



Progress Record

December 15, 2011 - February 9, 2012

This periodic report is generated in order to provide a record regarding organizational and procedural revisions the agency has recently undertaken.

Organizational Updates

- December 28, 2011 - seasoned businessman Jim Warren assumed the Chief Financial Officer (CFO) role for the agency. Mr. Warren has 40 years of experience in the private sector, having served in both large and small distribution businesses. His previous work experience is in wide variety of areas such as audits, controller, chief financial officer and management.
- January 4, 2012 – The Secretary established a Manpower Management Task Force charged with reviewing and making recommendations on the management of vacancies and personnel. The Manpower Management Task Force is scheduled to submit its report to the Secretary by June 1, 2012.
- Effective with January 2012 lettings – as a 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.
- February 3, 2012 – As a part of the restructuring of the Accounting Operations area of the Finance Division, the Controller function of the agency is being advertised and recruitment is underway for an experienced financial professional for this vital position. The Controller’s role will be to provide the necessary day-to-day oversight and guidance to the employees responsible for the daily transactions in accounts payable and accounts receivable as well financial reporting responsibilities.
- February 7, 2012 - Ms. Sherry Barton, an internal SCDOT employee was selected to serve as the Chief Procurement Officer (CPO) for the agency. She brings to the position 26 years of experience relative to the SC Procurement Code and Federal Acquisition Regulations, as well as extensive knowledge about the agency’s policies and procedures. She assumes the leadership position on February 17.



- February 2012 – A reorganization of the Accounting Operations area of the Agency is underway. The reorganization is necessary in order to realign the staff and their functions based on revised accounting processes and procedures since the implementation of SCEIS. Teams are being established in order to ensure efficient and consistent processing of items, including a research/troubleshooting group charged with quickly resolving problematic items.

Procedural Updates

- Weekly – SCDOT's multi-disciplinary Project and Resource Analysis Management (PRAM) team continues to meet weekly. The team members are key leaders in each Division that deal with procurement, obligations and cash flow. 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. The pacing of expenditures is managed through the PRAM.
- December 2011 thru January 2012 – Our Accounts Receivable Task Force charged with improving the federal aid billings process has been able to implement some significant changes to our internal processes for requesting federal reimbursements.
 - A) An accounting calendar has been produced by the group which establishes a regular routine and target dates for the increased frequency of federal reimbursement requests.
 - B) Due to the implementation of this revised schedule, the agency is able to submit three reimbursement requests per month instead of two.
 - C) By establishing a regular flow of revenues into the agency, the agency has been able to move to daily payment processing instead of batch-mode payment processing.
 - D) Additionally, through the coordination and synchronization of the payment of federally aid eligible project invoices in relation to the preparation of the Federal Aid Reimbursement request, the agency has been able to maximize the efficiency of each reimbursement request.
- January 13, 2012 – Our Accounts Payable Task Force released its initial report outlining recommended immediate, mid-range and long term projects & initiatives. Items that have been immediately implemented are:
 - A) Timely and consistent entry of invoices into the system by the AP staff. Target turnaround time is two business days from receipt by Accounting to upload into



SCEIS. AP staff reports daily on invoices received and items remaining to be loaded into the system.

- B) Invoices for utility services are processed for payment immediately upon entry into the system.
 - C) Generate daily reports on payables loaded into SCEIS in order to strategically plan and target payments. Cash management and planning is now a daily activity.
 - D) An aging report is now being generated based on payables loaded into SCEIS. Included in this effort is the consistent use of the "Validated or Approved for Payment" date for the SCEIS document date and subsequent aging report.
- January 2012 – Through the implementation of many of the measures identified above, the agency was able to manage AP in a manner which brought the vast majority of payables current to a 30 business day payment window. Additionally, SCDOT has set an internal goal of initiating for payment processing, validated invoices within a 30 calendar day window.