyzed for efficiency and possible reprogramming to deploy across Regions.

9) Regional IT Managers will need to coordinate with their management regarding staffing, which will be based on workload and the level of service the Districts and region require. As staffing levels are reduced by attrition, break/fix contracts may need to be executed. In the past, it has been difficult and/or expensive to get vendors to contract for support in the rural areas of the state.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 Regional IT Department Duties

- Establish and administer information resource policies, procedures, strategic and operational plans for the Region.
- Manage the IT help desk.
- Provide support for engineering and GIS/GPS applications and hardware.
- Provide technical support to District, area, maintenance offices and Regional employees.
- Provide system management and maintenance.
- Process IT system security access requests and perform security compliance auditing.
- Provide VOIP telephone system support.
- Provide network infrastructure support.
- Develop applications and provide support.
- Develop and support District and regional Intranet sites.
- Perform administrative functions.
- Provide IT planning, budget, deployment, and IT equipment purchasing.
- Manage the Electronic Document Management System (EDMS) for the Districts and the Region.
- Provide technical support for the Video Teleconferencing System (VTC).
- Provide network infrastructure support.
- Manage and track IT assets.
- Provide consulting services to both internal and external customers.
- Research, analyze, and test new hardware and software for compatibility with existing systems.
- Research, analyze, and test new hardware and software for providing solutions to our customers' business needs.
- Maintain up-to-date client/server lab, simulating production for accurate and effective testing.
- Provide support for wireless local network access.
- Provide support for wireless cellular data access.
- Stay abreast of IT trends in the industry to assist with district, regional, or enterprise decisions.
- Manage both standard and end-of-life cycle hardware and software upgrades.
- Manage SiteManager hardware and software for the construction field offices.
- Manage and supervise technical employees in virtual office setting.

5.1.2 Division Duties

- Provide technical support for the wide area network infrastructure equipment used by the county tax assessor collector offices to access the Vehicle Titles and Registration System.

- Provide NEO training using VTC.
- Provide specialized engineering application training.

5.1.3 District Duties

- Provide support for Intelligent Transportation Systems (ITS) Software and hardware.
- Provide support for process control equipment, such as building access control security systems, fuel systems, lab beam breakers, vehicle inspections, and HVAC (Heating and Cooling) systems.
- Perform VTC scheduling functions, and initially test and troubleshoot equipment.
- Provide support for traditional PBX systems.
- Perform audio/visual and conference technical support.
- Perform audio/visual support for public meetings, local conferences and safety banquets.
- Perform design visualization (videos, presentation, 3-D rendering, and static photos).
- Perform internet and security audits (physical PC audits, non-business software, and misuse of equipment).
- Provide support for non-networked copiers.
- Provide support for large format reproduction services.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Network Infrastructure Support
2) IT Help Desk
3) IT System Security
4) System Management and Maintenance
5) Supporting Engineering, GIS/GPS Applications
6) Voice over IP Telephone Support
7) IT Planning, Budget, Deployment, IT Equipment Purchasing
8) Application Development and Support
9) Regional And District Intranet Sites Development And Support
10) Administrative Functions

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

The following list identifies duties that may be outsourced if TxDOT resources are not available to complete the tasks:

- IT Wiring Contracts
- IT Copier Contracts
- IT Break/Fix Contracts
- IT Expertise For Special Projects
- IT Expertise Not Available In The Region
- Troubleshoot Network And Connectivity Problems
- Onsite Network Equipment Replacement
- Printer, Scanner And Plotter Support
- Networked Copier Support
- IT Training
- PC Builds And Rebuilds
- IT Equipment Lifecycle Physical Replacements
- Application Development And Programming

Combined

- None

Eliminated

- None

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Establish Standard Operating Procedures (SOPs) throughout the Regions and TxDOT where applicable.
- WorkCenter will be used by Regional IT support specialists to document requests. Regional IT managers will review to determine quality assurance.
- Establish communication policies between Regional IT support specialists located at the District by using GroupWise resources.
- IT wiring, break/fix, multi-function copiers and/or other contracts will be managed at a Regional level to capitalize on pricing.
- IT equipment Planned Procurement Schedule (PPS) and Information Technology Detail (ITD) will be compiled by Region. IT equipment replacement cycles will be managed at the regional level.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

Central organization – All directives, deadlines and guidance from the central organization will be communicated and coordinated through Regional IT managers.

Regional IT managers will assign work to Regional IT support specialists as needed by means of GroupWise or through WorkCenter.

Regional IT support specialists will convey purchasing requirements to the Regional IT manager who will coordinate with the Regional purchasing staff as needed. The Regional IT manager approves all IT APS requests for the Region and the Regional purchasing department will purchase IT equipment.

Regional IT managers will schedule regular meetings with TSD to plan upcoming and ongoing IT initiatives.

Regional IT managers will collaborate to maximize the skills and existing resources available to expedite meeting District and Region business needs.

District administration will convey to District employees changes in policies and procedures for requesting assistance from regional IT departments.

District administration will communicate IT equipment needs to regional IT managers.

6.3 DETAILED PROCESSES AND PROCEDURES

IT Helpdesk

End-users from all districts within a region will contact regional help desk support specialists via telephone or e-mail, as the first line of support to resolve problems. Issues are escalated to regional IT system support technicians as required. Consideration should be given to alternate helpdesk software or configurations, should Work Center not prove to be a viable option in a regional environment. Four regional GroupWise resources will be used to track IT personnel availability, for delegating assignments as well as for general email communication. The helpdesk will provide day-to-day support operations supporting desktop software and hardware, Webinar support, VTC technical support, PDA/mobile devices, printer, plotter and multifunction devices and networked copier support, engineering applications support (GIS, GEOPAK, Winstorm, MicroStation, etc.) and SiteManager support as requested by the district construction office.

Network Infrastructure Support

Regional IT support specialists will troubleshoot and respond on-site to resolve network connectivity issues, on-site wide area network component replacement, and analysis and recommendation of regional network infrastructure requirements based on capacity needed to support virtual offices. Regional support specialists will contact Tier 2 (TSD) support as needed.

IT Planning, Budget and Deployment, IT Purchasing

Regional IT management will develop the regional IT capital budget (ITD, PPS) in coordination with TSD after consulting with district management to determine IT needs as they relate to operations and project development. The budget planning process will be tracked by consolidating district plans into a single regional plan, ensuring standardization and economies of scale. Coordinate with the regional purchasing staff to procure all IT equipment hardware and software to support the business needs of the districts in the region.

System Management and Maintenance

Regional IT support specialists will be located in the districts and the Regional Service Center to respond to WorkCenter requests logged by the regional helpdesk. Regional IT support specialists will be available based on geography instead of district/region lines and based on user demand. The region IT support will assist with PC and laptop configuration. Manage create, modify, and deploy software packages for the district in the region. Ensure that virus protection software is updated and maintain the licenses for software not purchased by TSD. Manage EDMS for the districts and the region. Manage IT asset inventory. Install IT equipment. Verify and update the information needed for LAN, GroupWise and Active Directory accounts.

IT System Security

System security requests will be submitted by supervisors for their employees by submitting the required documents through EDMS where the regional security administrators will process the request and email the supervisor and user with their account information.

Supporting Engineering, GIS/GPS Applications

Support requests are communicated to regional helpdesk support specialists. Regional graphics coordinator or GIS/GPS coordinator will respond to requests by acknowledging and documenting the solutions for all helpdesk calls. Provide GEOPAK, MicroStation, GIS/GPS training and support to supplement the training and support provided by TSD. Work with the districts to develop regional standards for project, plan development and file structure to support moving projects between districts and regions

Telephone System Support (VoIP)

Regional IT support specialists on-site at the district will troubleshoot and respond to resolve VoIP issues. When VoIP is implemented state-wide regional IT will require additional FTEs to support the new systems. When VoIP is implemented all phones will be another network node with its own IP address assigned.

Regional and District Intranet Sites Development and Support

Each regional IT manager will work collaboratively to identify programming and web development projects and best practices. Regional programmers will modify web pages as identified by web page OPR and requested via helpdesk.

Application Development and Support

All four regional IT managers would work collaboratively to identify programming and database development needs with the districts in each region. Each regional IT manager will collaborate with their counterparts to maximize the use of the skills and abilities of the existing IT resources to expedite meeting district business needs. Any regional development of a technology, service or application must be coordinated by all regions in order to maintain a standard from which to grow enterprise solutions. Statewide efforts should follow IT project standards and be coordinated with TSD.

Administrative Functions

Regional IT managers and staff will be responsible for monitoring regional IT staff performance and IT contracts to ensure that contract services are delivered. Each region will provide IT project management to efficiently and effectively identify IT projects and goals. All four regional IT managers and staff will collaborate with each other to assist with uniformity and state-wide programming initiatives. All administration IT functions such as employee timesheets, and performance planning and evaluations

will be handled by the management of the IT department. IT management will work in collaboration with other IT managers to develop the IT component of the business continuity plan.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Give Regional IT support staff direct access to TFT during ongoing problem resolution. Access to TFT during appropriately escalated and ongoing problem resolution will result in shorter downtimes and increased efficiency.

- Give Regional IT support direct access to TFT's Remedy helpdesk software to better understand and participate in ongoing problem resolution. Providing access to Remedy will support better communication between TSD, field personnel, and end users.

- TxDOT Administration needs to review the data center consolidation contract with TSD, DIR and TFT to determine what changes could be made to improve the level of IT support being delivered. This will help to ensure that the regionalization efforts are not negatively impacted by the current service levels. This should include testing backup/restore operations to validate that critical data will be available if needed to support the business processes.

- Regions need to be involved as partners in department-wide IT initiatives.

- The latest software upgrades need to be performed to the agency's existing ESM software (CAUnicenter). It does not currently provide the reliability needed to effectively deploy software or track IT assets.

- In an effort to ensure that Regional initiatives or IT decisions are sound, high-level independent auditing and IT-expert auditing of IT decisions should be conducted. Providing this level of independent review will help ensure transparency and accountability is maintained within the IT organization statewide.

- Statewide applications need to be developed to provide solutions for tracking IT assets at the Regional level, to plan for future IT equipment purchases or track work requests.

- Replace legacy mainframe application programs with new technology that will allow real-time updates and access to data that can be readily shared between applications. Current mainframe legacy systems and applications are inadequate at meeting the business needs in today's business environment. In some cases, these systems have been "patched" together when the particular system required information contained in a different application. The need to share information between applications is necessary to solve certain business requirements. TxDOT needs an Enterprise Resource Planning System (ERP) designed, developed, and maintainable with the purpose of tightly integrating processes

within an enterprise. This system would provide a common enterprise database that all systems would obtain the data required for that particular business function. This system would also provided a common security architecture that could address the many disparate access problems we currently have now. This system should encompass resource planning, human resources, accounting, warehousing, marketing, inventory control, order tracking, customer service, finance and human resources, etc.

- Identify forms where electronic submission for security access approval for systems can be accepted. Streamline SiteManager Citrix access control request process to remove additional layers of approval.

- Providing the appropriate technology for IT employees to support TxDOT business functions such as web cams, voice mail, wireless, cellular wireless, VPNs, and Internet access should increase employee productivity.

- Electronic forms to be integrated within EDMS need to be properly classified and set up for auto indexing, using applications such as Kofax or indeXtra, by the OPR. Libraries are not standardized across the Districts.

7.2 STEPS TO ACHIEVE CHANGES

- Regional IT support staff should be equipped with the appropriate hardware and software and communication tools needed to be able to respond to requests in a timely manner (e.g. Blackberries or laptops with air cards).

- Explore the possibility of using GPS technology to track the vehicles assigned to Regional IT support staff to identify staff closest to respond to an issue.

- Properly outfitted vehicles need to be provided to support specialists to respond to requests within and across the Regions.

- Administration needs to develop a communication plan to share information with District staff to convey the new regionalization IT structure and changes in procedures.

- Provide more opportunities for Regional staff to participate in changes to the core technology document since it serves as the standard for all agency technology.

- Project managers and developers of statewide IT projects should involve Regional IT personnel so that constraints on equipment availability or other impacts are known prior to implementation.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

Measuring success with IT support is mainly based on "timeframe". Each component of IT depends on "how long" it takes and the success rate. After the transition period, each Regional support area will generate averages to be used as baselines for completing IT related tasks. Due to the unique organization of TxDOT and the variety of business processes that it encompasses, industry standard baselines may not be applicable. All support calls will be logged into the departments help desk system and used to generate reports for measuring productivity.

To effectively measure success, procedures and service level agreements need to be defined for the processes that will be part of the Regional IT office. To ensure that data is available for measuring productivity, built-in and automated means to measure performance should be incorporated in all applicable programs.

Network Infrastructure Support

- Time to repair a system in the event of an outage (downtime).
- Time required for Regional employees located at the District office to escalate a problem to the Regional help desk.

IT Helpdesk

- Call metrics from enterprise helpdesk software, WorkCenter.
- Automated customer satisfaction surveys generated from WorkCenter.
- Time spent per request.
- Number of helpdesk requests transferred to IT Regional support specialists.
- Postcard surveys to measure feedback on performance.

Level of IT Regional Support Staff Customer Service

- Number of complaints received.
- Number of helpdesk requests reopened for the same problem.
- Time spent on helpdesk requests.

Efficiency in Procurement of IT Equipment

- Time it takes from initial request to product delivery.
- How many purchasing errors were made due to lack of communication.

IT System Security

- Time to process requests.
- Time for requests to reach security administrator.

Application Development and Support

- Time required to complete programming efforts and meet target dates.
- Customer satisfaction surveys to determine if applications developed met goals.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

By centralizing core IT functions at the Regional Service Centers (RSCs), efficiencies are gained by reducing redundancy across the 25 Districts and by capitalizing on IT skills and expertise that is available state-wide.

The proposed change in IT staffing levels will reduce the number of FTEs from 155 to 126, a 19% reduction. All of the existing IT staff would be moved to support the new Regional IT department.

According to the interim Regional business manager's executive summary, regionalization of the IT function would reduce the IT FTE count by 29 and result in an annual savings of $2.15 million.

These staffing recommendations will be accomplished through virtual offices and attrition as stated in the Regionalization Staffing Plan. The Regional Information Resources Manager will be competitively hired. Current district IT personnel will not realize any loss of pay, nor be required to relocate, through this restructuring effort.

Table 1: Number of FTE Required

Region	Proposed Regional Allocations Staff	Current IT Staff Allocation	Proposed Regional IT Allocations IT Staff	Percent Staff Reduction	Metric Used Median Industry Standard
NORTH	3,595	44	**40**	**9 %**	90:1 Staff: IT Staff
SOUTH	2,732	37	**30**	**16 %**	
EAST	2,543	42	**28**	**36 %**	
WEST	2,312	32	**28**	**12.5 %**	
	11,182	155	**126**	**19%**	

** Normalized to include minimum on-site region staff housed at each district

9.2 STAFFING METHODOLOGY

IT staffing levels were derived based on known metrics including existing TxDOT IT staffing levels, median industry standards, existing IT equipment and IT support requests.

In Table 1, the median industry standard used, as derived from Gartner Research Group, for end users to IT staff ratio was 90:1.

Key roles and positions were then identified as being necessary in each region. For example, it was determined that GIS/GPS support and graphics coordinator needed to be regional functions. Because of the complexity and training levels required to provide the best level of support for these functions, it was determined that each region needed to allocate FTE slots for these positions. Other necessary roles were also identified such as programmers to support existing applications or to develop regional applications, security administrators, help desk personnel, LAN administrator and project

and budget coordinators. These specialized roles would perform work for all of the districts in the region and would be eligible to work in virtual offices.

As shown in Table 2, there would be a minimum of 2 regional FTE slots allocated to each District as on-site support specialists. These employees would be responsible for providing hands-on support in the district and to neighboring Districts as needed.

Table 2: Metrics Used to Justify FTE Required

Region	Pieces of Equipment	Proposed Regional IT Staff Allocations	Equipment to IT Staff Ratio
NORTH	6,784	**40**	170:1
SOUTH	6,446	**30**	215:1
EAST	6,549	**28**	234:1
WEST	6,406	**28**	229:1

** Based on current IT equipment inventory

Region	Annual Help Desk Requests	Proposed Regional IT Staff Allocations	Daily Help Desk Requests Per Help Desk Operator
NORTH	35,450	**2**	68
SOUTH	26,887	**2**	51
EAST	25,027	**2**	48
WEST	22,754	**2**	44

** Data derived by taking ELP Tracking (3,543 Reqs for Aug 1, 07 – Aug 1, 08 for 360 employees) applying proportional ratios

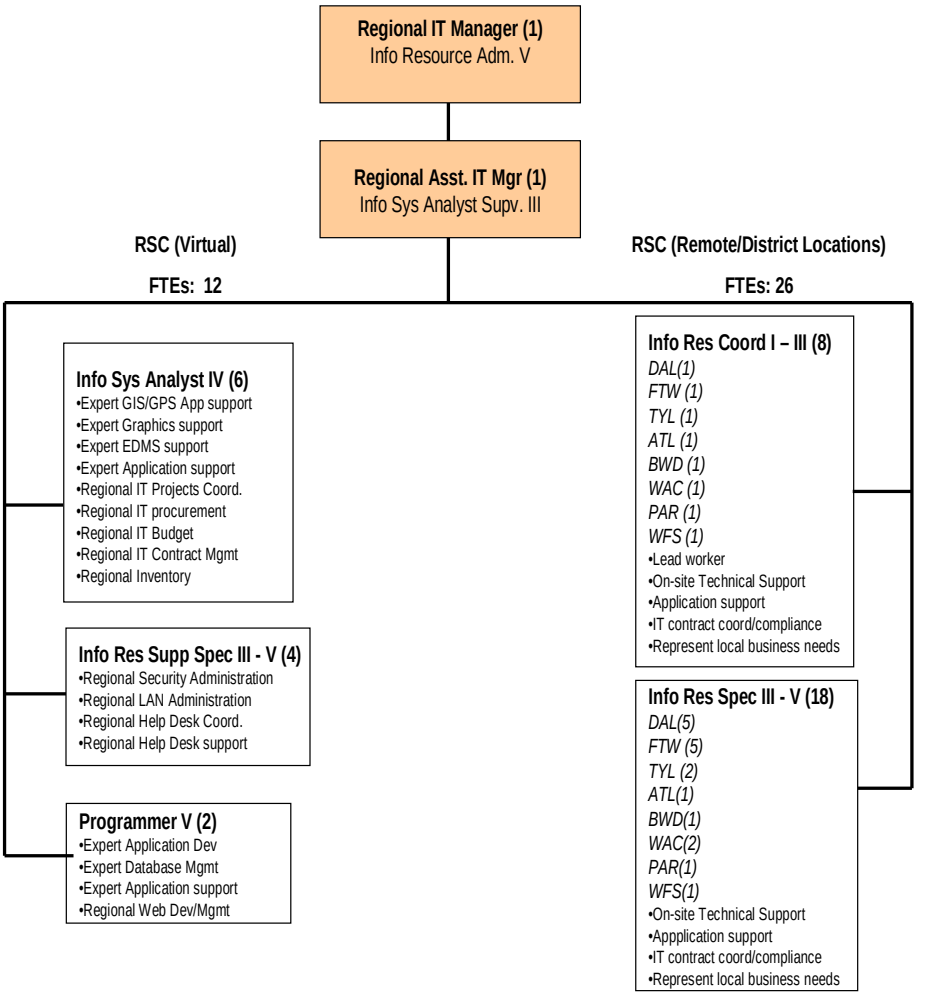
Region	Annual Security Requests	Proposed Regional IT Staff Allocations	Yearly Security Requests to IT Staff Ratio
NORTH	3,591	**2**	1796:1
SOUTH	3,873	**2**	1937:1
EAST	3,522	**2**	1761:1
WEST	3,375	**2**	1688:1

** Data derived by taking HOU EDMS (Aug 1, 07 – Aug 1, 08 for 1433 employees) applying proportional ratios

Table 3: Impact to Current IT FTE Counts

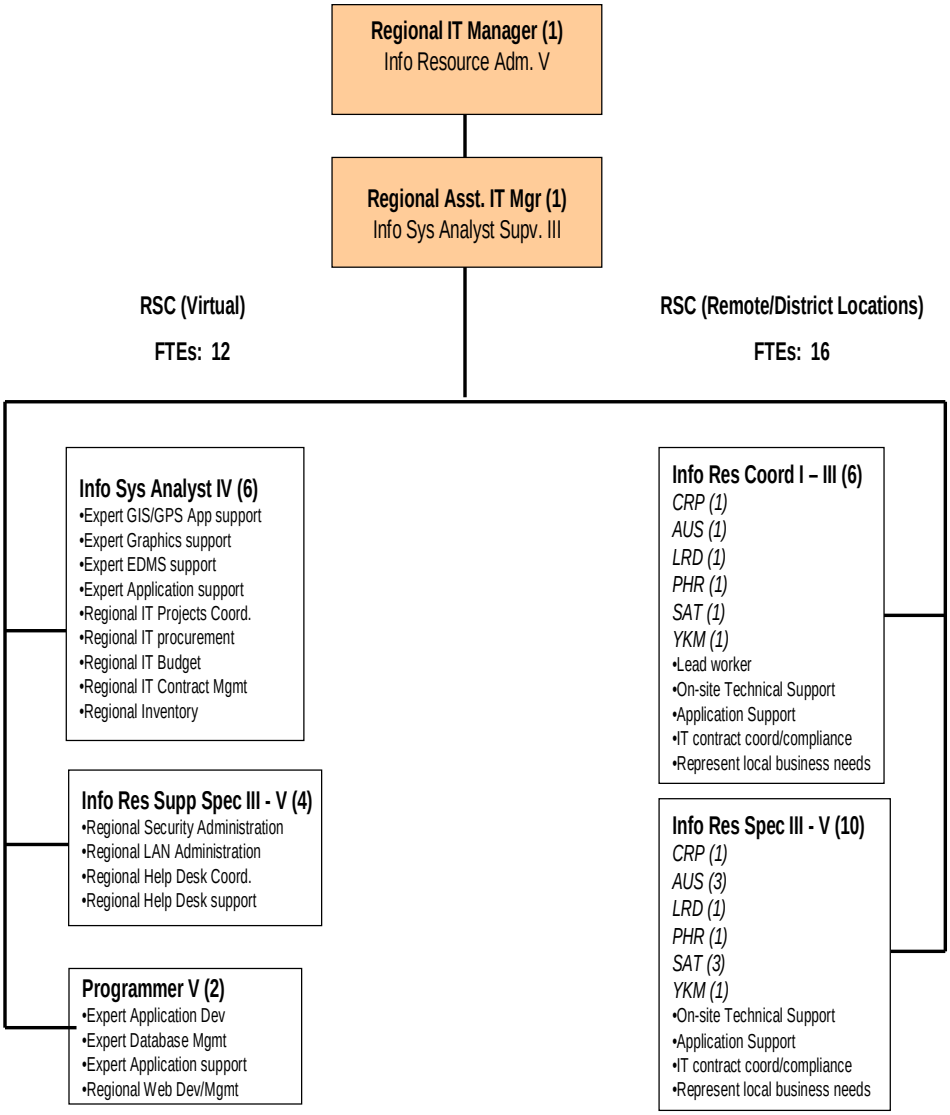
Region/District	Current IT Staff Allocation	Proposed Regional IT Staff Allocations	FTE Count Change
NORTH RSC	**0**	**14**	**+14**
NORTH-FTW	**10**	**6**	**-4**
NORTH-ATL	**3**	**2**	**-1**
NORTH-BWD	**4**	**2**	**-2**
NORTH-DAL	**11**	**6**	**-5**
NORTH-PAR	**3**	**2**	**-1**
NORTH-TYL	**4**	**3**	**-1**
NORTH-WAC	**5**	**3**	**-2**
NORTH-WFS	**4**	**2**	**-2**
Total	**44**	**40**	**-4**
SOUTH RSC	**0**	**14**	**+14**
SOUTH-SAT	**8**	**4**	**-4**
SOUTH-AUS	**9**	**4**	**-5**
SOUTH-CRP	**7**	**2**	**-5**
SOUTH-LRD	**3**	**2**	**-1**
SOUTH-PHR	**6**	**2**	**-4**
SOUTH-YKM	**4**	**2**	**-2**
Total	**37**	**30**	**-7**
EAST RSC	**0**	**14**	**+14**
EAST-HOU	**30**	**8**	**-22**
EAST-BMT	**5**	**2**	**-3**
EAST-BRY	**4**	**2**	**-2**
EAST-LFK	**4**	**2**	**-2**
Total	**43**	**28**	**-15**
WEST RSC	**0**	**14**	**+14**
WEST-LBB	**4**	**2**	**-2**
WEST-ABL	**4**	**2**	**-2**
WEST-AMA	**4**	**2**	**-2**
WEST-CHS	**3**	**2**	**-1**
WEST-ELP	**5**	**2**	**-3**
WEST-ODA	**6**	**2**	**-4**
WEST-SJT	**6**	**2**	**-4**
Total	**32**	**28**	**-4**

Regional Service Center (North – 8 Districts)
Information Resources
Total FTEs: 40



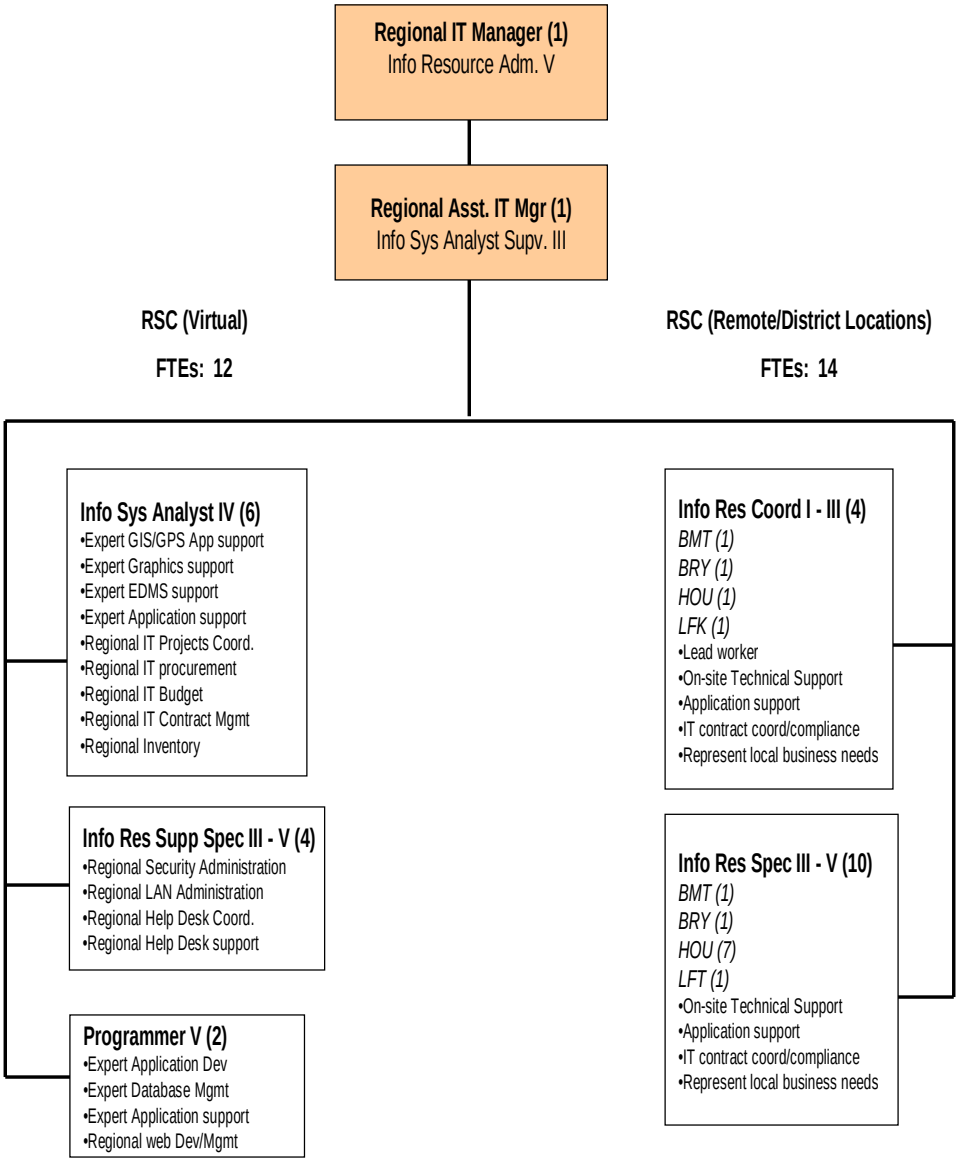
8/7/2008

Regional Service Center (South – 6 Districts)
Information Resources
Total FTEs: 30



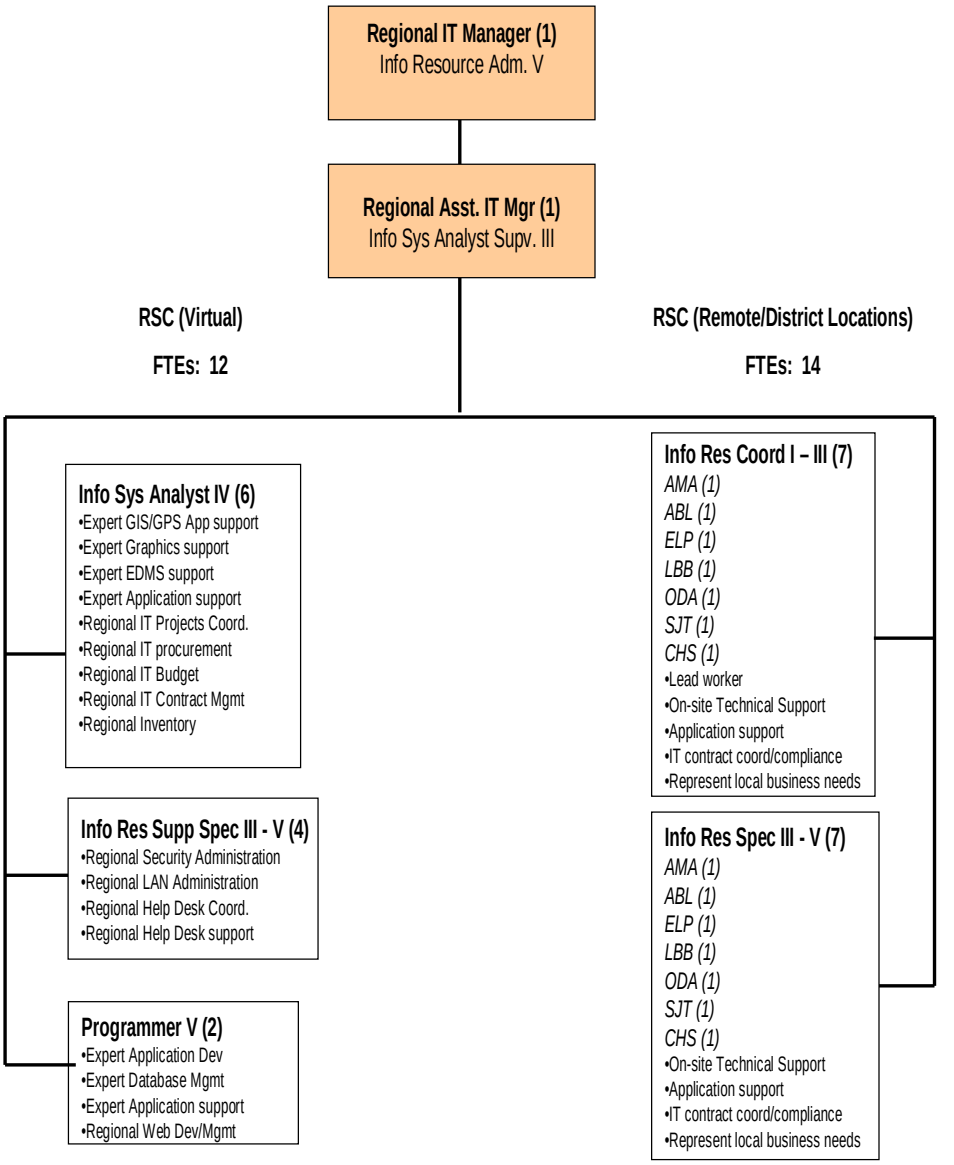
8/7/2008

Regional Service Center (East – 4 Districts)
Information Resources
Total FTEs: 28



8/7/2008

Regional Service Center (West – 7 Districts)
Information Resources
Total FTEs: 28



8/7/2008

APPENDIX: GLOSSARY OF TERMS

Active Directory (AD) – Microsoft's directory service and is required by the installation of Win 2000/03 application servers. All Windows XP Professional workstations and 2003/08 servers are included in the TxDOT domain. TxDOT uses a single domain model with domain controllers located at each district and Austin campus site. Active Directory is the authority for software application and network device connectivity.

Automated Purchasing System (APS) – A fully automated, department-wide, mainframe system administered by the General Services Division, which is used for the request and purchase of all goods and services for TxDOT.

Air cards – A device for a laptop, PDA or cell phone that allows the user to connect to wide area wireless Internet access. They are connected using an available USB port, PCMCIA card slot or ExpressCard slot.

Asset Management Option (AMO) – Part of a suite of three IT management tools provided by CA Unicenter. This tool provides a set of asset management options which can be used to monitor, inventory and manage IT equipment.

Bandwidth – The amount of data a network link can handle. Bandwidth is the signaling frequency supported by a circuit. It is generally accepted to mean the capacity provided by a particular circuit expressed as a data transfer rate (bits/second). The term is also used to express a requirement for such capacity.

Benchmark – Something that serves as a standard by which others may be measured.

Blackberry – A wireless handheld device introduced in 1999 as a two-way pager. The more commonly known Smartphone BlackBerry, which supports push e-mail, mobile telephone, text messaging, Internet faxing, web browsing and other wireless information services.

Budget Information System (BIS) – This self-service link is for TxDOT managers/supervisors who need access to budget information at the budget account and budget strategy levels.

Building Security Systems – Hardware and software system used to control physical access to buildings. Security systems can also be used to notify authorities about unauthorized access, as well as document and report individual access to buildings and structures.

CA Unicenter's Enterprise Package – The software suite by Computer Associates Inc., containing Remote Control, Software Delivery and Asset Management tools to manage networked resources.

Citrix Access – A remote access/application publishing product that allows people to securely connect to applications available from central servers. Citrix allows TxDOT

employees to remotely connect to the TxDOT network, giving them access to intra-departmental resources.

Client – An application or system that accesses a remote service on another computer system, known as a server, by way of a network. The term was first applied to devices that were not capable of running their own stand-alone programs, but could interact with remote computers via a network. These dumb terminals were clients of the time-sharing mainframe computer.

Client/Server – Used today on the Internet, where a user may connect to a service operating on a remote system through the Internet protocol suite. Web browsers are clients that connect to web servers and retrieve web pages for display. Most people use e-mail clients to retrieve their e-mail from their Internet service provider's mail storage servers.

Core Business Functions – Construction, design and maintenance.

D/D/O – Division, District, Office.

Department of Information Resources (DIR) – A Texas government agency that ensures the effective and efficient use of public funds by promoting opportunity and economic prosperity for the state's citizens through the successful application of statewide services and technologies that are beneficial, secure, accessible, and utilize a statewide shared infrastructure. DIR lists its main functions as Effective planning and management of IT initiatives by state government are key to the judicious use of taxpayer funds. DIR is responsible for the effective planning, implementation, and management of a statewide technology infrastructure that supports agency business operations. DIR is also responsible for a cooperative contracts program that enables government entities to efficiently pool their purchasing power to drive down costs. The program provides an effective procurement channel to thousands of public sector entities across Texas. DIR's role as the provider of choice for state and local governments outside of Texas has also grown. Another key function is the adoption of statewide technology rules and standards, and the development of guidelines and practices that contribute to effective enterprise management of information and communications technology. Additionally, DIR is responsible for ensuring that agencies and universities are informed of technology trends and methods for securing information assets, that the state's electronic government portal (TexasOnline) performs flawlessly, that statewide telecommunication operations are reliable and efficient, and that the Texas Legislature stays informed on IT issues.

Design Visualization – Visualization specialists that create enhanced presentations during the transportation design process. Many industries use these tools and techniques to enrich the visual context of their designs. Visualization is the process of converting data into a geometric or graphic representation that gives a 3D or realistic representation of a design consideration.

Electronic Document Management System (EDMS) – An electronic document management application that supports the storage, indexing, retrieval, management, and archiving of documents (electronic files) in a controlled environment utilizing a

storage subsystem and a catalog subsystem. Also called an enterprise document management system.

End-of-Life Cycle – A term used with respect to a retailed product, indicating that the product is at the end of its product lifetime and a vendor will no longer be marketing, selling, or promoting a particular product and may also be limiting or ending support for said product. Typically Information Technology equipment has a fixed performance lifespan, and is said to have reached it's end-of-life cycle when warranty and/or support options are no longer available.

End User – The person who uses the product. The end-user or consumer may differ from the person who purchases the product.

Enterprise System Management (ESM) – The ability to effectively manage TxDOT's Information Technology resources in a distributed environment.

Full Time Equivalent (FTE) – The term used to measure work hours paid compared to the standard work hours in a time period (not the same as number of employees).

File Transfer Protocol (FTP) – A client/server protocol for exchanging files with a host computer.

Fiber Optics – A glass or plastic fiber that carries light along its length. Optical fibers are widely used in fiber-optic communications, which permits transmission over longer distances and at higher data rates (a.k.a "bandwidth") than other forms of communications. Fibers are used instead of metal wires because signals travel along them with less loss, and they are also immune to electromagnetic interference.

GEOPAK – A family of integrated civil design and engineering software tools ideally suited to civil engineering and transportation projects of all types.

Geographic Information System (GIS) – Captures, stores, analyzes, manages, and presents data that refers to or is linked to location. In the strictest sense, the term describes any information system that integrates, stores, edits, analyzes, shares, and displays geographic information. In a more generic sense, GIS applications are tools that allow users to create interactive queries (user created searches), analyze spatial information, edit data, maps, and present the results of all these operations. GIS is a computer system (hardware, software, data, and operator) that can store and analyze geographic data. Features on the earth (such as roads, buildings, vegetation, soil types, slope, etc.) are represented as points, lines or polygons and each feature has a database record attached to it. For example, a building in a GIS data layer might have information about its roof material, siding, the year it was built, what it's present function is, how many windows it has, and so on. A polygon on a soil map might have information on the type of soil, slope, permeability, suitability for agriculture, suitability for septic systems, etc. GIS tools can analyze population trends, crop productivity and community boundaries that have spatial reference data attached.

Global Positioning System (GPS) – A Global Navigation Satellite System (GNSS) developed by the United States Department of Defense. It is the only fully functional GNSS in the world. It uses a constellation of between 24 and 32 Medium Earth Orbit satellites that transmit precise microwave signals, that enable GPS receivers to

determine their current location, the time, and their velocity. GPS is often used by civilians as a navigation system. GNSS allows small electronic receivers to determine their location (longitude, latitude, and altitude) to within a few meters using time signals transmitted along a line of sight by radio from satellites. Receivers on the ground with a fixed position can also be used to calculate the precise time as a reference for scientific experiments.

GroupWise – A cross-platform collaborative software product from Novell, Inc. offering e-mail, calendaring, instant messaging and document management.

General Services Division (GSD) – Purchases, distributes and maintains equipment, materials, services, and facilities for the department. It also monitors the recycling program.

Information Technology (IT) – "The study, design, development, implementation, support or management of computer-based information systems, particularly software applications and computer hardware." IT deals with the use of electronic computers and computer software to convert, store, protect, process, transmit, and securely retrieve information.

HVAC – An acronym that stands for "heating, ventilating, and air conditioning."

Information Technology Detail (ITD) – Includes all projected information resource expenditures for district/division/office (D/D/O) during the current year and for the following 3 years. The requested information is required by statute, as outlined in the General Appropriations Act and subsequent Legislative Budget Board (LBB) guidelines and direction. The information provided is used to fulfill reporting requirements to both the LBB and the Department of Information Resources (DIR). Project descriptions, narratives and costs will be entered into the Automated Budget & Evaluation System of Texas (ABEST), and is used to produce Capital Budget schedules in the TxDOT Legislative Appropriations Request for the next biennium.

Intelligent Transportation System (ITS) – An integrated system that uses video and other electronic detection devices to monitor traffic flows on major freeways. When problems (called "incidents") are detected, operators may use remote controls to redirect traffic, inform motorists (through the use of dynamic message signs) and notify emergency response services as appropriate.

Intranet – A private computer network that uses Internet protocols and network connectivity to securely share any part of an organization's information or operational systems with its employees.

IRD – Interim Regional Director

Kofax – The company manufactures and sells computer hardware, software, and services. Accelerates business processes by collecting paper documents, forms, invoices, unstructured documents, e-documents, intelligently transforming them into accurate, retrievable information and delivering it into business applications and databases.

Laptop – A computer, also known as a notebook computer, is a small personal computer designed for mobile use. A laptop integrates all of the typical components of a desktop computer, including a display, a keyboard, a pointing device (a touchpad, also known as a trackpad, or a pointing stick) and a battery into a single portable unit.

Local Area Network (LAN) – A network that connects computers that are in a small geographic area, such as a district headquarters or campus.

Mainframe – A computer that can handle multiple task concurrently. Used primarily for data processing and scientific calculations.

MicroStation – A suite of CAD (Computer Aided Design) software products for 2- and 3-dimensional design and drafting, developed and sold by Bentley Systems.

Minor Equipment System (MES) – The automated system for electronically recording, maintaining and reporting information about reportable personal property. It is managed by the General Services Division.

New Employee Orientation (NEO) – The NEO course consists of mandatory training modules for new employees and must be completed within 30 days of employment. NEO includes training on information security policies and procedures.

Office Of Primary Responsibility (OPR) – The office of primary responsibility is the organizational unit or individual(s) responsible for identifying, supporting and prioritizing department needs associated with specific information resources assets and/or applications.

Planned Procurement Schedule (PPS) – Texas House Bill 1516 instructs the Department of Information Resources (DIR) to collect information on the planned IT commodity procurement schedules for state agencies and gives DIR the responsibility of approving data center and disaster recovery service and maintenance expenditures. DIR worked with state agencies and developed the Planned Procurement Schedule (PPS) to address both charges. The information agencies provided in previous submissions has resulted in lower prices through contract negotiations with vendors for IT commodity goods and services. The PPS process focuses on consolidated purchasing and adding value to future procurements.

Private Branch Exchange (PBX) – A telephone exchange that serves a particular business or office, as opposed to one that a common carrier or telephone company operates for many businesses or for the general public.

Regional Support Center (RSC) – These geographical centers would consolidate and provide project and operational support for the districts.

Remedy Helpdesk –Helpdesk software product from IBM, which is used by Team for Texas to provide tracking and processing of tickets related to services.

Remote Control Option (RCO) – Part of a suite of three IT management tools provided by CA Unicenter. This tool provides a process by which IT and/or OPR support staff can remotely access a networked computer, facilitating support and help desk operations for customers who might be some geographical distance from traditional resources.

Right of Way Information System (ROWIS) – ROW software program used for all phases of documentation of a Right-of-Way project from beginning to end. It is used for tracking and documenting all aspects of right-of-way management, from property and parcel acquisition to utility clearance.

Server – A server is a computer dedicated to providing one or more services over a computer network, typically through a request-response routine. These services are furnished by specialized server applications, which are computer programs designed to handle multiple concurrent requests. Examples of server applications include mail servers, file servers, web servers, and proxy servers.

Server Operating Systems – An operating system (commonly abbreviated *OS* and *O/S*) is the software component of a computer system that is responsible for the management and coordination of activities and the sharing of the limited resources of the computer. The operating system acts as a host for applications that are run on the machine. As a host, one of the purposes of an operating system is to handle the details of the operation of the hardware.

Site Manager – A comprehensive client/server based construction management tool. It provides for data entry, tracking, reporting, and analysis of contract data from contract award through finalization. It can be used by all levels of construction personnel such as; field inspectors, technicians, project managers, clerks, auditors, and lab.

Software Delivery Option (SDO) – Part of a suite of three IT management tools provided by CA Unicenter. It is used to deliver install and update software remotely.

Standard Operating Procedures (SOPs) – A set of instructions having the force of a directive, covering those features of operations that lend themselves to a definite or standardized procedure without loss of effectiveness.

Technology Services Division (TSD) – The TxDOT division that provides information technology hardware, software, services and staffing to support and enhance the business operations of the department. TSD manages the oversight of the statewide data center services contract, and develops and implements new systems and technologies. TSD serves as TxDOT's central, information technology entity, and ensures operations adhere to state mandated regulations and professional technology standards.

Team for Texas (TFT) – Team for Texas represents IBM's consortium of professional and contracted services providing IT support to 27 Texas state agencies impacted by DIR's data center consolidation efforts. A newly signed agreement between the Texas Department of Information Resources and IBM (NYSE: IBM) proposes to deliver expanded services and lower costs for data center services. The seven-year contract is valued at $863 million with three optional one-year extensions.

Tier 2 – Technology Services Division's second level of support for end users in a three-tier model of escalating problem resolution.

TxDOT Core Architecture – A key to establishing standards upon which application and infrastructure development activities are founded. The objective of the core technology architecture is to have an enterprise-wide technology architecture that supports the data and applications architectures while being consistent, manageable,

non-redundant, comprehensive, and easily integrated. The user group requiring information is no longer just individuals within TxDOT. Individuals and organizations outside of TxDOT need access to transportation related information located throughout TxDOT. The technical architecture provides the base upon which applications are built that supports these needs.

Video Teleconferencing System (VTC) – A videoconference (also known as a videoteleconference) is a set of interactive telecommunication technologies which allow two or more locations to interact via two-way video and audio transmissions simultaneously. It has also been called visual collaboration and is a type of groupware. It differs from videophone in that it is designed to serve a conference rather than individuals.

Virtual Office – An employee is assigned to a work location but is not required to be located at that location to perform the job function. For example, an employee assigned to the RSC has a permanent work location at a district office in another part of the region.

Virtual Private Network VPN –Typically uses the Internet as the transport backbone to establish secure encrypted links with business partners and extend communications to regional and isolated offices. It significantly decreases the cost of communications for an increasingly mobile workforce because Internet access is generally local and much less expensive than dedicated remote access server connections. A VPN is a trusted network constructed so that remote users can communicate freely and safely between the remote networks through the untrusted, public network (Internet) by various means of encryption.

Voice over Internet Protocol (VoIP) – A technology that allows you to make voice calls using a broadband Internet connection instead of a regular (or analog) phone line. Some VoIP services may only allow you to call other people using the same service, but others may allow you to call anyone who has a telephone number - including local, long distance, mobile, and international numbers. Also, while some VoIP services only work over your computer or a special VoIP phone, other services allow you to use a traditional phone connected to a VoIP adapter.

Wireless Network – Refers to any type of computer network that is wireless, and is commonly associated with a telecommunications network whose interconnections between nodes is implemented without the use of wires. Wireless telecommunications networks are generally implemented with some type of remote information transmission system that uses electromagnetic waves, such as radio waves, for the carrier and this implementation usually takes place at the physical level or "layer" of the network.

Wireless Cellular Data – Is the technical description for making calls from your computer to another computer using your cell phone. The "Data" refers to the fact that you are not sending voice over the phone lines, but actual computer information.

Workcenter – The current TxDOT statewide application, used by IT staff to log, monitor, and manage IT issues. It has features that enhance suspense control, text/field search, reporting, and escalation of issues to subject matter experts. It provides stable, reliable, and effective tools for optimizing incident management and documenting solutions to IT

problems. Workcenter interfaces with the Team for Texas, Remedy help desk application for basic Incident information.

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

MAINTENANCE UTILITY PERMITTING

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: **Dan Stacks, Team Leader – South Region, Mike Alford (Houston) - East Region, Murray Allen (Dallas) , J.D. Greenhill (Fort Worth) - North Region, Albert Martinez (El Paso) - West Region**

VERSION:

DATE: **11/04/2008**

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 3

2 SOURCE DOCUMENTS AND INFORMATION 4

3 CONSTRAINTS 5
3.1 Implementation Constraints 5
3.2 Operating Constraints in a Regional Concept 5

4 RISK MANAGEMENT 6
4.1 Risks 6
4.2 Projected Impacts if Not Resolved 6
4.3 Mitigation Strategies 6

5 PRIMARY DUTIES 8
5.1 RSC, Division, and District Duties 8
5.1.1 RSC Duties 8
5.1.2 Division Duties 8
5.1.3 District Duties 8
5.2 RSC Duties in Order of Importance 9
5.3 Duties that may be Outsourced, Combined, or Eliminated 9

6 DETAILED PROCESSES 11
6.1 Overview of Function Processes in a Regional Concept 11
6.2 Coordination and Communication of Processes 11
6.3 Detailed Processes and Procedures 11

7 CHANGES RECOMMENDED 13
7.1 Changes Recommended 13
7.2 Steps To Achieve Changes 14

8 MEASURING SUCCESS 15
8.1 Success Metrics (Measures) 15

9 STAFFING RECOMMENDATION 16
9.1 Staffing recommendation 16
9.2 Staffing methodology 17

APPENDIX: GLOSSARY OF TERMS 19

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

The current objective of this function is to ensure utility permits are processed accurately and timely by Districts in accordance with the Utility Accommodation Rules (UAR).

1.1.2 Purpose in a Regional Concept

The purpose in the Regional concept is to provide utility permit customers with timely information, resources and approval with a reduced number of personnel. Regionalizing this function will help standardize the review and processing of the permits. Utility permit requests that extend beyond multiple District boundaries will be processed in a more efficient manner within a Regional concept.

1.2 CORE DUTIES

1.2.1 Current Duties

- Review, process, and approve or deny Notice of Proposed Installations (commonly referred to as utility permits).
- Archive utility permits.
- Provide recommendations and forward utility permit exception requests to the Maintenance Division.

1.2.2 Duties in a Regional Concept

- The duties do not change in a regional concept.

2 SOURCE DOCUMENTS AND INFORMATION

- **Information collected from the Districts and Divisions.** Information included current number of employees committed to the function, number of utilities processed each year, and the individual District processes. This information was used to determine a staffing recommendation for the Regional concept (Section 9.2)

- **Utility Accommodation Rules (UAR).** The UAR was reviewed to understand the current levels of authority of TxDOT offices in the utility permit process.

- **Utility Installation Review (UIR) System.** This electronic permitting system was reviewed to determine what modifications would be necessary to enable a Regional review process.

- **Guidance from the Interim Regional Directors**: Mr. Lauren Garduño, Mr. Mario Medina, Ms. Mary Meyland and Mr. Tim Powers.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **Training and implementation for the 20 Districts and their utility company customers not currently using UIR.** These Districts are currently utilizing a "hard copy" (paper) process that prevents the efficient processing of permits on a Regional basis. Estimated start date for training is November 1, 2008.
- **Modification of UIR and user manual to incorporate Regional routing/approval.** Estimated start date for the program modifications is November 1, 2008.
- **Funding for UIR training (estimated $80,000) and program modifications ($50,000).**
- **Texas Administrative Code (UAR) needs to be updated to reassign signature authority from the District Engineer to the Regional Business Director.** All references to Districts in the Texas Administrative Code pertaining to utility accommodation will need to be reviewed to determine if changes will be required. This process may take up to six months.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **Districts have individual standard specifications (provisions) required for permit approval.** Continuing this practice would complicate the review process as each District's standard specifications would need to be accommodated. Permit coordinators would be required to review each proposed permit for conformance to each District standard specification, making the review process burdensome.
- **Districts have different interpretations on what types of work activities require permitting.** Some Districts require utility permits for all utility work activities within the right of way, while others only require permits where substantial impact to the right of way or traffic occurs. Consistency between Districts will be necessary to ensure a uniform, Regional processing of permits.

4 RISK MANAGEMENT

4.1 RISKS

1) Utility permits not being routed to appropriate local TxDOT office.
2) Regional employees responsible for utility permit approval may be unable to meet and interact in person with customers to mitigate problems.
3) Conflicts may result between District and Regional Support Center personnel in the event that the offices are not in agreement with certain aspects of a proposed utility permit.
4) Permits may be approved without District consent, or permits that Districts recommend for approval may be denied.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1) Improper or incomplete routing could result in a lack of information (comments) being provided to the approval office. This could result in the placement of utility lines within the right of way, negatively impacting TxDOT's current/future projects and operations.
2) Local customers denied permit approval will be frustrated if they do not have the opportunity to meet with the personnel responsible for permit approval. It is not likely that these customers will be willing to travel significant distances to attend meetings. Local District personnel may be unable to satisfy their concerns, especially if the conflict is regarding direction from Regional Support Center (RSC).
3) An adversarial relationship between District and RSC personnel could result in utility customers being given inconsistent directions on line installations. Delays in processing time for permits could also result if the respective offices refuse to cooperate and communicate effectively.
4) Utility permits approved without District consent could result in conflicts with current or proposed TxDOT construction/maintenance projects. Denial of permits that have been recommended for approval by Districts could result in delays to needed adjustments of utility lines that are in conflict with current or proposed TxDOT construction/maintenance projects. This could cause project delays and construction contract claims.

4.3 MITIGATION STRATEGIES

1) Route all utility permits to a District point-of-contact, an Area Office and/or a Maintenance Section Office (routing/processing system to be developed by the RSC, with District input).

2) Meetings with utility customers occur frequently. Each District should have a point-of-contact to meet and discuss the permitting process and compliance with the UAR. This point-of-contact should have the ability to make recommendations on utility placements on preliminary (project scoping) meetings. If a face-to-face meeting is not feasible at the RSC, District and utility customer should speak by conference call.

(3 & 4) Meetings should take place before any permit is approved or denied in direct conflict with comments made by a District. This will help ensure all personnel from both offices understand and agree on the final outcome. This process may require supervisory mitigation to allow common ground to be reached.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Receive, route, approve/deny, and archive utility permits.
- Manage dispute resolution with utility customers.
- Provide technical assistance/training to permit customers (directly and remotely).
- Forward utility permit exception requests to the Maintenance Division.

5.1.2 Division Duties

- Maintenance Division reviews and approves/denies exceptions to the UAR regarding utility permits.
- Right of Way and Maintenance Divisions maintains and updates the UAR.
- Technology Services Division provides system support for the UIR.

5.1.3 District Duties

- Maintenance Section
    - Review proposed utility permits to determine impacts to existing facilities/operations or maintenance projects.
    - Perform field inspection of approved permits and closing out of completed installations.
    - Close out completed permits.
- Area Offices
    - Review proposed utility permits to determine impacts to existing construction contracts.
    - May perform field inspection of installations within active construction projects.
    - Close out completed permits.
- Design Offices
    - Review proposed utility permits to determine impacts to future construction contracts.

- District Office
  - Provide a point of contact for local utility permit customers for dispute resolution.
  - Provide assistance/training (directly) for permit applicants
  - Perform preliminary review of proposed installations (scoping meetings).

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Approve/deny utility permits in accordance with the UAR and TxDOT standard specifications.
2) Ensure permit applications are amended based on comments from the District Offices so that TxDOT maintenance operations, maintenance/construction projects and design projects are not negatively impacted.
3) Develop and deploy procedures for processing Regional utility permit requests with the Districts.
4) Develop and deploy Regional standard specifications (special provisions) with the Districts.
5) Determine with the Districts the work activities that requires a utility permit.
6) Perform initial review of all utility permits to ensure applications and plans are complete and legible.
7) Attend dispute resolution meetings (directly and remotely) between TxDOT and utility customers.
8) Provide technical assistance and training (directly and remotely) to utility customers.
9) Maintain electronic utility permit database.
10) Submit UAR utility permit exception requests to the Maintenance Division.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- Maintenance utility permit responsibilities under the RSC should be performed by the Right of way office under Project Delivery Support. This will place compensable utility relocation agreements and maintenance utility permits in the same office.

Combined

- None

Eliminated

- Maintaining multiple standard specifications (special provisions) for each District should be eliminated. One set of standard specifications for each Region should be maintained by the RSC.
- Traditional, hard copy utility permit process should be eliminated (or greatly reduced). This will eliminate or significantly reduce mailing of permits to offices, filing, and copying of proposed permit plans/applications.

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Establish standard operating procedures for utility permit review, where applicable.
- Establish standard specifications for the installation of utility lines within the right of way throughout the Region and the state, where applicable.
- Establish the types of work requiring a utility permit.
- Process, route and approve utility permits at the RSC.
- Provide technical guidance to Districts on interpretation of the UAR/standard specifications.
- Provide technical assistance, training, and dispute resolution to utility customers.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

RSC – Each permit coordinator will communicate with the utility customers and with the various District offices through the UIR program. The UIR program tracks all comments from all offices through the routing process. Any communication problems that cannot be addressed through the UIR will require phone calls (conference calls) or meetings. Technical assistance regarding TxDOT specifications and the UAR will be provided by the RSC to the District Offices. Technical assistance, larger scale training, and dispute resolution will be provided to the utility customers.

District – As stated above, all communications will primarily be through the UIR. Phone calls and meetings will be utilized to supplement the UIR. Hands-on training and technical assistance will be available to individual customers at the local offices. Disputes over pending permits will initially be handled by the Districts. Dispute appeals will be forwarded to the RSC.

Utility Customer – The UIR will provide the customer with immediate information regarding permit status through the review process. As required, TxDOT personnel will be available by phone or for meetings.

6.3 DETAILED PROCESSES AND PROCEDURES

Process, route and approve utility permits at the RSC

Utility customer submits an electronic permit through the UIR system to the RSC. The permit coordinator reviews the application for accuracy, completeness, legibility and conformance with the UAR/standard specifications. If the application is incomplete, the permit is returned to the customer for edits. If the application is acceptable, the permit is forwarded to the local District Maintenance Office (or other District point of Contact) for

review/comment. The permit is then directly forwarded to the Area Office for review/comment. A determination by the Area Office is then made to forward the permit to the District Design Office for review/comment regarding any design projects that could be affected. The permit is returned to the RSC for approval, denial, or application modifications.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Beginning September 1, 2008, Right of Way and Maintenance Divisions are set to begin the process to amend Texas Administrative Code (UAR) to reassign signature authority from the District Engineer to the Regional Business Director and make any other pertinent changes that reflect the new process.

- Utilize the UIR program for the regional process. The UIR is an automated system for receiving and approving utility permits. It provides an electronic method to route permits between internal and external offices within the Regions. Once permits are approved, utility customers notify District inspectors that utility installation is to commence through the UIR. Once the work is completed, the District inspector closes the permit application, and it is automatically archived in the UIR database.

- Begin November 1, 2008, to train remaining 20 Districts that are not utilizing the UIR based on the following schedule:
    - El Paso, Odessa, Lubbock, Amarillo, Childress: (complete by January 15, 2009)
    - Wichita Falls, Dallas, Paris, Atlanta, Tyler: (complete by March 31, 2009)
    - Laredo, San Angelo, Abilene, Austin, Corpus Christi: (complete by June 15, 2009)
    - Brownwood, Waco, Lufkin, Beaumont, Yoakum: (complete by August 31, 2009)

- Begin November 1, 2008, to modify UIR program to accommodate the Regional process.

- RSC should begin review, processing and approval of utility permits on September 1, 2009.

- RSC and Districts should establish standardized specifications by August 1, 2009.

- RSC and Districts should establish which work activities require a utility permit by August 1, 2009.

- Link UIR with TxDOT database (possibly DCIS) to cross reference proposed/active TxDOT construction projects to minimize conflicts.

- Maintenance utility permit responsibilities under the RSC should be performed by the Right of way office under Project Delivery Support. This will place

compensable utility relocation agreements and maintenance utility permits in the same office. Having these responsibilities in the same office will result in more uniformity in utility related activities and will also create a backup in manpower for employee absences.

7.2 STEPS TO ACHIEVE CHANGES

- Right of Way Division needs to begin reviewing the Texas Administrative Code to determine where revisions are needed to accommodate the RSC concept.

- The contract between TTI and TxDOT needs to be executed to initiate training on the UIR for the remaining Districts that are not on-line, and to modify the UIR model to accommodate the RSC process.

- RSC and Districts need to meet to begin preparing standardized specifications and processes.

- Technology Services Division and TTI need to work together to determine if and how DCIS can be accessed by the UIR.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

- Total time to process a permit.
- Time between routing events (time permit is idle in individual office).
- Number of events to process a permit.
    - If a permit is repeatedly sent back and forth between offices, that is a sign of inefficiency. A meeting or at least a phone call should be made to discuss how to remedy the problem, instead of “forcing the issue” through the UIR process.
- Internal and external customer surveys on process.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

The RSC should operate with 14 permit coordinators. It is hard to compare this number to current staffing levels because the current number of FTEs that perform duties as a permit coordinator is hard to quantify. Many Districts assign this task to personnel that perform a variety of duties. A survey performed in August 2008 detailed an average of one full-time permit coordinator in each District responsible for maintenance utility permitting, for a total of 25 FTEs statewide.

The RSCs should be staffed according to the following permit coordinator FTEs: North Region – 5, East Region – 3, West Region – 2, South Region – 4.

These coordinators will be responsible for preliminary review to ensure compliance with the UAR, uniformity with regional specifications, routing to the appropriate internal/external offices, and providing training and technical assistance.

The Workgroup recommends changes to the Permit Coordinator business classification family (Permit Coordinator I to IV) or the creation of new classifications. Permit coordinators are currently classified in Business Class Codes A200 to A204 (Salary Group A08 to A13). The recommendation is for four classifications, beginning with entry level classification of Salary Group A13 and the highest level classification of Salary Group B11.

The review/final approval of the permits should be performed by one of the right-of-way supervisors under Project Delivery Support as a part-time function. Review/approval of the permit entails the following componets: the review of comments from all offices to ensure all concerns are addressed, cursory review of work description/plans/location for clarity/uniformity/UAR compliance, and final approval. Work occasionally requires meeting with applicants on complex permit requests. The estimated time (percentage of an FTE) for this function is as follows: North Region – 30%-40%, East Region – 15%-25%, West Region – 5%-10%, South Region – 30%-40%. These time estimates are based on historical data from users currently utilizing the UIR. Permits are typically reviewed/approved in approximately 5 minutes.

The RSC positions will be filled by full-time permit coordinators. Current district employees engaged primarily in permit coordinator duties will be converted to regional employees. The standard for determining which employees were engaged primarily in permit coordinator duties was 50% or more of daily duties. This determination was made by each district engineer.

Vacancies remaining after converting district employees primarily engaged permit coordinator duties will be competitively posted and filled.

Current district employees engaged in permit coordinator duties but at a level less than 50% of their daily duties will remain district employees and take on other district duties as determined by the District Engineer.

The RSC staffing recommendations will be accomplished through virtual offices as stated in the Regionalization Staffing Plan. Current permit coordinator employees who are regionalized will not realize any loss of pay, nor be required to relocate, through this restructuring effort. Current permit coordinator employees who are not regionalized but stay in the districts will likewise not realize any loss of pay nor will they be required to relocate.

9.2 STAFFING METHODOLOGY

The productivity of permit coordinators was estimated based on the following criteria:

Employees work 44 weeks/year on average (assume each year an employee will be off 5 weeks vacation/sick leave and 3 weeks of state approved holidays).

Based on the knowledge and experience of our work group members, we estimated each permit coordinator could process an average of 1,500 utility permits/year, spending on average approximately 1 hour/permit (initial review/routing, final review/approval routing). The additional time allotted accounts for employee training and attending meetings.

The work group determined the following yearly average number of permits by region through communications with the Districts:

North Region Districts

Process 7,000 permits/year

Estimate 5 FTEs needed.

West Region Districts

Process 2,100 permits/year

Estimate 2 FTEs needed

South Region Districts

Process 6,300 permits/year

Estimate 4 FTEs needed

East Region Districts

Process 3,300 permits/year

Estimate 3 FTEs needed

APPENDIX: GLOSSARY OF TERMS

Utility Accommodation Rules – Rules established by the Texas Administrative Code (Title 42, Part 1, Chapter 21, Subchapter C) prescribing "the minimum requirements for the accommodation, method, materials, and location for the installation, adjustment, and maintenance of public and private utilities within the right of way of the state highway system."

Utility Installation Review (UIR) System - This is an automated permitting system for receiving, processing, approving, and archiving utility permits. It provides an electronic means to route permits between TxDOT offices and utility companies. Once permits are approved, utility companies notify district permit inspectors of pending construction activities through the UIR. Once construction is completed, the district permit inspectors close the permit application through the UIR and the permit is archived in the UIR database.

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

METROPOLITAN PLANNING ORGANIZATIONS & REGIONALPLANNING COORDINATION

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: Melisa Montemayor – LRD -Team Leader, Danny Brown, P.E - WFS, Brian Barth, P.E. – DAL, Steven Stafford, P.E. – BMT, Carolyn Bednar-Wood – HOU, Ed Collins – AUS, Joe Clark – ABL, David Miller – AMA, Jack Foster, P.E. – TPP

VERSION:

DATE: **11/04/2008**

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 4

2 SOURCE DOCUMENTS AND INFORMATION 5

3 CONSTRAINTS 6
3.1 Implementation Constraints 6
3.2 Operating Constraints in a Regional Concept 6

4 RISK MANAGEMENT 7
4.1 Risks 7
4.2 Projected Impacts if Not Resolved 7
4.3 Mitigation Strategies 7

5 PRIMARY DUTIES 8
5.1 RSC, Division, and District Duties 8
5.1.1 RSC Duties 8
5.1.2 Division Duties 8
5.1.3 District Duties 9
5.2 RSC Duties in Order of Importance 10
5.3 Duties that may be Outsourced, Combined, or Eliminated 10

6 DETAILED PROCESSES 11
6.1 Overview of Function Processes in a Regional Concept 11
6.2 Coordination and Communication of Processes 11
6.3 Detailed Processes and Procedures 11

7 CHANGES RECOMMENDED 13
7.1 Changes Recommended 13
7.2 Steps To Achieve Changes 14

8 MEASURING SUCCESS 15
8.1 Success Metrics (Measures) 15

9 STAFFING RECOMMENDATION 16
9.1 Staffing recommendation 16
9.2 Staffing methodology 17

APPENDIX: GLOSSARY OF TERMS 19

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

Metropolitan Planning Organization (MPO) and Regional Planning Organization (RPO) coordination plays a vital role in the project development process of transportation projects throughout the state. Currently, each District coordinates with various local entities to develop short and long-range plans for roadway and transportation infrastructure. Each District, in turn, develops or assists in developing MPO and/or Rural Transportation Improvement Plans (TIPs) along with a Unified Planning Work Program (UPWP) for its District area. To prepare for document development, the District reviews roadway functional classification maps on a yearly basis, monitors MPO planning contracts, performs Travel Demand Modeling (TDM) and develops an annual project performance expenditure report.

1.1.2 Purpose in a Regional Concept

The purpose of the Regional concept parallels the purposes of the current District and Division functions. The benefit of regionalization is these functions become centralized. This enables projects to be planned and coordinated from a Regional perspective. This perspective allows for enhanced planning on a broader scale across multiple District lines. An efficient MPO and Rural planning process will ensure that projects are planned in conjunction with one another within each Region as well as across the four Regions.

1.2 CORE DUTIES

1.2.1 Current Duties

- Serve on the MPO technical committee – District/Division
- Serve on the MPO policy committee - District
- Develop MPO TIPs – District/MPO
- Develop Rural TIPs – District
- Involve the public in Rural TIPs - District
- Develop and monitor UPWP – MPO/District/Division
- Administer Federal Planning Funds – District/Division
- Serve as the focal point for interpretation of federal regulations pertaining to planning funds - Division
- Provide planning coordination – District

- Update the in-house manual – Division
- Provide computer run for rural TIP – Division
- Provide contracts training with Texas Transportation Institute – Division
- Perform MPO audit – District
- Develop MTPs – MPO/District
- Serve as Field Representative - Division
- Monitor air quality conformity – District/MPO/Division
- Develop Travel demand model – Division/MPO/District
- Provide Travel demand model run support – MPO/District
- Provide functional classification – District/MPO/Division
- Provide annual list of projects and annual performance/expenditure report - MPO
- Coordinate Federal regulations – Division
- Provide or assist with public transportation portion of TIP – District/Transportation provider
- Monitor planning contracts – Division/District/MPO
- Develop Unified Transportation Plan (UTP) – MPO/District/Division
- Serve as focal point for maintaining/amending Texas Administrative Code – Division

1.2.2 Duties in a Regional Concept

- Coordinate Rural Planning
- Develop Rural TIP
- Administer UPWP
- Provide Functional Classification
- Develop Annual List of Projects and Annual Performance Expenditure Report
- Monitor MPO Planning Contracts
- Develop and Monitor Regional Travel Demand Modeling Alternatives Analysis Contract

2 SOURCE DOCUMENTS AND INFORMATION

- **Information related to staffing and duties collected from Districts and Divisions.** Used to determine staffing at the Regional level.
- **Guidance from Mr. Mario Medina, P.E.** Mr. Medina was interviewed for guidance on information and formatting of the workgroup plan.
- **Urban Transportation Planning Manual.** Used for information on MPO duties and processes.
- **Administration of FHWA Planning Grants.** Used to gather details on level of effort in the monitoring of planning grants.
- **Programming and Scheduling Manual.** Used as a reference for guideline information in the general programming and scheduling of projects.
- **Transportation Project Development Process Manual.** Used to reference the level of effort and processes in developing projects.
- **Administrative Circular 17-89.** Used for information leading to the determination of levels of effort in managing MPO contracts.
- **Statewide planning process centralized in TPP.** Used to determine which duties were localized in TPP so as to determine duties to be transferred to the Region.
- **DCIS/Mainframe information.** Used to determine level of effort in programming projects.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **Lack of standardization in the methods used by each District to accomplish duties.**
- **Lack of standardization in the methods used by each District to coordinate with local entities.**

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **Limited Travel Budget.** Many of the proposed RSC duties require a high degree of interaction with the MPO and Districts. Although much of the day-to-day communication may be accomplished via telephone or e-mail, RSC personnel will still be required to participate in many of the meetings with the MPO and Districts. Due to the large size of some of the Regions, this will require a larger travel budget.

4 RISK MANAGEMENT

4.1 RISKS

1) Loss of trust of elected officials.
2) Loss of public trust.
3) Delays associated with lack of efficiency or communication problems.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1) Loss of Federal funding.
2) The planning effort may be less effective because there will be less public input into plan.
3) Higher project costs due to delays to project development or cancellation of projects and possible reduction in quality of life if projects are not built.

4.3 MITIGATION STRATEGIES

1) A process, including detailed checklists and timelines, will be developed to ensure that all Federal requirements are met in a timely manner.
2) It is critical that the Districts be recognized as the point of contact for MPO activities. The Regional Service Center will serve to help coordinate these local efforts and eliminate the redundant contract duties. This will allow the Districts to focus more on working directly with the MPO, local entities and citizens.
3) Experienced personnel, as required by the staffing plan and classification recommendations, will be utilized. Training will be provided as needed. Communication will be coordinated through the District to ensure progress is being made on all Federal and State requirements. A platform to share best management practices will be developed to ensure highest possible efficiency.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Manage and oversee rural TIP development.
- Provide guidance and direction on long-range and short-range rural transportation planning.
- Coordinate with District/MPOs on implementation of the UPWP and monitor expenditures.
- Act as Field Representative.
- Perform functional classification system/urban boundary review.
- Process annual list of projects & annual performance expenditure report.
- Monitor MPO planning contracts.
- Execute and monitor regional TDM alternatives analysis contract.

5.1.2 Division Duties

- Administer federal planning funds.
    - Establish PL formula distribution.
    - Develop annual minute order.
- Perform guidance manual updates.
- Perform TIP computer report runs.
- Execute/manage TTI contracts.
    - Perform Travel demand modeling.
    - Provide MPO staff and policy committee training.
- Maintain Department planning document website.
- Support MTP development.
    - Provide federal and state financial revenue forecast.
- Monitor air quality conformity.
    - Check travel demand modeling development.
- Develop Travel demand models.
    - Review TDM alternatives analysis for statewide consistency.

- Perform Functional Classification review.
    - Perform final processing and submit to FHWA.
- Provide format and execute MPO planning contracts.

5.1.3 District Duties

- Assist MPOs on development of the UPWP.
    - Serve on Technical Advisory Committee and Policy Committee to develop UPWP and updates.
- Provide data for the public involvement process on rural TIPs.
    - Develops project lists.
    - Provide project maps as necessary.
- Develop Rural TIPs and UTPs.
    - Perform project selection.
    - Perform DCIS updates.
- Develop MPO TIPs and UTPs.
    - Coordinate project selection.
    - Ensure consistency between MTP and TIP.
    - Perform DCIS updates.
- Coordinate local planning efforts.
    - Participate in continuous, comprehensive, and cooperative planning process.
- Support MTP development.
    - Provide project information, maps, schedules, etc. to MPO.
- Monitor air quality conformity
    - Ensure TIP, MTP, environmental document compliance.
- Provide Travel demand model run support.
    - Provide data to update the network, TAZ, and demographic information.
- Perform Functional classification system/urban boundary review.
    - Review and update.
    - Manage local consultation.
- Develop annual list of projects and annual performance expenditure report.

- Provide information to MPO for development of report.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Act as Field Representative.
2) Provide guidance and direction on long-range and short-range rural transportation planning.
3) Monitor MPO planning contracts.
4) Coordinate with District/MPOs on implementation of the UPWP and monitors expenditures.
5) Manage and oversee rural TIPs.
6) Process annual list of projects & annual performance expenditure report.
7) Perform Functional classification system/urban boundary review.
8) Execute and monitor regional Travel Demand Model alternatives analysis contract.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- Regional travel demand model alternatives analysis contract let by the Division.
  - Traffic data collection to support the Travel Demand Model.
  - Collection and analysis of Demographic information to support the Travel Demand Model.

This contract would work by allowing a consultant to collect and analyze each Region's data (traffic survey, demographic, network, etc.). The consultant would provide the information to the Division to complete TDM analysis and dissemination to the Regional and District personnel.

- Air quality and conformity analysis to support individual projects and MTPs could be outsourced by letting a contract to a consultant to provide detailed analysis back to the MPOs and Districts.

Combined

- Field representation from the RSC and the Divisions.

Eliminated

- None

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Districts remain the primary contact and liaison for MPO and rural area planning activities.
- RSCs provide support, guidance and direction to the Districts for planning activities.
- RSCs are responsible for select administrative duties currently performed at the District and TPP.
- TPP provides RSCs and Districts policy guidance and direction on planning issues.
- TPP continues to be the primary contact with FHWA on statewide planning issues.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

TPP continues providing guidance and policy direction on transportation planning process and procedures to districts and RSC.

RSC serves as liaison to Districts to communicate and assist in implementation of planning processes.

TPP communicates and provides guidance to RSC on administrative functions related management of MPO federal transportation planning funds.

6.3 DETAILED PROCESSES AND PROCEDURES

Manage and oversee the Rural TIP process

The RSC coordinates the development of the rural TIP including public involvement. The RSC provides communication of policies to ensure rural projects submitted by Districts meet TIP requirements (e.g. format and financial constraints). The RSC develops and implements the public involvement format and conducts public meetings with appropriate District representation. The RSC develops appropriate venues for dissemination of public involvement opportunities on the Regional level (for added customer service).

SHORT & LONG RANGE PLANNING PROCESS

The RSC provides Districts guidance and direction on rural long-range and short-range rural transportation planning.

The RSC, through its field representatives, serves as liaison between Districts within the Region on matters impacting rural transportation planning.

ADMINISTRATIVE DUTIES

The RSC performs administrative duties related to Unified Planning Work Program (UPWP) including:

- monitoring implementation
- processing billings
- approving expenditure requests
- ensuring tasks are compliant with requirements and are accomplished
- performing MPO audits
- submitting to FHWA MPOs the annual list of projects & annual performance expenditure report
- monitoring MPO planning contracts
- administration of federal planning funds

The RSC field representatives provide guidance and interpretation of state and federal planning requirements including:

- ensuring compliance with MPO federal regulations
- providing current guidance on planning and best practices

The RSC serves a liaison in the development of the roadway functional classification maps, including:

- reviewing District and MPO submittals.
- processing information to TPP for transmittal TO FHWA

The RSC develops and monitors Regional TDM alternatives analysis contracts.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Synchronize the development of the UTP and 3 year letting schedule with the development of the TIP. RSCs should aid in the coordination of the three processes. The synchronization of these three documents along with the centralized coordination of these documents at the Regional level will allow for effective and efficient planning of transportation projects. The following benefits could be realized:
    - Reduction in the number of TIP revisions.
    - More efficient project identification process.
    - Better interaction with local decision-makers.

- Create a shared PC-based data system between TxDOT, MPOs, and FHWA that will be used to develop the TIP, MTP and UTP. RSCs should provide guidance and coordination. A shared PC-data base system under the guidance of the RSC allows for a continuous exchange of information among entities, thereby enhancing the planning process of projects on a statewide basis. The following benefits could be realized:
    - Elimination of discrepancies due to single data source.
    - Reduction in the number of revisions needed.
    - Better public involvement.
    - Each entity can perform QC/QA on the data.

- Develop a system to share best practices among Districts, MPOs, and RSCs. RSCs should coordinate distribution of information. This system will allow for information to be centralized at the Regional level and distributed to local governmental entities throughout each Region, thereby enhancing the planning process. The following benefits could be realized:
    - Development of most efficient processes.
    - Increased efficiency.
    - Standardization of processes.
    - Preservation of historical knowledge.

- Develop 4 Regional rural TIPs. RSCs should provide oversight. The development of Regional TIPs will allow for a consolidated approach for

planning and developing projects based on regional needs and scheduling. The following benefits could be realized:

- Condensed review.
- Consistency over a wide area.
- Increased opportunity for public involvement.
- Easier implementation of best practices.

7.2 STEPS TO ACHIEVE CHANGES

- For Synchronizing the UTP, Letting Schedule, and TIPs
  - Form a work group to outline details.
  - Shift development timeline for 3 year letting schedule to match that of the TIP and UTP.
  - Consider eliminating the submittal of a draft TIP during development a new TIP.
- For the Shared Data System
  - Form a work group to review available information system software.
  - Populate and test the system.
- For the Best Practices
  - Form a work group to identify best practices.
  - Identify deliverables and the delivery system.
- For the Regional TIPs
  - Form a work group from FHWA, Division and Region staff.
  - Establish operational guidelines.
  - Establish implementation plan.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

Rural TIP Management Success Measures

- Time required in development of STIP versus the current STIP implementation schedule timeline.
- Meets requirements of public involvement process as set forth in state and federal regulations.
- Number of quarterly revisions that are approved.
- Number of revisions not approved on the STIP.

Long-range and Short-range Rural Transportation Planning Guidance Success Measures

- Reduced number of feasibility studies done by combining studies on routes involving more than one District.
- Reduced bid prices attained by letting larger projects across state lines.

Regional Guidance on MPO implementation and expense monitoring of UPWP Success Measures

- Number of errors identified by FHWA on UPWP.
- Time required to respond to FHWA.
- Time required to process monthly billings.
- Findings of discrepancies on billings or contract requirements in MPO annual audits.
- Number of errors on functional classification updates.
- Number of errors on annual list of projects.
- Number of extensions needed to nearly-expired contracts to keep work progressing or expired MPO planning contracts that must be re-initiated.
- Reduced costs associated with one Regional Travel Demand Modeling contract as opposed to the costs of having one contract per District.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

There are 22 existing FTEs working on MPO and/or rural planning coordination. The transfer of selected MPO/Rural coordination duties to the Regions will result in a reduction from 22 to 15 at the Regional level. It should be noted that transferring these selected planning duties from the District to the Region is not intended to eliminate the respective District staff. Instead, the 22 employees at the District will be allowed more time to work on various other daily responsibilities.

Current FTE distribution:

- North – 6.6
- South – 7.5
- East – 3.7
- West – 5.3

Proposed distribution in the RSC model:

- North – 4
- South – 4
- East – 3
- West – 4

Current district employees engaged primarily in MPO activities will be converted to regional employees. The standard for determining which employees were engaged primarily in MPO activities was 50% or more of daily duties. This determination was made by each district engineer.

Vacancies remaining after converting district employees primarily engaged in MPO activities will be competitively posted and filled.

Current district employees engaged in MPO duties but at a level less than 50% of their daily duties will remain district employees and take on other district duties as determined by the District Engineer.

The RSC staffing recommendations will be accomplished through virtual offices as stated in the Regionalization Staffing Plan. Current MPO employees who are regionalized will not realize any loss of pay, nor be required to relocate, through this

restructuring effort. Current MPO employees who are not regionalized (those who stay in the districts) will also not realize any loss of pay nor will they be required to relocate.

9.2 STAFFING METHODOLOGY

Districts represented on the workgroup were polled to determine how many FTEs were currently being used to perform the functions that would be assigned to the RSC. The Districts were then separated into Non-TMA (Transportation Metropolitan Area) and TMA Districts and the average FTE need was calculated for each type. The Division also supplied information regarding current FTE usage for RSC functions in Non-TMA and TMA Districts.

DIST	FTE Non-TMA	FTE TMA
BMT	0.75	
HOU		0.75
WFS	0.50	
DAL		0.75
AMA	0.65	
ABL	0.50	
AUS		0.75
LAR	0.75	
Avg	0.63	0.75
TPP	0.15	0.33
	0.78	1.08

	Non-TMA	Current	Proposed	TMA	Current	Proposed
North	7	5.5	3	1	1.1	1
South	4	3.1	2	4	4.4	2
East	2	1.6	1	1	2.1	2
West	4	3.1	2	2	2.2	2

Since TMAs are urban areas with a population more than 200,000, it is noted that these areas may have a larger volume of MPO issues to work with than non-TMA areas. Utilizing the current FTE usage for a typical Non-TMA and TMA district, the group calculated the FTE count for each Region. The East Region had the lowest count, and it was determined that the count could be reduced from 3.7 to 3 based on efficiencies gained at the Regional level. The other Regions had either more non-TMA or TMA MPOs which justified the addition of another FTE in each Region.

	Non-TMA	TMA	FTE Total
Current	13.3	8.8	22.1
Preferred	8	7	15

In summary, an equivalent of 22 FTEs is currently being used by the Districts and Division to handle proposed RSC functions.

This number could be reduced to 15 FTEs spread among the Regions due to gained efficiencies. Since the MPO and RPO functions would be handled for each area at the Regional level, these duties would be transferred from the District level. These tasks would be transferred to Regional staff devoting all of their time and effort to the MPO and RPO processes and coordination.

Should the Rural Planning Organization (RPO) concept not be functional at the inception of the RSC being operational, the number of FTEs may be further reduced to 12. Once the RPOs are developed, the number of employees may be increased to 15.

The number of staff at the RSC (12 prior to the RPOs and 15 after the development of the RPOs) does not take into account the number of staff at the District and Division level that will be continuing to work on District- or Division-level duties in regards to MPO and RPO coordination.

APPENDIX: GLOSSARY OF TERMS

Air Quality Conformity: The link between air quality planning and transportation planning

Congestion Mitigation & Air Quality Improvement Program (CMAQ): A categorical Federal-aid funding program created with the ISTEA. Directs funding to projects that contribute to meeting National air quality standards. CMAQ funds generally may not be used for projects that result in the construction of new capacity available to SOVs (single-occupant vehicles).

Design Construction Information System (DCIS): The Texas Department of Transportation (department) operates a statewide computer network that allows all districts and Austin headquarters to maintain project data in a common format. The Design and Construction Information System (DCIS) is one of the department's many automated information systems.

Demographics: Characteristics of a total population. Characteristics can include, but are not restricted to: ethnic makeup, age distribution, education levels, and occupation patterns.

Federal Functional Classification: Federal classification of streets and highways into functional
operating characteristics. Categories are:

- Interstate
- Other Urban Freeways and Expressways
- Other Principal Arterial
- Minor Arterial
- Urban Collectors and Rural Major Collectors
- Rural Minor Collectors
- Urban and Rural Local Streets and Roads

Federal Highway Administration (FHWA): A branch of the US Department of Transportation that administers the federal-aid Highway Program, providing financial assistance to states to construct and improve highways, urban and rural roads, and bridges. The FHWA also administers the Federal Lands Highway Program, including survey, design, and construction of forest highway system roads, parkways and park roads, Indian reservation roads, defense access roads, and other Federal lands roads. The Federal agency within the U.S. Department of Transportation is responsible for administering the Federal-Aid Highway Program. Became a component of the Department of Transportation in 1967 pursuant to the Department of Transportation Act (49 U.S.C. app. 1651 note). It administers the highway transportation programs of the Department of Transportation under pertinent legislation

Fiscal Constraint: Making sure that a given program or project can reasonably expect to receive funding within the time allotted for its implementation.

Full Time Employee (FTE): A way to measure a worker's involvement in a project. An FTE of 1.0 means that the person is equivalent to a full-time worker; while an FTE of 0.5 signals that the worker is only half-time.

Geographic Information System (GIS): 1) Computerized data management system designed to capture, store, retrieve, analyze, and display geographically referenced information. 2) A system of hardware, software, and data for collecting, storing, analyzing, and disseminating information about areas of the Earth. For Highway Performance Monitoring System (HPMS) purposes, Geographical Information System (GIS) is defined as a highway network (spatial data which graphically represents the geometry of the highways, an electronic map) and its geographically referenced component attributes (HPMS section data, bridge data, and other data including socioeconomic data) that are integrated through GIS technology to perform analyses. From this, GIS can display attributes and analyze results electronically in map form. (FHWA2)

Long-Range: A time span of more than five years. The Transportation Improvement Program (TIP) is typically regarded as a short-range program.

Metropolitan Planning Organization (MPO) 1) Regional policy body, required in urbanized areas with populations over 50,000, and designated by local officials and the governor of the state. Responsible in cooperation with the state and other transportation providers for carrying out the metropolitan transportation planning requirements of federal highway and transit legislation. 2) Formed in cooperation with the state, develops transportation plans and programs for the metropolitan area. For each urbanized area, a Metropolitan Planning Organization (MPO) must be designated by agreement between the Governor and local units of government representing 75% of the affected population (in the metropolitan area), including the central cities or cities as defined by the Bureau of the Census, or in accordance with procedures established by applicable State or local law (23 U.S.C. 134(b)(1)/Federal Transit Act of 1991 Sec. 8(b)(1)). (FHWA2)

Metropolitan Transportation Plan (MTP): The official intermodal transportation plan that is developed and adopted through the metropolitan transportation planning process for the metropolitan planning area, in accordance with 23 U.S.C. 134, 23 USC 135 and 49 U.S.C. 5303.

Network: A graphic and/or mathematical representation of multimodal paths in a transportation system.

Planner: A title concerning the management and analysis of data that directly supports qualitatively oriented, strategic, or macro decision making.
Planning Funds (PL) Primary source of funding for metropolitan planning designated by the FHWA.

Public Meeting or Hearing: A public gathering for the express purpose of informing and soliciting input from interested individuals regarding transportation issues.

Public Participation: The active and meaningful involvement of the public in the development of transportation plans and programs.

Regional/Rural Planning Organization (RPO): An organization that performs planning for multi-jurisdictional areas. MPOs, regional councils, economic development associations, rural transportation associations are examples of RPOs.

Regional Support Center (RSC): The creation of four Regional Support Centers [RSCs] to house support functions currently located in 25 districts across Texas.

Stakeholders Individuals and organizations involved in or affected by the transportation planning process. Include federal/state/local officials, MPOs, transit operators, freight companies, shippers, and the general public.

State Transportation Improvement Program (STIP) A staged, multi-year, statewide, intermodal program of transportation projects, consistent with the statewide transportation plan and planning processes as well as metropolitan plans, TIPs, and processes.

Statewide Transportation Plan The official statewide intermodal transportation plan that is developed through the statewide transportation planning process.

Texas Transportation Institute (TTI) in College Station, Texas is the largest transportation research agency in the United States. Created in 1950, primarily in response to the needs of the Texas Highway Department (now the Texas Department of Transportation), TTI has since broadened its focus to address all modes of transportation–highway, air, water, rail and pipeline. TTI is a state agency and a member of the Texas A&M University System. TTI's cooperative relationship with the Texas Department of Transportation has helped the Institute develop and implement work for numerous other sponsors.

Texas Metropolitan Mobility Plan (TMMP): A long-range, needs-based initiative to reduce congestion, improve mobility, and address transportation-related quality-of-life factors in the metropolitan areas.

Texas Urban Mobility Plan (TUMP): A long-range, needs-based initiative to reduce congestion, improve mobility, and address transportation-related quality-of-life factors in the Urban areas.

Traffic Analysis Zone (TAZ): The unit of geography most commonly used in conventional transportation planning models. The size of a zone varies, but for a typical metropolitan planning software, a zone of under 3000 people is common. The spatial extent of zones typically varies in models, ranging from very large areas in the exurb to as small as city blocks or buildings in central business districts. There is no technical reason why zones cannot be as small as single buildings, however additional zones add to the computational burden.

Transportation Improvement Program (TIP): A four-year transportation investment strategy, required at the metropolitan level, and a four-year program at the state level, which addresses the goals of the long-range plans and lists priority projects and activities for the region.

Travel Demand Model (TDM) A mathematical and geometric projection of activity and the interactions in the transportation system in an area. This projection must be able to be evaluated according to a
given set of criteria, which typically include criteria pertaining to land use, economics, social values, and travel patterns.

Transportation Management Area (TMA) 1) All urbanized areas over 200,000 in population, and any other area that requests such designation. 2) An urbanized area with a population over 200,000 (as determined by the latest decennial census) or other area when TMA designation is requested by the Governor and the MPO (or affect local officials), and officially designated by the Administrators of the FHWA and the FTA. The TMA designation applies to the entire metropolitan planning area(s). (23CFR500)

Transportation Planning and Programming Division (TPP) TxDOT's Transportation Planning and Programming Division helps develop short- and long-range transportation plans for the state highway system. The division also coordinates research, administers planning funds and collects data on the state highway system.

Unified Planning Work Program (UPWP) The management plan for the (metropolitan) planning program. Its purpose is to coordinate the planning activities of all participants in the planning process.

Unified Transportation Program The Texas Transportation Commission and TxDOT use the Unified Transportation Program (UTP) as a 10-year plan to guide transportation project development and construction.

Urbanized Area Area that contains a city of 50,000 or more population plus incorporated surrounding areas meeting size or density criteria as defined by the U.S. Census.

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

PS&E REVIEW

Please select the appropriate stage:

Draft Stage	X
Final Version	☐

TEAM MEMBERS: **CHERYL FLOOD, P.E., LFK – TEAM LEADER, BILL RILEY, P.E., FTW, ALLISON KURWITZ, P.E., BRY, DAN FLEISCHMAN, P.E., AMA, MARIA BURKE, P.E., DES, TOM BEEMAN, P.E., DES, MEG MOORE, P.E., TRF, MICHAEL OTOOLE, P.E., BRG**

VERSION:

DATE: **11/04/2008**

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 4

2 SOURCE DOCUMENTS AND INFORMATION 5

3 CONSTRAINTS 6
3.1 Implementation Constraints 6
3.2 Operating Constraints in a Regional Concept 6

4 RISK MANAGEMENT 7
4.1 Risks 7
4.2 Projected Impacts if Not Resolved 7
4.3 Mitigation Strategies 7

5 PRIMARY DUTIES 8
5.1 RSC, Division, and District Duties 8
5.2 RSC Duties in Order of Importance 12
5.3 Duties that may be Outsourced, Combined, or Eliminated 12

6 DETAILED PROCESSES 13
6.1 Overview of Function Processes in a Regional Concept 13
6.2 Coordination and Communication of Processes 13
6.3 Detailed Processes and Procedures 13

7 CHANGES RECOMMENDED 14
7.1 Changes Recommended 14
7.2 Steps To Achieve Changes 15

8 MEASURING SUCCESS 17
8.1 Success Metrics (Measures) 17

9 STAFFING RECOMMENDATION 18
9.1 Staffing recommendation 18
9.2 Staffing methodology 18

APPENDIX: GLOSSARY OF TERMS 19

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

The Plans, Specification & Estimate (PS&E) Review process is used to ensure quality PS&E packages are developed in accordance with federal and state requirements in order to meet the statewide letting schedule.

The process requires continuous coordination between Districts, Divisions and other governmental entities to insure funding, permits, agreements, right of way, environmental clearance, and approvals are secured for projects to proceed to construction.

Division input during project development is utilized to provide cost effective, best practice methods for transportation projects.

1.1.2 Purpose in a Regional Concept

The overall purpose of the PS&E review function should not change in a Regional structure.

The only duty that should be handled at the Regional level is tracking of schematic and project development and tracking change orders coded as design errors.

The major recommended change to the PS&E review function is to change the responsibility and accountability for PS&E review between the Districts and the Design Division (DES). Transferring accountability to the Districts for PS&E review for less complex projects will improve efficiency of project delivery by eliminating duplicate reviews by Divisions thus allowing the Divisions to develop increased technical expertise and policy in critical engineering and non-engineering support areas with resources currently dedicated to PS&E review.

The work group strongly considered the potential for regionalizing the PS&E review process but concluded that no value would be added while a potential bottleneck might be created.

1.2 CORE DUTIES

1.2.1 Current Duties

District Role

- Develop PS&E Package.
- Coordinate all preliminary approvals.
- Perform quality control review of PS&E.
- Submit construction speed zone requests.

- Identify and approve Design Waivers.
- Identify and submit Design Exceptions to DES.
- Handle coordination of Statewide Transportation Improvement Plan (STIP), Advanced Funding Agreements (AFAs), Relevant Agreements, Funding, Environmental Documentation, ROW, Utilities, Significant Project Form, Federal Aviation Administration Airway-Highway Clearance (FAA Clearance), etc.
- Prepare Public Interest Statement and submit to Division.
- Prepare and coordinate new special specifications, special provisions and bid codes with Divisions.
- Coordinate Addendums with Division.

Division Role

- Conduct final review of PS&E.
- Review and prepare construction speed zone for minute order.
- Review and approve Design Exceptions.
- Confirm Project is ready to let:
    - STIP
    - ROW
    - Utilities
    - Agreements
    - Project Funding
    - Permits
    - PS&E Complete –Current Specifications and Special Provisions
- Serve as single point of contact with Texas Department of Licensing and Regulations (TDLR).

1.2.2 Duties in a Regional Concept

Only tracking of schematic and project development and tracking change orders coded design errors should occur at the RSC level.

ALL other duties should remain at the District or Division level. A detailed breakdown of duties by RSC, District, and Division is included in Section 5.

2 SOURCE DOCUMENTS AND INFORMATION

- **PS&E Preparation Manual and Project Development Process Manual.** The work group utilized the subject manuals to identify the duties and responsibilities during project development and PS&E preparation to ensure a thorough analysis of the PS&E Review function.
- **Information collected from the Districts.** Information provided by the Districts was obtained to identify how many PS&E packages are currently completely reviewed by each District as well as the number of personnel assigned to this function in each District.
- **Information collected from Divisions.** Information provided by Divisions was obtained to identify the current review process and various tasks performed by each Division during project development and PS&E review.
- **DCIS Letting Information and Design Project Activity Spreadsheets from DES.** The DCIS letting information and Design Project Activity spreadsheets provided the work group with the number and type of projects proposed in FY 2009, FY 2010 and FY 2011. This information was used to calculate the number of PS&E packages that would be reviewed under the current process versus the proposed process.
- **Change Order Reports from SiteManager.** Change order reports from SiteManager were reviewed for ongoing construction projects to determine the number of change orders coded as design errors from FY 2006 to FY 2008.
- **PS&E Processing Summaries.** The PS&E Processing Summaries provided information on the number of projects removed from lettings in FY 2008 due to errors in plans and/or unclear right of way or environmental issues as well the number of addendums processed in FY 2008 to correct various PS&E errors.
- **Work Group knowledge of current procedures.** The work group membership consisted of a diverse team of District and Division personnel with years of experience in project development and PS&E review. The vast knowledge of the process provided by the members enabled the work group to conduct a thorough analysis.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **Current FTE allocations for PS&E review in Districts.** Information provided by Districts indicated that several Districts had few, if any, personnel specifically assigned to handle the duties required for a thorough final review of PS&E. With the delegation of more PS&E reviews to the Districts, Districts will need to analyze the impact to their operations and adjust personnel accordingly. Based on the work group's knowledge of District operations, and from District information gathered, a few Districts were identified that have not performed any final PS&E reviews in the past several years. Thus the knowledge required to complete the PS&E review is limited and will require training of District personnel prior to implementation.
- **Revisions to manuals will require Federal Highway Administration (FHWA) approval.** The PS&E Preparation Manual and Project Development Process Manual identify the roles of Districts and Divisions in project delivery and PS&E review. More duties are proposed to be delegated to the Districts which will necessitate revising the manuals accordingly. Per federal oversight guidelines the revisions to these manuals will require FHWA approval. In addition, the work group's experience with revisions to electronically published manuals is that updating on-line manuals is a slow process.

  Currently the agreement between TxDOT and FHWA regarding delegation of signature authority for Letters of Authority on federal projects does not allow further delegation to districts. The Federal Oversight Agreement will require changes to implement all the duties recommended for delegation to the districts.
- **Varying levels of design review experience at the District level.** A balanced monthly letting volume is desired, and delegating more of the final PS&E review process to inexperienced District reviewers could result in projects being delayed due to errors in plans, including inappropriate design criteria, and limited resources. Therefore maintaining a relatively consistent monthly letting volume during implementation could also be a constraint.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

The PS&E Review function should not be regionalized.

4 RISK MANAGEMENT

4.1 RISKS

1) Poor quality PS&E, as a result of inadequate reviews, may result in increased errors and omissions or missed letting dates.

2) Inexperienced reviewers and limited resources in Districts may result in the use of design criteria in construction plans that are not in compliance with federal and state requirements, as well as incomplete PS&E documentation.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1) With most final reviews conducted by Divisions, Districts became dependent on Divisions to detect errors in plans prior to letting. Without Division review, errors might be detected prior to letting by bidding contractors possibly resulting in a delayed letting in order to correct the plans; higher bid prices; an increase in change orders; and even a possibility of construction re-work when the error is revealed in the field. Poor quality plans due to errors and/or omissions could result in a poorer working relationship with the Association of General Contractors; a loss of public trust when there are delays and construction re-work; and potentially legislative repercussions for not meeting state expectations.

2) Transportation improvements that utilize federal and/or state funds must meet specific design criteria. If the improvements do not meet these criteria, there is a risk of losing all or a portion of the funds on that project.

4.3 MITIGATION STRATEGIES

- In evaluating the PS&E review function, the emphasis on quality and meeting letting schedules is critical to the operations of TxDOT and the trust of our customers. Ensuring quality and timely project development and delivery will require training District and Regional personnel on PS&E review requirements, with a quality assurance process in each District to verify completeness and correctness of plans. Tracking the status of project delivery by RSCs will ensure timely delivery, and compliance reviews by Divisions will verify that projects are being developed in accordance with state and federal design guidelines.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

Districts should be delegated complete authority and responsibility for PS&E review of 2R, 3R, PM, Safety Appurtenances, non-complex Off-System Bridges, ADA, HSIP (2R and 3R), Traffic Signal and Flashing Beacons, Conventional Signing, Striping, Landscape, and TPWD projects.

Our analysis of the current duties and roles suggests that the Division review for these projects should be delegated to the Districts with minimal risk to the statewide construction program.

For the projects listed above, the duties performed by Districts, Regions and Divisions would be as follows:

District Role

- Develop PS&E Package.
- Coordinate all preliminary approvals.
- Perform quality control review of PS&E.
- Submit construction speed zone request to Traffic Division (TRF).
- Identify and approve Design Waivers.
- Identify and submit Design Exceptions to DES.
- Handle coordination of STIP, DBE Goals, AFA, Relevant Agreements, Funding, Environmental Documentation, ROW, Utilities, Significant Project Procedures Form, FAA Clearance, etc.
- Prepare Public Interest Statement and submit to Division.
- Prepare and coordinate new special specifications, special provisions and bid codes with Divisions.
- Conduct final review of PS&E.
- Submit one copy of PS&E (Pedestrian elements >$50,000) to DES for coordination with TDLR.
- Submit copy of finalized safety project (Category 8) PS&E to TRF.
- Submit copy of finalized bridge project (Category 6) PS&E to Bridge Division (BRG).
- Sign Letter of Authority (LOA) – Design Compliance.
- Submit PS&E package to RSC for Ready to Let Review.
- Submit Ready to Let PS&E package to DES for processing.
- Prepare Addendums and submit to DES for processing.

RSC Role

Limited to Project Monitoring:

- Track the 30/60/90 Project Development.
- Advise FIN on ready to let projects to balance lettings.
- Track Change Orders;
    - Ensure consistent use of reason codes.
    - Evaluate Design Errors or Omissions.
    - Evaluate Untimely ROW/Utilities.

Division Role

- Process Final PS&E and Addendums.
- Prepare Federal Project Authorization Agreement (FPAA), coordinate with FIN and secure FHWA approval.
- Review and prepare construction speed zone for minute order.
- Review and approve Design Exceptions.
- Serve as single point of contact with TDLR (Submission, coordination and payment).
- Verify scope of work and funding eligibility for Category 6 and 8.
- Approve or secure approval from FHWA of Public Interest Statement.
- Review and process new special specifications and special provisions.

The remaining 4R (including added capacity, new location and HSIP), On-System Bridges, Complex Off-System Bridges, Intelligent Transportation System, Illumination, Enhancement, Hike and Bike Trails/Bicycle Lanes and Local Lets projects would continue to be reviewed by Divisions with the duties by Districts, Regions, and Divisions as shown below:

District Role

- Develop PS&E Package.
- Coordinate all preliminary approvals.
- Perform quality control review of PS&E.
- Submit construction speed zone requests.
- Identify and approve Design Waivers.
- Identify and submit Design Exceptions to DES.
- Handle coordination of STIP, AFA, Relevant Agreements, Funding, Environmental Documentation, ROW, Utilities, Significant Project Procedures Form, FAA Clearance, etc.
- Prepare Public Interest Statement and submit to Division.
- Prepare and coordinate new special specifications, special provisions and bid codes with Divisions.
- Coordinate Addendums with Division.

RSC Role

- Track the 30/60/90 Project Development.
- Track Change Orders.
    - Ensure consistent use of reason codes.
    - Evaluate Design Errors or Omissions.
    - Evaluate Untimely ROW/Utilities.

Division Role

- Conduct final review of PS&E.
- Review and prepare construction speed zone for minute order.
- Review and approve Design Exceptions.
- Confirm Project is ready to let
    - STIP
    - ROW
    - Utilities
    - Agreements
    - Project Funding
    - Permits
    - PS&E Complete –Current Specifications and Special Provisions
- Serve as single point of contact with TDLR (Submission, coordination and payment).
- Sign LOA and Title Sheet – Design Compliance/PS&E ready for Letting
- Distribute and coordinate PS&E to appropriate review divisions and agencies (DES, TRF, BRG, FHWA, TDLR, etc.).
- Approve or secure approval of Public Interest Statement.
- Review and process new special specifications and special provisions.
- Assign new bid codes.
- Process Final PS&E.
- Prepare and process Addendums.
- Prepare FPAA, coordinate with FIN and secure FHWA approval.
- Coordinate with Plans Online and CST for letting.

Schematic Development and Review

PS&E review is a major function of project delivery but, in analyzing project delivery statewide, the roles and duties for schematic development and review were considered, as well as preliminary (30% and 60%) PS&E reviews, in a Regional concept. These roles and duties are shown below for all schematics as required by the Roadway Design Manual:

District Role

- Develop schematics.
- Coordinate with RSC.

- Coordinate with neighboring districts when appropriate.
- Submit schematic to Division.

RSC Role

- Develop corridor schematics.
- Submit corridor schematics to Division.
- Track schematic development.

Division Role

- Review and approve schematics.
- Review Interstate Access Justification Reports and coordinate with FHWA.
- Perform quality control review during schematic development.

30/60 Review by Division

All projects should be evaluated for the need for 30/60 reviews as defined in the Project Development Process Manual.

District Role

- Submit to the Division for review and approval for example the following items:
  - Bridge Layouts and Design
  - Typical Sections
  - Pavement Design for consistency
  - Signal Layouts
  - Overhead/Large Roadside Sign Layouts
  - Electrical Layouts and Specifications – signal, illumination, ITS, power supply, miscellaneous electrical items
  - Hydraulic Calculations
  - Railroad Exhibits (any impact to railroad right-of-way)
  - Traffic Control Plans (complex)
- Copy electronically all Division submittals to the RSC.

RSC Role

- Track 30/60 Reviews.

Division Role

- Review and approve the 30/60 submittals.
- Coordinate 30/60 approvals with FHWA and outside agencies.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Track project development.
2) Track schematic development.
3) Track change orders coded for design errors.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

The work group anticipates that 70% of final PS&E packages will be reviewed by Districts, which will eliminate duplicate review effort by Divisions.

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

Function processes were not analyzed by the work group. The only function that will be regionalized is monitoring progress of schematic development and project development and performance monitoring of change orders resulting from design errors or omissions.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

Coordination and communication of the changes in roles and duties of the PS&E review process shall be handled with revisions to the current PS&E Preparation Manual and the Project Development Manual.

6.3 DETAILED PROCESSES AND PROCEDURES

Detailed processes and procedures of project delivery and PS&E preparation are included in the current PS&E Preparation Manual and the Project Development Manual. These do not change. Only the responsible level of the organization changes.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Change the current District review process, to include the following federal and state funded projects, which will require the Federal Oversight Agreement to be revised to reflect the changes in responsibility:

  2R, 3R, PM, non-complex Off-System Bridges, ADA, HSIP (2R and 3R), Traffic Signal and Flashing Beacons, Conventional Signing, Striping, Landscape, TPWD

  Final PS&E review of 4R (Including added capacity, new location and HSIP), On-System Bridges, Complex Off-System Bridges, Intelligent Transportation System, Illumination, Enhancement, Hike and Bike Trails/Bicycle Lanes and Local Let shall be performed at the divisions. These projects are typically more specialized, complex or include non-traditional work. Division review ensures consistency statewide and compliance with requirements. Division specialized expertise provides efficiency in this process. Training District personnel to assume this responsibility may not be efficient due to the fact that these projects are infrequent and require expertise through cross-disciplines.

- Stage implementation of the PS&E Review changes in order to transition from Division to District reviews while maintaining the monthly letting.

  PS&E Review for the Stage 1 projects will be fully implemented approximately 6 months after manuals have been revised and training of District and Regional personnel is completed. Stage 1 Projects include 2R, PM, ADA, Traffic Signal and Flashing Beacons, Conventional Signing, Striping and Landscape.

  PS&E Review for the Stage 2 projects will be fully implemented six months after Stage 1 has been fully implemented. Stage 2 projects include 3R, HSIP (2R and 3R), Off-System Bridge and TPWD.

  Manuals and standard operating procedures will need to be revised by the Divisions and approved by the FHWA.

- Regions confirm District Review Projects are ready for letting, track schematic and project 30/60/90 development and track change orders.

- Districts establish a quality assurance PS&E review function in the district project development process to meet the published letting schedule.

- Divisions develop and implement post letting PS&E compliance reviews to ensure laws, policies and procedures including design criteria are being met.

- Divisions actively coordinate with Districts during project development. The Divisions will be coordinating with the Districts early in the project development process to ensure quality, cost effective and timely project delivery.

- Divisions focus on continuing to provide and develop additional technical expertise and policy in critical engineering support and other areas. Example areas include Design Criteria, Specifications, Agreements, Time Determination/Production Rates for Construction Timelines, Road User Cost, Value Engineering, HCM Analysis/CORSIM, SYNCHRO/PASSER, Development of Financial Plans/Management Plans, FHWA Coordination, Access Management, Electrical Design, Electrical Inspection, Intelligent Transportation System Design and Operations, Speed Management, Signing Standards, Field Evaluations, Assistance with CDA Development, Structural Design, Historic Bridges, Railroad Projects, Interstate Agreements with LA, OK, and ARK, International Agreements with Mexico, Hydraulics Methods and Policies, ADA, etc.

- Develop all PS&E using federal contract provisions. This will improve efficiency by eliminating the need to rebuild the contract documents when funding sources change from state to federal. The potential for errors increases when the funding source changes close to letting.

- Require the Design Standard Field in DCIS to be a mandatory field and updated during project development. This allows projects to be identified as District review/Division review.

- Pursue an electronic document management system to convert the PS&E review function to a paperless process, with a correlative upgrade to Plans Online.

7.2 STEPS TO ACHIEVE CHANGES

- Revise Manuals.
- Acquire FHWA approval of manual changes.
- Develop Training Materials.
- Conduct Training of District and Regional personnel.
- Divisions develop compliance review process.
- Districts prepare and implement quality assurance plan for project development.
- Revise Federal Oversight Agreement.
- Revise specifications to combine federal and state contract provisions; or eliminate 100% state contract provisions.

- Implement Stage 1 of PS&E Review Process.
- Implement Stage 2 of PS&E Review Process.
- Establish work group to pursue an electronic document management system.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

The success of the PS&E Review Process will be determined by several measures. These will include:

- Elimination of redundant reviews
- No increase in Addendums
- Meeting letting timelines with complete PS&E documentation and agreements
- Reduction in change orders
- Demonstration of compliance with federal and state requirements through compliance reviews

From FY 06 to FY 08 letting data:

District reviews have averaged 6% of the total statewide letting. Upon implementation of the recommendation to delegate more responsibility to Districts, it is anticipated that the number of PS&E packages reviewed by Districts will increase to approximately 70%, thus eliminating duplicate reviews by divisions on 64% of the statewide PS&E packages. Upon completion of full implementation of Stage 2, the number of District reviews as a percentage of the statewide letting should be recalculated each fiscal year.

A total of 1,350 addendums were processed out of approximately 3,000 contracts. The number of addendums shall be tracked by fiscal year to evaluate the process.

Over 14% of contracts were delayed at least a month after the letting schedule was approved. Continue to track the number of contracts pulled from the approved letting date.

Over $141 million was spent on change orders due to design error or omissions. Utilize SiteManager to continue to capture this information each fiscal year. Regional personnel should also check all change orders to insure appropriate coding is used.

Compliance reviews of district reviewed projects indicate projects were developed in accordance with appropriate federal and state requirements.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

The RSC shall have one (1) engineering technician from Group A16 to Group B10 for monitoring Project Development Tracking and change orders, and confirm ready to let PS&E functions. The FTE will be under the direction of an engineer. This position will be competitively posted and filled. This function should be merged in the Design Resource and Consultant Management Section to allow for cross-training of functions and efficient customer service to the districts.

9.2 STAFFING METHODOLOGY

A review of the design workload for FY 09 showed an average of 300 projects for each region, with the West Region having the lowest total of 184 projects and the North Region indicating the largest workload of 384 projects. However this information could not be broken down into actual PS&E packages.

Assuming the current PS&E process timeline remains for district review projects, the regional support centers will have 5 weeks to confirm approximately 25 PS&E packages for each letting.

APPENDIX: GLOSSARY OF TERMS

2R - Non-Freeway Resurfacing or Restoration Projects as defined in the Roadway Design Manual

3R - Resurfacing, Restoration or Rehabilitation (Non-Freeway Rehabilitation) Projects as defined in the Roadway Design Manual

4R - New Location and Reconstruction Projects as defined in the Roadway Design Manual

AFA – Advance Funding Agreement

ADA – Americans with Disabilities Act

Addendum – A document used to modify an original proposal and/or plans

BRG – Bridge Division

Category 6 – Structures Replacement and Rehabilitation Category of the Statewide Preservation and Safety Program

Category 8 - Safety Category of the Statewide Preservation and Safety Program

CDA – Comprehensive Development Agreement

Change order – A written agreement entered into between the contractor and the State, covering alterations and changes in contract and/or plans which are necessary to the proper completion of the work

Complex Off-system Bridge – A bridge project off the State highway system where non-participating items are included; a bridge project with an estimated cost greater than $1 million; an historic bridge rehabilitation project; or a bridge project not covered by TxDOT standards

Construction Speed Zone Request – TxDOT Form 1204, Request for Construction Speed Zone, is required when reduced regulatory speed zoning is desired during construction of a project

CORSIM – a microscopic traffic simulation software package

CST – Construction Division

DBE – Disadvantaged Business Enterprise

DCIS – Design and Construction Information System

DES – Design Division

Design Exception – Documentation of an engineering decision not to comply with certain controlling criteria for the different categories of construction projects

Design Waiver – Documentation of an engineering decision not to comply with certain non-controlling criteria for the different categories of construction projects

District – One of the 25 geographical areas, managed by a district engineer, in which the department conducts its primary work activities

Enhancement – A transportation enhancement project

Estimate – A list of all bid items and quantities, estimated bid prices, total cost for each bid item, and the total estimated cost for the proposed project

FAA Clearance – Federal Aviation Administration Airway-Highway Clearance

FHWA – Federal Highway Administration

FIN – Finance Division

FPAA – Federal Project Authorization Agreement obligates federal funds for a project's construction and clearing the project to proceed

FTE – Full time equivalent is the term used to measure work hours paid compared to the standard work hours in a time period (not the same as number of employees) based on a 40 hour work week

Highway Capacity Analysis – use of the Highway Capacity Manual and accompanying software package

HSIP – Highway Safety Improvement Program

Interstate Access Justification - Justification and documentation for new or revised access points to existing interstate facilities in accordance to the Code of Federal Regulations, 23 CFR 630

ITS – Intelligent Transportation System

Letting – The process of providing notice, issuing proposals, receiving proposals, and awarding contracts

LOA – Letter of Authority

Local Lets – Construction projects developed and let by a local entity through an AFA

PASSER – A traffic signal optimization software package

Plans – The contract drawings which show the location, character, and dimensions of the prescribed work, including layouts, profiles, cross section, other miscellaneous details, and quantity summaries

Plans Online – a system that provides electronic access to engineering plans, informational proposals, addenda, bid tabs and contract plans for construction, maintenance and aviation projects

Plans, Specifications and Estimates (PS&E) – The detailed plans and accompanying specifications and construction cost estimates which serve as documents for construction contract letting purposes

PM – Preventive Maintenance Projects

PS&E Processing Summaries – DES tracking of errors, omissions and missed lettings on PS&E packages for monthly lettings

Public Interest Statement – Justification for use of proprietary items on projects

ROW – Right of way

RSC – Regional Support Center

Schematic - An engineering drawing showing horizontal and vertical alignments of the proposed roadway improvements and typical sections of the proposed roadway

Significant Project Procedures Form – Documentation identifying a Significant Project and the corresponding transportation management plan required in accordance with the Guidelines for Traffic Safety in Work Zones

SiteManager – A contract management software system used by TxDOT to document daily work operations, items of work completed and material usage on projects

Specifications – The compilation of provisions and requirements for the performance of prescribed work

STIP – Statewide Transportation Improvement Program

Synchro - A traffic signal optimization software package

TDLR – Texas Department of Licensing and Regulation

TPWD – Texas Parks and Wildlife Department

TRF – Traffic Operations Division

TxDOT –Texas Department of Transportation

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

PURCHASING

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: NIKI MATHEWS, STEVEN SLUDER, STEVEN BECK, MATT JORDAN, JOHN SANCHEZ, KENNETH WOOD, AND ALVIN KABETZKE

VERSION:

DATE: 11/04/2008

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose: 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 4

2 SOURCE DOCUMENTS AND INFORMATION 5

3 CONSTRAINTS 6
3.1 Implementation Constraints 6
3.2 Operating Constraints in a Regional Concept 6

4 RISK MANAGEMENT 8
4.1 Risks: 8
4.2 Projected Impacts if Not Resolved 8
4.3 Mitigation Strategies 9

5 PRIMARY DUTIES 11
5.1 RSC, Division, and District Duties 11
5.1.1 RSC Duties: 11
5.1.2 Division Duties 11
5.1.3 District Duties 12
5.2 RSC Duties in Order of Importance 12
5.3 Duties that may be Outsourced, Combined, or Eliminated 13

6 DETAILED PROCESSES 14
6.1 Overview of Function Processes in a Regional Concept 14
6.2 Coordination and Communication of Processes 14
6.3 Detailed Processes and Procedures 14

7 CHANGES RECOMMENDED 16
7.1 Changes Recommended 16
7.2 Steps To Achieve Changes 17

8 MEASURING SUCCESS 19
8.1 Success Metrics (Measures) 19

9 STAFFING RECOMMENDATION 20
9.1 Staffing recommendation 20
9.2 Staffing methodology 21

APPENDIX: GLOSSARY OF TERMS 22

1 FUNCTION

1.1 MAIN PURPOSE:

1.1.1 Current Purpose

To procure materials, goods, supplies and services to meet District objectives and budget constraints.

1.1.2 Purpose in a Regional Concept

To procure materials, goods, supplies and services in an efficient manner to meet the Regional objectives by consolidating personnel, reducing redundancies and meeting logistical challenges. The creation of the Regional Purchasing offices will lead to more standardization of solicitation documents, purchase orders, document management, departmental procedures, and public interaction. There will be efficiencies gained in the elimination of repetitive purchase orders and service contracts. The realization of these efforts will result in a more cost-effective and productive Regional Purchasing office.

1.2 CORE DUTIES

1.2.1 Current Duties

- Establish, develop, interpret, and review policies and procedures to ensure proper purchasing principles are applied by the Districts.
- Oversee and manage the accurate setup of the Automated Purchasing System (APS) approval route codes and ensure they accurately account for all approvals.
- Provide training to purchasers, end users, contract administrators, and document management officers.
- Determine workflow and assignments to designated purchasers.
- Procure goods and services within the District.
- Ensure timely delivery, inspection, receipt, and warehousing of goods.
- Manage the timely submission of receiving documents and APS receipts to Accounting.
- Manage the procurement process.
- Perform contract administration duties.

1.2.2 Duties in a Regional Concept

- Establish, develop, interpret, and review policies and procedures to ensure proper purchasing principles are applied by the Region.
- Oversee and manage the accurate setup of the Automated Purchasing System (APS) approval route codes and ensure an accurate account for all approvals.
- Provide training to purchasers, end users, contract administrators, and document management officers.
- Determine workflow and assignments to Regional purchasers.
- Procure goods and services within the Region.
- Ensure timely delivery, inspection, receipt, and warehousing of goods.
- Manage the timely submission of receiving documents and APS receipts to Regional Accounting office.
- Manage the procurement process.
- Perform contract administration duties.
- Develop long-term Regional contracts with the objectives of obtaining cost savings while reducing repetitive procurements.
- Establish stronger vendor relations, through vendor performance evaluations.
- Standardize the procurement process.
- Manage virtual offices in the Region.
- Provide strategic long term planning, research market conditions, and provide analysis to District and Regional management.
- Perform APS and credit card administrator duties.

2 SOURCE DOCUMENTS AND INFORMATION

- **Regional purchasing statistics.** These statistics are provided by the General Services Division (GSD) and give the number of FTEs in each District. They provide the purchaser-to-employee ratios for Districts, Divisions, private sector and other state agencies. Purchase order totals by District for both FY07 and FY08 are also evaluated by total number and type of purchase. They also provide the FY2007 payment card comparison of District cardholders and purchaser activity.
- **TxDOT Procurement Manual.** Used to review all current delegated authority, rules, and procedures; management of the procurement process and contract administration procedures.
- **Information collected from the Districts and Divisions:** Information, statistics, comments, and other data were collected and reviewed when developing the implementation plan.
- **Interviewed:**

Glenn Hagler, Director of Purchasing, regarding: Trends among the Districts, current voucher processing reports, new programs to become available to the Districts in the near future, and other issues to consider.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **Insufficient FTE allocations.** If the FTE allocations are reduced too drastically or too soon, Regional contracts will take longer to initiate.
- **Insufficient end user training/knowledge.** The extensive changes involved with the transition to a Regional structure makes it imperative for end-users to comprehend the paper flow and processes in this new structure.
- **Lack of new technology.**
    - Legacy system constraints (EOS, APS, FIMS, MSMS) - These systems are the main core of our procurement, accounting, equipment maintenance, tracking, and payment systems. These systems are currently not designed to function properly in a Regional structure.
    - To implement this plan effectively, significant changes to the agency's current systems will be necessary. Additionally, the agency's current requirements for security and confidentiality issues will create the need for duplicate access keys for many Regional purchasing employees.
    - New systems will require extensive employee training.
- **Budget constraints.** Budgets will need to be merged and managed in the Regional structure. This will take time in setting up accounts and monitoring individual budgets. There will need to be money spent on new technology to get the system implemented.
- **Lack of uniformity.** TxDOT has 25 Districts operating independently of each other. Each District has distinct methods for purchasing and contracting that need to be synchronized and consolidated into Regional contracts.
- **Time constraints.** It will take time to completely transition from a District structure to a Regional structure. Completing the transition according to the timeline will be important.
- **Communication challenges.** Due to the logistics in the Region and the use of virtual offices, supervisor to employee communication may be difficult. Challenges may occur when performing personnel evaluations, training, and disciplinary action.
- **Personnel cohesiveness.** As in any re-organization, there will be employees that disagree with the change and the new structure.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **The need for specific internal controls can limit the duties that can be assigned to virtual offices.**

- **Limited staff in the Region's virtual offices can lead to limited trained backup personnel in the District.**
- **Credit card limits for both Regional purchasing and field personnel.** There will need to be more use of the credit cards by employees in the field.
- **Current levels of internal delegated authority.** Current delegated authority is limited by Division. By going to a Regional format, contracts/purchases will be larger and will require more authority to procure in a timely manner.
- **Limited resources.** Due to the increased area of the Region, more money and time will be required for the purchasers to meet with vendors, conduct pre-bid conferences, and perform contract administration, auditing, training, and review of virtual office personnel work.
- **Lack of new technology.** If technology enhancements are not regularly implemented, inefficiencies will occur in the Regional office.
- **Disruptions to communication.** Regional Purchasing personnel will be traveling more often and, without the use of mobile communications, will be out of contact for long periods of time.

4 RISK MANAGEMENT

4.1 RISKS:

1) Initial implementation of Regionalization plan is ambiguous or delayed.
2) Loss of sufficient staff and expertise may occur due to personnel who opt to separate from the department rather than relocate to different physical work location.
3) The Purchasing function's ability to respond to needs of requesters in the Districts in a timely manner may decrease due to Regional priorities and lack of personnel.
4) Lack of quality service may occur as a result of limited personnel and current system limitations.
5) Lack of adequate supervision may limit management's ability to monitor virtual office personnel. Examples of limitations include: proximity of supervisor to virtual office, increased travel costs and time, technology limitations, oversight and audit controls, and personal contact with supervisor.
6) Loss of District's ability to share Regional personnel resources in times of emergencies because of different priorities between Districts and Regions.
7) Lack of standardized purchasing procedures in the 25 Districts could negatively impact restructuring due to each District following different guidelines and procedures.
8) Lack of a Regional file system for the management and retention of all regional records and documents may result in lost files.
9) Staff reductions and increased workload could increase the risk of non-compliance with purchasing laws and policies.
10) The increased geographic area to be serviced by the Regional Purchasing office increases the risk of delays.
11) With limited staff in the Regional office, there is a risk that duties will not be adequately separated, particularly in virtual/remote offices.
12) Virtual offices could create a lack of on-site supervision to ensure proper performance of duties and adherence to policy and procedures.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1) Confusion among District personnel and Regional staff resulting in delayed product delivery.
2) Loss of knowledge and skills that could require additional training.
3) Services and goods not meeting the needs of the users.
4) No follow-up of orders, increased delays, and incorrect shipment of goods.

5) Not following authority or procedures, resulting in theft or fraud.
6) Inadequate or delayed response by TxDOT to the general public, creating a negative public image.
7) Lack of standardization can lead to inefficiencies and confusion with the procedures for vendors to follow when submitting purchasing documents.
8) Documents not meeting the required retention schedules and possible loss of purchase orders or documentation.
9) Loss of delegated authority from CPA due to non-compliance.
10) Delays in the receipt of goods and services resulting in higher delivery costs.
11) Lack of separation of duties can lead to theft and inappropriate purchases.
12) Lack of production, lack of customer service, and inability to review and sign purchase orders in a timely manner.

4.3 MITIGATION STRATEGIES

1) Ensure all system, authority levels, manual revisions and training are performed prior to implementation.
2) Standardize workloads across Regions, and target adequate training for newer employees.
3) Ensure personnel continue to communicate with District employees and proper contract management and expediting is performed.
4) Use expeditors and contract administrators to follow-up on orders and document vendor performance.
5) Implement system changes to allow monitoring of remote offices, provide proper training on rules and procedures, and perform audit and oversight.
6) Create channels for communication between District engineers and Regional staff for sharing of resources as currently accomplished by different Districts.
7) Ensure standardization of procedures and procurements to obtain efficiencies (e.g., larger Regional contracts, etc.).
8) Implement uniform Electronic Document Management System (EDMS).
9) Develop and implement thorough audit and review process.
10) The majority of products will be shipped to a Regional warehouse. The Regional warehouse will be responsible for sorting and distribution to all to all destinations in the Region. The Regional warehouse will need to keep more commonly used items in support of the Region.
11) Work areas where separation of duties is critical, must have clearly defined roles and responsibilities. Examples of some of these areas are receiving, APS approvals, procurements and payment. Strict guidelines need to be implemented to ensure compliance according to policy.

12) Enhancements to current APS systems or possibly the implementation of the new e-procurement system. There should be a review of the purchaser's current workload, a review of reports to ensure orders have been expedited, and the processing time of requests. Supervisors will need to travel to ensure virtual offices are operating properly.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties:

- Manage the procurement process.
- Ensure timely receipt of goods and services.
- Develop and implement the Regional Procurement Plan, including the bidding process, award, contract administration of the purchase order, and prompt and proper delivery of goods and services.
- Provide training on new systems and procedures.
- Identify, forecast, and coordinate Regional purchasing needs.
- Assist General Services Division (GSD) Business Opportunities Office (BOP) with Historically Underutilized Business (HUB) vendor meetings, communications, and compliance.
- Coordinate Automated Purchasing System.
- Review payment card transactions for compliance and make recommendation for corrective action.
- Create non-standard specifications.
- Ensure Regional goals are met.
- Establish communication procedures with Accounting, (Information Technology Systems (ITS), Division, and District staff.
- Manage effective communication with external customers.
- Perform periodic reviews of purchases to ensure compliance with applicable laws, policies, and procedures.

5.1.2 Division Duties

- Serve as agency liaison to CPA.
- Perform statewide reporting.
- Create job functions and titles.
- Program APS to create Regional structure.
- Increase signature and delegated authority to Texas Procurement and Support Services (TPASS) levels.
- Revise manuals and policies.
- Become familiar with new Regional procedures.
- Provide procurement and APS training.

- Manage statewide payment card coordination
- Perform maintenance and upkeep of purchasing files.
- Perform audit coordination for Comptroller of Public Accounts (CPA).
- Maintain standard specifications and clause library, and continue to create standard specifications.
- Coordinate and administer TxDOT Disadvantaged Business Enterprise (DBE) Historically Underutilized Business (HUB) program.
- Program Material Supply Management System (MSMS) and ROSS to support Regional structure.
- Create detailed procedural plan to keep all purchasing processes uniform.
- Communicate effectively and consistently on updated information to Regional Purchasing office.
- Perform periodic audits/reviews of Regional Purchasing files to ensure compliance with applicable laws, policies, and procedures.

5.1.3 District Duties

- Submit detailed APS requests to Regional purchasers with correct National Institute for Governmental Purchasing (NIGP) codes and charge numbers.
- Coordinate the handling of surplus property by District Warehouse staff.
- Perform all receiving functions.
- Coordinate problems with commodities or services with Regional Purchasing office.
- Provide Regional purchasing staff with a list of potential vendors for goods and services.
- Assist in providing meeting space for vendor meetings and conferences.
- Submit needed specifications including surveys, maps, and pictures to Regional Purchasing staff.
- Be pro-active in the monitoring of budgets.
- Become pro-active in forecasting of district project planning needs.
- Communicate user needs to the Regional Purchasing office.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Develop and implement the Regional Procurement Plan.
2) Manage staffing of Regional departments.
3) Provide training on new systems and procedures.

4) Identify, forecast, and coordinate Regional purchasing needs.
5) Provide APS coordination.
6) Manage the procurement process.
7) Ensure timely receipt of goods and services.
8) Ensure Regional goals are met.
9) Create non-standard specifications.
10) Review payment card transactions and make recommendation for corrective action.
11) Establish communication procedures with Accounting, ITS, Division, and District staff.
12) Communicate effectively with external customers.
13) Assist General Services Division (GSD) Business Opportunities Office (BOP) with Historically Underutilized Business (HUB) vendor meetings, communications, and legislative compliance.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- Shipment of goods to Regional warehouse(s) for receipt and delivery.
- Regional warehouse(s) responsibility for the sale or disposal of surplus property.

Combined

- Combine similar procurements into Regional contracts.
- Consolidate purchasing files using electronic document management.
- Consolidate Division reports.

Eliminated

- Eliminate repetitive small purchases and duties. The elimination of repetitive procurements and procedures will lead to increased efficiency. Purchasers throughout the Districts routinely purchase similar supplies for their respective Districts. This could eliminate small purchases such as office supplies, safety products, and industrial supplies.

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Establish procedures which clearly outline the procurement process and standard operating procedures in the Region.
- Develop and implement the Regional Procurement Plan.
- Train all District and Regional employees on new systems and procedures.
- Set goals to identify and coordinate Regional purchasing needs, which include forecasting, planning, and establishing best buying practices for the state.
- Ensure contract administration is being properly performed on contracts awarded in the Region.
- Promote standardization and consistency of all procurement functions.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

Division offices – All communication from the Division will be communicated to the Regional Director. The Regional Director will assign the job duties to support Regional operations.

RSC – Each Regional Director will collaborate with the Regional Purchasing Manager to maximize the talents and existing resources available to expedite and meet District business needs.

RSC Purchasing – Region Purchasing Manger will convey purchasing requirements to the Regional purchasing staff as required.

Districts – All communication from the Districts will be relayed to the Regional Purchasing staff regarding needs and requirements for goods and services.

Regional Purchasing staff – Regional Purchasers shall communicate and follow up with District personnel to ensure all District needs are met.

6.3 DETAILED PROCESSES AND PROCEDURES

Implementation and Training for the Creation of Regional Offices

- Upon establishment of Regional signature authority from the GSD, the Regional Purchasing Manager will establish signature authority for Regional Purchasers.
- Revise purchasing manuals to reflect new Regional structure.
- Modify APS to support Regional structure to include reports, buyer numbers, route codes, approval routing, and establish Regional purchase order numbering system.

- Develop and implement training plan to educate District and Regional employees on APS system and procedural changes.

- Route codes shall be established to determine the routing of APS requests to approvers and Regional Purchasers.

Regional Purchasing Procedures

- Regional Purchaser shall review all assigned APS requests to determine the needs of the requester and identify the best procurement method and source selection. If additional information is required, Regional purchaser will contact user for clarification. If request is inaccurate and cannot be resolved, the APS request will be rejected.
- Regional Purchaser shall perform bids as required by the Purchasing Manual.
- Regional Purchaser shall procure the needed goods or services according to purchasing rules, procedures, and authority.
- Regional Purchaser shall execute purchase order identifying delivery requirements, pricing, quantities, and invoicing instructions.
- Regional Purchasing office shall provide vendor and Regional Accounting office with copy of signed purchase order.
- Regional Purchasing office shall perform expediting and follow-up on purchase order deliveries.
- Regional Purchasing office will ensure all purchase orders, supporting documentation, and contract documentation is correctly filed or entered into EDMS.
- Regional Purchasing office shall perform contract administration duties on all contracts in the Region.
- Regional Purchasing office will coordinate all public outreach programs, open records requests, and HUB requirements.
- Regional Purchasing office shall perform the credit card and APS administrator duties.
- Regional Purchasing office shall determine areas where consolidation can result in more cost effectiveness:
    - Review District contract requirements, and create Regional contracts, resulting in eliminating redundancies and lessening administrative costs.
    - Promote standardization and consistency of all procurement functions.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Establish Regional purchase order numbering system.
- Modify APS to support Regional structure to include reports, buyer numbers, and route codes.
- Increase signature authority to GSD purchasing levels. Reference table in TxDOT Procurement Manual, Chapter 5, GSD purchasing signature and approval authorities.
- Increase credit card limits for Regional Purchasers to $5K and District credit card holders up to $1K at District's discretion and enforce compliance.
- Consolidate District contracts into Regional contracts.
- Immediately reduce all district warehouse stock (XX-399) accounts to a District complex stock room.
- Update purchasing manual, policy review, and revisions to reflect Regional structure.
- Follow state guidelines for Texas Multiple Award Schedule (TXMAS) and Department of Information Resources (DIR) procedures. Currently, GSD imposes restrictions on Districts to obtain bids when purchasing goods on DIR or TxMAS purchases over $5,000. This is not required at other state agencies.
- Implement e-procurement system.
- Replace all Legacy based mainframe systems with web-based software package.
- Implement desktop faxing.
- Share all Regional and GSD purchase orders.
- Uniformly implement EDMS. EDMS is currently not implemented everywhere due to lack of knowledge or structure of the indexing of files.
- Make Regional warehouses the distribution center for the regions. Follow Wal-Mart and HEB's model to have these warehouses serve as the central delivery and distribution point for most goods procured in the Region, and also serve as the central center for sale or disposal of surplus property.
- Streamline proprietary approval procedures.
- Allow Regional offices more authority and flexibility on procedural decisions.
- Allow online purchasing.
- Purchase additional equipment such as mobile phones or blackberries and enhanced scanning equipment and software for use by purchasers.

- Allow sufficient time for implementing the regionalization process to guarantee adequate technology and the associated training is in place prior to implementation.
- Provide continuing education on changes and updates to District and Regional personnel.
- Contract management will be more complex with the creation of larger Regional contracts. Additional personnel will need to be allocated to perform this function, and will require extensive training to perform this duty.

7.2 STEPS TO ACHIEVE CHANGES

DIVISION

- Division Purchasing Director, in conjunction with the Regional Director, shall establish new levels of signature authority, revise manuals, create statewide Regional numbering system for purchase orders, and implement the necessary system changes to support Regional concept.
- Division Purchasing Director shall also communicate with the State Comptroller's office on revisions in purchasing authority and structure.
- Division Purchasing Director shall revise TxDOT's policies on the use of state contracts to allow more uniformity with other state agencies.
- Division Purchasing Director shall streamline TxDOT policies such as proprietary purchases, emergency purchases, and stock items in Regional Warehouses.
- Division will assist on training Regional employees on changes in purchasing rule procedures.
- Division Purchasing Director shall:
    - Establish a new e-procurement system to effectively manage the procurement process.
    - Establish a uniform EDMS system for document management of purchasing files.
    - Replace all Legacy-based mainframe systems with web-based software package.

REGION

- Regional Manager will communicate with District Engineer at each District to standardize the credit card rules and procedures. This will allow for increased single purchase limits for cardholders to procure items that are required immediately or may be procured locally.
- Regional Purchasing Manager will train District employees and provide follow-up with additional training on new changes in purchasing rules and procedures.

- Establish Regional procedures for the purchasing staff to best meet the needs of the Region. Implement and make revisions to Regional policy and delegate authority.
- Implement desktop faxing and scanning.
- Increase credit card limits for Regional Purchasers to $5K and District credit card holders up to $1K at District's discretion.
- Consolidate District contracts into Regional contracts.
- Immediately reduce all District warehouse stock (XX-399) accounts to a District complex stock room.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

Measuring success with the purchasing function is primarily based on the processing timeframe and time lines. Each component of the purchasing function can be assigned an average processing time for completion.

Regional standard operating procedures will be developed employing the best buying practices available throughout the state to standardize procedures and measure processes. Acceptable completion times for each purchasing function will be developed and clearly communicated.

Purchasing Success Measures:

- Purchase order-to-purchaser ratios.
- APS request processing time.
- Cost savings on contracted goods and services (can be measured by comparing to similar purchases performed prior to Regionalization).
- Improved vendor performance (measured using CPA vendor performance evaluations).
- Workload efficiency (measured by running APS reports).
- Average processing time of procurements for products and services.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

Reduce existing purchasing staff from 134 FTEs to 83. This will reduce the overall existing FTE levels of the purchasing functions by approximately 38% statewide. If additional duties are incurred or the needs in the region change, purchasing FTE levels may need to be re-evaluated.

These staffing recommendations will be accomplished through virtual offices and attrition as stated in the Regionalization Staffing Plan. The Regional Purchasing Manager will be competitively hired. Current district purchasing personnel will not realize any loss of pay, nor be required to relocate, through this restructuring effort.

DIST/REGION	Purchasing FTEs	District FTEs	% of Purch FTEs to Dist FTEs
North Region			
01PAR	4	335	1.19%
02FTW	12	658	1.82%
03WFS	5	277	1.81%
09WAC	6	370	1.62%
10TYL	5	371	1.35%
18DAL	5	1002	0.50%
19ATL	5	343	1.46%
23BWD	5	220	2.27%
Total	**47**	**3576**	**1.31%**
West Region			
04AMA	4	381	1.05%
05LBB	7	438	1.60%
06ODA	4	308	1.30%
07SJT	6	252	2.38%
08ABL	4	333	1.20%
24ELP	5	340	1.47%
25CHS	5	224	2.23%
Total	**35**	**2276**	**1.54%**
East Region			
17BRY	6	347	1.73%
11LFK	2	286	0.70%
12HOU	19	1456	1.30%
20BMT	5	360	1.39%
Totals	**32**	**2449**	**1.31%**
South Region			
13YKM	2	340	0.59%
14AUS	5	611	0.82%

15SAT	6	705	0.85%
16CRP	4	412	0.97%
21PHR	2	362	0.55%
22LRD	1	254	0.39%
Totals	**20**	**2684**	**0.75%**

Staffing in other regions to match South Region FTE model of 0.75%				
Region	**North Region**	**East Region**	**West Region**	**South Region**
New FTE allocation	**27**	**19**	**17**	**20**
% FTE Reduction	**43%**	**41%**	**51.50%**	

	Purchasing FTEs	**District FTEs**	**Ratios**
Current District Totals	**134**	**10985**	**1.22%**
New District Totals	**83**	**10985**	**0.76%**

9.2 STAFFING METHODOLOGY

General Services Division routinely looks at efficiencies in the purchasing function by using the ratio of organizational FTEs to purchasing employees FTEs. This methodology is also used by other state agencies as well as the private sector to determine efficiency. Using reports provided by Division and following this methodology, reductions can be made to meet administrative cost cutting goals, as well as creating parity among the Regions.

The recommended reductions were based on taking the current FTE percent of the Districts in the South Region and applying that percentage to all Districts encompassing the three other Regions.

APPENDIX: GLOSSARY OF TERMS

APS - Automated Purchasing System

CMBL – Centralized Master Bidders List

EOS – Equipment Operating System

ESBD – Electronic State Business Daily

FIMS- Financial Information Management System

MSMS- Material Supply Management System

BOP- Business Opportunity Program

HUB- Historically Underutilized Business

FTE – Full Time Employees

QIP – Quantity Increase Provision

RSC – Regional Support Center

TxMAS – Texas Multiple Award Schedule

CPA- Comptroller of Public Accounts

TPASS- Texas Procurement and Support Services

GSD- General Services Division

DIR- Department of Information Resources

EDMS- Electronic Data Management System

NIGP- National Institute of Governmental Purchasing

DBE- Disadvantaged Business Enterprise

ITS- Intelligent Transportation System

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

RESOURCE MANAGEMENT & BUDGET

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: **George Ebert (Team Leader); Mark Bradshaw: Brownwood District; Lowell Choate: Austin District; Paul Montgomery: Lufkin District; Danny Massie: Amarillo District; Rosa Trevino: Laredo District; Brady Woolsey: Wichita Falls District**

VERSION:

DATE: **11/04/2008**

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 3

2 SOURCE DOCUMENTS AND INFORMATION 4

3 CONSTRAINTS 5
3.1 Implementation Constraints 5
3.2 Operating Constraints in a Regional Concept 5

4 RISK MANAGEMENT 6
4.1 Risks 6
4.2 Projected Impacts if Not Resolved 6
4.3 Mitigation Strategies 6

5 PRIMARY DUTIES 7
5.1 RSC, Division, and District Duties 7
5.1.1 RSC Duties 7
5.1.2 Division Duties 8
5.1.3 District Duties 8
5.2 RSC Duties in Order of Importance 8
5.3 Duties that may be Outsourced, Combined, or Eliminated 9

6 DETAILED PROCESSES 10
6.1 Overview of Function Processes in a Regional Concept 10
6.2 Coordination and Communication of Processes 10
6.3 Detailed Processes and Procedures 10

7 CHANGES RECOMMENDED 13
7.1 Changes Recommended 13
7.2 Steps To Achieve Changes 13

8 MEASURING SUCCESS 14
8.1 Success Metrics (Measures) 14

9 STAFFING RECOMMENDATION 15
9.1 Staffing recommendation 15
9.2 Staffing methodology 15

APPENDIX: GLOSSARY OF TERMS 17

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

The Resource Management and Budget (RMB) office is not currently a part of TxDOT's organizational structure.

1.1.2 Purpose in a Regional Concept

The RMB will function as the data gathering, data analysis and resource management hub for the Regional Support Center (RSC). It will prepare and manage the Regional budget and monitor District budget implementation. The RMB will generate both routine and ad hoc reports that monitor and assess the effectiveness of resource deployment and utilization. These reports will provide leaders with the necessary data to prioritize resource allocation and to determine if department goals are being achieved. Importantly, the RMB will provide near real-time assessment of the Region's efficiency by monitoring the metrics developed by each regional office. The timeliness and accuracy of this data will permit leaders to proactively address problems by identifying them early and to make corrective actions as necessary.

1.2 CORE DUTIES

1.2.1 Current Duties

Not applicable because function does not currently exist.

1.2.2 Duties in a Regional Concept

- Manage resources.
- Analyze operations.
- Coordinate budgets.
- Serve as a coordination point for the RSC to recommend improvements and reallocations of resources between Districts, Regions and Divisions.
- Provide reports and monitoring tools utilizing web based systems.
- Analyze metrics from RSC offices and each district.

2 SOURCE DOCUMENTS AND INFORMATION

- **Information collected from Districts and Divisions.** Used to determine current processes.

- **Compass project briefing from Maintenance Division.** Used to determine the potential benefits of an integrated data management system. (The Compass Project is an initiative of the Maintenance Division to replace the existing Maintenance Management Information System. The online system will collect data on maintenance functions, draw data from other computer systems to generate reports relating maintenance costs to specific roadway segments and maintain an inventory by county of the reference marker limits of every state-maintained highway. The project will link labor, material and equipment costs to the amount of work performed on specific roadway segments. Compass will provide a new and streamlined user interface that will improve the accuracy of the data collected.)

- **Various documents relating to "cradle to grave" and lease vs. buy processes.** Used to determine the types of criteria that might apply to making decisions related to these options.

- **Brownwood District budget forecasting spreadsheets.** Provided an example of how a budget management tool might aid in the implementation and management of a Regional budget.

- **Consultations with Equipment, Purchasing and Accounting work groups.** Revealed areas of possible overlap with RMB functions.

- **Amarillo District website** (http://amaweb/). Provided examples of multiple databases similar to the ones the RMB would rely on to mange regional resources

- **Wichita Falls District Resource Management Plan and FTE planning matrix**. Used to assess possible approaches to the Regional management of resources.

- **Brownwood Wage Survey and Analysis**. Provided an example of a tool that might be used as a part of the Region's Human Resources management function.

- **Interviewed:**
    - Toribio Garza, Maintenance Division Deputy Director
    - Lauren Garduño, Interim Regional Director
    - Tim Powers, Interim Regional Director

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **The Enterprise Document Management System (EDMS) has not been uniformly deployed but will be essential to the functioning of virtual offices.**
- **There are a limited number of Budget Information System (BIS) licenses; existing licenses will have to be reallocated from Districts or new licenses purchased.**
- **Bandwidth limitations between Districts might hamper the smooth flow of information.**
- **Systems do not currently exist to capture the data from metrics being developed by each function within the Region.**

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **The Compass project includes only maintenance budget strategies and is not scheduled for full deployment until 2011.**
- **RMB reporting and analysis will rely on aggregating data from multiple sources.** Programs that will mine data from multiple TxDOT mainframe applications do not currently exist.
- **As Regions are a new organizational structure, there is no provision for them in current TxDOT policies and procedures.** Policies and procedures will have to be amended to include regional functions and authority.

4 RISK MANAGEMENT

4.1 RISKS

1) District leadership may resist the concept of a regionally managed budget.
2) Lack of trust and understanding between Districts and Regions may inhibit the transparency of resource allocation.
3) With the transfer of the Accounting function to the Regions, Districts may not have sufficient in-house resources to build biennial budgets.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

4) Districts might be reluctant to identify and/or release resources identified for reallocation.
5) Important information may be withheld or miscommunicated.
6) Budgets may not be prepared in a timely fashion and may contain incomplete or inaccurate information.

4.3 MITIGATION STRATEGIES

1) District and Regional leadership should jointly prioritize projects and discretionary expenditures as part of the budget preparation process.
2) District and Regional leadership should form a Budget Management Group that reviews expenditures and evaluates allocation of resources on a monthly or bi-monthly basis.
3) The RMB and Accounting office should meet with District Services Coordinators prior to budget preparation to determine capabilities and identify additional resources as necessary.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Budget Management
  - Develop and monitor all operating budgets, and produce executive summaries.
  - Coordinate reallocation of budgets based on evolving priorities and consumption.
  - Coordinate budget adjustments between districts within the Region.
  - Coordinate Additional Budget request (ABR) process with Finance Division (FIN).
  - Prioritize list of unfunded resource needs based on District and Assistant Executive Director for District Operations (AED/DO) priorities.
  - Audit for accuracy and integrity of data.

- Human Resource Management
  - Develop and analyze Full Time Equivalent (FTE) metrics that link workload to workforce in the District and RSC.
  - Recommend and coordinate reallocations.
  - Monitor “high” turn over positions and develop alternative staffing and wage recommendations.
  - Develop management reports and evaluate when to conduct work in-house verses outsource.
  - Audit for accuracy and integrity of data.

- Equipment Resource Management
  - Closely coordinate with the Regional Equipment Administrator.
  - Monitor District risk-based equipment and supplies inventory processes.
  - Audit for accuracy and integrity of data.

- Resource Data Management
  - Analyze data collected from all RSC functions (e.g. Right of Way Acquisition, Accounting, Information Systems, Environmental Processing).
  - Monitor the effectiveness of RSC functions.
  - Provide an operational status of RSC functions.
  - Provide trend analysis of RSC functions.
  - Assess “true costs” prior to outsourcing or implementing new practices.

- o Audit for accuracy and integrity of data.

5.1.2 Division Duties

- Finance Division: Promptly process Additional Budget Request (ABR)
- Human Resources Division: Provide workforce summaries, total compensation information and other relevant data.
- General Services Division: Provide technical expertise such as specifications, manufacturing requirements, lease agreements, etc.
- All Applicable Divisions and Offices: Provide requested data, technical support and ad hoc reports for analysis.

5.1.3 District Duties

- Provide input and forward the uniform budget spreadsheet to the RMB.
- Communicate unfunded/contingency budget needs to the RMB.
- Identify District project/equipment priorities and estimated costs.
- Forward justifications with estimates.
- Work with the Region to establish a contingency fund as a percentage of the total operating budget.
- Identify high turnover positions and causes.
- Identify hard-to-fill locations and positions.
- Provide anticipated staffing level needs at peak workload.
- Identify timeframes and size of peak workloads.
- Conduct Inventories.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Develop and monitor all operating budgets, and produce executive summaries.
2) Coordinate reallocation of budgets based on evolving priorities and consumption.
3) Coordinate budget adjustments between Districts within the Region.
4) Coordinate ABR process with FIN.
5) Prioritize list of unfunded resource needs based on district and AED/DO priorities.

6) Develop and analyze FTE metrics that link workload to workforce in the District and RSC.
7) Recommend and coordinate reallocations.
8) Monitor “high” turn over positions and develop alternative staffing and wage recommendations.
9) Develop management reports and evaluate when to conduct work in-house verses outsource.
10) Closely coordinate with the Regional Equipment Administrator.
11) Monitor District risk-based equipment and supplies inventory processes.
12) Analyze data collected from all RSC Offices.
13) Monitor the effectiveness of RSC Offices.
14) Provide an operational status of RSC Offices.
15) Provide trend analysis of RSC functions.
16) Assess “true costs” prior to outsourcing or implementing new practices.
17) Audit for accuracy and integrity of data.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

The RMB is a new organization. Duties that may be outsourced, combined or eliminated will be identified as part of an ongoing process of self-evaluation.

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

The RMB is responsible for processes in four key functional areas: budget development and management, human resource management, equipment resource management and resource data management. Key processes in these areas include:

- Develop and manage Regional operating budgets.
- Resource reallocation within and between Districts.
- Manage acquisition of unfunded resources.
- Perform FTE reallocation and deployment.
- Evaluate FTE outsourcing opportunities.
- Monitor and coordinate equipment and supply inventory processes.
- Assess effectiveness of RSC Offices.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

Information will be distributed to Regional/District personnel for operational use as determined by senior leaders. To the extent possible, it will be available to appropriate personnel through a web-based portal. On budget matters, the RMB will serve a gate keeper function between FIN and the districts. The RMB will collect budget requirements from the Districts, formulate the regional budget and forward the completed budget to FIN. The RMB will communicate final budget data to regional/district cost centers and coordinate all changes with these centers. The RMB will coordinate all reallocation of funds between districts and all Additional Budget Requests with FIN.

6.3 DETAILED PROCESSES AND PROCEDURES

Develop and manage Regional operating budgets

Appropriate Divisions will provide preliminary budget allocations to the RMB. Provide Districts with budget format and instructions. Districts will provide input based on validated requirements/operating plans using a uniform budget spreadsheet. The RMB will compile data from the District budgeting spreadsheet, finalize according to FIN guidelines and submit for approval. Approved budgets will be distributed to Districts for implementation. The RMB will monitor implementation in order to identify spending trends and address spending inefficiencies. Reports will be prepared for presentation to senior leadership during monthly budget management meetings. The RMB will communicate senior leader budget decisions to district personnel as necessary.

Resource reallocation within and between Districts

Using the approved budget, the RMB will establish a contingency fund as a percentage of the total operating budget. Districts will determine their priorities and estimate the costs of both unfunded requirements and potential emergency requirements. The identified needs and justifications will be forwarded to the RMB for use in determining the size of the fund. In addition to District input, the AED/DO will be canvassed for recommendations. The RMB will validate the needs and submit their recommendation to senior regional leadership for approval. Once approved, the RMB will monitor expenditures and recommend reallocation of resources within the region as necessary. The RMB will process all reallocations within the Region. If necessary, the RMB will prepare and submit ABR's for prompt FIN processing. Use of the contingency fund will be evaluated annually. This evaluation will be included in the following year's budgeting process.

Manage acquisition of unfunded resources

Annually, the Regional Business Director and the District Engineers will prioritize a list of important but unfunded resource needs. Working with District personnel, the RMB will complete justifications for each requirement. The finalized list will be forwarded to the AED/DO for approval and inclusion in a state-wide prioritized listing. Throughout the year, the RMB will search for resources that might be applied to these requirements. Resources may be reallocated from within the Region or from other Regions at the direction of the AED/DO. In addition to searching for resources, the RMB will periodically revalidate the requirement and adjust the list as necessary.

FTE Reallocation and deployment

Based on metrics yet to be developed, the RMB will analyze FTE allocation against actual workload on a regular basis (These metrics will reflect a joint effort of the RMB, Districts and applicable Divisions). Temporary or permanent FTE reallocations within the Region will be made to senior leadership. The RMB will coordinate approved reallocations with AED/DO and HRD. Additionally, the RMB will monitor high turnover positions within the Region and identify root causes of the problem. Alternative staffing recommendations (these may include retention, recruitment or reallocation) will be developed with HRD and presented to senior Regional leadership for possible implementation. The RMB will monitor all reallocations and implemented alternative staffing solutions for effectiveness.

Evaluate FTE outsourcing opportunities

Districts will project FTE requirements for peak workload periods. The RMB will evaluate the projections and assess administrative overhead costs to determine the viability of outsourcing or temporary FTE reallocations within the Region. Capability to manage peak workloads with Regional resources and well as cooperative assistance from other

Regions will be determined. Outsourcing decisions will be based on the unavailability of internal resources to satisfy demand. Should outsourcing be determined to be the best option, the RMB will coordinate the contracting process with applicable personnel. The effectiveness of peak workload management will be assessed by the RMB following each peak period.

Monitor and coordinate equipment and supply inventory processes

The RMB will provide ongoing assistance to the Regional Equipment Administrator with budgeting, forecasting requirements and reallocation of resources. The RMB will monitor and analyze utilization to help make lease vs. purchase decisions and to determine which equipment requires a “cradle-to-grave” plan. Additionally, the RMB will monitor District inventories, conduct spot inventories and assess the effectiveness of the stock management process. Results of this evaluation will be provided to the District Engineers and the Regional Business Director along with recommendations for process improvement.

Assess effectiveness of RSC Offices

The RMB will collect data on all metrics generated by the RSC. The RMB will format this data into a management report delivered monthly to the Regional Business Director. The report will highlight operational efficiencies and weaknesses. As appropriate, the RMB will work with RSC offices to refine the accuracy of the metrics or to develop and implement a plan for corrective action. The RMB, through the Regional Business Director, will advise District Engineers of the RSC effectiveness.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Develop a regional budget that facilitates the allocation of resources across District boundaries and thus ensures that the highest priority activities are adequately funded.
- Develop web-based real-time budget forecasting tools to ensure that financial goals are being achieved.
- Develop integrated data management tools—perhaps based on Maintenance Division's Compass Project—that track expenditures and resource utilization in real-time.
- Establish a Regional contingency allocation to provide for rapid redeployment of resources as needed.
- Prioritize non-budgeted major expenditures regionally to expedite projects/purchases as funds become available.
- Establish Standard Operating Procedures (SOPs) to standardize budget operations throughout the region.
- Expand the Budget/Forecasting Coordinator II (B261) Business Job Description (BJD) to include regional assignments.

7.2 STEPS TO ACHIEVE CHANGES

- Obtain Administration approval and coordinate with Technology Services Division (TSD) to assemble a Project Team to develop web-based budget and other data management tools.
- Coordinate with regional District Engineers to determine criteria for creating and expending funds from a Regional contingency fund.
- Coordinate with regional District Engineers to prioritize non-budgeted major expenditures.
- Coordinate with FIN to standardize budget operations throughout the Regions.
- Coordinate with HRD to amend the Budget/Forecasting Coordinator II (B261) BJD to include Regional assignments.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

As a new function, initial metrics reflect milestones for establishing the office:

- Standardization of operating budget activities within first fiscal year (FY).
- Prioritized list of next FY unfunded resource needs completed prior to end of current FY.
- Complete FTE metrics for fully-staffed Regional offices within six months.
- Develop and submit an annual report for staffing strategies to RSC.
- Develop a methodology for determining outsourcing decisions by the end of FY 09.
- Compile “Best Practices” of stock management processes by end of FY 09.
- Develop a methodology to help districts with inventory management.

Once established, RMB metrics will involve the timeliness and accuracy of data as well as cycle time:

- Provide Regional and District leadership with updated financial data every two weeks.
- Provide Regional and District leadership with operating budget status and year-end projections monthly.
- Budget reallocation activities accomplished within one working day of approval.
- Process ABR request and submit to FIN within one working day of approval.
- Develop and submit an annual report for staffing strategies to RSC.
- Submit a monthly management report containing metrics for RSC offices to leadership beginning FY 10.
- Conduct annual audits to assess accuracy of data provided in support of metrics—conduct spot checks monthly.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

As a new office, the RMB will not require any reduction in FTEs. It is projected that the office can function with four positions: a Lead Worker Budget/Forecasting Coordinator and three Budget/Forecasting Analysts.

- Budget/Forecasting Coordinator II (1 FTE)
- Budget/Forecasting Analyst II, III or IV (3 FTEs)

Implementation Plan

It is recommended that the Coordinator and an Analyst IV come on board immediately. These two positions can initiate budget monitoring and analysis. Additionally, these two positions can begin to establish the internal procedures necessary to begin capturing the metrics and workload data that will come on line with each Regional office. A third analyst should be added at the four to six month point in order to keep up with the increasing data collection and analysis requirements of the RSC as it stands up. The hiring of the fourth analyst should coincide with the development of the first Regional budget.

Location of Positions

The three analyst positions do not need to be located in the Regional office. It is expected that the data required to complete their reports and to analyze ad hoc requirements will be available online. Thus, these could easily be virtual assignments under the regionalization concept.

Conversely, the Coordinator should be located at the Regional office in order to work closely with the leadership in order to more accurately identify requirements and to provide detailed consultations.

9.2 STAFFING METHODOLOGY

Based on the RMB's primary duties, we researched TxDOT Business Job Titles to determine if any current titles were applicable. After deciding that the Budget/Forecasting series were suitable, we estimated the function's potential workload and then analyzed the RMBs primary duties as a percentage of FTEs required. FTEs were estimated based on district surveys, job knowledge and assumptions of regional complexity/needs.

Primary Duties	% FTE	Bud/Forecasting Coord. II (B261)	Budget/Forecasting An II - IV (B250, 251, 252)
Lead Worker duties	0.3	0.3	
Budget		0.25	1.05
Develop and monitor all operating budgets, and produce Executive Summaries	0.7		
Coordinate reallocation of budgets based on evolving priorities and consumption	0.2		
Coordinate budget adjustments between districts within the region.	0.1		
Coordinate ABR process with FIN	0.1		
Prioritize list of unfunded resource needs based on district and AED FO priorities	0.2		
FTE		0.25	1.65
Develop and analyze FTE metrics that link workload to workforce in the District and RSC	0.7		
Recommend and coordinate reallocations	0.5		
Monitor high turnover positions & develop alternative staffing & wage recommendations	0.3		
Develop management reports and evaluate when to conduct work in-house vs. outsource.	0.4		
Metrics		0.1	0.5
Analyze data collected from all RSC Offices	0.2		
Monitor the effectiveness of RSC Offices	0.2		
Provide an operational status of RSC Offices	0.2		
Equipment		0.1	0.2
Closely coordinate with the Regional Equipment Administrator	0.1		
Monitor district risk-based equipment and supplies inventory processes	0.2		
TOTAL FTE	**4.4**	**1**	**3.4**

APPENDIX: GLOSSARY OF TERMS

Compass Project ——The Compass Project is an initiative of the Maintenance Division to replace the existing Maintenance Management Information System. The online system will collect data on maintenance functions, draw data from other computer systems to generate reports relating maintenance costs to specific roadway segments and maintain an inventory by county of the reference marker limits of every state-maintained highway. The project will link labor, material and equipment costs to the amount of work performed on specific roadway segments. Compass will provide a new and streamlined user interface that will improve the accuracy of the data collected.

Cradle to grave—Responsibility to monitor every aspect of a product or program through its entire life cycle; from design or acquisition to disposal, or from proposal to termination. It identifies, controls, and implements all aspects of in-service support required by that equipment over its entire life cycle. This process is centrally managed and provides for timely decision making and strong control over the support of equipment for its entire operating life.

Lease vs. buy—Business decision that compares the cost and benefits of a lease arrangement with the cost of a purchase.

Wage survey— a state-wide, regional or metropolitan area survey of a labor market to determine salary rates for benchmark jobs.

TXDOT
REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

RIGHT OF WAY

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: **Sam Wilson – Workgroup Leader, Scott Hall, Tommy Doss, Kelly Selman, Francis Willison, Luana Gonzalez, Jerry Reavis, Ismael Hernandez, Tommy Jones**

VERSION:

DATE: **11/04/2008**

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 4

2 SOURCE DOCUMENTS AND INFORMATION 5

3 CONSTRAINTS 6
3.1 Implementation Constraints 6
3.2 Operating Constraints in a Regional Concept 6

4 RISK MANAGEMENT 7
4.1 Risks 7
4.2 Projected Impacts if Not Resolved 7
4.3 Mitigation Strategies 8

5 PRIMARY DUTIES 9
5.1 RSC, Division and District Duties 9
5.1.1 RSC Primary Duties 9
5.1.2 RSC Remote Office Primary Duties 10
5.1.3 Division Primary Duties 10
5.1.4 District Primary Duties 11
5.2 RSC Duties in Order of Importance 11
5.3 Duties that may be Outsourced, Combined, or Eliminated 12

6 DETAILED PROCESSES 13
6.1 Overview of Function Processes in a Regional Concept 13
6.2 Coordination and Communication of Processes 13
6.3 Detailed Processes and Procedures 14

7 CHANGES RECOMMENDED 15
7.1 Changes Recommended 15
7.2 Steps To Achieve Changes 15

8 MEASURING SUCCESS 16
8.1 Success Metrics (Measures) 16

9 STAFFING RECOMMENDATION 17
9.1 Staffing recommendation 17
9.2 Staffing methodology 17

APPENDIX: GLOSSARY OF TERMS 19

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

The current purpose of Right of Way is to provide the land needed for proposed construction projects or, in the alternative, to provide a plan to deliver the land needed within acceptable construction milestone dates. This delivery of free and clear land for contractor use is important to the districts' ability to deliver projects for letting, and for the districts to maintain large letting volumes. Without this function, districts would be limited to constructing improvements only within the existing right of way. This would severely limit the ability to add capacity to the highway system.

1.1.2 Purpose in a Regional Concept

The purpose of a regionalized Right of Way is to improve efficiency, transparency and accountability. Four RSCs will be in a position to develop and implement standards of uniformity (SOUs) to ensure the department is receiving the benefits of best practices statewide. A regional concept will align workforce with workload to meet letting schedules with increased flexibility across regional boundaries. A regional concept for ROW, coupled with clear definition and possible reallocation of responsibilities between districts, regions, and division, provides an opportunity to streamline delivery of the ROW product.

1.2 CORE DUTIES

1.2.1 Current Duties

- Receive maps and legal descriptions from districts.
- Hire independent fee appraisers to appraise each parcel.
- Negotiate with landowners and tenants.
- Condemn parcels needed through the use of eminent domain.
- Support attorneys in the condemnation process up to and including jury trials.
- Provide benefits to landowners and tenants through the Relocation Assistance Program.
- Provide local public agency (LPA) oversight for proposed TxDOT projects that involve parcels being acquired by other governmental entities.
- Approve utility agreements and process payments for compensable utility adjustments.
- Perform accounting for payment of all bills associated with real estate and other transactions.

- Maintain records.

1.2.2 Duties in a Regional Concept

- Perform property appraisals.
- Acquire property through acquisition and administrative settlements.
- Condemn parcels through eminent domain and jury settlements and/or trials.
- Provide relocation assistance.
- Provide local public agency (LPA) oversight.
- Perform accounting services.
- Maintain records.

2 SOURCE DOCUMENTS AND INFORMATION

- **Requirements of the U.S. Constitution (Fifth Amendment), existing laws, Texas Administrative Code, and the Code of Federal Regulations**. Used to establish procedures for the regions, remote offices and districts.
- **Appraisal requirements from the Uniform Standards of Professional Appraisal Practices (USPAP).** Considered in the development of policies and procedures.
- **Information from districts and divisions**. Considered when planning duties and responsibilities of regions and districts.
- **General accounting principles**. Considered when assigning a shift of responsibility from the division office to the RSC.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **Strategy 102 ROW Budget.** The ROW budgets are assigned to districts without consideration to specific projects funded for construction. Budgets fund land acquisition, utility adjustments and consultant payments made to supplement in-house forces.
- **Projects already let and under construction with unclear/outstanding parcels/utilities.** If regions are formed, available funds must still be channeled to projects already let, not only to new ROW projects.
- **Required Separation of Duties per right of way agent (a federal requirement).** This requirement must be followed to prevent fraud and must be taken into consideration in establishing staffing levels and duties.
- **Travel Budget.** A reduction in the travel budget will add significant implementation constraints when shifting employees within the region to assist with acquisition projects. Travel could be limited because of the funding constraints.
- **Cost-Share Funding Issues/Third Party Funding Agreements.** Regions must be permitted to work with districts to solve third-party funding agreements and develop these relationships.
- **Lack of job classifications.** Currently, there are no entry level positions for hiring right of way agents. Entry level ROW employees are hired as administrative assistants to gain the three-year experience requirement before they can be classified as ROW employees. An entry level job classification needs to be developed.
- **FTE Allocation.** Allocation of employees within the right of way function may impact overall program success.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **Regions will support numerous districts.** Regional managers will need to take direction from numerous districts, with each District having its own priorities.
- **When local right of way staff is insufficient, the assignment of work to other areas within the region will need to be addressed.** This will necessitate the shifting of work to employees outside the area where parcels are being purchased, or in some cases, hiring consultants to complete this work. This will need to be coordinated with districts to maintain project delivery.
- **Challenges coordinating Design and ROW issues.** Coordination will be challenging given the separation of these functions. Care should be exercised to ensure that issues to both sections reach full resolution.

4 RISK MANAGEMENT

4.1 RISKS

- Loss of knowledgeable leadership.
- Lack of communication between districts, division and RSC.
- Lack of consistency between regions.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

These individuals could elect to find new positions in districts, retire, or gain positions in consulting firms because they do not desire to be moved to a new region. This may result in:

- Potential for delayed letting dates/conformity issues
- Potential for contractor delay claims associated with unclear parcels/utilities
- Potential for an increased eminent domain rate
- Increased cost in being obligated to use consultants to acquire
- Reduced public trust with trust already low or dwindling
- Potential loss of division subject matter experts reviewing work statewide
- Impact TxDOT financially and/or cause major conformity issues
- Set the stage for contractor delay claims on otherwise viable projects
- Impact statewide condemnation rates and general landowner attitudes with regard to their rights under eminent domain law
- Impact new core ROW employees' on-the-job training since bulk of work would be done by outside consultants
- Cause a void of state employed subject matter experts within the organization

In addition, this potential loss of key personnel could result in processes not being followed for various functions resulting in:

- Potential increase in administrative appeals
- Letting projects without parcels clear – this is a current problem/ongoing trend which could worsen with regionalization implementation and loss of key employees
- Potential lawsuits filed against TxDOT and/or individuals
- Potential loss of benefits to the entitled (public)

- Party not joined could sue us, legal issues with not listing lien holder, tenant or adverse claimant
- Erroneous or absence of bisection clause could cause delays in building/structure demolition
- Lack of access clause could cause denial of access property interest not being purchased/condemned
- Potential for costly second takes
- Not obtaining necessary ROW map revisions
- Potential for delay if utility cannot adjust – corresponding increase in construction materials and construction labor costs
- Deterioration of good business relationships with utility companies
- Non-compliance with federal and state requirements:
    - Loss of funds in right of way or construction
    - Loss of possession of parcel resulting in potential trespass claims
    - Delayed lettings or contractor delay claims on let projects

4.3 MITIGATION STRATEGIES

- Create classifications to enable the hiring of entry level employees and improve existing right of way agent titles.
- Establish meetings between RSC and districts.
- Establish standardized policies and procedures to limit inconsistencies between regions.
- Establish modifications to the new authority approval levels

5 PRIMARY DUTIES

5.1 RSC, DIVISION AND DISTRICT DUTIES

5.1.1 RSC Primary Duties

- Coordinate with administration and districts to prepare project priorities, environmental clearance and project delivery.
- Provide management, oversight, and organization to meet demands of project scheduling and total project cost.
- Represent districts at public meetings and hearings regarding ROW issues.
- Communicate with property owners and tenants with regard to ROW related project impacts.
- Review and approve final ROW maps submitted by districts.
- Oversee LPA contractual agreements, funding and acquisition.
- Set up projects in ROWIS, release, and close out projects.
- Monitor and manage ROW expenditures.
- Review and approve utility agreements and compensable utility adjustments.
- Review and approve all relocation assistance payments.
- Perform initial review and determination for relocation assistance appeal actions.
- Approve mediations and jury settlements in coordination with the office of the Attorney General.
- Approve appraisal work authorizations.
- Manage and approve property appraisal process.
- Assign right of way staff to hire and manage consultants (ROWAPS).
- Coordinate with Texas Turnpike Authority Division on Comprehensive Development Agreements (CDA) activities.
- Submit district's surplus real estate transaction packet to Division for commission agenda and approval.
- Provide cost estimates for ROW projects.
- Manage the property acquisition and condemnation process.
- Support Assistant Attorney General (AAG) by providing litigation support and respond to interrogatories and requests for production requests.
- Oversee monitoring and remediation of hazardous materials.

- Direct and oversee the securing of outsourcing contracts and work authorizations.
- Coordinate engineering related issues with districts.
- Review utility agreements and payment submissions.
- Process all ROW related payment requests.

5.1.2 RSC Remote Office Primary Duties

- Complete appraisal process.
- Prepare cost estimates for ROW projects.
- Input project specific data into ROWIS.
- Prepare LPA agreements and seek LPA funding.
- Complete acquisition and condemnation process.
- Support AAG through jury trial.
- Provide relocation assistance.
- Oversee disposal and remediation of hazardous materials and improvements.
- Manage outsource contracts (ROWAPS) for right of way acquisition.
- Coordinate engineering related issues with districts.
- Process all ROW related payment requests.

5.1.3 Division Primary Duties

- Approve exceptions to policy.
- Process relocation appeals.
- Provide and maintenance and support of the automated right of way information system (ROWIS).
- Coordinate employee training and development.
- Provide subject matter expertise and guidance.
- Develop and coordinate ROWAPS contracts.
- Responsible for Highway Beautification Act (HBA).
- Establish all right of way funding and issue right of way control section job (CSJ) numbers.
- Approve statewide appraisal contracts.
- Approve all replacement housing supplements.

- Provide reviews of E-49 form submissions upon request and process submission for commission agenda and approval.
- Maintain office records such as original deeds and final maps.
- Provide support in recommending parcels for jury settlement in coordination with AAG and RSC.
- Review and administer relocation assistance appeal actions.

5.1.4 District Primary Duties

- Develop right of way map and documents including monumentation from project schematic or from basic design parameters and all changes.
- Coordinate and handle all public meetings and hearings regarding public involvement in TxDOT projects.
- Obtain environmental clearance for projects.
- Handle communications with property owners/tenants with regard to project programming and design as requested by RSC.
- Request cost estimates as needed.
- Provide ROW staking for property owners when requested by RSC.
- Provide engineer or designer testimony and exhibits in eminent domain/legal proceedings, prehearings, mediations and jury trials.
- Handle internal activities necessary for disposal of surplus property and leasing.
- Prepare utility agreements.
- Coordinate utility adjustments, inspections, and verification of work completed.
- Prepare payment requests and submit to RSC for approval of compensable utility adjustments.
- Submit final right of way map to RSC for project close out.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

- Coordinate with administration and districts to prepare project priorities, environmental clearance and project delivery.
- Provide management, oversight and organization to meet demands of project scheduling and total project cost.
- Represent districts at public meetings and hearings regarding ROW issues.
- Set up, release, and close out projects.
- Assign right of way staff to hire and manage consultants (ROWAPS).

- Monitor and manage ROW expenditures.
- Approve appraisal work authorizations.
- Approve utility agreements and compensable utility adjustments.
- Review and approve relocation payments.
- Approve mediations and jury settlements.
- Communicate with property owners and tenants with regard to ROW related project impacts.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- ROWAPS (Acquisition, Negotiation, Relocation, Eminent Domain), Appraisal & Appraisal Review

Combine

- None

Eliminated

- None

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Establish operating procedures to standardize operations throughout the Region and the State and implement best practices to improve efficiency, accountability and transparency.
- Coordinate with the districts and division to acquire right of way and adjust utilities.
- Provide management, oversight, and organization of the Relocation Assistance Program.
- Represent TxDOT at public meetings and hearings regarding ROW issues.
- Communicate with property owners/tenants with regard to ROW related project impacts.
- Review and approve final ROW maps submitted by districts.
- Oversee Local Participating Agencies in right of way acquisition and project participation.
- Set up, release and close out projects.
- Monitor and manage ROW expenditures.
- Review and approve utility agreements and compensable utility adjustments.
- Approve mediations and jury settlements in cooperation with the OAG.
- Assign right of way staff to hire and manage consultants (ROWAPS).
- Centralize the Highway Beautification Program through the Division Office.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

The Districts, responsible for implementation of projects, will communicate to the Regional Support Center their project specific needs for ROW services by ready to let date.

Regional Support Center ROW Management will assign personnel to the project. The ROW personnel will be led by a project manager who will be responsible for communicating directly to the District and Division on the progress of the project.

Regional Support Center ROW Management will report progress monthly to the District Project Manager and quarterly through to the District Engineers.

Division will coordinate with the Regional Support Center ROW Management concerning policy and process changes and the requirement for periodic compliance reviews.

6.3 DETAILED PROCESSES AND PROCEDURES

- The Districts, through the Regional Design Resource Management contact, will be responsible for developing the project management reporting tool for each project.
- The Districts will determine the milestone date for ROW acquisition completion based on the desired “ready to let” date.
- The Districts will provide the approved ROW maps to the Regional Support Center (RSC) ROW Management to begin the acquisition process.
- The Districts will coordinate directly with the impacted Utilities to determine relocation impacts. RSC ROW Management will assist in the payment of relocation costs.
- Throughout the project, the Regional Support Center ROW Management will dedicate resources to accomplish ROW Acquisition by committed delivery dates and communicate regularly with the District Project Manager and the District Engineers.
- The Regional Support Center ROW Management will house the centralized Highway Beautification Act employees from the Division.
- The RSC ROW Section will support the Districts in the conduct of all public outreach activities involving ROW impacts/issues.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Most approval authority should be shifted from ROW Division to RSCs. This would include but not be limited to:
    - approval authority for contractual agreements
    - addition of independent fee appraisers to statewide list
    - number of appraisals, and appraisal fees
    - administrative settlements
    - relocation supplements
    - filing of objections
    - eminent domain hearing stipulations
    - mediation and litigation settlements
    - utility assemblies
    - independent fee appraiser contracts
    - technical expert and expert witness contracts

- All manuals should be revised to incorporate new approval authorities. The previous Retooling Administrative Settlement Form should be reinstated. This form provides for a variety of factors to be considered in evaluating landowners' counteroffers including valuation issues, legal issues and cost savings to TxDOT, timing issues, letting dates and even an "other issue" category.
- A Right of Way B4 Aide position should be created (similar to those titles used in Construction Inspection) to allow ROW to hire inexperienced employees to train for career advancement. The Right of Way Agent positions should then be elevated to B6, B8, B10, etc. Please see attached support documentation.
- Milestones for payment in the ROWAPS contracts should be reevaluated. Instead of front loading the contract, more emphasis of payment should be placed after the parcel is closed. This should provide an incentive for consultants to complete all required work.
- Regional ROW Attorney – Add ROW Attorney to the list of authorized regional ROW classifications.

7.2 STEPS TO ACHIEVE CHANGES

To be determined by the ROW Performance Restructuring Task Force.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

ROW success will be measured by these metrics:

- 5% or less letting construction project delays due to ROW
- Decrease in acquisition time by 50%
- Increase in parcel acquisition per ROW employee per year by 15%

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

For this plan to be successful, a minimum of 167 FTEs are needed to handle TxDOT's current acquisition needs. This recommendation is intended to match resources with workload, thus increasing efficiency and effectiveness. There are 178 current ROW employees identified as impacted by this plan.

These staffing recommendations will be accomplished through virtual offices and attrition as stated in the Regionalization Staffing Plan. The Regional ROW Administrator will be competitively hired. Current district ROW personnel will not realize any loss of pay, nor be required to relocate, through this restructuring effort.

9.2 STAFFING METHODOLOGY

Staffing was determined by reviewing the parcel delivery per employee compared to the letting volume for the next 10 years.

<u>The Unified Transportation Plan for FY 07 – FY 17 (see attached spread sheet)</u>

The UTP suggests a minimum allocation of 167 FTEs be deployed in the following manner: 59 FTEs to the North Region, 16 FTEs to the West Region, 36 FTEs to the South Region and 56 FTEs to the East Region.

Based on data gathered to acquire clear title to 100 parcels of land assuming a condemnation rate ranging from 15 – 45%, TxDOT will need to allocate 9 -11 FTE's per hundred parcels to be acquired to accomplish this task. It should be noted that about half of these FTE's would need to be seasoned employees with greater than 10 years experience in ROW acquisition.

Based on data gathered to acquire clear title to 100 parcels of land assuming a condemnation rate ranging from 15 – 45%, TxDOT will need to allocate 9 -11 FTE's per hundred parcels to be acquired to accomplish this task. It should be noted that about half of these FTE's would need to be seasoned employees with greater than 10 years experience in ROW acquisition.

Parcels to be Acquired Range of FTE's necessary

1700 / year	153 – 187
1800 / year	162 – 198
1900 / year	171 – 209
2000 / year	180 – 220

The team recognizes the fact if work flow dramatically increases and TxDOT does not want to increase its staff size for this function that ROWAPPS consultants can be hired as an extension of the Regional staff.

Deputy ROW Administrators – the proposal to staff 2 FTE's at this level is very important. The ROW Administrator will utilize these employees and rely on their expertise to approve major work efforts. These administrators will function in two distinct areas of work assignments and will basically have approval authority for work currently being reviewed and approved by division. The workloads will be significant, supporting the regional employees, and will certainly be the "go to" person with knowledge for the district offices coordinating and advising on major issues. It is anticipated that each individual will review and approve hundreds of agreements, appraisals, administrative settlements, relocation assistance submissions, utility assemblies, work authorizations with the goal of streamlining and delivering the product with much quicker turnaround. These positions also represent the advancement opportunities for the ROW lead worker positions.

It was the group's desire through this process to improve the current ROW processes making this part of project development operate more efficiently.

In summary, if allocated 167 FTEs to handle the ROW function statewide with the distribution suggested by this team the gain will not only be a cost savings but a more efficient use of our current resources. This allocation will actually meet the targeted goal for the allotted FTEs for this function. As other variables change, a need to revisit this plan may be necessary.

Regional ROW Attorney – Add ROW Attorney to the list of authorized regional ROW classifications.

APPENDIX: GLOSSARY OF TERMS

AAG - Assistant Attorney General

CSJ - Control Section Job

FTE – Full Time Employee

HBA – Highway Beautification Act

LPA – Local Public Agency

ROWAPS – Right of Way Acquisition Provider Services

ROWIS – Right of Way Information System

RO – Remote Office

ROW – Right of Way

RSC - Regional Support Center

SOU - standards of uniformity

TXDOT – Texas Department of Transportation

USPAP - Uniform Standards of Professional Appraisal Practices (USPAP)

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

SIGN SHOP

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: JESUS S. LEAL, P.E., PHARR DISTRICT (TEAM LEADER); HERBERT BICKLEY, P.E., LUFKIN DISTRICT; DARYL STARKES, GSD – ATHENS REGIONAL SUPPLY CENTER; JIM KECK, WICHITA FALLS DISTRICT; BRYAN REED, LUBBOCK DISTRICT; BOB SMITH, AMARILLO DISTRICT

VERSION:

DATE: 11/04/2008

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 3

2 SOURCE DOCUMENTS AND INFORMATION 4

3 CONSTRAINTS 5
3.1 Implementation Constraints 5
3.2 Operating Constraints in a Regional Concept 5

4 RISK MANAGEMENT 6
4.1 Risks 6
4.2 Projected Impacts if Not Resolved 6
4.3 Mitigation Strategies 6

5 PRIMARY DUTIES 7
5.1 RSC, Division, and District Duties 7
5.1.1 RSC Duties 7
5.1.2 Division Duties 7
5.1.3 District Duties 7
5.2 RSC Duties in Order of Importance 7
5.4 Duties that may be Outsourced, Combined, or Eliminated 8

6 DETAILED PROCESSES 9
6.1 Overview of Function Processes in a Regional Concept 9
6.2 Coordination and Communication of Processes 9
6.3 Detailed Processes and Procedures 10

7 CHANGES RECOMMENDED 11
7.1 Changes Recommended 11
7.2 Steps To Achieve Changes 11

8 MEASURING SUCCESS 13
8.1 Success Metrics (Measures) 13

9 STAFFING RECOMMENDATION 14
9.1 Staffing recommendation 14
9.2 Staffing methodology 15

APPENDIX: GLOSSARY OF TERMS 16

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

The main purpose of the Sign Shop is to fabricate, deliver, and assist in keeping an adequate supply of signs for our maintenance forces to be able to replace signs as needed across the state. The sign shop function is already operating in a partially-regionalized manner. The current structure allows multiple Districts to fulfill their duties despite constraints such as not having the adequate facilities or available FTEs.

1.1.2 Purpose in a Regional Concept

The main purpose of the Sign Shop will not change. However, full regionalization will restructure the current statewide sign shop operations into three Regional Sign Shops that would operate in conjunction with the current Regional Supply Centers in Athens, Seguin and Post. This arrangement will provide economies of scale in procuring raw sign materials. Delivery efficiency and shipping coordination will also improve due to the proximity of the Supply Centers to the Regional Sign Shops.

1.2 CORE DUTIES

1.2.1 Current Duties

- Coordinate signing requests, manufacture and deliver signs within the Region or within Regional Supply Centers.
- Develop and deploy procedures for handling Region-wide sign requests.
- Deploy and/or utilize an automated system of receiving sign manufacturing requests to speed up the process.
- Develop processes for notifying requesters when signs are manufactured and expected to ship.

1.2.2 Duties in a Regional Concept

- Regional duties will remain relatively unchanged because of the current regionalized structure of sign shop operations.

2 SOURCE DOCUMENTS AND INFORMATION

- Information requested and received from all District Sign Shops or current Regional Sign Shops regarding monthly production rates (SF/Month) and Cost ($/SF) for every TxDOT District. (See attached Excel spreadsheet "Statewide FTE Breakdown by Region")
- Additional attachments reflect: Regional Sign Shop Organizational Structure/Hierarchy, proposed Business Job Descriptions, Warehouse Breakdown, Detailed Process for Sign Fabrication and Risk Management & Mitigation Measures for Regional Sign Shop Operations.
- Current Production rates for each Region are as follows:

  North - 15,500 SF with a total of 7 FTEs = 2,214 SF per FTE

  West - 11,700 SF with a total of 13 FTEs = 900 SF per FTE

  South - 12,100 SF with a total of 8 FTEs = 1,512 SF per FTE

  East - 3,000 SF with a total of 3 FTEs = 1,000 SF per FTE

  These figures are based on currently working Sign Shops within their respective region. In the case of the East Region, the only shop reflected is Houston since all of the others are already being serviced out of Athens. The West Region summed up all of the working shops and the South Region was compiled based on Yoakum and Pharr production rates since all of the other Districts are being serviced by them.

  (See attached Production Rates Table)

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **Budgetary constraints.** Transition to a fully regionalized structure will require necessary capital improvements. The original investment for the Sign Shop portion in Athens was approximately $650,000. In order to replicate that setup in Post and Seguin, it would likely cost $1.0 million to $1.5 million for each location. Current warehouse facilities may warrant further review or re-evaluation to determine if they may better facilitate the addition of a sign manufacturing operation that would adequately serve the Region's needs.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **Shipping and Hauling distances.** Current Interim Regional operations in the South and West Regions are operating under shipping & hauling constraints due to distances between current Sign Shop locations and Regional Warehouses. This has had a negative impact on the ultimate cost of the signs.
- **Dependence on a third party for meeting schedules.** The current requirement to purchase signs from the Texas Department of Criminal Justice (TDCJ) through Regional Warehouses is a constraint.
- **Ordering and delivery of raw sign materials.** The ordering process for material could be hindered if it is handled through regular Warehouse purchasing procedures (Maximum limit restriction). General Services Division (GSD) would be able to handle ordering materials in bulk more efficiently. They could also better utilize the leveling function through the Regional warehouses for better service.
- **Shipping Costs.** Currently GSD has a blanket order for the "Hot Shot" delivery system. Regions currently do not have this expense. Incurring this expense would then translate into an additional job and financial commitment. Athens currently spends $40,000 per month for deliveries to nine Districts. This figure would increase to at least $50,000 per month based on the three additional Districts to the current workload. These expenses would also be incurred by the South and West Regional Sign Shops/Regional Supply Centers as a cost of doing business in order to ship their finished signs out to the Districts.

4 RISK MANAGEMENT

4.1 RISKS

1) Districts may lose their ability to be self-sufficient, limiting their ability to effectively handle emergencies in-house.
2) Districts may lose expertise in emergency operations.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

- The loss of self sufficiency and expertise at the District level could make Districts overly dependent on Regional Sign Shops, limiting their ability to effectively respond to emergencies using in-house resources.

4.3 MITIGATION STRATEGIES

- Allow Districts to keep some minimal or limited equipment and facilities to handle routine maintenance or rehabilitation of signs and in the case of an extreme emergency.
- Provide for pre-approved Maintenance Contract templates or Purchase of Service Contracts to be developed and implemented in case of emergency or extraordinary demand in order to supplement our system. Outsourcing of such work as needed should also be allowed.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Receive and process sign requests from the Districts.
- Review sign requests for adherence to Department standards and policy.
- Fabricate signs.
- Deliver signs products to the Districts.

5.1.2 Division Duties

- Provide compliance oversight.
- Resolve questions and/or issues involving design and policy for use concerning signing.

5.1.3 District Duties

- Design, implement and deploy the actual sign products in the field.
- Initiate the request for fabrication from the RSC/Regional Sign Shop.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Receive and document the sign order requests.
2) Review for adherence to Department Standards and Policy.
3) Review for correctness.
4) Fabricate signs.
5) Deliver signs.

5.4 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- Sign Manufacturing could be outsourced for special requests or large volume orders, with a tight deadline or due to unavailability of material.
- Shipping of signs can be outsourced in much the same manner as it is done today.

Combined

- The fabrication and shipping operations could be combined with standard RSC shipping schedules.

Eliminated

- None

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Coordinate signing orders, and manufacture and deliver to all Districts within the Region.
- Respond to requests from other Regions, and potentially requests from Divisions, for Special Projects.
- Receive sign requests, process and coordinate the manufacturing of signs in accordance to the Texas Manual on Uniform Traffic Control Devices (M.UT.C.D.), Standard Highway Sign Design Manual, TxDOT Traffic Standard sheets and Signs & Markings Manual.
- Develop timely processes for receiving and delivering.
- Develop and deploy procedures for handling Region-wide sign requests.
- Deploy and/or utilize an automated system of receiving sign manufacturing requests to speed up the process.
- Develop processes for notifying Area Offices and/or Maintenance Sections when signs are manufactured and expected to ship.
- Develop a process for delivering signs to maintenance sections or work locations using efficient and economical methods.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

The communication and coordination of the workload will originate at the local District requesting the sign(s). The District will need to submit the original request for a standard sign design in accordance with the Standard Sign Design Manual and the Texas Manual on Uniform Traffic Control Devices, or submit a Sign Cad file containing the actual design to be used for the fabrication of the specific sign requested. The Regional Sign Shop will then verify that the design is in accordance with TxDOT standards. The Sign Shop will then fill the order based on the nature of the request by shipping a stock item sign (in the case of the standard design) or proceed to manufacture the sign.

6.3 DETAILED PROCESSES AND PROCEDURES

Receive, Verify and Acknowledge Sign Requests

Orders are received via fax, e-mail, or material request through MSMS. Orders are then checked for accuracy and compliance to the TMUTCD, Standard Highway Sign Design Manual, TxDOT Traffic Standards, Signs and Markings Manual, or any other applicable standard, policy, or guideline. Any signs requested that do not meet the above requirements are flagged and a request is sent to the originating District's designated point-of-contact for approval and/or correction. Finally, orders are forwarded to the appropriate provider. Department of Highway and Transportation (DHT) numbers are reviewed and changed if necessary to match signs ordered.

Develop Work Orders based on the verified design

Work orders are created from requests with materials for the order being issued to Account 520 as bulk material (e.g. rolls of sheeting, sign blanks, border tape, bolts, extruder panels, etc.). Sign technician pulls work order and processes order. Materials are prepared for final fabrication of the sign and work order is attached to the materials for use in completing the sign. Signs are made based on "first in, first out" priority, unless there are emergency needs or other priorities established by the Regional Sign Shop Coordinator. Sign fabrication is then completed based on work order. Completed signs are packaged and made ready for shipping. Signs are brought back into stock from Account 520 as a completed sign with the appropriate DHT number. A material request is generated if the original request was sent via fax or e-mail. Finally, completed orders are packaged and placed in section bins for shipment by the Regional Warehouse.

Properly assess and address Emergency Requests

A contact is designated to receive emergency requests at any time and processed as an emergency. The contact will be available 24 hours a day, 7 days a week. The target turnaround for normal orders from receipt to delivery is 15 days. Emergency orders are processed as needed and placed ahead of normal requests. Delivery is managed based on the urgency of the need. Currently, "hot-shot" delivery contractors are on notice 24 hours a day for delivery. Other delivery arrangements include loading and transporting the signs with Regional sign shop personnel to the location needed; meeting the requestor at a designated location; or the requestor picking up the signs at the regional warehouse.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Combine Regional Warehousing and Sign Shop operations into three Statewide Centers, at the same physical location, for each respective Region as recommended in this document.
- Recommend moving Sign manufacturing function from Operations Support to Regional Administration Support.
- Recommend that special consideration be given by the Administration to the "transitional" hiring process, taking into account the time frame and its impact on the RSCs, as well as affected District personnel in those areas being consolidated.

7.2 STEPS TO ACHIEVE CHANGES

- Districts currently making their own signs will need to be aligned with one of the three Regional Sign Shops being proposed. These Districts are:

  Houston, El Paso, Dallas, Fort Worth, Abilene, Brownwood, San Angelo and Wichita Falls

- Recommended Interim Operations (Short Term 5 -7 yrs):
  - North/East Regions – Existing Sign Shops move operations to Athens Regional Sign Shop: Dallas, Fort Worth and Wichita Falls.
  - West Region - Existing Sign Shops move operations to Lubbock and Amarillo Shops for small and large signs, respectively: Odessa, El Paso, San Angelo, Brownwood, Childress and Abilene. All signs will be routed through Post Regional Warehouse until facilities and personnel are in place to handle Sign operations in unison with Warehouse operations in Post or wherever an adequate facility can be secured or built for this function.
  - South Region – Existing Sign Shop in Houston moves operations to Yoakum and Pharr Sign Shops for small signs and large signs, respectively. All signs will be routed through Seguin Regional Warehouse until facilities and personnel are in place to handle Sign operations in unison with Warehouse operations in Seguin.
- Recommended Transition from Interim Operations to Proposed/Permanent Operations:

- Sign Shops would begin operations utilizing three statewide regional Sign Shop combinations: (1) Athens (Sign Shop and Warehouse), (2) Post or other site to be determined (Sign Shop and Warehouse) and (3) Seguin (Sign Shop and Warehouse).
- Current warehouse facilities may warrant further review or re-evaluation to determine if they may better facilitate the addition of a sign manufacturing operation that would adequately serve the Region's needs. The current Post facility capacity is approximately 52,500 square feet (SF). Given the facility deterioration and location we could consider the possibility of a complete relocation to a better suited site such as Lubbock, Big Spring or Snyder. This consideration is based on these sites proximity to IH 27, US 84 & US 87 for Lubbock, IH- 20 and SH 208 for Big Spring or US 84 and US 180 for Snyder. The existing Lubbock District Complex, which would also house the Regional Support Center, is approximately 48,642 SF, of which 24,407 SF already houses a warehouse with an adjacent yard of 2,000 SF. We could plan to expand this location to better meet the needs of the region and since it is already located in an urban area, it would facilitate shipping and delivery options. The Seguin Warehouse consists of 53,000 SF and has plenty of room in the grounds to build a sign shop facility.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

The best measure of success for the Sign Shop Regionalization plan is for each Region to meet the demand of the District requests both in accuracy and in turnaround time and delivery. Meeting established production rates is the key to achieving success in the overall consolidation of Sign Shops.

Accuracy

- Sign legends are correct as requested
- Proper sign substrate (Aluminum or Plywood) and reflective sheeting are used as requested
- Legend layout is as designed or as called for on Standards
- Overall Quality Control and Quality Assurance of product being produced
- Customer Satisfaction (Districts Satisfied with the signs being delivered)

Timeliness

- Maintain a consistent schedule for fabrication of signs
- Coordinate and communicate with Districts on issues affecting fabrication time
- Coordinate shipping schedules
- Track Work Orders from receipt to delivery in order to determine if functions in either fabrication or delivery need adjustment

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

Reduction of existing statewide Sign Shop FTEs from 47 to 34 based on the proposed three Regional Sign Shop concept. This will reduce the overall existing FTE levels by approximately 27% statewide.

North/East Regions: Athens - Total 18 FTE's consisting of 17 production employees and 1 Supervisor.

West Region: Post - Total 8 FTE's consisting of 7 production employees and 1 Supervisor.

South Region: Seguin - Total 8 FTE's consisting of 7 production employees and 1 Supervisor.

North and East Region sign shop employees will remain district employees and continue as sign shop employees until the Regional Sign shop at the Regional Warehouse in Athens staffs up to manufacture signs for all North and East Regions. Once the Athens sign shop is operational, sign shop employees in North region districts will take on other district duties as determined by the DE. These district sign shop employees will not realize any loss in pay, or be required to relocated through this effort. Vacancies in Athens will be posted and competitively filled.

South Region sign shop employees in Yoakum and Pharr will be converted to regional employees. There are no sign shop employees in the South Region other than those in Yoakum and Pharr.

West Region sign shop employees in Lubbock and Amarillo will be converted to regional employees. West Region sign shop employees in districts other than Lubbock and Amarillo will remain district employees until Lubbock and Amarillo sign shops are able to manufacture all signs for the West Region. Once this occurs, these employees will take on other district duties as determined by the DE. These district sign shop employees will not realize any loss in pay, or be required to relocated through this effort. Vacancies in Athens will be posted and competitively filled.

The RSC staffing recommendations will be accomplished through virtual offices as stated in the Regionalization Staffing Plan. Current sign shop employees who are regionalized will not realize any loss of pay, nor be required to relocate, through this restructuring effort. Current sign shop employees who are not regionalized (those who

stay in the district) will also not realize any loss of pay nor will they be required to relocate.

9.2 STAFFING METHODOLOGY

All FTE figures are based on an average production rate of 1,750 SF/person. This figure was arrived at by utilizing current production rates at the Athens Regional Sign Shop. We also went on the premise that all Sign Technicians would be able to share and handle all administrative/clerical in conjunction with their primary production duties. This would allow any technician to take a sign order from initial receipt of the request to final product ready for delivery.

Proposed Business Job Descriptions:

Regional Sign Shop Coordinator I (B 12)

Regional Sign Shop Coordinator II (B 13)

Regional Sign Shop Technician I (A 11)

Regional Sign Shop Technician II (A 13)

Regional Sign Shop Technician III (A 15)

(See Attached Business Job Descriptions)

APPENDIX: GLOSSARY OF TERMS

FTE – Full Time Equivalent (Employee)

TDCJ – Texas Department of Criminal Justice

GSD – General Services Division (TxDOT)

"Hot Shot" – Commercially contracted delivery system

RSC – Regional Supply Center

M.U.T.C.D. – Manual on Uniform Traffic Control Devices

Sign Cad – Proprietary Sign Design Software

MSMS – Material Supply Management System

DHT (Department of Highways & Transportation) – number identifying each individual item with specific description and catalogued in our inventory

Account 520 – Sign Shop Account

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

TRAINING

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: **Julie L. Durham, PHR, Waco, Team Leader; Alma L. Fermin, PHR, Laredo**
Gloria D. Gray, PHR, Houston; Jeanette Herndon, Lufkin
Nancy L. Herrera, El Paso; Anthony "Tony" D. Huggins, Fort Worth
Schelly Radcliff-Downey, PHR, San Antonio and Mendi Taylor, Childress

VERSION:

DATE: **11/04/2008**

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 4

2 SOURCE DOCUMENTS AND INFORMATION 5

3 CONSTRAINTS 6
3.1 Implementation Constraints 6
3.2 Operating Constraints in a Regional Concept 6

4 RISK MANAGEMENT 7
4.1 Risks 7
4.2 Projected Impacts if Not Resolved 7
4.3 Mitigation Strategies 7

5 PRIMARY DUTIES 9
5.1 RSC, Division, and District Duties 9
5.1.1 RSC Duties 9
5.1.2 Division Duties 9
5.1.3 District Headquarter Duties 9
5.2 RSC Duties in Order of Importance 10
5.3 Duties that may be Outsourced, Combined, or Eliminated 10

6 DETAILED PROCESSES 11
6.1 Overview of Function Processes in a Regional Concept 11
6.2 Coordination and Communication of Processes 11
6.3 Detailed Processes and Procedures 11

7 CHANGES RECOMMENDED 13
7.1 Changes Recommended 13
7.2 Steps To Achieve Changes 14

8 MEASURING SUCCESS 15
8.1 Success Metrics (Measures) 15

9 STAFFING RECOMMENDATION 16
9.1 Staffing recommendation 16
9.2 Staffing methodology 17

APPENDIX: GLOSSARY OF TERMS 18

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

Provide in-house and contracted training classes to District employees to increase their knowledge, skills, and abilities and manages all aspects of the career development program.

1.1.2 Purpose in a Regional Concept

Regional Training Coordinator's (RTC) main purpose is to support the core activities of the department by providing training classes to all TxDOT employees to increase their knowledge, skills, and abilities and manage all aspects of the career development program by maximizing employee opportunities and available department resources. The RTC will consolidate repetitive training support functions to gain efficiency statewide, reduce redundancy and ensure internal controls to increase employee productivity and job satisfaction.

1.2 CORE DUTIES

1.2.1 Current Duties

- Gather training requests from managers for the upcoming fiscal year and submit to Training, Quality and Development (TQD) a completed annual Training Needs Survey.
- Provide input on the Training Needs Survey as directed by the District.
- Assist in securing classrooms and equipment needed for course sessions held in the District.
- Ensure students meet the course prerequisites. If student(s) do not meet prerequisite, submit waiver to TQD or refer employee to prerequisite requirement.
- Process requests (enrollment, cancellation, replace) in a timely manner.
- Update employees' training history by verifying completion of the class for local, out of agency and non-TQD administered courses.
- Prepare room for video teleconference (VTC) sessions.
- Assist with classroom set-up and equipment testing, when needed.
- Print and/or store training materials and place in classroom prior to start of the class and return any unused materials to the program administrator.

- Fax signed class roster to TQD the last day of the class for contracted classes. Original will be sent with the invoice from the vendor conducting the training.
- Report to District management no shows and persons not having completed mandatory training courses.
- Review monthly training report to ensure data for the District is correct and contact the training assistant to resolve discrepancies.
- Work with TQD to advise of specific immediate needs training for unique or special conditions.

1.2.2 Duties in a Regional Concept

- Coordinate the Districts' compliance/mandatory training.
- Manage training programs for the Districts.
- Maintain training program records.
- Manage career development programs for the Districts.
- Coordinate the Districts' annual training needs survey.
- Process course session enrollment, cancellation and replacement request in HR Online.
- Record Non-SCOT Training in HR Online.
- Develop and manage contracts for outsourced training events that are not contracted by TQD.
- Process and record Out of Agency Training/Conferences in HR Online.
- Report to District management no shows and persons not having completed mandatory training courses.
- Advise TQD of specific immediate training needs for special conditions.

2 SOURCE DOCUMENTS AND INFORMATION

- **Human Resources Manual.** Used to reference policies.
- **Annual Training Report Fiscal Year 2007 Workbook.** Used to determine number of training events per District.
- **Statistical information & functional duties collected from the districts.** Used to determine staffing needs.
- **Information from Ray Belk, HRD.** Used to determine Regional duties.
- **Information received from Paul Summerbell, HRD.** Used to determine staffing needs.
- **Training Manager Program – El Paso District.** Used as an example of a best practice for the training needs survey.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **Difference in District processes regarding which employee(s) enter enrollments, cancellations and replacements in HR Online.** The system is setup for supervisors to enter these training requests and route to the training coordinator for approval. There are some Districts in which the District training coordinator performs these functions. A transition period for those supervisors currently not entering training request in HR Online would be required.
- **Lack of computer skills for some field employees.**
- **Lack of standard operating procedures.**

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **Inability to provide on-site support.** The face-to-face interaction with front line supervisors will not exist.
- **Lack of adequate Video Teleconferencing Facilities.** Some equipment is outdated and there is a lack of adequate facilities in some Districts.
- **Lack of adequate FTEs at the District level to perform training related duties including classroom scheduling, material processing, and VTC Facilitation.**

4 RISK MANAGEMENT

4.1 RISKS

1. Training staff reduction could be perceived as decrease in customer service to TxDOT employees.
2. Reduction in district oversight.
3. Class cancellations or low enrollments, resulting in inefficient use of dedicated training funds.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1. If employees perceive a lower level of customer service, the level of employee satisfaction and participation in the department's education and development programs could decrease.
2. Compliance with mandatory training, certification, and licenses will be the responsibility of the supervisor. If not properly managed and monitored, the department could be at risk for occurrences such as employees driving for the department with an expired driver's license, etc.
3. If management of training is not defined clearly in the reorganization, a reduction in efficiency could occur, resulting in increased class cancellations or low enrollments that have a significant impact on the cost-per-employee ratio and reduce the number of training classes.

4.3 MITIGATION STRATEGIES

1. Provide frequent communication and gather feedback from employees to ensure sufficient customer service.
    - 1.1. Establish defined procedures that require coordination with Districts and TQD to manage, monitor, and facilitate training needs at the Districts.
    - 1.2. Train supervisors on how to request student enrollment in HR Online.
2. Develop or enhance computer software to continually monitor and automatically notify management of non-compliance conditions.
3. Develop or enhance existing computer software to monitor low enrollment in training classes and automatically notify management of possible class cancellation.
    - 3.1. Train Regional service center staff on how to effectively manage in a virtual environment.
    - 3.2. Conduct an initial meeting of the RSC staff with TQD to work out processes.

3.3. Develop a Desk Reference that defines responsibilities and details procedures for the various activities associated with training.

3.4. Conduct Regional meetings with training coordinators and Regional staff to discuss procedures and responsibilities.

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Manage training programs for the Districts.
- Coordinate the Districts' compliance/mandatory training needs.
- Manage career development programs for the Districts.
- Conduct the Districts' annual training needs survey.
- Monitor course session enrollments, cancellations and replacements in HR Online.
- Record Non-SCOT Training in HR Online.
- With assistance from RSC Purchasing staff, develop contracts for outsourced training events not contracted out by TQD.
- Process and record Out of Agency Training/Conferences in HR Online.
- Enters license and certification renewal data in HR Online.

5.1.2 Division Duties

- Manage and coordinate training programs and support with Regional training staff.
- Centralize the development and coordination of all statewide training programs including Non-SCOT training.
- Provide direction and implement policies on statewide programs.
- Manage training programs for the department, including production of training, contract administration, and oversight of training programs.

5.1.3 District Headquarter Duties

- Assign classrooms and ensure set-up prior to the class, including class rosters, VTC forms, course materials, and equipment/materials required for the class.
- Assist instructor with classroom set-up and equipment testing, when needed.
- Proctor the administration of end of course competency test when course is delivered in a VTC format.
- Prepare classroom VTC sessions.
- Receive, store and deliver training materials to the classroom prior to start of the class and return any unused materials to the program administrator.

- Assist the instructor to fax signed class roster to TQD the last day of the class for contracted classes.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Manage training programs for the districts.
2) Conduct the districts' annual training needs survey.
3) Monitor course session enrollments, cancellations and replacements in HR Online.
4) Coordinate the districts' compliance/mandatory training needs.
5) Manage career development programs for the districts including the Tuition Assistance Program, Master's Degree Program, and Engineering Assistant Career Development Program
6) Record Non-SCOT Training in HR Online.
7) With assistance from the RSC Purchasing staff, develop contracts for outsourced training events not contracted by TQD.
8) Process Out of Agency Training/Conferences in HR Online.
9) Enter license and certification renewal data in HR Online.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- First Aid, CPR training and Smith Driving System currently administered at District level.

Combined

- None

Eliminated

- None

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Monitor training budget and brief District management on status of training requested.
- Manage Regional training contracts not contracted by TQD.
- Ensure consistency of training classes offered throughout the Region.
- Coordinate with the Districts' on their compliance/mandatory training needs.
- Manage the Career Development Programs for the Districts.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

Division – The Training, Quality and Development section of HRD will be responsible for communicating policy changes and interpretation to the Regional Training Coordinator (RTC).

Regional Service Center – Each RTC will work in partnership with their counterparts to maximize existing resources available and communicate frequently with the Districts to ensure training needs are being met.

Districts – Each District will communicate with their Regional staff first, and the Division will keep the regional staff informed of all communications.

The HRD manual will need to be revised with the new procedures for the training and career development program.

6.3 DETAILED PROCESSES AND PROCEDURES

Manage training and career development budgets to include travel and brief management on status of requested training

Work with Regional Budget staff to develop a budget for training and career development. Districts will provide input based on valid requirements from the annual training needs survey, employees currently participating in the Tuition Assistance Program (TAP) and future requests to participate in the TAP. It will be the responsibility of the RSC to monitor budgets and prepare reports for presentation to Division, Regional and District management.

Manage regional training contracts not contracted out by TQD

With assistance from the RSC Purchasing staff, the RTC will develop contracts for outsourced training events based upon the Districts needs submitted from their annual training needs survey. The RTC will meet with representatives from their assigned

Districts at least quarterly to determine District needs are being met and to make certain vendors fulfill all contractual requirements satisfactorily. Reports are submitted to management

Ensure consistency of training classes offered throughout the Region

Districts will provide future training needs data by using an established application and the RTC will compile data and submit to Training, Quality and Development by required deadline. Based upon each District's future workload, the RTC will determine if the training being requested by a District will meet the functional job needs. If additional courses are needed, RTC will contact District for further review and discussion.

Coordinate the Districts compliance/mandatory training needs

Based on reports prepared via HR Online, the RTC will monitor the Districts' mandatory training needs. The RTC will work with the Districts to lower their non- compliance rating by ensuring an adequate number of courses is being offered to meet their needs. Districts will send class roster to RTC to finalize and cancel classes not being offered through the department's computer based system (i-Way.)

Manage Career Development Programs for the districts

Using approved career development plans, the RTC will work with the Districts to implement the plans as established in the future guidelines for all department employees in technical, management or business functions. The RTC will maintain copies of the plans for all Districts and coordinate with Training, Quality and Development to offer required training at the District based on the plans. The RTC will monitor the Engineering Assistant Career Development Plans and the employees' student history to ensure courses are being completed. Districts will be notified if an employee is failing to complete the required training as outlined in their Career Development Plan. The RTC will maintain records of all Tuition Assistance Program participants and notify the Districts of any participant not in compliance with the department's policy. The RTC will send notice to the TAP participant regarding repayment options and will follow-up as required by policy.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Enhance HR Online to reduce redundancies
  - Program HR Online to automatically send e-mail notifications to supervisors regarding expirations of all licenses and certifications.
  - Establish an interface with the Texas Board of Professional Engineers to update EIT certifications and PE licenses.

- Automate HR Online Performance Plans in order to link with career development plan and needs survey.

- Implement Standard Operating Procedures for Training Needs Survey. Currently, each District collects their data by a different means and this would not be an efficient way for a Regional service center to operate.

- Integrate Training Manager Program (El Paso) to HR Online or establish the capability in HR Online that this program offers relating to the training needs survey and course session enrollment.

- Establish and implement uniform tracking systems utilizing the same program (i.e., Training Manager Program from El Paso for Training Needs Survey and P.E. License tracking system from Houston for License and Certifications).

- Increase the utilization of i-Way
  - Add more mandatory training classes to this system. Currently, each District has subject matter experts teaching the EEO Supplemental Training. District training coordinators must create sessions for each class and enter into student's training history in HR Online.
  - Establish a team room for the Regional training coordinators.
  - Link course completion with certificates (i.e., National Safety Council for DDC).

- Upgrade Video Teleconferencing (VTC) Facilities statewide and add more bridges so training class can be taught by VTC and a reduction in travel expenses can be realized.

- Manage the TAP Program to include budget at Regional level but require appropriate District Engineer's approval for the employee to participate.

- Give authority to Regional training coordinator to override prerequisites if historical data is not uploaded into HR Online. Regional Training Coordinator should not have to contact TQD if a prerequisite needs to be overridden (i.e.

Work Zone Refresher TRF525 requires Work Zone TRF520). As it currently stands, only two years worth of data is being looked at for prerequisites. District training coordinators must contact TQD to have them override this control).

7.2 STEPS TO ACHIEVE CHANGES

- Work with the Human Resources Division to implement the enhancements in HR Online and the i-Way.
- Establish teams to work on the career development program. Teams should include subject matter experts and representatives from the Training, Quality & Development section of the Human Resources Division.
- Coordinate with Districts and Division to create and implement Standard Operating Procedures.
- Make funding available to upgrade and enlarge VTC facilities and add additional bridges.
- Provide training for all employees on how to use the i-Way.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

- Reduction in travel expenses.
- Cost savings due to Regional training contracts rather than District contracts.
- Increased efficiency in use of training funds expended by reduction in number of course cancellations.
- Higher retention rate of critical skills job classification personnel.
- Accident and incident rates decreased due to reduction in Non-compliance rates.
- Increase in level of employee satisfaction and productivity to be measured through employee and course evaluations.

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

Currently each District has an employee assigned to perform the training coordinator duties. By regionalizing this function it would reduce redundancy of duties.

Region	North	South	East	West
FTEs	3660	2709	2475	2350
Training Coordinator Allocation	3 *(3660/1100)	2 *(2709/1100)	2 *(2475/1100)	2 *(2350/1100)

Regional Training Specialist, B13 (based upon the competency level and oversight responsibilities required) would be the only job classification needed to staff the RSCs.

The RSC positions will be filled by full-time training coordinators. Current district employees engaged primarily in training coordinator activities will be converted to regional employees at the B13 level. The standard for determining which employees were engaged primarily in training coordinator activities was 50% or more of daily duties. This determination was made by each district engineer.

Vacancies remaining after converting district employees primarily engaged in training coordinator activities will be competitively posted and filled.

Current district employees engaged in training coordination duties but at a level less than 50% of their daily duties will remain district HR employees and take on other district duties as determined by the District Engineer.

The RSC staffing recommendations will be accomplished through virtual offices as stated in the Regionalization Staffing Plan. Current training coordinator employees who are regionalized will not realize any loss of pay, nor be required to relocate, through this restructuring effort. Current training coordinator employees who are not regionalized (those who stay in District HR) will also not realize any loss of pay nor will they be required to relocate.

9.2 STAFFING METHODOLOGY

Staffing allocations were derived by using the following formula: Projected Training Coordinator (TC) to employee ratio (589) plus an additional 500 (economies of scales) based on the TC performing recommended regional duties and the streamlining of processes as a basis for the 1100. Figures used are projected FTEs as of 09/01/2008.

- Economies of Scales: An additional 500 was added to the TC to employee ratio based upon the current duties performed by the Houston District's training coordinator whom services 1400 employees.

The forecasted FTE allocations are predicated upon the upgrades to HR online and the i-Way training enhancements. The proposed Management Training Program integrated with the HR online system will also play an essential role in the streamlining of the enrollment process.

APPENDIX: GLOSSARY OF TERMS

i-Way - The department's computer-based training system.

Compliance/Mandatory Training – Training mandated by legislation, department or DDO. Reference Human Resources Manual, Chapter 7, Section 17 Mandatory Training Requirements.

Training Quality and Development (TQD) – a section within the Human Resources Division that develops HR Online, monitors, and reports on training for the department.

Tuition Assistance Program (TAP) - The department encourages the professional development of employees through education and training under the State Employees Training Act; this also governs the eligibility and obligations of employees under training and education programs. The Tuition Assistance Programs (TAP) provide opportunities for employees to pursue an associate, bachelor's, master's, or doctoral degree on a full-time or part-time basis

Video Teleconferencing (VTC) – Media in which a course is delivered to one or more locations.

TxDOT REGIONALIZATION PLAN

WORK GROUP RECOMMENDATIONS

WAREHOUSING

Please select the appropriate stage:

Draft Stage	☐
Final Version	X

TEAM MEMBERS: **Beverly Yates – Paris - Team Leader, Rick McAlpine – Houston, Thomas Nicholes – Lufkin, Sharlana Dillard – Austin, Elizabeth Paradise – Pharr, Ray Harris – Odessa, Lee Landes - Amarillo**

VERSION:

DATE: **11/04/2008**

TABLE OF CONTENTS

1 FUNCTION 3
1.1 Main Purpose 3
1.1.1 Current Purpose 3
1.1.2 Purpose in a Regional Concept 3
1.2 Core Duties 3
1.2.1 Current Duties 3
1.2.2 Duties in a Regional Concept 4

2 SOURCE DOCUMENTS AND INFORMATION 6

3 CONSTRAINTS 7
3.1 Implementation Constraints 7
3.2 Operating Constraints in a Regional Concept 7

4 RISK MANAGEMENT 9
4.1 Risks 9
4.2 Projected Impacts if Not Resolved 9
4.3 Mitigation Strategies 10

5 PRIMARY DUTIES 12
5.1 RSC, Division, and District Duties 12
5.1.1 RSC Duties 12
5.1.2 Division Duties 12
5.1.3 District Duties 13
5.2 RSC Duties in Order of Importance 14
5.3 Duties that may be Outsourced, Combined, or Eliminated 15

6 DETAILED PROCESSES 16
6.1 Overview of Function Processes in a Regional Concept 16
6.2 Coordination and Communication of Processes 16
6.3 Detailed Processes and Procedures 17

7 CHANGES RECOMMENDED 20
7.1 Changes Recommended 20
7.2 Steps To Achieve Changes 20

8 MEASURING SUCCESS 22
8.1 Success Metrics (Measures) 22

9 STAFFING RECOMMENDATION 23
9.1 Staffing recommendation 23
9.2 Staffing methodology 24

APPENDIX: GLOSSARY OF TERMS 26

1 FUNCTION

1.1 MAIN PURPOSE

1.1.1 Current Purpose

Common stock items for the Districts, as well as some unique items necessary to individual Districts, are warehoused at three Regional Supply Centers (RSCs). Each Regional Supply Center supplies the District offices and maintenance sections within various geographical areas of the state. The stock items at the Regional Supply Centers are common to all Districts and provide a means of achieving monetary savings through volume purchasing and ready availability.

1.1.2 Purpose in a Regional Concept

In the Regional concept, Regional Supply Centers (RSC) will convert to Regional Warehouses (RW) with the addition of a fourth warehouse to support the East Region. Regional Warehouses will provide goods necessary for the Districts within their Regions to successfully accomplish their mission and core functions. The overall scope of the Regional Warehouses' operations is to remove repetitive functions at each District, streamlining duties into four Regional locations. Each District warehouse will be reconfigured to serve as a District supply room to meet the basic needs for such items as office and janitorial supplies, and handle receiving and shipping, and other coordinating functions.

1.2 CORE DUTIES

1.2.1 Current Duties

General Services Division Duties

- Provide support to Districts and Divisions by managing common-use items stocked at the three Regional Supply Center (RSC) warehouses as well the Austin-Camp Hubbard Warehouse.
- Act as the focal point for inventory control and material management policy and procedures.
- Order all material stocked in the Regional Supply Centers, perform follow-up and expediting actions and monitor all discrepancies for the RSC.
- Determine TxDOT's requirements for signs and related materials fabricated by Texas Department of Criminal Justice (TDCJ) and process weekly call-out orders.
- Perform on-site Quality Control on TDCJ sign production, inspect new chassis and monitor TDCJ's dump truck fabrication.

- Manage the Materials and Supply Management System (MSMS), and provide technical support to all users of MSMS.
- Perform the catalog function in support of the statewide inventory of all stocked materials, and maintain the Regional Supply Center Catalog.
- Maintain governing control for policies and procedures to include the user manuals for the MSMS, Minor Equipment System (MES), Property Management, etc.
- Manage the Recycling Program and surplus/salvage property sales and/or disposal.
- Report TxDOT assets to the State Comptroller using the State Property Accounting (SPA) system.

District Warehouse Duties

- Provide supplies and materials to various offices and sections on and/or off campus as well as maintenance sections' stock accounts by managing common-use items and unique items not stocked in the RSC warehouse.
- Provide primary support and operations for all shipping and receiving functions for materials District-wide to include warranty issues, discrepancies, property accountability, etc..
- Act as Focal point for the District's stock account inventory control and material management compliance.
- Order all material items built and stocked at the Austin–Camp Hubbard warehouse for the District.
- Perform follow-up and expediting actions and monitor all discrepancies District-wide and coordinate with purchasing and accounting on these issues.
- Provide technical support to District users of the MSMS and APS systems.
- Manage MSMS stock accounts within the District, to ensure proper controls are maintained throughout the Fiscal Year (e.g., long supply, zero usage, insurance items, DHT numbers, etc.).
- Manage, coordinate and process the disposal of all District surplus or salvage property.
- Support, distribute and manage the District recycling initiative.

1.2.2 Duties in a Regional Concept

- Provide materials needed to support the District's operations.
- Provide technical and administrative support to the District users of the MSMS, APS, MES.
- Provide Regional analysis and stock management policy/procedures.
- Provide easy access to obtain materials to support District operations.
- Provide online Regional Warehouse Catalog of available items.
- Oversee surplus property sales and salvage material sales for the Region.
- Oversee and coordinate the recycling program for the Region.

- Oversee and coordinate the administrative management of stock accounts, required inventories, and reports and coordinate inventory adjustments with Regional Accounting.
- Provide critical training and support in all warehouse operations and stock accounts within the Region.
- Perform the catalog function in support of the statewide inventory of all stocked materials, and maintain the Regional Supply Center Catalog.

2 SOURCE DOCUMENTS AND INFORMATION

- **Inventory Management Summary Report for July – FY 2008.** Used to determine stocked products, quantities, supply and demand, and common items.

- **Transaction Summary Inquiry Screen – Post, Athens, and Seguin Regional Supply Center.** Used for statistical data to determine transaction quantities per District.

- **Regional Supply Center Locations and District Served – Webpage.** Used to determine locations and available routes across Texas.

- **Freight cost reports from Fiscal Year 07 and 08.** Used for statistical data to determine cost.

3 CONSTRAINTS

3.1 IMPLEMENTATION CONSTRAINTS

- **Information flow internal to the region, and external to support each District, will be slow as various different sources and channels are being established.** Warehouse issues include coordination between Accounting, Purchasing, Equipment Shops, Maintenance Sections, OCC and District Safety Officers, GSD, etc. Mainframe processes will change, as will phone numbers, routing of mail, freight deliveries, etc.

- **Electronic Data Management System (EDMS) connectivity will be costly to update technology, equipment and connectivity to ensure standardization.**

- **Training staff will require adequate time for MSMS, APS and EDMS users to learn and apply the new processes with clarity and understanding.** Too much information at one time could be overwhelming for implementation.

- **Lack of standardization in recycling and the disposal of hazardous material.** The majority of District Warehouses oversee the recycling and disposal processes and dispose of many different types of material. All locations are not consistently handling recycled and hazardous material. Some locations have existing contracts while others do not. Limited District staff may cause material to stock pile.

- **Delay of operational support during the transition phases.** Material items may not be readily available since some items that are stocked at the local District warehouse will now be sent from the Regional warehouse or purchased on blanket purchase orders. The sections that previously ordered material from the District warehouse must adjust to other delivery channels. Further, the stock levels at some of the District warehouses are quite large. This means that this stock will need to be utilized, surplused, or moved to the Regional Warehouse. There will be additional shipping costs for those items moved to the Regional Warehouse Third, since the District warehouses stocked items that were specific to their area, the Regional warehouse will need time to determine new and unique products required to support districts.

3.2 OPERATING CONSTRAINTS IN A REGIONAL CONCEPT

- **RSCs are currently scheduling deliveries to all stock accounts weekly or bi-weekly due to travel distance, limited staff and/or cost of Hotshot deliveries.** Regionalizing the warehouse with increased stock items (products currently carried by District Warehouses) will create deliveries of larger loads that may require an increase in Hotshot deliveries and cost.

- **Districts will need to obtain emergency and/or critical supplies in a timely manner to meet operational demands such as environmental, health and safety issues which occur during hurricanes, ice storms, floods, hazardous spills, etc**. Travel distance is greater for a majority of locations to obtain needed warehouse supplies during these types of critical events. Hotshot delivery cost will increase, or a TxDOT employee will be needed to pick up stock items from the Regional Warehouse.
- **Timely and proper coordination between warehouse, purchasing and accounting for items that need to be returned to the vendor due to damage, incorrect shipment, warranty repairs, etc. to ensure services are rendered correctly and in compliance with TxDOT terms and conditions are handled properly.**
- **Proper internal controls to ensure field stock accounts are operating in accordance with TxDOT's policies and procedures.** Increased audit oversight will be needed.

4 RISK MANAGEMENT

4.1 RISKS

1) Inspecting Shipments - Material shipments may not be inspected in a timely manner and/or verified against specifications and purchase orders. Receipts could be electronically processed for material prior proper receiving and/or accounting for shipments.

2) Supply and Demand -- Lack of monitoring and establishing correct MSMS reorder points, quantities, long supply, etc., could result in incorrect stock levels.

3) Mail Handling – There could be delays in mail process operations (i.e., mail from Region to District and District to Sections). Minor equipment stickers sent by mail to the District stock room may be lost or placed on the wrong equipment, surplus property paperwork may be lost or not received timely, and recycle paperwork may be lost or not received at the Regional warehouse in a timely manner.

4) Surplus / Salvage -- Lack of physical control of surplus items could result in items being misplaced, disposed of, stolen, or transported to another location while the sale process is occurring.

5) Limited Regional FTE's – Lack of quality service and timely responses to internal customers may occur if there is limited Regional staff to meet individual needs for each District.

6) Freight Cost -- Direct freight cost between Regional Warehouses and Stock Accounts may increase to meet operational needs outside of scheduled deliveries.

4.2 PROJECTED IMPACTS IF NOT RESOLVED

1) Inspecting Shipments - Increased responsibility to end-users and lack of concern or handling as a priority could cause an increase in handling costs, loss or delays in operational time lines; legality issues between vendor and TxDOT, and increased amounts of unusable material.

2) Supply and Demand – Stock accounts may overstock or under stock items due to limited delivery schedules. If items are overstocked, the results will be long supply times, back orders, and increased freight costs. Under-stocking items will result in stoppage of daily operational activities.
3) Mail Handling – Lost or undelivered materials and inconsistencies in EDMS format.

4) Surplus / Salvage Property -- TxDOT holds the buyer responsible for picking up the surplus goods, which will cause the buyer additional money in travel costs. The reverse effect would be to centralize surplus property, and TxDOT assumes the cost of travel, time and effort of our employees.

5) Limited Regional FTEs – Delayed response to field employees could prevent these employees from completing tasks and job duties in a timely manner or cause field employees to circumvent TxDOT procedures to get the needed results.

6) Freight Cost – The approximate average cost for freight to support the RSC operation was $1.5 million. Major impacted areas affecting TxDOT: meeting operational needs without delay or postponing a Maintenance Section daily; incurring higher cost to ensure products are delivered on time, the same day, to meet operation needs; and cost factors associated with buying in bulk verses buying as needed.

4.3 MITIGATION STRATEGIES

1) Inspecting Shipments – A clear line of job responsibility between all parties for handling goods should be developed and implemented, and should include procedures for emergency goods to be delivered in an expeditious manner. This should also be addressed after implementation to assure that the system performs as designed.

2) Supply and Demand – The Regional MSMS Coordinator should review the history and reorder reports for all stock accounts within the Region, and notify and assist the stock account to make corrections. Assistance will be needed to reestablish reorder points and quantities for new items thus reducing the incidence of poor reorder statistics. Stock performance should be included in the stock account coordinator's performance plan.

3) Mail Handling – Set up mail handling procedures to ensure proper and prompt handling of mail that involves items of responsibilities such as surplus property and recycling of goods. E-mail, including EDMS files, should be sent prior to shipment of the physical mail. The sender should notify the receiver of pending deliveries, so if it does not arrive, the receiver will know to follow-up.

4) Surplus / Salvage Property – We recommend the Regions initially work through the decentralization of surplus property sales. Within six to 12 months, the four RSCs should review this process to determine and apply the best business practice for surplus property sales.

5) Limited Regional FTEs – Field employees should receive ongoing support from the Regional warehouse by conducting a 360 survey to determine service level. Customers should be periodically surveyed, and questionable areas audited, to ensure compliance with procedures. Additional support will be required from the Internal Audits or an additional FTE within the Region. Regional warehouse

employees' timesheets should be periodically reviewed to audit and re-evaluate work hours and overtime to determine if additional FTEs are needed.

6) Freight Cost – Costs should be tracked, and all products should be analyzed to determine what can be bought by the stock account with a blanket release. As a result, freight charges would occur only once from the vendor to TxDOT rather than twice (vendor to TxDOT and TxDOT to Stock Account).

5 PRIMARY DUTIES

5.1 RSC, DIVISION, AND DISTRICT DUTIES

5.1.1 RSC Duties

- Provide materials needed to support the Districts' operations.
- Provide online Regional Warehouse Catalog of available items through coordination with Division.
- Provide Regional analysis and stock management policy/procedures.
- Oversee surplus property sales and salvage material sales for the Region.
- Oversee and coordinate the recycling program for the Region.
- Oversee and coordinate the administrative management of stock accounts, required inventories, and reports.
- Coordinate inventory adjustments with Regional Accounting.
- Provide technical and administrative support to the District users of the MSMS, APS and MES.
- Provide critical training and support in all warehouse operations and stock accounts within the Region.
- Ensure material shipments are accurate and timely to the district stock accounts within the Region.

5.1.2 Division Duties

- Manages MSMS and MES.
- Maintain policies and procedures to include the Users' Manual for the MSMS system, property management, etc.
- Provide technical support to the Division/Region/District users of the MSMS system.
- Provide supply support to Division offices.
- Report to the State Comptroller the summaries of all inventories.
- Perform the catalog function in support of the statewide inventory of all stocked materials.
- Provide statewide analysis and stock management policy/procedures.
- Advertise surplus property sales for each Region.
- Oversee and coordinate the recycling program for the department.

- Performs the catalog function in support of the statewide inventory of all stocked materials.
- Provide supply support to Division offices.
- Provide support to Divisions and Regions by managing common-use items stocked at the Austin-Camp Hubbard Warehouse for unique and specialty items.
- Remain the focal point for inventory control and material management policy and procedures.
- Assist in establishing common Statewide Blanket Purchase Orders for all materials stocked in the Regional Warehouses, perform follow-up and expediting actions and monitor all discrepancies on Statewide Blanket Purchase Orders.
- Determine TxDOT's requirements for signs and related materials fabricated by TDCJ and processes weekly call-out orders.
- Perform on-site Quality Control on TDCJ sign production and inspect new chassis
- Monitor TDCJ's dump truck fabrication.
- Report TxDOT assets to the State Comptroller using the State Property Accounting (SPA) system.
- Process the disposal/sale of all department surplus or salvage property, and process all reports and correspondence necessary for disposals to include advertisement of surplus property sales for each Region.

5.1.3 District Duties

- Maintain Supply Room for materials and goods for offices at the District grounds (Host District will handle the supplies needed for the Regional offices).
- Receive freight deliveries and operate forklift.
- Inspect, and accept or refuse freight, and coordinate with purchasing and accounting for returns.
- Perform annual MSMS and MES inventories/ allowable adjustments and report results to Region (Host District will handle the inventories for the Regional offices).
- Process paperwork and update database for all MES equipment.
- Oversee minor equipment transfers/receipts for District sections and report results to Region (Host District will handle the inventories for the Regional offices).

- Identify surplus property items, and process required forms to coordinate with the Regional office.
- Accept, organize and secure surplus items and/or equipment for the District. Document and destroy surplus items in the presence of a witness.
- Responsible for recycling products and programs identified by GSD & Region.

5.2 RSC DUTIES IN ORDER OF IMPORTANCE

1) Stock sufficient materials to meet operational needs.
2) Ensure material shipments are accurate and timely to District stock accounts within the Region.
3) Provide critical training and support in all warehouse operations within the Region.
4) Provide technical and administrative support to the District users of the MSMS, APS and MES.
5) Provide Regional analysis and stock management policy/procedures.
6) Oversee and coordinate the administrative management of stock accounts and inventories, and coordinate inventory adjustments with Regional Accounting.
7) Provide online Regional Warehouse Catalog of available items through coordination with Division.
8) Oversee and coordinate surplus, property sales, salvage materials sales and recycling program for the Region.

5.3 DUTIES THAT MAY BE OUTSOURCED, COMBINED, OR ELIMINATED

Outsourced

- Freight pick up to be performed within 24 hour period.
- Hotshot deliveries and pick-ups within one working day of notification.
- HazMat to be picked up within one week of notification.
- Recycle items to be picked up within 3 days of notification or by PO schedule for larger containers.

Combined

- None

Eliminated

- None

6 DETAILED PROCESSES

6.1 OVERVIEW OF FUNCTION PROCESSES IN A REGIONAL CONCEPT

- Establish standardized policies from preexisting procedures that clearly outline the warehousing, surplus/salvage property, recycling initiatives, and MSMS coordinator processes.
- Provide quality products that have the flexibility to change stock in each Region. Products should provide support and meet supply and demand (including hard to obtain or specialized products).
- Train all District and Regional employees on new systems, processes and policies.
- Set goals to identify and coordinate common Regional warehousing stock, delivery schedules, and emergency backup among Regions. This includes forecasting, planning, and analysis of unique stock requirements to best support each District's operational needs.
- Ensure contract administration is being properly performed on contracts that directly support the Regional Warehouses.
- Promote standardization and consistency in maintaining accountability for all stock accounts and the MSMS and MES processes.
- Oversee, process, manage and coordinate Regional requests for surplus/salvage property.
- Oversee and coordinate the recycling program for the Region.
- Provide a MSMS, MES and APS help desk operation to support the multiple functional areas within the Districts.

6.2 COORDINATION AND COMMUNICATION OF PROCESSES

Division offices – All communication from GSD will be communicated to the Regional Warehouse Supervisor. The Regional Warehouse Supervisor will assign the job duties to support Regional operations.

RSC – Each Regional Director will collaborate with the Regional Warehouse Supervisor to maximize the talents and existing resources. Resources will be managed to expedite the operational requirements to meet Region and District business needs.

RSC Warehouse – Regional Warehouse Supervisor will covey requirements to the Regional Warehouse and Purchasing staff, GSD and counterparts as required.

Districts – District personnel shall communicate directly to their assigned Regional Warehouse Supervisor. Matters that should be communicated include matters of shipping and receiving, stocking of product(s) needed, delivery requirements, and assistance with MSMS, surplus/salvage property, recycling material, etc.

Regional Warehouse staff – Staff shall communicate and follow up with District personnel to ensure all District needs are met.

6.3 DETAILED PROCESSES AND PROCEDURES

Warehousing Function

- Establish and monitor Regional stock accounts to improve District support.
- Modify MSMS to support Regional structure to include reports, DHT numbers, route codes, etc.
- Develop and implement training plan to educate District and Regional employees on new systems and/or procedural changes.
- Regional warehouse office shall review and assist GSD in determining stock requirements and consolidation efforts to improve support of each District.
- Establish policy for all major responsibilities and coordinate with Regional Purchasing and Accounting regarding shipping, receiving, and returning of goods.
- Perform all MSMS functions dealing with stock.
- Promote standardization and consistency of all warehouse functions.
- Ship, receive and issue material, check back orders and coordinate with District staff.
- Expeditor will be responsible for expediting and follow up for all orders. This includes maintaining up-to-date information on stock to assist RSC Supervisor, Regional Purchasing/Accounting and GSD.
- Label material with DHT numbers and verify quantity and unit of measure.
- Research transaction history for discrepancies.
- Conduct weekly spot inventory, high-turnover item inventories, and annual inventory.

MSMS Function

- Provide a MSMS help desk operation and multiple other functions to assist customers in the Districts and within the Region.
- Coordinate with Regional Purchasing on APS orders.

- Coordinate with Regional Accounting to ensure dollar prices are correct for fluctuating price items such as fuel. Conduct MSMS back-outs for errors on paid invoices.
- Provide MSMS administrative functions to all Regional stock accounts with remote access.
- Train District staff, and provide one-on-one training and scheduled training for MSMS/APS applications.
- Provide MSMS report monitoring.
- Process inventory deletions, additions and adjustments.
- Monitor incoming requests, returns, transfers, special issues and special returns.
- Correct errors each morning, repair orders, complete receipts and back-outs, and perform object code replacement.
- Establish guidelines and policies for EDMS concerning retention and document storage for all records.
- Process TxDOT property received from contractors.

Surplus/Salvage Property

- Establish new Regional policies and processes for Districts to follow.
- Dispose of MES property identified on formal and informal inventories as surplus or salvage.
- Contract and dispose of scrap metal, and perform audits to ensure correct payments are received.
- Dispose of long supply stock through transfer of material within TxDOT.

MES Material:

- Assign and process MES number/tags prior to issuing products.
- Assist in tracking and transferring MES property.
- Identify MES property that should be surplus and/or salvaged.
- Coordinate all requirements with Regional Accounting and GSD.

Recycling:

- Regional warehouse will work with each District to identify and process the recycling of all recyclable material.

- Regional warehouse will identify material to be returned to the Region for recycling. Material not returned will be outsourced for disposal in coordination with the District Business Manager.
- Regional warehouse will input an APS User Request to Regional Purchasing for Service. The Regional Warehouse will inquire into APS and find Buyer and email specifications for further processing.
- Once Purchase of Services is in place, the warehouse coordinator will forward a copy to the District Business Manager. The District Business Manager will for manage the service and process payments.
- Warehouse Coordinator will monitor service and make necessary changes. The Warehouse Coordinator will also work with customers to handle issues that may arise.
- Surplus automotive batteries will be transported to the assigned District assigned for recycling credit. Batteries will be stored on pallet and transferred to the State Contract vendors. Excide and the Hazardous Waste Log will be used to document transferring of these items.
- All other Batteries will be transported to the assigned District area for recycling as universal waste.
- Surplus aluminum signs will be coordinated with the Regional Warehouse for return to TDCJ.

EDMS

- Perform EDMS in accordance with department policies and procedures.

Inventory Management

- Oversee and provide reports and recommendations to customers concerning long supply, zero demand and turn-around of material. Warehouse Coordinator will utilize various MSMS reports and coordinate with GSD MSMS management for the review of inventory summaries.
- Work with the Regional Supervisor and customers on procedures for return of material, delinquent in-transits, overages/shortages, and records research for locating and correcting material discrepancies.
- Provide training, or training assistance, to staff on warehouse processes and procedures.

7 CHANGES RECOMMENDED

7.1 CHANGES RECOMMENDED

- Transfer Regional Supply Centers in Athens, Seguin, and Post to the respective Region for better organizational control and coordination with Regional purchasers.
- Establish a fourth Regional Warehouse in Huntsville to support the Eastern Region. Huntsville is centrally located along IH-45 in the East Region. This location provides a direct transportation path to the coastal cities for support during the hurricane season. The Huntsville location will improve delivery of products throughout the East Region and allow for unique stock service to the coastal area. The East Region also requires direct support for the Ferry Operations, hurricanes, coastal road repairs, etc.
- Increase warehouse stock to provide cost efficiency in buying, and to make common and unique products readily available.
- Analyze supply and demand requirements to determine products needing to be stocked versus those needing Blanket Master Purchase Orders.
- Establish new polices and recommend changes to existing procedures to effectively re-engineer TxDOT's Regions. This would redefine the responsibility of Division and District stock accounts.
- Enforce standardized operational requirements among Regions
- Perform audits to ensure consistency and to improve processes.

7.2 STEPS TO ACHIEVE CHANGES

- Begin a site search in Huntsville to locate a warehouse space to lease until a permanent location can be purchased or a new facility can be built (The District warehouse in Bryan will serve as the East Regional Warehouse until a location is found in Huntsville).
- Analyze all District Warehouse stock and determine common and unique items that are required to be readily available to support District operations.
- Re-determine routes and delivery schedules to improve support.
- Review current GSD freight contracts and determine if they meet new requirements or need to be re-solicited.
- Establish changes in MSMS for stock accounts, user authorizations and administrators.
- Communicate new points of contact and those individuals' responsibilities.

- Train Regional staff first. Formulate a clear and concise training plan for implementation that addresses all areas identified as Warehouse responsibility. Allow sufficient time between training for implementation and follow up to ensure stock accounts meet new requirements.
- Assist Districts in establishing long term operational needs.
- Clean up all stock account data bases (e.g. zero demands, sub-locations, items not inventory, stock conversions, and items received from contractors).
- Work closely with Purchasing to establish State or Region Blanket Purchase Orders for material that could be carried in stock.
- Establish Regional recycling contracts for tires, batteries, oil, waste, plastic, etc.
- Advertise and dispose of all surplus/salvage property at the Districts before establishing the process at the Region.

8 MEASURING SUCCESS

8.1 SUCCESS METRICS (MEASURES)

Regional Warehouse shall maintain the following TxDOT established goals. Oversight will be maintained by GSD.

- Surplus Inventory Zero Demand 5%
- Turnover Rate 3.0
- Service Level of Stock 90-95%
- On-hand, Long Supply < 25%
- Inventory Adjustments <5% and
- Backorders <5%

These metrics may be reviewed at any time by running a ROSA/ROSCO Report 38-11, Inquiry into MSMS IX4/IX5. Results are posted on the GSD intranet site under Supplies Management. These standards are derived from manipulating the stock value against output. GSD will provide oversight for the supplies management summaries and postings.

MSMS Helpdesk success shall be measured through either a complete or a quarterly survey(s).

9 STAFFING RECOMMENDATION

9.1 STAFFING RECOMMENDATION

Reduce total Warehouse FTEs from 84 to 65, a reduction of 24 percent (this does not include FTEs at Camp Hubbard). The following FTE Regional distribution is recommended: Post = 9 FTEs, Seguin = 9 FTEs, Athens = 13 FTEs, Huntsville/Bryan = 9 FTEs. This distribution is based on number of work units processed during an eleven-month period in FY 2008.

All positions will be located at the Regional warehouse with the exception of the MSMS Coordinator. The MSMS Coordinator may be a virtual position with occasional travel to the Regional warehouse.

This recommendation includes an increase of FTEs at the Regional Warehouse to handle additional duties. These duties include MSMS coordination for all stock accounts in the Region, surplus sales coordination and processing, recycling coordination and processing, Hazmat coordination and processing, MSDS coordination, and other administrative duties.

These staffing recommendations will be accomplished through virtual offices and attrition as stated in the Regionalization Staffing Plan. Current GSD warehouse personnel staffing the GSD warehouses are not affected. Where GSD warehouse vacancies exist, those positions will be posted and competitively filled.

Current district warehouse personnel will be responsible for staffing and managing the district complex stock room or other duties as determined by the District Engineer. Current district warehouse personnel will not realize any loss of pay, nor be required to relocate, through this restructuring effort.

	Current FTEs	Proposed FTEs	FTEs Reduced
Districts	48	25	23
Reg'l Whses	36	40	(4)
Total	**84**	**65**	**19**

* Figure does not include FTEs at Camp Hubbard

9.2 STAFFING METHODOLOGY

There are currently 36 FTEs in the regional warehouses. The following chart data was used to determine number of units per FTE.

Type of Units	Number of Units
Material Requests	157,414
Material Requests	4,660
Material Receipts	5,032
Material Issues	46,688
Total	**213,794**

213,794 units / 36 FTEs = 5938 work units per FTE

For the four regional warehouses, the FTEs needed would be the same, and personnel would be drawn from Athens and Seguin regional warehouses due to reduced workload at these locations. FTEs required would be figured from same formula except using work units processed for that particular region. Huntsville is the recommended site for the East Region with the interim site located at the current Bryan District Warehouse. This Warehouse can be used, and a possible operating cost reduction realized, since the facility already exists and there is sufficient space in the warehouse and yard to support the Region's requirements.

Additional duties assigned to the Region may result in an increase of Regional FTEs. The following functions are an increase in work and responsibility for the Regional Warehouse: Hazmat, MSDS, MSMS/APS Coordinator, Recycling, Surplus Sales, and Training Requirements. These functions may require the help of an additional FTE. However, this requirement cannot be known until Regional implementation and determination of work units. At this time, these functions do not have any measurable data as they are being added as new responsibilities.

Number of District Purchasers and Warehouse Personnel			
District	Purchasing FTEs	Warehouse FTEs	
Paris	4	1	
Ft. Worth	9	4	
Wichita Falls	5	1	
Amarillo	4	2	
Lubbock	6	4	
Odessa	3	2	
San Angelo	5	1	
Abilene	5	1	
Waco	5	1	
Tyler	5	0	Purchasers also work in warehouse
Lufkin	3	1	
Houston	10	5	
Yoakum	2	1	
Austin	6	3	
San Antonio	7	2	
Corpus Christi	4	1	
Bryan	5	1	
Dallas	6	6	
Atlanta	5	0	Purchasers also work in warehouse
Beaumont	5	1	
Pharr	4	2	Purchasers also work in warehouse
Laredo	1	2	
Brownwood	3	1	
El Paso	3	4	
Childress	2	1	
Total	117	48	

APPENDIX: GLOSSARY OF TERMS

APS – Automated Purchasing System

BPO – Blank Purchase Order

DHT – (Department of Highways & Transportation) number identifying each individual item with specific description and catalogued in our inventory

EDMS – Electronic Data Management System

EOS – Equipment Operating System

FIMS – Financial Information Management System

FTE – Full Time Equivalent (Employee)

FY – Fiscal Year

GSD – General Services Division

GSD – General Services Division (TxDOT)

HazMat – Hazardous Material

“Hot Shot” – Commercially contracted delivery system

MES – Minor Equipment System

MSDS – Material Safety Data Sheet

MSMS – Material Supply Management System

PO – Purchase Order

RSC – Regional Support Center

SPA – State Property Accounting System

TDCJ – Texas Department of Criminal Justice

TxDOT – Texas Department of Transportation

IT Issues from Regional Work Group Documents

Information Systems Work Group
October 31, 2008

Table of Contents

Work Group Assignments 3

Recommendations 4

Functional Area Overview 5

Timelines for Programming and IT Security Access Changes 7

IT Issues

Accounting 9

Corridor Planning and Schematic Development/Approval 13

Contract Management and Design Resource Coordination 15

Design Review and Project Scheduling 18

Environmental Processing 21

Equipment Management 22

Facility Management 23

Information Systems 27

Maintenance Utility Permits 31

MPO/TIP/Rural TIP Coordination 32

Purchasing 34

Resource Coordination and Budgeting 35

ROW Acquisition 38

Sign Manufacturing/Delivery 40

Training 41

EDMS 45

MIS Applications – Replace All Legacy Applications 46

Virtual Office 47

RCO 48

Dual Video 49

Work Group Assignments

Functional Areas	IT Work Group Member
Accounting	Donna Hill
Corridor Planning and Schematic Development/Approval	Billy Fergerson
Contract Management and Design Resource Coordination	Tony Parlamas
Design Review and Project Scheduling	Tony Parlamas
Environmental Processing	Cindy Gloyna
Equipment Management	Scott Dorsett
Facility Management	Gil Herndon
Information Systems	Ellie Salgado
Maintenance Utility Permits	Gil Herndon
MPO/TIP/Rural TIP Coordination	Billy Fergerson
Purchasing	Kevin Setoda
Regional Warehousing	Kevin Setoda
Resource Coordination and Budgeting	Donna Hill
ROW Acquisition	Cindy Gloyna
Sign Manufacturing/Delivery	Scott Dorsett
Training	Ellie Salgado
Other Issues	
Electronic Document Management System (EDMS)	Kevin Setoda
Mainframe Replacement Project	Cindy Gloyna
Virtual Office, RCO, Dual Video	Donna Hill

Recommendations

- Fill the position of IT Manager before the other business functions are implemented in the region.

- After changing the region employees from the district to the region, phase in the implementation of the business functions over a 3 to 6 month time period to allow for the development of IT short-term solutions for region specific business processes and to allow the OPR's time to make the necessary IT security changes.

- Provide the divisions that will be affected by the change to regional functions, a copy of the complete set of work group plans for review and analysis as soon as they are ready for publication. This will allow them time to begin considering any changes that will be necessary to implement the recommendations that have been proposed by the work groups.

- The OPR's provided the following estimates for security changes:
    - APS User Request Process – 100 hours, administrative process including route codes – 100 hours, purchase order process – 100 hours, modify existing reports – 210 hours
    - BIS modify security access – 2 weeks
    - EOS security and reports – 548 hours, TFT processing time – 72 hours,
    - FIMS application control file and security issues – 126 hours, MDC testing – 60 hours, demand reports – 938 hours,
    - HROnline security changes – 80 hours, programming changes – 400 hours,
    - MES access and reports – 361 hours, TFT processing time – 72 hours,
    - MSMS security changes – 2 weeks, application update – 3 weeks,
    - VLOG – programming and testing – 2 weeks, implementation – 4 weeks.

- Allow region employees to maintain IT security access for the district and the region simultaneously during the transition period. This will ensure that the region can maintain the current level of support for the districts while the new processes are being implemented.

- Allow region employees identified in the planning documents to use RCO to provide support to the districts and other regional employees. We will need to develop policies and procedures before implementation.

- Purchase dual video cards and additional monitors for regional employees that will be providing support to other offices.

- Use the programming resources available at the regions to develop the IT solutions listed in the work group reports in coordination with TSD.

- Use the resources available at the regions to fully implement EDMS for the business functions that are being moved to the regions.

- Several of the work groups requested that TxDOT replace the current MIS (mainframe system). This project is being addressed by TSD and a project of this magnitude was out of scope for this work group.

- Purchase or reallocate IT equipment for the employees that will be located at the RSC.

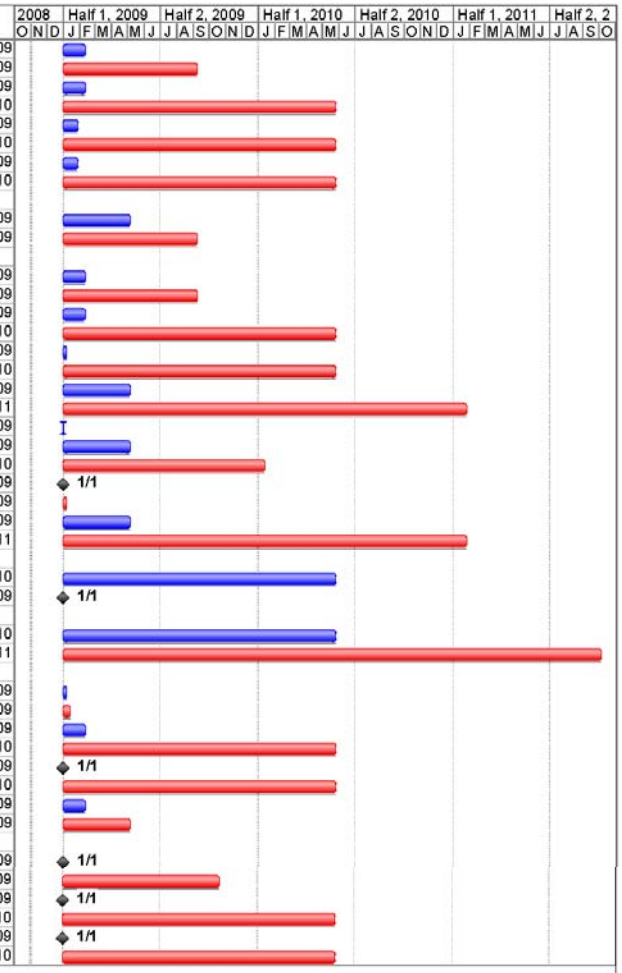
- The inability of TFT to provide prompt response to major change requests such as additional server space at the region service center, additional servers for new applications, etc. is a risk factor for the successful implementation of the IT issues submitted by the work groups. We recommend that the regional business directors work with TSD and TFT to find a resolution to this issue.

Functional Area	Security Access Requirements	Virtual Office (Y/N)	EDMS (Y/N)	RCO (Y/N)	Additional Hardware/Software requirements
Accounting	APS, BIS, EOS, FIMS, FIN, Internet, MES, VLOG, MSMS, ODVS, PINS, RCO, UVD, VPS, EDMS, CPA,	Y	Y	Y	Dual video card and additional monitor for employees providing remote assistance.
Corridor Planning and Schematic Development/Approval	DCIS, TRM Others: PDMS, ETS	Y	Y	Y	None
Contract Management and Design Resource Coordination	DCIS, Project Development Management System (PDMS)	N	Y	Y	None
Design Review and Project Scheduling	DCIS, CMCS, Miramo, Project Development Management System (PDMS)	N	Y	N	Primavera version 6 licenses and Adobe Acrobat Professional software.
Environmental Processing	EDMS, AFA Database, Internet, DCIS, ETS	Y	Y	Y	Full duplex conference telephones, VTC capabilities, cell phones, Web-Ex, Projectors
Equipment Management	BIS – read only to region Traditional access to EOS, MSMS, APS, MES (will need to be	Y	Y	Y	None
Facility Management	BIS - read only to all districts under region APS, eForms, Integrated Facilities Management System (IFMS) workgroup application developed by MNT.	Y	N	Y	Upgrade/modifications to IFMS
Information Systems	APS, Citrix. EPRS, HBA, HCR, HROnline, Internet, MES, Netview, NCS, ODVS, PJS, RCO, ROWIS, SiteManager, SLD, TPX, TSO, List Server, WorkCenter, HP Insight Manager	Y	Y	Y	Dual video card and additional monitor for employees providing remote assistance. Laptops with air cards and cell phones or blackberries for field employees.
Maintenance Utility Permits	DCIS	N	Y	Y	Utility Installation Review (UIR) will need to include access for the remaining districts.
MPO/TIP/Rural TIP Coordination	DCIS, CRIS, STIPv-3 (developed by TSD, TPP)	Y	Y	Y	None
Purchasing	APS, MSMS, EOS, FIMS, RCO, Internet, TPASS, Impala (Comptroller), EDMS	Y	Y	Y	EDMS hardware/software at regional centers. Implement desktop faxing .
Regional Warehousing	APS, MSMS, MES	N	Y	Y	None

Functional Area	Security Access Requirements	Virtual Office (Y/N)	EDMS (Y/N)	RCO (Y/N)	Additional Hardware/Software requirements
Resource Coordination and Budgeting	BIS – update to all districts under region APS, FIMS, MSMS, EOS	Y	Y	Y	Dual video card and additional monitor for analysts to process multiple documents more efficiently.
ROW Acquisition	ROWIS, APS, Citrix, CPA, USAS, HROnline, Internet, PINS, RCO, UVD, SLD, DCIS, EOS, AFA Database, HBA (temporarily), District Design Development Database, Utilities Project Database, EDMS,TINS, SOS, ITS, VPS, and FTP	Y	Y	Y	Blackberries, laptops, full duplex conference telephones, VTC capabilities, cell phones, Web-Ex, Projectors, Aircards, Voicemail, Television, DVD/VCR, Expand current modules within ROWIS for better functionality
Sign Manufacturing/Delivery	MSMS	Y	Y	Y	As sign manufacturing migrates to a regional operation, Seguin and Post would require additional printers, workstations and sign cutters.
Training	HR Online, Internet, VC Wizard Access, RCO, IWAY	Y	Y	Y	Dual video card and additional monitor for training coordinators to process enrollment and scheduling more efficiently

Timelines for Short (S) and Long (L) Term Solutions to IT Issues

ID	Task Name	Duration	Start	Finish
1	Accounting - Voucher Processing - S	30 days	Thu 1/1/09	Wed 2/11/09
2	Accounting - Voucher Processing - L	180 days	Thu 1/1/09	Wed 9/9/09
3	Accounting - Electronic Damage Claims - S	30 days	Thu 1/1/09	Wed 2/11/09
4	Accounting - Electronic Damage Claims - L	365 days	Thu 1/1/09	Wed 5/26/10
5	Accounting - Journal Voucher/Web - S	20 days	Thu 1/1/09	Wed 1/28/09
6	Accounting - Journal Voucher/Web - L	365 days	Thu 1/1/09	Wed 5/26/10
7	Accounting - AVS to TSD - S	20 days	Thu 1/1/09	Wed 1/28/09
8	Accounting - AVS to TSD - L	365 days	Thu 1/1/09	Wed 5/26/10
9				
10	Corridor Planning - Project Tracking - S	90 days	Thu 1/1/09	Wed 5/6/09
11	Corridor Planning - Project Tracking - L	180 days	Thu 1/1/09	Wed 9/9/09
12				
13	Design Resource/Consultant Mgt. - Electronic Billing - S	30 days	Thu 1/1/09	Wed 2/11/09
14	Design Resource/Consultant Mgt. - Electronic Billing - L	180 days	Thu 1/1/09	Wed 9/9/09
15	Design Resource/Consult Mgt. - Electronic Project Tracking - S	30 days	Thu 1/1/09	Wed 2/11/09
16	Design Resource/Consult Mgt. - Electronic Project Tracking - L	365 days	Thu 1/1/09	Wed 5/26/10
17	Design Resource/Consultant Mgt. - Pre-negotiation - S	5 days	Thu 1/1/09	Wed 1/7/09
18	Design Resource/Consultant Mgt. - Pre-negotiation - L	365 days	Thu 1/1/09	Wed 5/26/10
19	Design Resource/Consultant Mgt. - Design Mgt. - S	90 days	Thu 1/1/09	Wed 5/6/09
20	Design Resource/Consultant Mgt. - Design Mgt. - L	540 days	Thu 1/1/09	Wed 1/26/11
21		1 day?	Thu 1/1/09	Thu 1/1/09
22	Design Review - Paperless PS&E review - S	90 days	Thu 1/1/09	Wed 5/6/09
23	Design Review - Paperless PS&E review - L	270 days	Thu 1/1/09	Wed 1/13/10
24	Design Review - Update DCIS Design Std. Field - S	0 days	Thu 1/1/09	Thu 1/1/09
25	Design Review - Update DCIS Design Std. Field - L	5 days	Thu 1/1/09	Wed 1/7/09
26	Design Review - Manage Deliverables - S	90 days	Thu 1/1/09	Wed 5/6/09
27	Design Review - Manage Deliverables - L	540 days	Thu 1/1/09	Wed 1/26/11
28				
29	Environmental Processing - CAT Exclusion Process - S	365 days	Thu 1/1/09	Wed 5/26/10
30	Environmental Processing - CAT Exclusion Process - L	0 days	Thu 1/1/09	Thu 1/1/09
31				
32	Equipment Management - Expedite Equipment Repair - S	365 days	Thu 1/1/09	Wed 5/26/10
33	Equipment Management - Expedite Equipment Repair - L	720 days	Thu 1/1/09	Wed 10/5/11
34				
35	Facility Management - BIS Report Access - S	5 days	Thu 1/1/09	Wed 1/7/09
36	Facility Management - BIS Report Access - L	10 days	Thu 1/1/09	Wed 1/14/09
37	Facility Management - PM software - S	30 days	Thu 1/1/09	Wed 2/11/09
38	Facility Management - PM software - L	365 days	Thu 1/1/09	Wed 5/26/10
39	Facility Management - Convert IFMS System - S	0 days	Thu 1/1/09	Thu 1/1/09
40	Facility Management - Convert IFMS System - L	365 days	Thu 1/1/09	Wed 5/26/10
41	Facility Management - Track Building Expense - S	30 days	Thu 1/1/09	Wed 2/11/09
42	Facility Management - Track Building Expense - L	90 days	Thu 1/1/09	Wed 5/6/09
43				
44	Information Systems - Standardize WorkCenter - S	0 days	Thu 1/1/09	Thu 1/1/09
45	Information Systems - Standardize WorkCenter - L	210 days	Thu 1/1/09	Wed 10/21/09
46	Information Systems - EDMS Security Implement - S	0 days	Thu 1/1/09	Thu 1/1/09
47	Information Systems - EDMS Security Implement - L	365 days	Thu 1/1/09	Wed 5/26/10
48	Information Systems - IT Tracking Tool - S	0 days	Thu 1/1/09	Thu 1/1/09
49	Information Systems - IT Tracking Tool - L	365 days	Thu 1/1/09	Wed 5/26/10



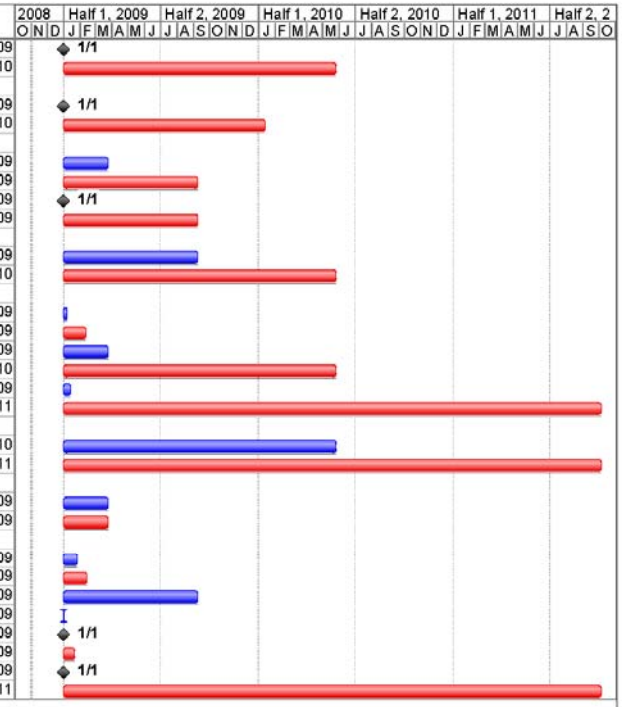
Project: IT Project Schedule TimeLine
Date: Fri 10/31/08

Task | Split | Progress | Milestone | Summary | Project Summary | External Tasks | External Milestone | Deadline

Page 1

Timelines for Short (S) and Long (L) Term Solutions to IT Issues

ID	Task Name	Duration	Start	Finish
50	Information Systems - Security Reporting Tool - S	0 days	Thu 1/1/09	Thu 1/1/09
51	Information Systems - Security Reporting Tool - L	365 days	Thu 1/1/09	Wed 5/26/10
52				
53	Maintenance Utility Permits - UIR Implemention - S	0 days	Thu 1/1/09	Thu 1/1/09
54	Maintenance Utility Permits - UIR Implemention - L	270 days	Thu 1/1/09	Wed 1/13/10
55				
56	MTP/TIP/Rural TIP - Data Exchange with Externals - S	60 days	Thu 1/1/09	Wed 3/25/09
57	MTP/TIP/Rural TIP - Data Exchange with Externals - L	180 days	Thu 1/1/09	Wed 9/9/09
58	MTP/TIP/Rural TIP - Best Practices - S	0 days	Thu 1/1/09	Thu 1/1/09
59	MTP/TIP/Rural TIP - Best Practices - L	180 days	Thu 1/1/09	Wed 9/9/09
60				
61	Purchasing - e-Procurement - S	180 days	Thu 1/1/09	Wed 9/9/09
62	Purchasing - e-Procurement - L	365 days	Thu 1/1/09	Wed 5/26/10
63				
64	Regional Warehouse - BIS Licenses - S	5 days	Thu 1/1/09	Wed 1/7/09
65	Regional Warehouse - BIS Licenses - L	30 days	Thu 1/1/09	Wed 2/11/09
66	Regional Warehouse - Budget Forecasting - S	60 days	Thu 1/1/09	Wed 3/25/09
67	Regional Warehouse - Budget Forecasting - L	365 days	Thu 1/1/09	Wed 5/26/10
68	Regional Warehouse - Compass Project - S	10 days	Thu 1/1/09	Wed 1/14/09
69	Regional Warehouse - Compass Project - L	720 days	Thu 1/1/09	Wed 10/5/11
70				
71	ROW Acquisition - Evaluate existing applications - S	365 days	Thu 1/1/09	Wed 5/26/10
72	ROW Acquisition - Evaluate existing applications - L	720 days	Thu 1/1/09	Wed 10/5/11
73				
74	Sign Manufacturing/Delivery - Expedite and Track Processes - S	60 days	Thu 1/1/09	Wed 3/25/09
75	Sign Manufacturing/Delivery - Expedite and Track Processes - L	60 days	Thu 1/1/09	Wed 3/25/09
76				
77	Training - HROnline Functional Changes - S	18 days	Thu 1/1/09	Mon 1/26/09
78	Training - HROnline Functional Changes - L	32 days	Thu 1/1/09	Fri 2/13/09
79	Training - Develop Mandatory Courses - S	180 days	Thu 1/1/09	Wed 9/9/09
80	Training - Develop Mandatory Courses - L	1 day?	Thu 1/1/09	Thu 1/1/09
81	Training - ELP Training Manager - S	0 days	Thu 1/1/09	Thu 1/1/09
82	Training - ELP Training Manager - L	15 days	Thu 1/1/09	Wed 1/21/09
83	Training - VTC Upgrade - S	0 days	Thu 1/1/09	Thu 1/1/09
84	Training - VTC Upgrade - L	720 days	Thu 1/1/09	Wed 10/5/11



Project: IT Project Schedule TimeLine
Date: Fri 10/31/08

Task | Split | Progress | Milestone | Summary | Project Summary | External Tasks | External Milestone | Deadline

Page 2

Functional Area	**Accounting**

IT Issue	**Distributing invoices to voucher processing employees located throughout the region in virtual offices.**

Existing Process	The majority of the invoices are received by regular mail or by email after they are scanned in by field employees. Some invoices are emailed from the vendor directly to a GroupWise resource.

Short Term Solution	Set up a GroupWise resource for each regional accounting office and give voucher processing employees proxy rights to the resource. Have all paper invoices scanned at the district or remote office and emailed to the GroupWise resource.
Assumptions	Districts and remote offices have access to scanning hardware.
Constraints	Timely scanning and emailing of invoices will be critical to the process.
Training requirements	Some voucher processing employees will need training on the use of the GroupWise resource. Mailroom and field employees will need instructions and/or training on the new procedures for receiving invoices.
Estimated Time to complete	30 days
Estimated Cost to complete	TxDOT resources only. Cost of FTE hours required to train accounting and field employees. Approximately 20 hours.

Permanent Solution	Implement EDMS with workflow at all districts. Scan the invoices at the district or remote office and check the document directly into the EDMS system of the host district for the RSC.
Assumptions	There is no restriction on the use of electronic documents for invoices.
Constraints	Accessing documents over the WAN could be slower if the network configuration for EDMS is not addressed.
Training requirements	Most voucher processing employees will need training on the use of EDMS. Mailroom and field employees will need instructions and/or training on the new procedures for receiving invoices and the use of EDMS. The Houston district has this process fully implemented.
Estimated Time to complete	6 months
Estimated Cost to complete	The EDMS equipment has been purchased and installed. The cost will include FTE hours for employee training, development of new procedures, and IT security setup. Approximately 100 FTE hours. TxDOT resources only.

Functional Area	**Accounting**

IT Issue	**Set up electronic processing for Damage Claims**

Existing Process	GroupWise resource

Short Term Solution	Use GroupWise resource for routing damage claim documents.
Assumptions	The accounting offices all have scanners and fax machines.
Constraints	Timely scanning and emailing of damage claims will be critical to the process.
Training requirements	Employees will need to be proficient in the use of GroupWise, scanning hardware and software.
Estimated Time to complete	30 days
Estimated Cost to complete	TxDOT resources only. Approximately 20 FTE hours.

Permanent Solution	Develop a web based database system for tracking damage claims on a regional level. This would include correspondence, reports, payment tracking, and claims to the attorney general.
Assumptions	Regional IT staff with the programming skills needed to produce the system will be available.
Constraints	Skill set of regional programming staff.
Training requirements	District and regional employees will have to be trained in the new process.
Estimated Time to complete	12 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only.

Functional Area	**Accounting**

IT Issue	**Develop a web based database application for processing journal voucher adjustments.**

Existing Process	Manual process and Childress' JV database

Short Term Solution	Implement the Childress' JV database in each region.
Assumptions	The database can be adapted to process JV's for multiple districts.
Constraints	The bandwidth between districts could cause issues with updating the database.
Training requirements	Minimal - regional accountants are familiar with the process.
Estimated Time to complete	20 days
Estimated Cost to complete	Minimal – training hours for accountants.

Permanent Solution	Develop a web based database application to use region or state-wide.
Assumptions	Regional IT staff with the programming skills needed to produce the system will be available.
Constraints	Skill set of regional programming staff.
Training requirements	Regional accountants will need training on the new processes.
Estimated Time to complete	12 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only.

Functional Area	**Accounting**

IT Issue	**Move support for AVS to TSD**

Existing Process	The end-user support for AVS is provided by SJT accounting and SJT IT. The technical support is provided by SJT IT.

Short Term Solution	Continue with existing process and use a database and customized JCL for each district in the region.
Assumptions	Utility bills will be delivered to the accountants electronically.
Constraints	Timely scanning and emailing of utility bills will be critical to the process.
Training requirements	Minimal - regional accountants are familiar with the process.
Estimated Time to complete	20 days
Estimated Cost to complete	TxDOT resources only. Minimal – training hours for accountants.

Permanent Solution	Transfer the support for AVS to the Finance division and TSD or transfer the support to one of the RSC's.
Assumptions	Application support is usually provided by the OPR and technical support is provided by TSD. Finance and TSD have the resources available to support the program. There will be a smaller number of people to support because the payment of the utility vouchers will be a regional function. Regional IT staff with the programming skills needed to support the system will be available.
Constraints	Finance and TSD resources. Skill set of regional programming staff.
Training requirements	Minimal. Accountants are familiar with the program.
Estimated Time to complete	12 months
Estimated Cost to complete	Dependent on the number of FTE hours required to transfer the knowledge needed to support the program. TxDOT resources only.

Functional Area	**Corridor Planning and Schematic Development/Approval**

IT Issue	**Current development for tracking projects is in progress. (PDMS and Windshield).**

Existing Process	Using DCIS and project spreadsheets to track projects. Schematics are currently shipped in paper format for review and periodically transferred electronically.

Short Term Solution	Identify milestones that need to be included in the categories of the Windshield Project
Assumptions	That necessary data will be approved to be displayed through public Internet sites.
Constraints	Current bandwidth could pose a problem. Most schematics are extremely large files and it will be necessary to periodically pull these files across the wire. Normal process is to send the schematics in paper form for review, but certain circumstances require electronic transfers. If TFT removes all of the servers from the district offices, this could become a more serious issue. This issue will need to be researched for all functional areas since the regional model will be more of a “file sharing” community than before.
Training requirements	none
Estimated Time to complete	3 months
Estimated Cost to complete	FTE hourly cost

Permanent Solution	Finalize all milestones that are needed to be included in PDMS and Windshield Project.
Assumptions	That necessary data will be approved to be displayed through public Internet sites.
Constraints	See above Constraint pertaining to Bandwidth.
Training requirements	No training necessary
Estimated Time to complete	6 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only. FTE hourly cost. If additional bandwidth is required, the cost couldd substantial.

Functional Area	**Contract Management and Design Resource Coordination**
IT Issue	**Implement an electronic billing process for invoices from consultants.**
Existing Process	The majority of the invoices are received by regular mail or by email after they are scanned in by field employees.

Short Term Solution	Set up a GroupWise resource for each regional Design Resource Coordination office and give employees proxy rights to the resource. Have all paper invoices scanned and emailed to the resource or emailed directly from the vendor to the resource.
Assumptions	The offices have access to scanning hardware.
Constraints	Timely scanning and emailing of invoices will be critical to the process.
Training requirements	Employees will need training in the use of the GroupWise resource and scanning technology.
Estimated Time to complete	30 days
Estimated Cost to complete	TxDOT resources only. Cost of FTE hours required to train employees. Approximately 20 hours.

Permanent Solution	Implement EDMS with workflow at all districts. Scan the invoices at the district or remote office and check the document directly into the EDMS system of the host district for the RSC.
Assumptions	There is no restriction on the use of electronic documents for these payments.
Constraints	Accessing documents over the WAN could be slower if bandwidth issues are not addressed.
Training requirements	Most employees will need training on the use of EDMS. Mailroom and field employees will need instructions and/or training on the new procedures for receiving invoices and the use of EDMS. The Houston district has this process fully implemented.
Estimated Time to complete	6 months
Estimated Cost to complete	The EDMS equipment has been purchased and installed. The cost will include FTE hours for employee training, development of new procedures, and IT security setup. TxDOT resources only. Approximately 100 FTE hours.

Functional Area	**Contract Management and Design Resource Coordination**

IT Issue	**Develop and maintain a statewide comprehensive contract database.**

Existing Process	Districts are using independent spreadsheets or databases.

Short Term Solution	Set up a spreadsheet or database at the regional level.
Assumptions	Contract managers are proficient in the use of Excel or Access.
Constraints	IT skill set of contract managers.
Training requirements	Employees may need training in the use of Excel or Access.
Estimated Time to complete	30 days
Estimated Cost to complete	TxDOT resources only. Cost of FTE hours to combine information from districts into one database or spreadsheet. Approximately 40 hours.

Permanent Solution	Develop and implement a web-based application for tracking contracts. According to the work group document, Design division has started the framework for the database and is budgeting for a programmer to develop and deliver the database by January 2009.
Assumptions	Programming FTE's will be available at the region level to develop the program.
Constraints	Lack of programming FTE's at the region level.
Training requirements	End-users will need to be trained in the new process.
Estimated Time to complete	12 months
Estimated Cost to complete	TxDOT resources only. The cost will include programming FTE hours for the development of application, training hours for end-users. Approximately 100 FTE hours.

Functional Area	**Contract Management and Design Resource Coordination**

IT Issue	**Develop a method to secure pre-negotiation audit information from the audit office on-line.**

Existing Process	The Audit Office provides this information to the districts. Average of about 4-5 months turnaround.

Short Term Solution	Keep current process.
Assumptions	Processing the requests at the regional level will result in more efficient processes.
Constraints	Audit office
Training requirements	None
Estimated Time to complete	1 week
Estimated Cost to complete	Nominal

Permanent Solution	Develop and implement a web-based application for securing the information on-line.
Assumptions	Programming FTE's will be available at the region level to develop the program.
Constraints	Lack of programming FTE's at the region level.
Training requirements	End-users will need to be trained in the new process.
Estimated Time to complete	12 months
Estimated Cost to complete	TxDOT resources only. The cost will include programming FTE hours for the development of application, training hours for end-users. Approximately 100 FTE hours.

Functional Area	**Contract Management and Design Resource Coordination**

IT Issue	**Regional design resource coordinators need a system is manage design resources in order to optimize internal design resources and minimize outsourced design work.**

Existing Process	None.

Short Term Solution	Utilize PDMS phase 1 prototype deliverable to identify project tasks and relate the tasks to resource loading within the region.
Assumptions	PDMS team will allocate time to work on the interim solution to enable regional features. This will be done in conjunction with work identified in the project scheduling document.
Constraints	PDMS phase 1 prototype is limited in scope and does not provide resource management.
Training requirements	Minimal. 1-2 webinars is sufficient.
Estimated Time to complete	3 months
Estimated Cost to complete	In-house developer. No direct costs.

Permanent Solution	Implement PDMS phase 2 with Primavera version 6 (P6).
Assumptions	Existing PDMS scope will remain the same. P6 will be procured with sufficient licenses for the enterprise. Department will fund annual maintenance costs for P6. (about $200,000)
Constraints	Funding.
Training requirements	Must develop a hands-on training course with a focus on using the P6 tools to track and manage project portfolios, resources and schedules specifically for letting activities. There will likely be a comprehensive, longer course for project managers and a short simple course for employees who only provide task status updates.
Estimated Time to complete	18 months.
Estimated Cost to complete	$4,000,000 (project approved by IRC) **this funding is already identified in our plan which address project scheduling.

Functional Area	**Design Review and Project Scheduling**

IT Issue	**Convert the PS&E Review Function to an Electronic (paperless) process.**

Existing Process	Multiple copies of the plans and supporting documents are printed and mailed to the offices that need to review them and copies of the special provisions and special specifications are sent electronically.

Short Term Solution	Continue with the existing process until a permanent solution is developed or convert/scan the documents into electronic files and store them as Adobe Acrobat PDF files on an FTP server for distribution. Procure copies of Adobe Acrobat or other software that allows markup and comments. Use email to notify the offices that the files are ready for review.
Assumptions	All design sections have access to scanning hardware and software that can create Adobe Acrobat files. The department has adequate copies of a PDF editor. Districts have copes of Adobe Elements and some copies of Adobe Pro.
Constraints	The bandwidth between the districts/divisions could cause issues with downloading large electronic files.
Training requirements	Develop a short guide to educate people on how to use Adobe Acrobat Pro (or other PDF editor) to markup documents. Some employees will need training in the use of electronic documents and FTP.
Estimated Time to complete	90 days
Estimated Cost to complete	Cost of FTE hours required to develop guidance document and train/support employees on the editor, scanning and the FTP process. Approximately 160 hours.
Permanent Solution	Implement EDMS and PDMS with workflow at the districts regions and divisions and integrate review functions into the PDMS system to track status. Scan documents that are ready for review into EDMS and identify design documents are ready for review in PDMS which will generate an email to notify the review team that they have a task in queue. When review is complete, the reviewer marks their activity complete in PDMS which will generate an email back to the district. The documents will be marked up and available in the EDMS library to district review.
Assumptions	There are no outside restrictions in the use of electronic documents for plan review and seal sheets and Mylar originals will not be required. PDMS project implementation schedule stays on track and deliverables are met.
Constraints	Accessing documents over the WAN could be slow and inadequate if bandwidth issues are not addressed.
Training requirements	Training in use of EDMS, PDMS (P6), Adobe Acrobat Pro or other PDF editor, and electronic document processing.
Estimated Time to complete	9 months (parallel to PDMS project).
Estimated Cost to complete	The EDMS equipment already exists and is installed. The cost will include FTE hours for employee training, development of new procedures, and IT security configurations. Approximately 320 hours.

Functional Area	**Design Review and Project Scheduling**

IT Issue	**Update "Design Standard" field in DCIS on P3 screen to become a mandatory field.**

Existing Process	This field is currently not required which makes it difficult to determine who does the final review on a construction project in DCIS.
Short Term Solution	Send directive to districts explaining and requiring that they populate the field in a manner that identifies which entity (district or division) is to perform the final review.
Assumptions	Design standards or existing documentation clearly determines who performs the final review on all the different projects.
Constraints	None.
Training requirements	None.
Estimated Time to complete	None.
Estimated Cost to complete	None.

Permanent Solution	Modify the DCIS application to require the "Design Standard" field to be required during project development when editing P3 screen information.
Assumptions	All projects will have a valid entry for the "Design Standard" field. The "Design Standard" field is not currently used to other purposes. The Department has application developers that can modify DCIS code.
Constraints	DCIS application uses legacy code and limits capabilities to modify business requirements.
Training requirements	Districts will need to become familiar with the codes which determine if who performs final reviews on a particular DCIS project.
Estimated Time to complete	40 FTE hours
Estimated Cost to complete	The cost will include FTE hours for programmers to make the change to the DCIS application.

Functional Area	**Design Review and Project Scheduling**

IT Issue	**A system is needed to provide ADM, RSC and Districts a means to monitor project development deliverables and manage design resource loading and capacities**.

Existing Process	Most districts use spreadsheets or local databases to track projects and hold periodic meetings to review project status. Districts do not use a tool to determine design resource capacities or loading.

Short Term Solution	Implement PDMS phase 1 prototype to regional or ADM level.
Assumptions	PDMS team will allocate time to work on the interim solution.
Constraints	PDMS phase 1 prototype is limited in scope and does not provide resource management.
Training requirements	Minimal. 1-2 webinars is sufficient.
Estimated Time to complete	3 months
Estimated Cost to complete	In-house developer. No direct costs.

Permanent Solution	Implement PDMS phase 2 with Primavera version 6 (P6).
Assumptions	Existing PDMS scope will remain the same. P6 will be procured with sufficient licenses for the enterprise. Department will fund annual maintenance costs for P6. (about $200,000)
Constraints	Funding.
Training requirements	Must develop a hands-on training course with a focus on using the P6 tools to track and manage project portfolios, resources and schedules specifically for letting activities. There will likely be a comprehensive, longer course for project managers and a short simple course for employees who only provide task status updates.
Estimated Time to complete	18 months.
Estimated Cost to complete	$4,000,000 (project approved by IRC)

Functional Area	**Environmental Processing**

IT Issue	**Develop a method to electronically review documents.**

Existing Process	Programmatic Categorical Exclusion (PCEs) level documents are forwarded to Austin ENV for processing/review. This includes coordination with various disciplines (i.e., hazardous materials, biology, water, air quality, cultural resources, historic resources, etc.) and regulatory agencies to include, providing suggested verbiage for document preparer. Prior to regionalization documents are provided in hard copy and/or electronic format to Austin/ENV. With regionalization, PCEs will be submiited to a Regional Environmental Coordinator (4 for the state). All PCE documents are to be prepared according to Standards of Uniformity guidelines.

Short Term Solution	Districts will email electronic copies (PDF format) of PCEs with their accompanying documentation to the REC for review. Coordination requests will be made electronically via Austin/ENV discipline specialists. Responses will be emailed via Word files from the REC and ENV.
Assumptions	
Constraints	EDMS has not been initiated in the other Districts within the Region. The REC and ENV would not be able to access additional electronic data related to the project with this method of processing. The use of a state-wide EDMS system would facilitate the sharing of project files and simplify the regionalized PCE processing.
Training requirements	Everyone within the region would need to be trained to use EDMS system.
Estimated Time to complete	Within 1 year
Estimated Cost to complete	To be determined upon completion of evaluation of all existing systems.
Permanent Solution	All data collection/management systems to be integrated and accessible to all within the region.
Assumptions	The Districts located within a region would be able to communicate effectively and have one electronic document management system that is accessible to all and is the primary recordkeeping system for the region.
Constraints	Possibly funding
Training requirements	Continued training to stay abreast of all newly developed technology that may enhance existing systems.
Estimated Time to complete	Ongoing
Estimated Cost to complete	To be determined

Functional Area	**Equipment Management**

IT Issue	**How to expedite equipment and vehicle repair utilizing limited staff, while streamlining the required documentation and data entry**

Existing Process	Equipment is brought to the district equipment shops for repair and service, and technicians create paper work orders, manually enter EOS and MSMS data along with SLD data for service time directly linked to equipment.

Short Term Solution	A short term solution would be to implement a web based interface that would track equipment repair and service needs from initial request to final delivery and return or transfer to customer. This data could interface with EOS, MSMS and SLD components for direct batch upload.
Assumptions	Adequate regional IT staff will be in place to develop and deploy web-based virtual work order and tracking system.
Constraints	Regional equipment staff will need to track not only vehicles in their respective regions, but will need data processing capabilities for equipment from other regions, as economy of location is utilized.
Training requirements	No appreciable training required.
Estimated Time to complete	6 – 12 months to develop and implement virtual work order and tracking system with interface to TxDOT business subsystems.
Estimated Cost to complete	Developed and deployed with regional IT assets. Dependent on the number of FTE hours required to develop the solution. TxDOT resources only.

Permanent Solution	Bar Code Standardization Equipment Workgroup recommends a bar coding system that would identify all components of the repair and delivery process. Would include bar coding time sheets, materials, equipment, repair orders and work performed.
Assumptions	A timely and efficient method to interface with business subsystems can be developed.
Constraints	Funding for bar coding implementation.
Training requirements	3 month training for key regional equipment users during a phased implementation and roll out in test region.
Estimated Time to complete	18 – 24 month for complete statewide deployment.
Estimated Cost to complete	$20,000 - $75,000 for complete OTC package and maintenance agreement. Dependent on the number of FTE hours required to develop the solution. TxDOT resources only.

Functional Area	**Facility Management**

IT Issue	**RSC to have read access to BIS reports for all Districts within the region.**

Existing Process	Each district monitors their own reports for Maintenance and Repairs.

Short Term Solution	Assign individual access for each district to each Facility Coordinator.
Assumptions	Regional employees are in place to coordinate monitoring the information for the region.
Constraints	Having to utilize multiple accounts for authentication to access all districts in the region reports.
Training requirements	Minimum since these will be experienced employees that are already doing the work.
Estimated Time to complete	1 week
Estimated Cost to complete	TxDOT resources

Permanent Solution	Modify the BIS system to allow the RSC to access multiple districts that are within the region.
Assumptions	Purchase additional licenses to accommodate the RSC coordinators. These licenses maybe transferred from the district if they become available.
Constraints	Programmers are in place to perform the upgrade.
Training requirements	Minimum since these will be experienced employees that are already doing the work.
Estimated Time to complete	2 weeks
Estimated Cost to complete	Dependent on programmer's time spent to make the conversion. Dependent on the number of FTE hours required to develop the solution. TxDOT resources only.

Functional Area	**Facility Management**

IT Issue	**Develop a web based PM software program which includes work order tracking.**
Existing Process	District developed forms are used to document PM that are performed in the sections and to request work order requests. Some districts also use GroupWise.

Short Term Solution	Develop a statewide form for logging PM and requesting WO for consistency or utilize San Antonio's developed program.
Assumptions	All of the RSCs will utilize the statewide form in order to be consistent with tracking PM.
Constraints	There is no policy to mandate the use of a standardized form.
Training requirements	minimum
Estimated Time to complete	1 month
Estimated Cost to complete	TxDOT resources

Permanent Solution	Develop a web based PM software program or purchase off-the-shelf software i.e. CAFM Explorer which is currently being evaluated at the Maintenance division.
Assumptions	MNT is evaluating this product and they should be completed with their evaluation within 3 months.
Constraints	Maintenance Division staff with the programming skills needed to produce the system will be available.
Training requirements	Use of the application
Estimated Time to complete	12 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only. $1,000 per license for CAFM Explorer

Functional Area	**Facility Management**

IT Issue	**Converting the IFMS system to adhere to the regional model.**
Existing Process	IFMS is an asset tracking system that was developed for MNT division to track every building in the state. MNT division can honor Districts requests such as square footage, age of building, year of construction, etc by accessing IFMS.

Short Term Solution	Continue to contact the MNT division to get the information
Assumptions	
Constraints	IFMS is a workgroup solution that is accessed by MNT only.
Training requirements	none
Estimated Time to complete	none
Estimated Cost to complete	none

Permanent Solution	Use the enterprise solution in the regional model.
Assumptions	IRR – 4708003 has been assigned toTSD personnel to provide an executive summary screen to Integrated Facilities Management System (IFMS) for administration and district personnel to view building information and photos contained in the IFMS application.
Constraints	Mnt estimates that it only has enough capital funds to keep the contractor for another 6 months. Another contract will need to be developed to address converting the program to fit into the regional model.
Training requirements	Use of application
Estimated Time to complete	6 months – 1 year
Estimated Cost to complete	9,500 hours of contractor's programming at $91 per hour $864,500. 190 forms and 150 reports will need to be modified.

Functional Area	**Facility Management**

IT Issue	**To be able to track expenses to building.**
Existing Process	Building repairs, etc. are currently charged to overhead accounts

Short Term Solution	Continue tracking to overhead accounts
Assumptions	Regional overhead accounts are created and ready for use. The facilities groups will need FIMS access to pull expense reports for the task number field.
Constraints	None
Training requirements	None
Estimated Time to complete	1 month
Estimated Cost to complete	none

Permanent Solution	Create TACS table that identifies each building in the state so that the identification number can be utilized as a task order number.
Assumptions	The six digit number used in the IFMS system is used as the unique number.
Constraints	TSD staff time will be needed to complete the task.
Training requirements	How to code the task number on timesheets, equipment reports and work orders
Estimated Time to complete	3 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only.

Functional Area	**Information Systems**

IT Issue	**Standardize Use of Workcenter for HelpDesk**

Existing Process	Some districts have developed a local process for tracking work performed and others use WorkCenter.

Short Term Solution	IT staff will use the process currently in place at the district.
Assumptions	IT staff are using a process to track work performed.
Constraints	Reporting tools in the district developed processes will not integrate with WorkCenter.
Training requirements	Minimal
Estimated Time to complete	Minimal
Estimated Cost to complete	None
Permanent Solution	IT Staff will use WorkCenter as the regional help desk. TSD will customize WorkCenter to allow each IT employee to see the tickets in their region by creating Regional IT groups. The region administration will develop and establish policies and procedures for entering tickets, such as standardizing category type chosen, documentation of work performed within ticket, or assigning or escalating issues. End users will send a VIP email to WorkCenter to request assistance or call the office of the regional IT Help Desk. The request is handled initially at a regional level then routed to regional IT staff located in the districts if further assistance is needed for the resolution.
Assumptions	155 concurrent connections (licenses) will be sufficient to support regional operations. Currently every IS employee has an account. User accounts in WorkCenter will be updated nightly with edir within the next 30 days. TSD will add the process and deploy Auto escalation feature and the develop process and deploy Consult feature to WorkCenter.
Constraints	User accounts are updated monthly from GroupWise. TSD resources to make changes to WorkCenter.
Training requirements	Train IT staff in the procedures established to resolve issues using the WorkCenter program. Provide the districts with instructions for requesting assistance from regional IT staff including VIP. Districts communicate the instructions to end-users.
Estimated Time to complete	1 week for TSD to create the regional groups. 2 weeks to develop and establish policies and procedures for standardizing usage of Workcenter. Develop Auto Escalation Feature: 3 – 6 months
Estimated Cost to complete	TxDOT Resources 40 FTE hours – TSD to create/test groups 40 FTE hours – Regions test groups and workflow TSD - internal resources 960 FTE hours

Functional Area	Information Systems

IT Issue	Implement EDMS for Security Requests

Existing Process	• Local District SA processes security requests • Signature authority has changed for some security requests but not actively followed by all districts. • The following forms can be processed with the receipt of an email by the employee's supervisor filed with the original form (Information Security Manual "ISM", Chapter 2, Section 5): Mainframe, HR Online, RDBMS login and Profile access, LAN access (1936), Internet Access, HR Online Exception Letters, SiteManager Citrix Access • SiteManager Citrix remote access is granted by SA initiating a memo that is submitted to DE for signature or the DE sends an email request for the access. The memo with DE signature is scanned and forwarded via email to the Division Director of the Technology Services Division. (Compliance with ISM Chapter 5, Section 5)

Short Term Solution	Security requests will be processed by the regional employees that were handling the SA function for the district. All forms that can be processed with the receipt of an email from the employee's supervisor will be processed without a signed copy of the form. Regions where EDMS is currently the standard operating procedure for receiving and processing security requests will continue with that process.
Assumptions	Each district has someone trained to perform the SA function.
Constraints	Some districts have limited IT resources available to process the increased number of security access requests that will be needed to add the new keys for regional access.
Training requirements	Minimal. The supervisors will need to be trained on which requests can be submitted via email
Estimated Time to complete	Minimal
Estimated Cost to complete	TxDOT resources only.
Permanent Solution	Security requests are processed by the regional security administrators. A standardized process is developed to route the security requests. Develop and use standardized forms for electronic submission of security access requests and route them through EDMS. Do not require signatures on forms that have been exempted from the signature requirement by TSD security.
Assumptions	Regional security administrators have access to the systems and information needed to process security access requests for all employees within the region. Process for submitting security requests is developed and communicated to district supervisors and users.
Constraints	EDMS will need to be available at all districts.
Training requirements	IT staff/Supervisors/End users on new established process to request security access changes for employees.
Estimated Time to complete	12 months
Estimated Cost to complete	TxDOT resources only – Approximately 480 FTE hours

Functional Area	**Information Systems**
IT Issue	**Develop an application to track IT assets to use as a planning tool for IT equipment purchases**
Existing Process	Each district keeps track of equipment inventories, warranty and replacement cycles as well as locally purchased software licenses and informal inventory items.

Short Term Solution	The regional IT employees located at the district maintain an accurate inventory of IT assets using the method in place until a permanent solution is developed.
Assumptions	All IT offices are currently maintaining an accurate inventory of IT assets with warranty expiration and replacement dates. This will require the IT employees located at the district to provide the information to the regional IRA as needed for PPS and ITD submission.
Constraints	Maintaining an accurate inventory will be critical to the development of the ITD.
Training requirements	Minimal
Estimated Time to complete	Minimal
Estimated Cost to complete	Minimal

Permanent Solution	Develop an application that will track IT assets at a regional or statewide level. The application will need to include warranty information, replacement schedules, software and licenses, network equipment & network ip addresses for the region. The employees in the field will need to able to update the information.
Assumptions	Regional IT staff with the programming skills needed to produce the system will be available.
Constraints	Skill set of regional programming staff.
Training requirements	Train Regional IT Staff to use application to make updates
Estimated Time to complete	12 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only. Approximately 960 FTE hours

Functional Area	**Information Systems**
IT Issue	**Develop a database to track employee security access and produce electronic reports needed for security access reviews.**
Existing Process	Each district keeps track of security access using a locally developed method and they use reports from TSD.

Short Term Solution	The database will be maintained by the regional employees that were handling the SA function in the district until a permanent solution is developed.
Assumptions	All IT offices are currently maintaining an accurate inventory of IT security.
Constraints	Maintaining an accurate inventory will be critical for completing the required security reviews.
Training requirements	Minimal
Estimated Time to complete	Minimal
Estimated Cost to complete	Minimal

Permanent Solution	Develop an application to that will track the security access of all employees and produce reports that can be sent to supervisors to complete the periodic security review requirements.
Assumptions	Regional IT staff with the programming skills needed to produce the system will be available.
Constraints	Skill set of regional programming staff.
Training requirements	Train Regional IT security staff to use application to make updates
Estimated Time to complete	12 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only.

Functional Area	**Maintenance Utility Permits**
IT Issue	**UIR is limited to only 5 districts (Bryan, Ft. Worth, Houston, Pharr, and San Antonio).**
Existing Process	Currently utilizing a “hard copy” of form 1082 to process requests. Although it’s an electronic version, the original signature has to be included in the files.

Short Term Solution	Continue to accept hard copies at the district office until the statewide implementation of UIR.
Assumptions	
Constraints	Signatures required by district personnel and utility companies.
Training requirements	none
Estimated Time to complete	The form is already developed and is available in eForms
Estimated Cost to complete	none

Permanent Solution	Implement UIR statewide. Utility Installation Review (UIR) will need to include access for the remaining districts. May need kiosk machine at each remote office to accommodate the smaller cities that are not proactive with IT. They may not have the resources to complete permits online. The work group leader said the challenge with this is for the districts to have employees available to train/assist "walk ins" on the use of the system. It is not just a smaller city issue, it also involves contractors, developers and private citizens. A "kiosk" type system would need a scanner, internet access to the users and a pc. Not sure we would want to provide internet access to all users, without some type of security. May have to allow some hard copy permits and scan the documents on to the electronic database, once the permits are approved.
Assumptions	Link UIR to DCIS to cross reference construction projects to minimize conflicts.
Constraints	Not all utility owners will be easily receptive to the change to the electronic process.
Training requirements	Training the remaining 20 districts to use UIR.
Estimated Time to complete	9 months November 1, 2008 thru August 31, 2009.
Estimated Cost to complete	The UIR does not have a license fee, it is the result of a TTI research project for TxDOT. The costs will be for formal training from TTI to the Districts and program (model) modifications which will allow routing between the regional offices.

Functional Area	**MPO/TIP/Rural TIP Coordination**
IT Issue	**Need a shared PC-based data system between TxDOT, MPOs, and FHWA which will be used to develop the TIP, MTP, and UTP.**
Existing Process	Minimal access to DCIS is granted to MPOs. Also, data from districts is shared with MPOs through email.

Short Term Solution	TxDOT Windshield project that is currently in progress needs to identify particular project data to include in the web based system.
Assumptions	All offices have Internet access.
Constraints	Accuracy of current data
Training requirements	No training necessary.
Estimated Time to complete	2 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only.

Permanent Solution	Continue to be a part of the Windshield Project to display required project data to MPOs. Districts will input project data to be included in Project Pages.
Assumptions	All offices will need Internet access.
Constraints	Accuracy of current data
Training requirements	No training necessary.
Estimated Time to complete	6 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only.

Functional Area	**MPO/TIP/Rural TIP Coordination**
IT Issue	**Need for a system to share best practices among districts, MPOs, and RSCs**
Existing Process	Share information through email, meetings, and VTC.

Short Term Solution	Create a SharePoint site for Internal TxDOT users and continue to use above processes to relay information to outside entities.
Assumptions	All are willing to use new method for sharing information.
Constraints	Learning curve using SharePoint
Training requirements	"Using SharePoint" Training may be required
Estimated Time to complete	One week
Estimated Cost to complete	na

Permanent Solution	Create and maintain an Internet SharePoint Site that can be used by TxDOT and MPOs to share and relay information. This could possible be accessed through the Project Page of TxDOT Expressway.
Assumptions	All are willing to use new method for sharing information.
Constraints	Maintaining an Internet Web Site
Training requirements	No Training necessary
Estimated Time to complete	6 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources. Monthly Fee for posting on Web

Functional Area	**Purchasing**
IT Issue	**Implement e-procurement system**
Existing Process	URs are submitted to district Purchasing through APS. If within local purchasing limits, district processes PO, otherwise, it is handled by GSD purchasers. PO printed out for signature. During PO processing, purchaser verifies NIGP/commodity codes, vendor info, quotes, etc.

Short Term Solution	Regional purchasing employees will have multiple ACIDs to work regional/district purchasing workflows. Create regional website similar to GSD's with information on NIGP/commodity info, points of contact, buyer info, etc.
Assumptions	Purchasing systems/processes in place to support new regional levels of purchasing. Establishing a new regional PO numbering system. Adequate IT staff in place to develop and deploy regional website.
Constraints	Current purchasing signature authority restrictions
Training requirements	Training regional and local staffs on new system processes (changes in APS workflow for regional concept, for example)
Estimated Time to complete	3-6 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only

Permanent Solution	Implement e-procurement system, replace mainframe systems with newer, web-based applications
Assumptions	Implementation of state-wide standards
Constraints	IT/Purchasing staffing resources and budget.
Training requirements	Vendor/internal training on new systems
Estimated Time to complete	> 1 year
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only

Functional Area	**Resource Coordination and Budgeting**
IT Issue	**BIS licenses**
Existing Process	There are at least 3 licenses for update to BIS at each district. All other employees have read only access to the budget information for the district.

Short Term Solution	Reallocate 4 licenses from the districts in each region to the RSC.
Assumptions	The districts will not need all of their licenses to BIS because the RSC will be entering data for them.
Constraints	Does the District Engineer have to approve the transfer of licenses?
Training requirements	The RSC analysts may need training in the use of BIS. BIS training is conducted by the Finance Division.
Estimated Time to complete	1 week
Estimated Cost to complete	nominal

Permanent Solution	Determine if additional licenses are needed and purchase them.
Assumptions	The contract for BIS has a provision for adding new licenses as needed. The licenses are purchased by the Finance Division.
Constraints	The cost of the additional licenses.
Training requirements	None
Estimated Time to complete	1 month
Estimated Cost to complete	$1,000 for each additional BIS license.

Functional Area	**Resource Coordination and Budgeting**
IT Issue	**Develop Web Based Budget Monitoring Tools to Use for Budget Forecasting (Real Time)**
Existing Process	BIS and Excel documents.

Short Term Solution	Use the Excel system used by Brownwood and Dallas until a permanent web based solution can be developed. The worksheets are stored on a shared drive on the district server. Security access is required.
Assumptions	The system can be set up on the servers of the host district for the region.
Constraints	The bandwidth between districts could cause issues with updating the spreadsheets.
Training requirements	Analysts and employees that would be entering the real time data would need training in the use of the Excel system.
Estimated Time to complete	2 months
Estimated Cost to complete	Dependent on the number of FTE hours required to train the field employees and analysts in the use of the Excel system.

Permanent Solution	Develop a web based solution for tracking and forecasting the budget.
Assumptions	Regional IT staff with the programming skills needed to produce the system will be available.
Constraints	Skill set of regional programming staff.
Training requirements	Analysts and field employees that would be entering the real time data into the system.
Estimated Time to complete	12 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only

Functional Area	**Resource Coordination and Budgeting**
IT Issue	**Consider increasing the scope of the Compass project to include all strategies.**
Existing Process	N/A

Short Term Solution	Contact the project manager and see if the project can be modified.
Assumptions	The deliverables for this project are suitable for the Resource management function.
Constraints	Project document has August 2008 as the date for contract negotiations.
Training requirements	N/A
Estimated Time to complete	2 weeks
Estimated Cost to complete	N/A

Permanent Solution	Change the scope of the project to include all strategies.
Assumptions	The deliverables for this project are suitable for the Resource management function.
Constraints	This will increase the cost of the original project.
Training requirements	The analyst and all end-users will need training.
Estimated Time to complete	The project document has a closeout date of August 2011.
Estimated Cost to complete	Will need to be determined by the project coordinator for the Compass project.

Functional Area	ROW Acquisition
IT Issue	**Evaluate current right of way applications to meet the needs for the business functions within TxDOT. Consider ROWIS replacement as there are currently no or very limited modules for Utilities, Relocation, Eminent Domain, Property Management, etc).**
Existing Process	Map review and submittal, representation at public meetings and hearings, release and funding requests, monitoring and collection of local funds, appraisal, ROWAPS and expert contracting, appraisal review and approval, negotiation, condemnation of parcels for possession, litigation support for jury trials, relocation assistance, property management including haz mat abatement, utility reimbursement eligibility, utility coordination, adjustment and payment, processing all billings related to landowner and displacee payments, court costs, appraisal fees, expert fees, etc., billboard permitting, real estate surplus disposal, court related testimony and mediations, ROW related design coordination, and overseeing acquisition by local public agencies.

Short Term Solution	Continue to use the existing ROWIS system. Review the existing systems of other districts within this region to evaluate their effectiveness and to ascertain what, if any, components of their systems may be beneficial and to determine their current reporting/data collection processes. Access to their systems will also be beneficial during this transitional period to determine the status of all existing projects within their area.
Assumptions	The region would have access to the ROWIS data and to existing programs and databases of every district within the region, as well as, access to all files in their electronic data management systems. Approval authorities for various current ROWD approvals will be transferred, per the implementation plan, to the regions. The current EDMS system would be integrated with ROWIS to maximize utilization of both systems.
Constraints	The region lacks the ability to view and manipulate the data compiled in ROWIS. All editing, module modifications, updates and/or rewrites to ROWIS are the sole responsibility of the ROWD. The region has no input or revision capabilities to the existing ROWIS system. EDMS has not been initiated in the other districts within the region.
Training requirements	Everyone within the region would need to be trained to use the EDMS system. Additional training on the use of the revised/modified ROWIS application would be required. Training for approval and monitoring systems currently in place at ROWD will be furnished for regional employees.
Estimated Time to complete	Within 1 year
Estimated Cost to complete	To be determined upon completion of evaluation of all existing systems.

Permanent Solution	All data collection/management systems to be integrated and accessible to all within the region. Uniform system of reporting status and documenting accomplishments. Regions will ultimately provide ROW project accounting and tracking system similar or

Functional Area	**ROW Acquisition**
IT Issue	**Evaluate current right of way applications to meet the needs for the business functions within TxDOT. Consider ROWIS replacement as there are currently no or very limited modules for Utilities, Relocation, Eminent Domain, Property Management, etc).**
	equivalent to that provided by ROWD.
Assumptions	The Districts located within a region would be able to communicate effectively and have one electronic document management system that is accessible to all and is the primary recordkeeping system for the region.
Constraints	Possibly funding
Training requirements	Continued training to stay abreast of all newly developed technology that may enhance existing systems.
Estimated Time to complete	Ongoing
Estimated Cost to complete	To be determined

Functional Area	**Sign Manufacturing/Delivery**
IT Issue	**How to expedite sign manufacturing and track manufacturing and delivery.**
Existing Process	Depending on the geographical location, district may manufacture non-DHT signs, and will order stock DHT signs from DHT catalog/warehouse. This process currently takes place thru email, fax or material requests via MSMS.

Short Term Solution	While not identified in the workgroup proposal, a regional web based order form and production application, with access to inventory of stock regional signs and materials would streamline operations and reduce opportunity for errors. Orders could be tracked from cradle to grave, with accurate completion and delivery dates provided to both regional sign manufacturing staff and requesting district personnel.
Assumptions	Adequate regional IT staff will be in place to develop and deploy web-based system when sign production and delivery is regionalized.
Constraints	5 – 7 year time frame to implement regional production/warehousing model for Athens, Post and Seguin could require additional web application coding and processes for those districts continuing to manufacture and deliver signs outside of the final regional plan.
Training requirements	No appreciable training required.
Estimated Time to complete	Two (2) months.
Estimated Cost to complete	Developed and deployed with regional IT assets. Dependent on the number of FTE hours required to develop the solution. TxDOT resources only
Permanent Solution	Regional, web-based work order and request site.
Assumptions	Regional sign production and delivery model will be in place following 5-7 year transition period.
Constraints	While not having the regional sign production and delivery model fully in place could be considered a constraint, it would not negatively impact the IT component of this plan.
Training requirements	No appreciable training required.
Estimated Time to complete	Two (2) months.
Estimated Cost to complete	Developed and deployed with regional IT assets. Dependent on the number of FTE hours required to develop the solution. TxDOT resources only

Functional Area	**Training**
IT Issue	**HR Online Functional Changes**
Existing Process	• Training coordinators perform functions for employees in district. • Training Coordinators identify mandatory training deadlines and send out emails to supervisors. • Training History is limited to 3 years for course prerequisites and have to communicate with TQD to override • Required courses not identified in HROnline such as career development for Engineers in Training. • Business Units search criteria is missing in some areas making searching for employees difficult.

Short Term Solution	• Regional TCs will be able to perform training functions for all employees within their region with a single sign-on • Continue to run reports and send out emails for mandatory training expirations. • Continue to communicate with TQD for overrides • Business units search criteria is added to DDC reporting and where missing
Assumptions	Security is sufficient to perform functions
Constraints	2 Regional TCs coordinate/communicate with all supervisors within their district. HR Online customization is costly when time to upgrade
Training requirements	None
Estimated Time to complete	Set up and Test Regional TC Security Changes – 80 hrs. Add business search criteria for DDC reports – 60 hrs
Estimated Cost to complete	TxDOT Resources: FTE Hours: 140 Hours
Permanent Solution	Customize HR Online to accomplish the following: • Automatic email notifications sent to supervisors for license and mandatory training expirations. • Historical data will not be uploaded to HR Online as it will slow the system down considerably. TQD will keep override authority. • Career development programs/courses are included
Assumptions	
Constraints	HR Online customization is costly when time to upgrade
Training requirements	Minimal training for Regional TC on any new features in HR Online
Estimated Time to complete	Automatic email notifications for PE license: 80 hrs Automatic email notification for Other Accmp Lic/Cert – 80 hrs Automatic email notifications for Mandatory Training – 80 hrs. Automatic email notifications for Driver's license – 20 hrs. Included career development programs in HR Online - TBD
Estimated Cost to complete	TxDOT Resources: FTE Hours: 180 Hours

Functional Area	**Training**
IT Issue	**Develop Mandatory courses not already in IWAY for automatic update of courses taken on HR Online**
Existing Process	• IWAY Course completions are updated in HROnline nightly • Not all mandatory courses are on IWay, • Sessions are created in HROnline and completion statuses updated explicitly for mandatory courses not on IWay. • Mandatory classes on IWay: o Defensive Driving o Fraud Awareness o I&H Online Assessment o Performance management online Assessment o Practical Supervision Online Assessment o Progressive Discipline Online Assessment o Homeland Security

Short Term Solution	Continue to add sessions in HR Online and update course completions manually Sexual Harassment & Hazardous Communications are projected to be completed for inclusion in IWay by March 2009.
Assumptions	Training coordinators have access to all employees within their region
Constraints	
Training requirements	Minimal on how to use new courses developed and included in IWay
Estimated Time to complete	6 months
Estimated Cost to complete	Internal Sources, Project underway, to be completed next year, March 2009

Permanent Solution	All other mandatory classes not listed above are Instructor led and will most likely remain that way.
Assumptions	All New courses will be analyzed for possible development and inclusion in IWay.
Constraints	
Training requirements	As required for TCs and end users – ongoing – as new classes are developed and added
Estimated Time to complete	
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only

Functional Area	**Training**
IT Issue	**Use ELP Training Manager for** **TQD collection of Need's Survey** **Manage TC activities/training at Regional level**
Existing Process	• TQD sends out excel spreadsheet with training needs to each district. • Training coordinators survey supervisors in their district, compile numbers, enter into an access database and forward to TQD. • TQD extracts the data from each district and creates training schedule for each district.

Short Term Solution	Continue submitting surveys as directed by TQD unless Training Manager or similar application is produced by deadline to complete Training Need's survey due in '09
Assumptions	TQD continues to collect training needs survey. Regional TCs coordinate with all supervisors within their region to compile and submit to TQD by deadline.
Constraints	Will be time consuming for Regional TCs – may need to allow more time – more coordination by less people.
Training requirements	None – unless TQD replaces existing process
Estimated Time to complete	NA
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only
Permanent Solution	Revamp El Paso's Training Manger for statewide use • Training needs are compiled statewide in one application • Data entry performed by supervisors via web interface • Training Slots/Employee identified to attend the training is tracked by region • Preliminary training schedules are developed
Assumptions	TQD will approve application as new process to compile training need's surveys TSD will provide necessary access to HR Online to update tables
Constraints	
Training requirements	Train regional training coordinators to use applications – 1 mo. Train supervisors to submit training needs via web interface – 2 mos
Estimated Time to complete	3 weeks to revamp application to be used on a statewide level if programming changes are performed at district level and program is left almost as is (El Paso). Possibly longer if transferred for upgrade to Division level and significant changes are made to the look and feel of program.
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only. Internal Programmers used: FTE Hours: 120

Functional Area	**Training**
IT Issue	**VTC Facilities – Upgrade/Scheduling**
Existing Process	Current VTC capabilities: • 57 end points (units) statewide • 36 separate conferences with 2 end points at the same time at 384 kbps District Training Coordinators add sessions in HROnline, schedule VTC sessions through VC Wizard, reserves rooms, disseminates training materials, coordinates with training staff, etc..

Short Term Solution	Identify District personnel to facilitate district training functions • VTC Scheduling • Room reservations • Disseminate training materials VTC sessions need to be scheduled, minimizing impromptu sessions.
Assumptions	Increased VTC usage
Constraints	There are currently competing priorities for more end points and training classes are getting bumped out (cancellations that cost $)
Training requirements	District Personnel: • Follow district guidelines for training room reservations • Operate/Troubleshoot VTC equipment, • VTC scheduling with VC Wizard • Identify VTC Contact Information
Estimated Time to complete	
Estimated Cost to complete	

Permanent Solution	Continue with Short Term solution for identifying and training district personnel to facilitate training sessions held at district. FY 2010 – Video Bridge Replacement and Upgrade • Accommodate more end points • Accommodate higher bandwidth speeds if needed
Assumptions	Funds are available and equipment is purchased Increase concurrent VTC sessions
Constraints	Cost
Training requirements	Provide training on any new procedures identified as result of new equipment purchase.
Estimated Time to complete	1 – 2 years
Estimated Cost to complete	Not sure what costs are to upgrade existing equipment

Functional Area	**All Areas - EDMS**
IT Issue	**EDMS Testing/Deployment Issues**
Existing Process (Division - TSD)	New application versions need to be tested on development servers before updates are deployed to districts/divisions. TFT contract limits the ease in which development servers can be acquired/upgraded for testing, pushing back deployment of the latest tools that facilitate EDMS implementation at the districts.

Short Term Solution	New versions of EForms and FileNet are available. Close to being tested by TSD. Test and deploy to districts. EForms updates are critical because forms can seamlessly be integrated directly into EDMS. Will facilitate the IT issue identified in the IT workgroup document: Re-engineer forms on EForms (performed by OPR) to recognize and index for integration into EDMS. Will need regional employee access to multiple district libraries.
Assumptions	Regional IT EDMS administrators have district library admin privileges. EDMS libraries are standard. EDMS and eForms infrastructures in place statewide.
Constraints	No federated library search capability, no enterprise security/account management.
Training requirements	EDMS administration refresher training for IT staff
Estimated Time to complete	12 months
Estimated Cost to complete	TBD

Permanent Solution	Development Servers are readily available for testing new application versions. Latest version of FileNet (P8) and eForms are implemented throughout TxDOT.
Assumptions	TSD and Regional IT resources available. Adequate TxDOT hardware/software/network infrastructure in place.
Constraints	TFT processes, limited budgets/resources could delay implementation.
Training requirements	New FileNet (P8) technology training for IT and business staffs.
Estimated Time to complete	3-5 years
Estimated Cost to complete	TBD

Functional Area	**All Areas – MIS Applications – Replace All Legacy Applications**
IT Issue	**Replace mainframe applications with an Enterprise Planning System (ERP)**
Existing Process	Current mainframe legacy systems and applications are inadequate at meeting the business needs in today's business environment. The MIS applications in use in TxDOT today are out-dated and were developed over many, many, years. In some cases, these systems have been "patched" together when the particular system required information contained in a different application. The need to share information between applications is necessary to solve certain business requirements. TxDOT needs an Enterprise Planning System (ERP) designed, developed, and maintainable with the purpose of tightly integrating processes within an enterprise. This system would provide a common enterprise database that all systems would obtain the data required for that particular business function. This system should encompass resource planning, human resources, accounting, warehousing, marketing, inventory control, order tracking, customer service, finance and human resources as well. We use the legacy system.
Short Term Solution	Continue to use the legacy systems.
Assumptions	N/A
Constraints	N/A
Training requirements	N/A
Estimated Time to complete	N/A
Estimated Cost to complete	N/A
Permanent Solution	Purchase an ERP solution (i.e., Invest in the remaining PeopleSoft components. TxDOT has already bought into the PeopleSoft HR module and it seems to be working well for the customer.)
Assumptions	Funding would be available
Constraints	This would require further analysis
Training requirements	CBT, Formal Classes (vendor and/or in-house)
Estimated Time to complete	This would require further analysis
Estimated Cost to complete	This would require further analysis

Functional Area	**All Areas – Virtual Office**
IT Issue	**Setting up and training employees to work in a virtual office setting.**
Existing Process	N/A

Short Term Solution	Use existing hardware and software. Train employees in the use of EDMS, GroupWise resources and scanning hardware and software.
Assumptions	The definition of a virtual office is that an employee is assigned to the region but is allowed to work from an office located in one of the districts in the region. The offices all have scanners and fax machines.
Constraints	IT Resources to train the employees.
Training requirements	Employees will need to be proficient in the use of GroupWise, EDMS, scanning hardware and software
Estimated Time to complete	30 days
Estimated Cost to complete	TxDOT resources only. Approximately 80 FTE hours

Permanent Solution	Implement EDMS with workflow at all districts for all regional functions.
Assumptions	The EDMS-2 mailroom project will continue as scheduled.
Constraints	IT Resources to implement EDMS at the regions and districts.
Training requirements	Employees will need training in the use of EDMS.
Estimated Time to complete	12 months
Estimated Cost to complete	Dependent on the number of FTE hours required to develop the solution. TxDOT resources only

Functional Area	**All Areas – RCO**
IT Issue	**RCO**
Existing Process	N/A

Short Term Solution	Regional employees collaborate by WebEx and telephone conference.
Assumptions	Employees will benefit from online collaboration and viewing computer screens real-time.
Constraints	WebEx conferences cost 14 cents per minute.
Training requirements	Employees will need training in the use of WebEx.
Estimated Time to complete	1 week
Estimated Cost to complete	Dependent on the number and length of conferences and the number of FTE hours required to train the analysts in the use of WebEx.

Permanent Solution	Use the classroom option of RCO for collaboration.
Assumptions	Employees will benefit from online collaboration and viewing computer screens real-time.
Constraints	May adversely impact the bandwidth available at the current time for other operations such as VTC. RCO meetings will need to managed/scheduled.
Training requirements	Employees will need training in the use of RCO.
Estimated Time to complete	1 week.
Estimated Cost to complete	RCO is available at no additional cost to the user. FTE hours needed to train the employees in the use of RCO. Dependent on the number of FTE hours required to develop the solution. TxDOT resources only

Functional Area	**All Areas – Dual Video**
IT Issue	**Dual Video for Employees Providing Support to region/district employees.**
Existing Process	Dual video is being used already by some of the administrative support offices in the districts. It is very beneficial for functions that require multiple documents and/or systems to be open such as EMDS, Accounting, IT, Purchasing, HR, Training, and Budgeting or that would benefit from using RCO to provide support.

Short Term Solution	Regional employees use the standard PC setup.
Assumptions	N/A
Constraints	N/A
Training requirements	N/A
Estimated Time to complete	N/A
Estimated Cost to complete	N/A

Permanent Solution	Purchase a dual video card and set up dual monitors.
Assumptions	Employees will be more efficient with the implementation of dual monitors.
Constraints	Funds for dual video card and additional monitor.
Training requirements	Employees will need training in the use of a dual video system.
Estimated Time to complete	1 month
Estimated Cost to complete	$ 211 for each dual video card and $202 for each monitor. TxDOT Resources only. 4 FTE hours for purchasing, installation and training for each dual video setup. (2 hours for IT and purchasing to process the request for the additional hardware. 1 hour per computer to install the video card and monitor. 1 hour to train the analyst in the use of the dual video setup.)

Districts and Regional Support Centers (RSC)
Employee Restructuring Staffing Strategy
Executive Summary

Overview

The purpose of the staffing strategy is to communicate how employees working in regionalized functions will be staffed in RSC's and in a reorganized district structure. **This staffing strategy realigns these employees to regional and district functions while allowing for attainment of optimal staff levels through normal attrition.** New district and regional functional organizational charts will define which functions and jobs are affected by the restructuring efforts.

While changes are certain, many new positions will also be created and available for competitive filling. Employees are encouraged to take advantage of the new job opportunities to further advance their career progression, or to explore other department areas of interest.

As restructuring efforts are finalized, more detailed transition plans will be developed. Each support center and district will have detailed plan information which will include the following details; organization charts, allocation distribution, function assignments, and implementation roll out schedules.

Regional Impacts

All employees in functions identified for regionalization will be realigned from district employees to regional employees when that respective function is regionalized. The Interim Regional Directors, the District Engineers, and Human Resources Division will determine which employees will be realigned.

For example, when the accounting function is regionalized, all district accounting employees will convert to regional employees regardless of the number of employees assigned. If a region has more accounting employees than initial allocations, that region is authorized to be overstaffed in accounting and will eventually achieve its allocation through normal attrition.

All employees who realign from district to regional functions are not required to relocate, but instead will remain at their current work location and perform their assigned work via a virtual office environment. Regional leaders will develop work processes for this virtual office arrangement.

The only regional positions competitively posted and filled will be (1) positions where more vacancies exist than employees, (2) newly created regional positions such as resource management and budgeting, environmental processing, project scheduling, corridor planning and schematics, and (3) newly created supervisory positions.

Employees hired into these positions may be required to be physically located in one of the four regional support centers, which are located in Fort Worth, Lubbock, Houston, and San Antonio. Relocation expenses will be paid for employees hired into these positions in accordance with current human resource policy.

Districts Impacts

District employees working in regionalized functional areas who perform duties that are not moved to the RSC organization will remain in the district. The Interim Regional Directors, the District Engineers, and Human Resources Division will determine which employees will remain in the district. This includes positions where incumbent employees can be directly transferred to an equivalent position, or a similar position with comparable skills and qualifications. Some examples include Directors of Administration to Business Services positions, Right of Way to Utility Coordination positions, and Warehouse employees to District Stock Room positions.

New Employment Opportunities

RSC Newly Created Supervisory Positions – Newly created regional supervisory positions will be posted competitively. Those in salary groups B16 and below will be posted internally to the department; those in B17 and above will be posted externally.

RSC Newly Created Positions – Newly created positions that did not previously exist in the districts, such as Resource Management and Budget or Environmental Processing, will be posted and competitively filled. Those in salary groups B16 and below will be posted internally to the department; those in B17 and above will be posted externally.

District Vacancies – Each District will identify available vacancies based on their new organizational chart and revised FTE allocation. Like regions, districts may be overstaffed in certain areas and will attain their correct allocation through normal attrition. Districts will competitively post and fill vacancies. Those in salary groups B16 and below will be posted internally to the department; those in B17 and above will be posted externally.

New Work Terms

Virtual Office – A virtual office position is an assigned job function that, through the use of available technology, can deliver the same or better service, and may be performed at any department district office location. Employees work under a virtual management structure where their immediate manager or co-workers are not located in the same office or campus.

Remote Work Locations – A remote work location is where a single employee or a group of employees are assigned to perform work in a specific location based on department needs. The department determines the number of employees needed in each remote location area.

Regional Classifications

Regional Titles	Location of Positions	Salary Group	BJD
Regional Leadership			
Regional Business Director	RSC HQ	B20B	A540
RSC Operations Manager	RSC HQ	B19C	A533
RSC Project Delivery Support Manager	RSC HQ	B19A	A536
DE/DD Secretary III	RSC HQ	B08	A064
ROW			
Regional ROW Manager II (N, E, S)	RSC HQ	B19B	P124
Regional ROW Manager I (W)	RSC HQ	B18B	P123
Regional ROW Supervisor I and II	Virtual	B17-B18B	P118/P119
Regional Utility Permit Coordinator	Virtual	B11	A205
All Existing ROW Titles (Except Administrators)	Virtual		
TxDOT Attorney IV-V	Virtual	B16-B18B	A580/A581
Environmental			
Regional ENV Coordinator	Virtual	B15	V160
All Existing District ENV Titles	Virtual		
PSE Processing and Scheduling			
General Engineering Tech VI	Virtual	B10	E202
Info Systems Analysts IV	Virtual	B14	C105
Consultant Management			
Transportation Engineer Supv V	Virtual	B19C	E308
Transportation Engineer I-V	Virtual	B13-B17	E222-E229
Contract Specialist I - VIII	Virtual	A09-B15	J219-J229
Office Tech I-V	Virtual	A08-A15	A026-A045
MPO Coordination			
Planner I - V	Virtual	B09-B14	N025-N029
Transportation Funding Spec I - V	Virtual	A13 - B13	N481-N487
Corridor Planning/Schematics			
Transportation Engineer I-V	Virtual	B13-B17	E222-E229
Transportation Specialist I-IV	Virtual	B10-B14	E049-E058
Information Resources			
Regional IR Manager	RSC HQ	B18B	C068
Regional IR Supervisors	Virtual	B17	C067
All Existing IR Titles (Except Supervisors)	Virtual		
Auditor			
Auditor VI	Virtual	B17	A268
Accounting			
Regional Accounting Manager	RSC HQ	B16	B070
Regional Accounting Supervisor	Virtual	B15	B068
All Existing Accounting Titles (Except Chief Accountant)	Virtual		
Shop			
Regional Fleet Mgr	RSC HQ	B16	K460
Regional Equipment Supervisors I- II	Virtual	B13-B15	K466-K467
Regional Equipment Coordinator II	Virtual	A18	K465
Regional Equipment Coordinator I	Virtual	A17	K464
All Existing Shop Titles (Except District Equip Admin)	Virtual		
Purchasing			
Regional Purchasing Manager	RSC HQ	B16	J039
Regional Purchasing Supervisor	Virtual	B15	J037
All Existing Purchasing Titles (Except PMA's)	Virtual		
Training			
Regional Training Coordinator	Virtual	B11	H494
Facilities			
Regional Architect Supervisor	RSC HQ	B17	D058
Architect I-III	Virtual	B13-B17	D046-D048
Contract Specialist I - VIII	Virtual	A09-B15	J219-J229
Regional Facilities Coordinator	Virtual	B12	K414
Budget/Resource Mgt			
Budget Forecast Coord I and II	Virtual	B14-B16	B260/B261
Budget Forecast Analyst I through IV	Virtual	B08-B14	B245-B252
Financial Analyst I through III	Virtual	B11-B15	B311-B313
Supply Center			
Regional Supply Center Supervisor I-II	Regional Supply Center	B11-B13	J365-J367
Regional Sign Shop Coordinator I-II	Regional Sign Shop	A17-A18	K386-K387
District Positions			
District Business Services Coordinator I	District HQ	B15	A530
District Business Services Coordinator II (Metro)	District HQ	B17	A531

Note: Not all Classifications have been approved by the BTCC or Administration

Regional Superviors

Regional Titles	North RSC		South RSC		East RSC		West RSC	
	Now	RSC	Now	RSC	Now	RSC	Now	RSC
Regional Leadership								
Regional Business Director	0	1	0	1	0	1	0	1
Asst RBD Support	0	1	0	1	0	1	0	1
Asst RBD Project Delivery	0	1	0	1	0	1	0	1
ROW								
Regional ROW Supervisors	7	3	6	3	8	3	4	1
Environmental								
Regional ENV Supervisors	0	0	0	0	0	0	0	0
PSE Processing and Scheduling								
PSE Scheduling Supervisors	0	0	0	0	0	0	0	0
Consultant Management								
Consultant Management Supervisors	1	1	1	1	1	1	1	0
MPO Coordination								
MPO Supervisors	0	0	0	0	0	0	0	0
Corridor Planning/Schematics								
Corridor Planning Supervisors	0	0	0	0	0	0	0	0
Information Resources								
Regional IT Supervisors	8	2	6	2	4	2	5	2
Accounting								
Regional Accounting Supervisors	6	2	4	2	4	2	6	2
Shop								
Regional Shop Supervisors	8	5	6	5	4	3	6	4
Purchasing								
Regional Purchasing Supervisors	8	2	6	2	4	2	7	2
Training								
Training Supervisors	0	0	0	0	0	0	0	0
Facilities								
Facilities Supervisors	0	0	0	0	0	0	0	0
Budget/Resource Mgt								
Budget Supervisors	0	0	0	0	0	0	0	0
	38	18	29	18	25	16	29	14

RSC Transition Plan - Outline

Action	Key Task	OPR		Start Date		Complete Date
1. Develop and Publish Agency-wide Vision	AF	ADM		Complete		1/1/2009
2. Determine Investment & Cost/Benefit Analysis for RSC functions	AF	RPO		Complete		Complete
3. Develop Communication Plan for Regionalized Employees	AF	RPO/GPA		In Progress		4/15/2009
4. Develop Communication Plan for RSC Customers	AF	RPO/GPA		In Progress		8/31/2009
5. Develop Communication Plan for External Stakeholders	AF	GPA		In Progress		8/31/2009
6. Develop IT Plans -Short and Long Term Virtual Office Solutions	Design	RPO		Complete		Complete
7. Develop Regionalized Employee Training Plan for Virtual Offices	Design	HRD/SCOT/RPO		In Progress		4/15/2009
8. Develop Service Level Agreements	Design	PMO/Work Groups		In Progress		8/31/2009
9. Develop plan for best practice sharing	Design	RPO		In Progress		8/31/2009
10. Determine and Publish Functional Performance Measures	Design	RPO		In Progress		8/31/2009
11. Develop RSC Physical Plant/Facility/Office Solutions Plan	Design	RPO		Complete		Complete
12. Develop Virtual Office Office Plan by District	Design	RPO		In Progress		4/15/2009
13. Determine and Publish duties retained by districts	Design	RPO		In Progress		8/31/2009
14. Design Phased Implementation Plan by functional area	Design	RPO		In Progress		8/31/2009
15. Establish Regionalization Project Office						
a. Interims start the RPO	B&P	AED DO		In Progress		5/1/2009
b. Permanent RBD's replace interims when hired	B&P	AED DO		5/1/2009		As Required
16. Staff RSC's According to Priority Plan:						
a. Regional Business Directors hired by RLT/ADM	B&P	ADM		3/27/2009		6/1/2009
b. Assistant Regional Directors hired by RD	B&P	RD		As Required		7/1/2009
c. RSC Budget/Resource Mgt, IT, Audit hired by RD	B&P	RD		As Required		7/1/2009
d. RSC Managers hired by ARD's	B&P	ARD		As Required		8/1/2009
e. RSC Supervisors hired by RSC Managers	B&P	RSC Managers		As Required		8/1/2009
f. Employees in Regionalized Functions - Transferred to Region	B&P	RPO		8/31/2009		9/1/2009
17. Develop Detailed RSC Budgets	B&P	RPO		Complete		Complete
18. Conduct Regionalized Employee Training	B&P	RPO		3/27/2009		8/31/2009
19. Implement Short Term IT Solutions	B&P	RPO		Complete		12/1/2009
20. Develop Detailed Process Maps - (Standard Operating Procedures)	B&P	RPO		3/27/2009		12/1/2009
21. Execute RSC/virtual Office Solution Plan	B&P	RPO		3/27/2009		8/31/2009
22. Markup and change department manuals	B&P	RPO/DIV OPR		3/27/2009		12/1/2009
23. Determine and make the required signature authority changes	B&P	RPO/ADM		3/27/2009		12/1/2009
24. Regionalize RSCs and phase implementation of functions	B&P	RPO		3/27/2009		12/1/2009
25. Develop Surveys for continuous feedback from RSC customers	O	RPO		Continuous		Continuous

Key Task Legend:
AF - Assess Feasibility
Design - Design Phase
B&P - Build and Pilot
O - Optimize

Staffing Plan Notes:
* RD's hire ARD's, IT Mgr, Budget/Resource Mgt Leaders, Audit, and DD/DE Secretary
* ARD's hire remaining RSC Managers (Acct, Fleet, ROW, Purchasing, Contracts, etc.)
* RSC Managers hire RSC Supervisors

OPR Legend
ADM - Administration
RPO - Regionalization Project Office
SCOT - Standing Committee on Training
HRD - Human Resource Division
GPA - Government and Public Affairs Division
RD - Regional Director
RLT - Regional Leadership Team
ARD - Assistant Regional Director
DIV - Division
RSC Managers - The senior manager in each function
RSC Supervisors - Report to RSC managers and supervise RSC functions