

## Organizational Updates

- October 12 - Task Force on Reorganization established to make recommendations on areas that could be better aligned to recognize greater efficiencies.
- October 27 – Task Force on Reorganization makes recommendations to the Secretary.
- November 2 – New Deputy Secretary for Finance & Administration announced. Former Deputy Secretary reassigned to another area within SCDOT.
- November 17 – New Director of Support Services is named. Responsible for various administrative functions. The Division is comprised of the Offices of Communications, Information Technology, Disadvantaged Business Development & Special Programs, Customer Relations and Facilities Management.
- Customer Relations is a new office that will house all of the customer service functions of the agency, handling requests with courteous and prompt responses. The public will be invited to call SCDOT customer service representatives to report problems or register complaints.
- November 28 – The Secretary tasked his Direct Reports to analyze their administrative staffing requirements and submit the results to Human Resources by December 15. This effort was designed to survey the administrative needs of the offices within Headquarters. The analysis will help determine if and where reassignment of administrative staff to other areas would provide maximum employee utilization and efficiency.
- In progress - Chief Financial Officer (CFO) and Chief Procurement Officer (CPO) positions have been advertised and recruiting is underway.

The CFO's responsibilities will include:

- A) Accounts Payable/Accounts Receivable/Federal Aid Billings
- B) Cash Management
- C) Payroll
- D) Budget
- E) Tolls

The CPO's responsibilities will include:

- A) Procurement of goods and materials
  - B) Securing professional services/Contract negotiations/Invoicing/Monitoring
  - C) Oversees Right-of-Way acquisitions for compliance
  - D) Certifying construction contracts and assist with Design-Build projects.
- January 2012 – The Secretary is in the process of establishing a Manpower Management Task Force that will have its inaugural meeting on January 4. This Task Force will review and make recommendations on the management of vacancies and personnel. The Administrative Survey was Phase I of this process.
  - Effective with January 2012 lettings – As part of the cash flow management strategy, a payment schedule specification was developed for implementation into all new construction projects with an engineer's estimate of \$10 million or more.

## **Procedural Updates**

- August – Secretary St. Onge initiated multi-disciplinary Project and Resource Analysis Management (PRAM) Team. The team members are key leaders in each Division that deal with procurement, obligations and cash flow. The team meets once a week. The PRAM team considers all of the payouts SCDOT is obligated to make, particularly in the five major categories: Construction Contracts, Maintenance Program, Procurement/Payroll, Debt Service and Consultant Contracts. The Team forecasts the payout timelines throughout the life cycle of each project. Letting cycles are also evaluated to achieve a proper balance between engineering and financial planning.
- October 16 – First SCEIS-processed payroll executed successfully.
- November 7 – Invoices were awaiting uploading into SCEIS. A focused effort by staff was made to upload validated invoices into the new system by working overtime, weekends and the Veteran's Day Holiday. Assistance from the Comptroller General's SCEIS team was also key to expediting the entry of invoices into the new system. The first federal aid billings were processed through SCEIS in November. Vendor payments and federal reimbursements are now processed through SCEIS.
- November 12 - Ceased printing & processing construction contractor estimates in batch mode twice per month. Estimates are now downloaded on a weekly basis.

- November 16 – Implemented a Contractor Hotline. Commitment has been made to respond to inquiries no later than 24 hours. 803.737.1227.
- November 30 – A Task Force has been established to evaluate and develop improvements to our federal aid billing process. The Task Force has been charged to identify strategies for improving timeliness, accuracy and frequency of federal aid billing. The goal is to improve reimbursement of our eligible project and program expenditures. A final report is due on January 13, 2012.
- November 30 – A Task Force has been established to evaluate and develop improvements for our Accounts Payable (AP) process. The goal is to improve our AP process since the implementation of SCEIS to improve our internal controls. A final report is due on January 13, 2012.
- December 5 – Weekly Disbursement Meetings are now held on Monday mornings to plan disbursements for the week and discuss cash balance concerns.
- December 5 – A Monthly Accounting Schedule was developed and implemented to ensure the Finance Team has monthly targets for federal aid billing submittals and target receipt dates. Timely submittal and receipt of federal reimbursements for eligible expenditures are a key component of SCDOT's cash flow.
- December 13 – The current week's payouts instead of the previous week's payouts began being posted on the SCDOT web page: [www.scdot.org](http://www.scdot.org). We have also revised our report to reflect SCDOT file and estimate numbers in response to a request by the Association of General Contractors (AGC).

## **Cost Savings/Revenue Enhancements**

- September – SCDOT brainstorming session with FHWA to expand areas where federal reimbursement can be maximized in order to preserve state cash. Some of the initiatives include restoring indirect cost recovery, ensuring Advanced Construction is converted on completed projects, implementing soft match for the bridge program, among others.
- SCDOT has purchased three reusable, temporary bridges to save money and reduce the inconvenience for the public. These temporary structures will allow traffic to flow in a near-normal pattern while an existing bridge is replaced or repaired. The bridges can be disassembled and re-used on future projects. The first bridge is

being installed on Teal's Mill Bridge Road in Chesterfield. A second bridge is being assembled for installation on SC 327 near Society Hill on the Darlington-Chesterfield County line. The third bridge has been designated for use on 55<sup>th</sup> Avenue in the Cherry Grove section of North Myrtle Beach. The cost of each bridge is approximately \$360,000. The structures can be assembled and installed by SCDOT Maintenance forces.

- Received in December – SCDOT was able to capture \$14.4 million in previously unrequested federal aid-eligible reimbursements on completed projects.

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