



FLORIDA TRANSPORTATION COMMISSION

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Performance and Production Review of the Florida Department of Transportation

1st Quarter
Fiscal Year 2010/2011



A REPORT BY
THE FLORIDA TRANSPORTATION COMMISSION
November 5, 2010



Performance and Production Review
of the
Florida Department of Transportation
1st Quarter Fiscal Year 2010/2011



By the Florida Transportation Commission
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STATEWIDE SYNOPSIS

Consultant Acquisition: The Department executed **377 of a planned 273** consultant contracts or 138.1% of the plan. The Department also executed 20 contracts valued at \$4.1 million that were not in the plan.

The Department executed \$227.9 million of consultant contracts of a planned \$327.8 million, or 69.5% of estimate. The difference is due mostly to comparing the annual estimated amount to the 1st quarter's authorization as well as good prices do to the continuing economic conditions.

Consultant Acquisition – LAP Projects: The Department executed 32 of a planned 19 LAP projects (168.4%) through the 1st quarter of FY 10/11. The Department executed \$4.1 million of LAP consultant contracts of a planned \$4.4 million, or 93.2% of plan. In addition, two contracts were executed that were either in an outer year or not in the plan.

Right of Way Acquisition: The Department certified right of way on **166.7%** of planned projects certifying 5 of a planned 3 projects.

Of the parcels acquired through the 1st Quarter, **81.1%** were negotiated purchases while **18.9%** proceeded to litigation.

For parcels acquired by negotiation, the percentage of parcels acquired within 20 percent of the Department's initial offer is **63.0%**.

Of total right of way expenditures of **\$46.1** million through the 1st Quarter, **88.3%** purchased land. About **7.2%**, or **\$3.3** million, paid landowner fees and costs. Of this, **\$1.6** million was paid to landowners' attorneys.

Construction Contract Lettings: The Department let to contract 104 of a planned 102 projects or **102.0%** of the projects planned through the 1st Quarter and advanced seven additional projects.

Through the 1st Quarter, of the projects in this year's plan that were let to contract, the total actual bid amount is less than the Department estimated amount by **\$130.0** million (73.1% of estimate). Therefore, actual contract dollar amounts are 26.9% less than the Department's estimated contract value. The variance is due to good bids that have reduced the initial estimated cost of the projects.

Construction Contract Lettings – LAP Projects: The Department executed 53 of a planned 35 LAP projects, achieving 151.4% of the plan. The 53 contracts executed represent 44.5% of the total plan for the year. Through the 1st Quarter, of the projects in this year's plan that were let to contract, the total actual bid amount of \$91.4 million is 1.4% below the estimate of \$92.7 million.

Construction Contract Time Adjustments: Of the **117** construction contracts completed through the 1st Quarter of FY 2010/11, **91.5%** were completed within 20% of their original contract time. This performance exceeds the objective of 80%.

Construction Contract Cost Adjustments: Of the **117** construction contracts completed through the 1st Quarter of FY 2010/11, **85.5%** were also completed within 10% of their original contract amount. The Department has continued to improve on these results and is still striving to meet the 90% objective.

State Transportation Trust Fund: Through September 30th actual cash receipts of \$1.521 billion were **6.1% lower** (\$97.8 million) than the Department's forecasted receipts of \$1.619 billion. Actual cash disbursements of \$1.391 billion were **15.1% lower** (\$246.7 million) than the Department's forecasted disbursements of \$1.637 billion. The disbursement variance is due mostly to a delay in the Sun Rail purchase which has been reforecast for December.

Minority Business Enterprise (MBE) Expenditures: The MBE expenditure level through the 1st Quarter of FY 2009/10 was \$37.9 million which is \$55.2 million less (59.3% decrease) than the \$93.1 million level through the same period in FY 2009/10. Spending has decreased due to lower spending as a result of winding down the stimulus program and a much smaller program in the current year.

Disadvantaged Business Enterprise (DBE) Achievement: For all construction and consultant contracts financed in part by federal funds, through August 31st of the *Federal* Fiscal Year (October 1st through September 30th) DBE participation is **8.14%**. For all construction and consultant contracts that are 100% state funded, DBE participation is **10.07%**. Final year-end figures will not be available until mid-November.

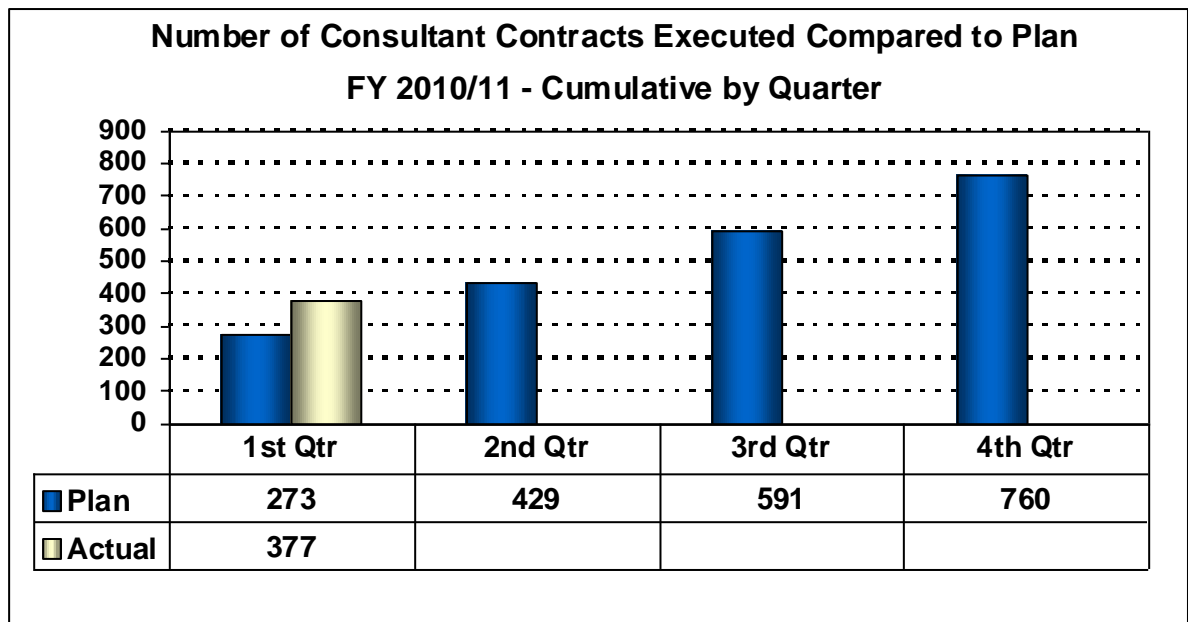
CONSULTANT ACQUISITION

Although the Department employs engineers and other staff to perform design, right of way and inspection functions, it also contracts with private-sector consultants to produce 91% of the design plans, 88% of the right-of-way activities, and 87% of the construction engineering and inspection (CEI) activities. The consultant contracting process is carried out pursuant to Ch. 287 requiring competitive negotiations. Selection of consultants is based on the quality of the technical proposal submitted and once selected, the price of the contract is negotiated.

Primary Measure: The number of consultant contracts actually executed compared to the number planned.

Objective: Not less than 95% of plan.

Results: The Department executed 377 consultant contracts of a planned 273 contracts or 138.1% of the plan. The Department also executed 20 contracts valued at \$4.1 million that were not in the plan.

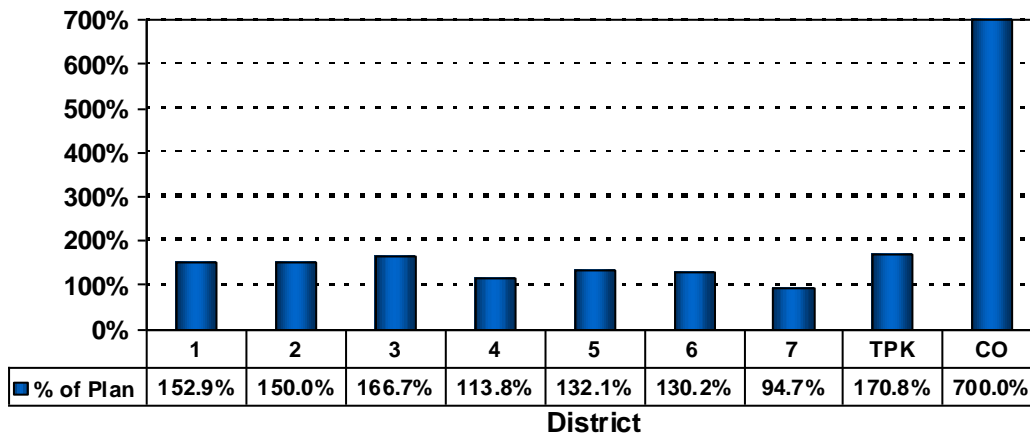


Note: Consultant Acquisition includes Preliminary Engineering, Design, Right of Way Support, and Construction Engineering Inspection.

Statewide Consultant Contract Data

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Plan	273	429	591	760
Actual	377	0	0	0
% of Plan	138.1%	0.0%	0.0%	0.0%
Additions	20	0	0	0
Total	397	0	0	0

Percentage of Consultant Contracts Executed Compared with Number Planned through 1st Qtr FY 2010/11: by District



District Consultant Contract Data through 1st Qtr FY 2010/11

	District								
	1	2	3	4	5	6	7	TPK	CO
Plan	51	24	15	58	28	53	19	24	1
Actual	78	36	25	66	37	69	18	41	7
% of Plan	152.9%	150.0%	166.7%	113.8%	132.1%	130.2%	94.7%	170.8%	700.0%
Additions	5	2	0	6	3	4	0	0	0
Total	83	38	25	72	40	73	18	41	7

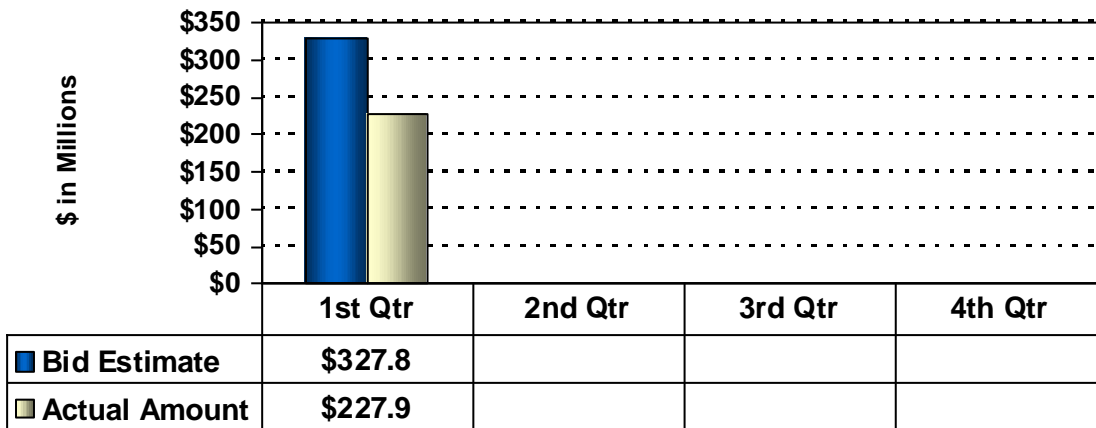
Secondary Measure: This measure is an indicator of how well the Department manages its finances in the contract estimating and negotiation process. The closer to the estimate that the price is negotiated, the better utilization of finances. A contract negotiated above the estimate utilizes additional funds and budget; more than 5% under the estimate could result in under utilization of resources and ineffective cash management.

Results: The Department executed \$227.9 million of consultant contracts of a planned \$327.8 million, or 69.5% of estimate. The difference is due to quarterly authorizations being executed against the annual estimates as well as good prices during these economic conditions.

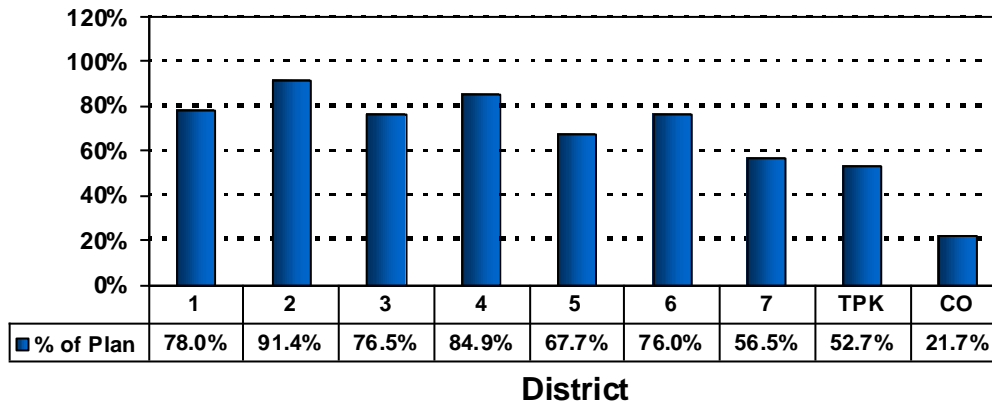
Statewide Consultant Contract Dollars Executed

FY 2010/11 - Actual Amount v. Estimate

Cumulative by Quarter



Consultant Contract Dollars Executed as a Percentage of the Original Estimated Amount through the 1st Quarter by District



District Consultant Contract Dollars: Estimate vs. Actual through 1st Quarter FY 2010/11

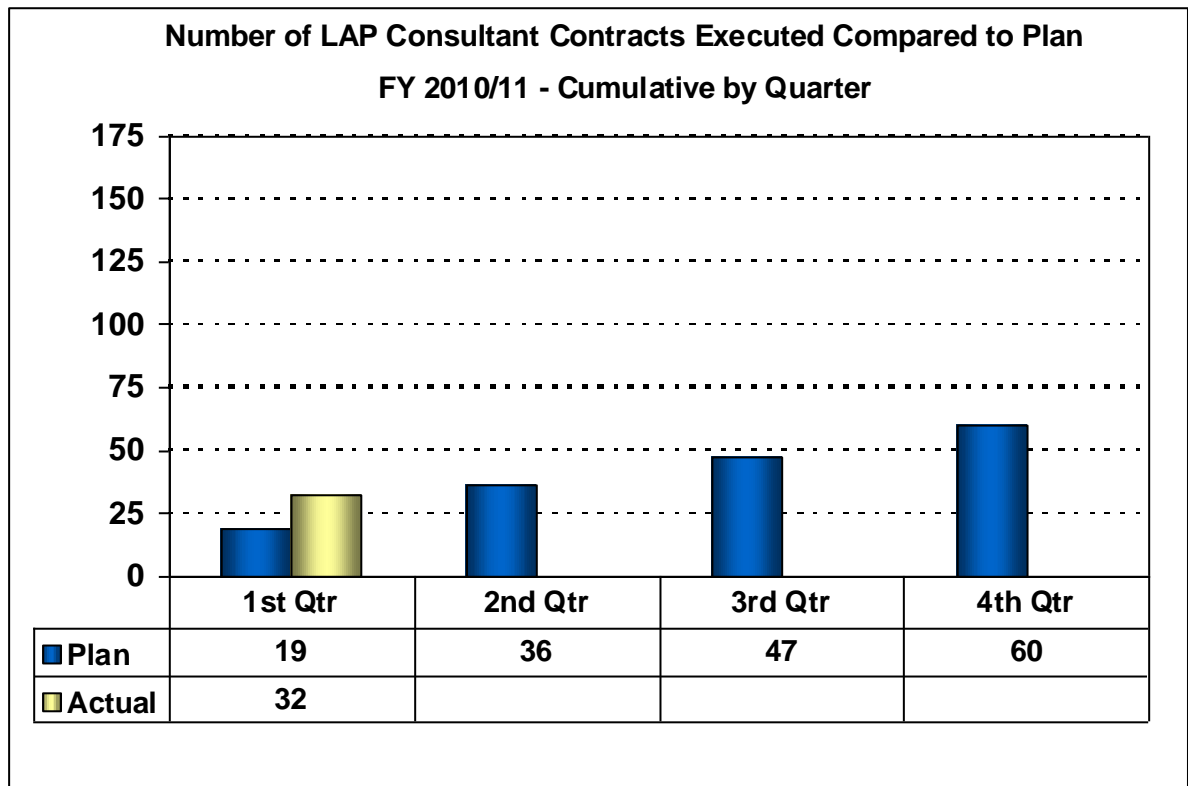
	District									Statewide
	1	2	3	4	5	6	7	TPK	CO	
Estimate	\$55.4	\$30.4	\$23.4	\$49.0	\$28.2	\$41.2	\$23.7	\$54.8	\$21.7	\$327.8
Actual	\$43.2	\$27.8	\$17.9	\$41.6	\$19.1	\$31.3	\$13.4	\$28.9	\$4.7	\$227.9
% of Plan	78.0%	91.4%	76.5%	84.9%	67.7%	76.0%	56.5%	52.7%	21.7%	69.5%

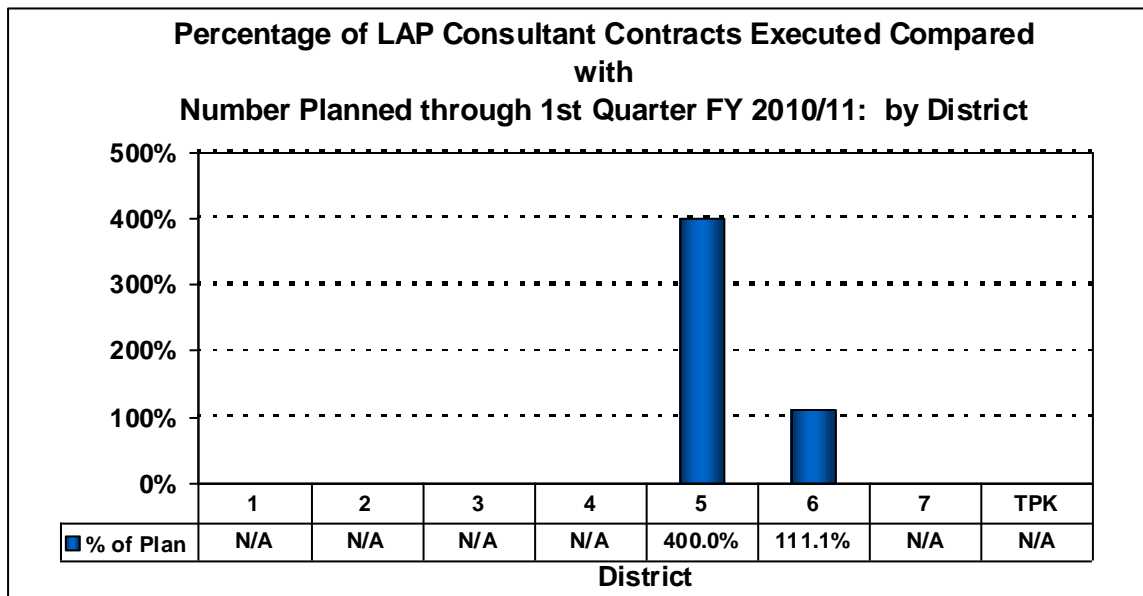
CONSULTANT ACQUISITION - Local Agency Program (LAP)

Primary: This measure is an indicator of how well the Department achieves the goal of executing consultant contracts for Local Government projects. Even though the Department does not have full control over when these contracts will be executed, the fact that these projects are in the Department's work program requires the Department to aggressively seek to fulfill its commitment on projects programmed and promised to the motorists of the state.

Objective: Execute at least 80% of planned LAP consultant contracts.

Results: Achieved 168.4% of plan, having executed 32 of a planned 19 contracts. In addition, two contracts were executed that were either in an outer year or not in the plan. Districts 4 and 7 do not have LAP Consultant contracts planned for this year.



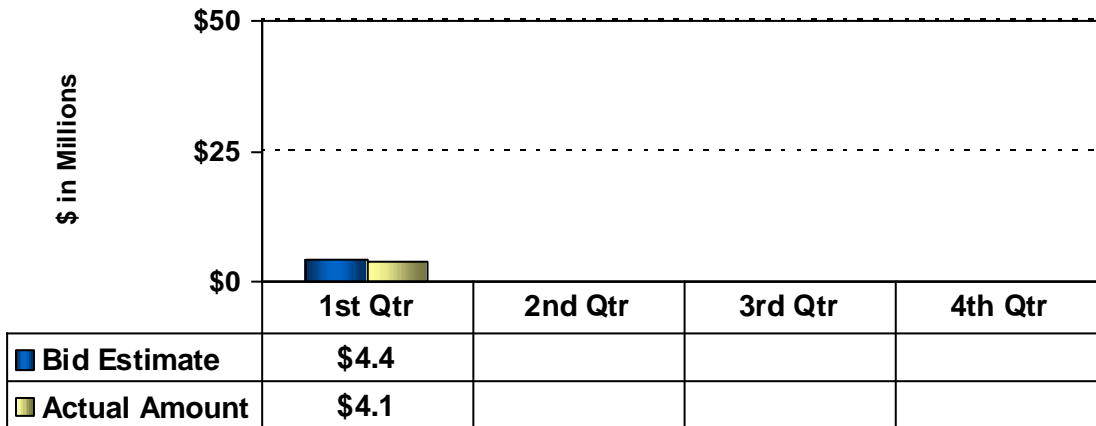


	District							
	1	2	3	4	5	6	7	TPK
Plan	0	0	0	0	1	18	0	0
Actual	3	1	4	0	4	20	0	0
% of Plan	N/A	N/A	N/A	N/A	400.0%	111.1%	N/A	N/A
Additions	0	0	0	0	0	2	0	
Total	3	1	4	0	4	22	0	0

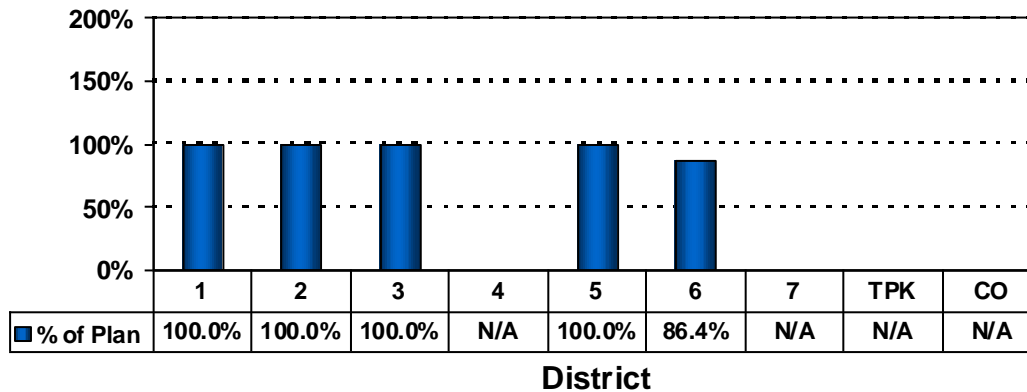
Secondary Measure: This measure is an indicator of how well the Department manages its finances in the contract estimating and negotiation process. The closer to the estimate that the price is negotiated, the better utilization of finances. A contract negotiated above the estimate utilizes additional funds and budget; more than 5% under the estimate could result in under utilization of resources and ineffective cash management.

Results: The Department executed \$4.1 million of LAP consultant contracts of a planned \$4.4 million or 93.2% of plan.

**Statewide LAP Consultant Contract Dollars Executed
FY 2010/11 - Actual Amount v. Estimate
Cumulative by Quarter**



**LAP Consultant Contract Dollars Executed as a
Percentage of the Original Estimated Amount through the
1st Quarter: by District**



**District LAP Consultant Contract Dollars:
Estimate vs. Actual through 1st Quarter FY 2010/11**

	District									Statewide
	1	2	3	4	5	6	7	TPK	CO	
Estimate	\$0.5	\$0.3	\$0.4	\$0.0	\$1.0	\$2.2	\$0.0	\$0.0	\$0.0	\$4.4
Actual	\$0.5	\$0.3	\$0.4	\$0.0	\$1.0	\$1.9	\$0.0	\$0.0	\$0.0	\$4.1
% of Plan	100.0%	100.0%	100.0%	N/A	100.0%	86.4%	N/A	N/A	N/A	93.2%

RIGHT OF WAY ACQUISITION

In the usual production cycle of a road or bridge project, the necessary right-of-way is acquired prior to the start of construction. With the exception of Design-Build and certain Turnpike Enterprise contracts, all parcels must be acquired and “cleared” (ready for construction to proceed) before contract letting. Design-Build and certain Turnpike Enterprise contracts must be “cleared” prior to start of construction.

The following performance measures assess the Department’s ability to:

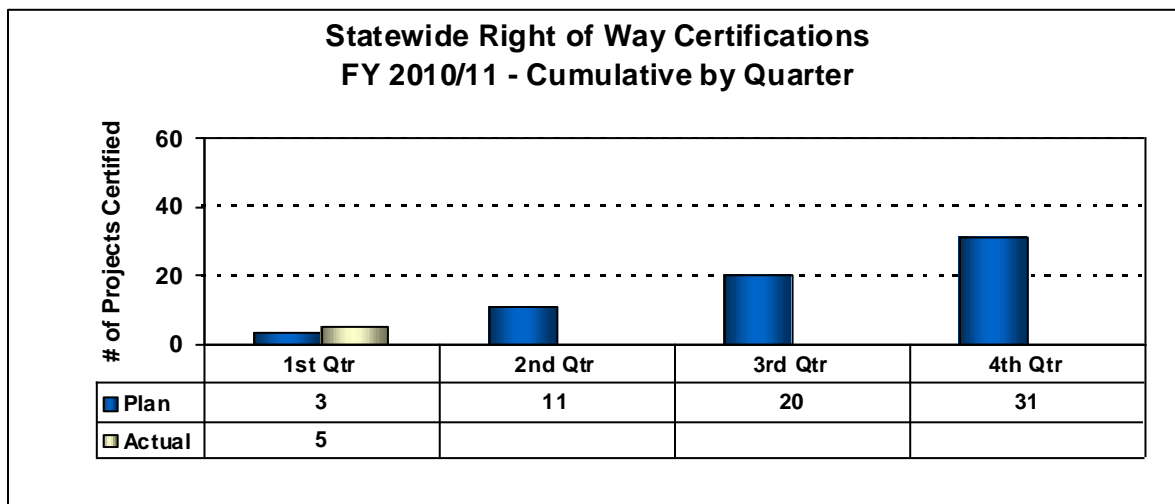
- Acquire parcels as planned;
- Acquire parcels based on negotiation versus condemnation;
- Negotiate parcels within 20% of initial offer;
- Acquire through condemnations at one-half of contention difference; and
- Expend more dollars on land than on ancillary costs.

A successful right of way program is one that maximizes cost avoidance strategies during negotiation and condemnation, and completes parcel acquisition in a timely manner, avoiding delays in letting the project to construction. Failure to certify all parcels on schedule for a given project may delay the project and increase project cost.

Primary Measure: Number and percent of projects certified versus planned.

Objective: Not less than 90% of plan.

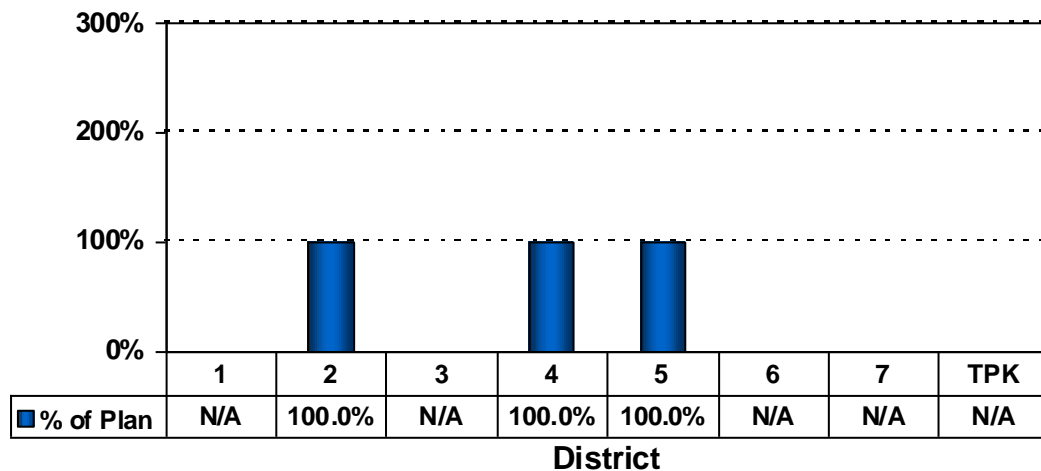
Results: Certified 5 of 3 projects planned or 166.7% of plan.



Statewide Right of Way Certification Data

	Fiscal Year 2010/11			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Plan	3	11	20	31
Actual	5			
% of Plan	166.7%	0.0%	0.0%	0.0%
Additions	4			
Total	9	0	0	0

Percentage of Right of Way Projects Certified Compared with Plan through 1st Qtr FY 2010/11: By District



District Right of Way Certification Data through 1st Qtr FY 2010/11

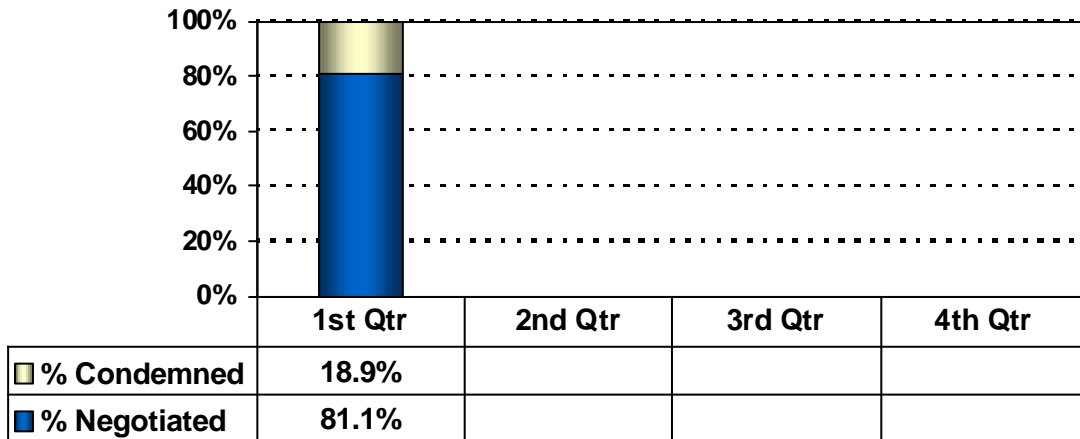
	District							
	1	2	3	4	5	6	7	TPK
Plan	0	1	0	1	1	0	0	0
Actual	1	1	0	1	1	1	0	
% of Plan	N/A	100.0%	N/A	100.0%	100.0%	N/A	N/A	N/A
Additions	1	0	1	0	0	2	0	
Total	2	1	1	1	1	3	0	0

The following charts and graphs present additional information and secondary measures used to assess the efficiency and effectiveness of how well the Department acquires right of way parcels and certifies projects for construction.

Secondary Measure: Percent of parcels acquired by negotiation, target 60%.

Results: Acquired 81.1% through negotiation.

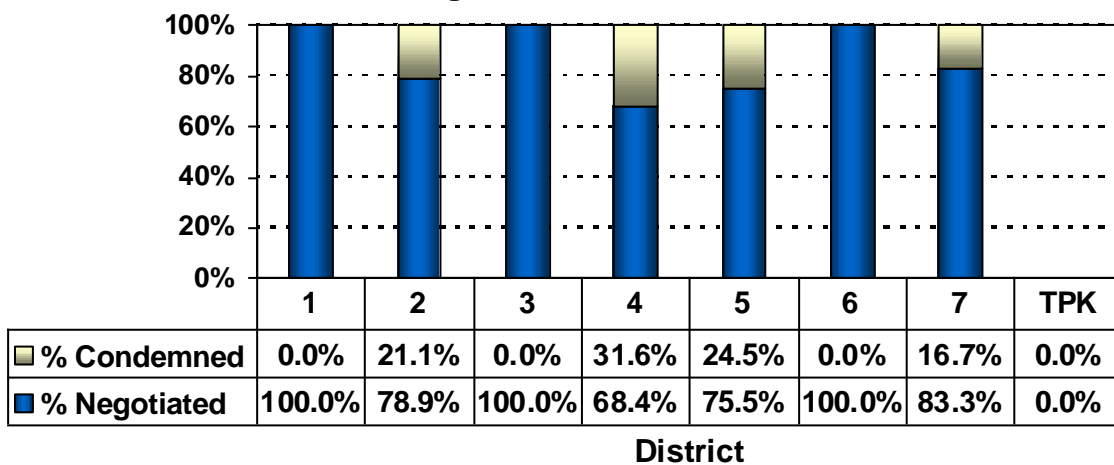
**Negotiated and Condemned Parcels as a Percentage of all
Parcels Acquired through 1st Quarter FY 2010/11
Cumulative by Quarter**



Statewide ROW Negotiation and Condemnation Data

	Fiscal Year 2010/11			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
# Negotiated	103			
# Condemned	24			
Total Parcels	127	0	0	0
% Negotiated	81.1%			
% Condemned	18.9%			

**District Negotiation and Condemnation Rates
through 1st Qtr FY 2010/11**

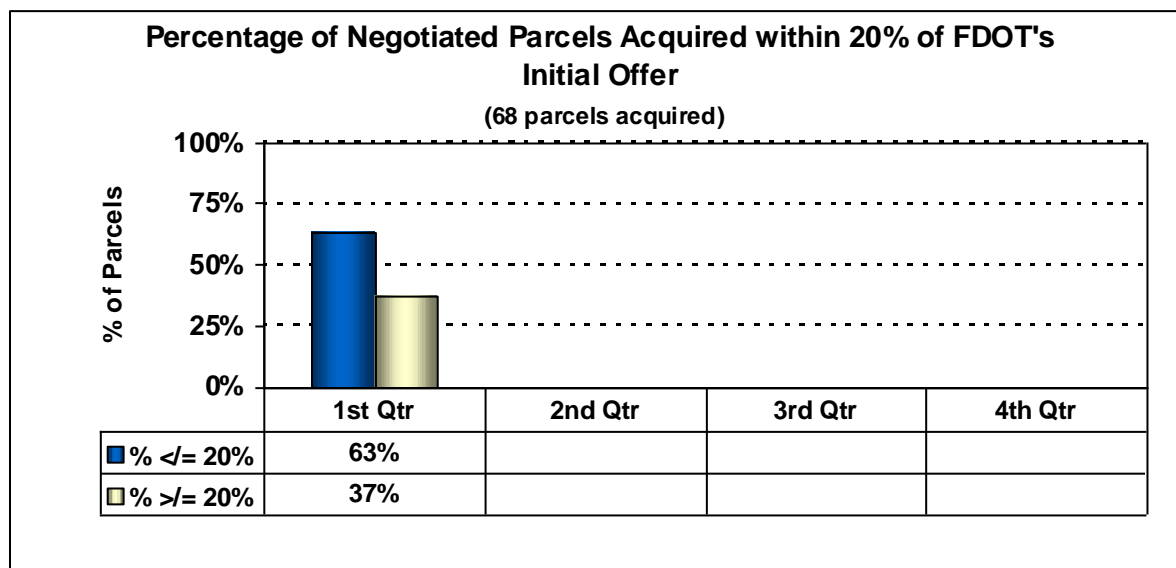


District ROW Negotiation and Condemnation Data through 1st Qtr FY 2010/11

	District							TPK
	1	2	3	4	5	6	7	
# Negotiated	4	15	11	13	40	15	5	0
# Condemned	0	4	0	6	13	0	1	0
Total Parcels	4	19	11	19	53	15	6	0
% Negotiated	100.0%	78.9%	100.0%	68.4%	75.5%	100.0%	83.3%	N/A
% Condemned	0.0%	21.1%	0.0%	31.6%	24.5%	0.0%	16.7%	N/A

Secondary Measure: Percentage of parcels negotiated within 20% of initial offer. The intent is to show that the Department is prosecuting the acquisition of parcels in good faith and that its first offer is the best offer. Presumably, if the Department is prosecuting the acquisition of parcels in an effective and efficient manner, then the percentage of parcels acquired within 20 percent of the initial offer should be substantial.

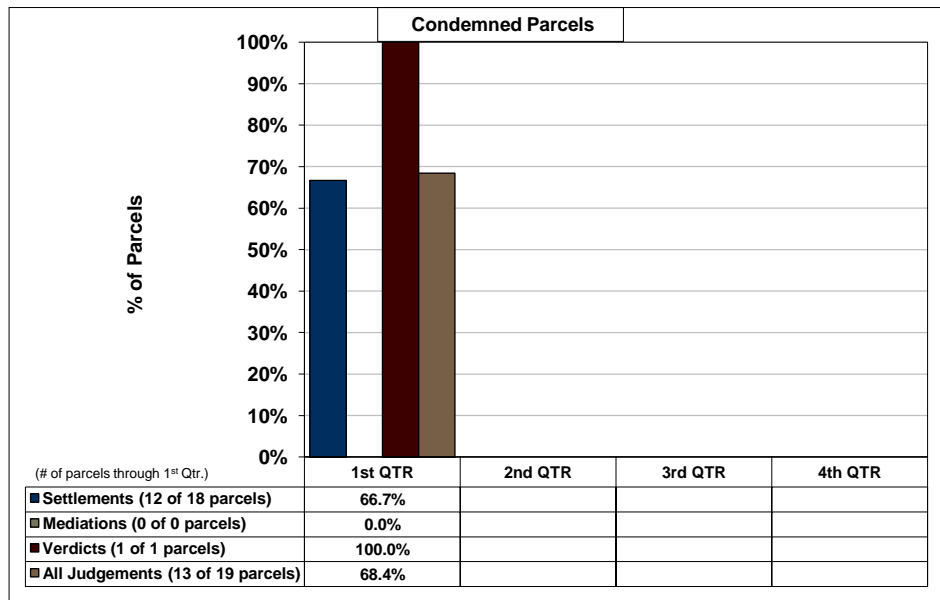
Results: Acquired 63.0% of parcels within 20% of initial offer.



Secondary Measure: Percentage of condemned parcels equal to or less than one-half of contention difference. Presumably, if the outcome of a final judgment is an even split in the range of contention between the Department and the landowner, then both parties gave and gained something. Thus, a greater percentage of final judgments on the Department side of the range of contention would indicate more successful negotiation on behalf of the state.

Results: 68.4% of condemned parcels.

**Percent of Condemned Parcels Acquired with Final Judgment
Amounts Equal to or Less than One-half the Range of Contention**

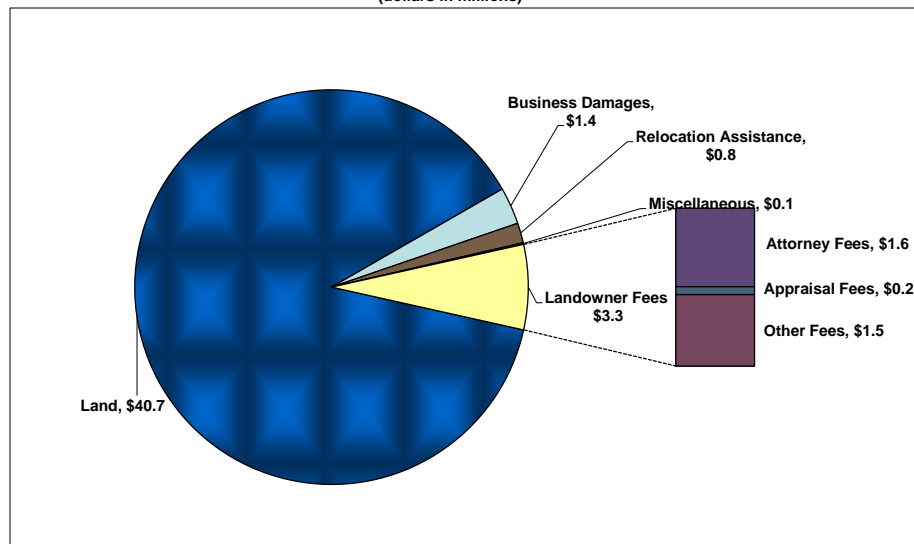


Secondary Measure: Percent of Land cost to total cost; target 75%.

Results: 88.3% of ROW costs were for land. Right-of-Way expenditures totaled \$46.1 million.

**Right of Way Expenditures – Statewide Summary
for 1st Quarter 2009/10**

(dollars in millions)



CONSTRUCTION CONTRACT LETTINGS

The construction phase results in the final tangible product of the Department and accounts for 39% of total dollars in the Work Program. This measure addresses the question “Is the Department building the projects it committed to build, and is it doing so in the time promised?”

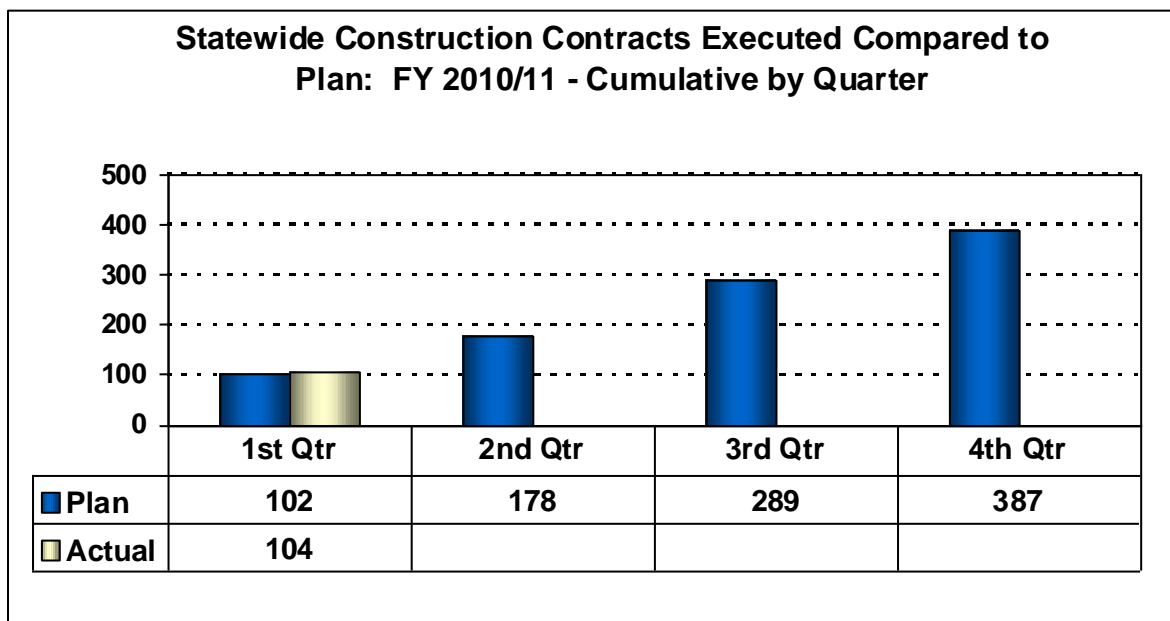
The following performance measures assess the Department’s ability to:

- Execute construction contracts as planned; and
- Award contracts within estimated value.

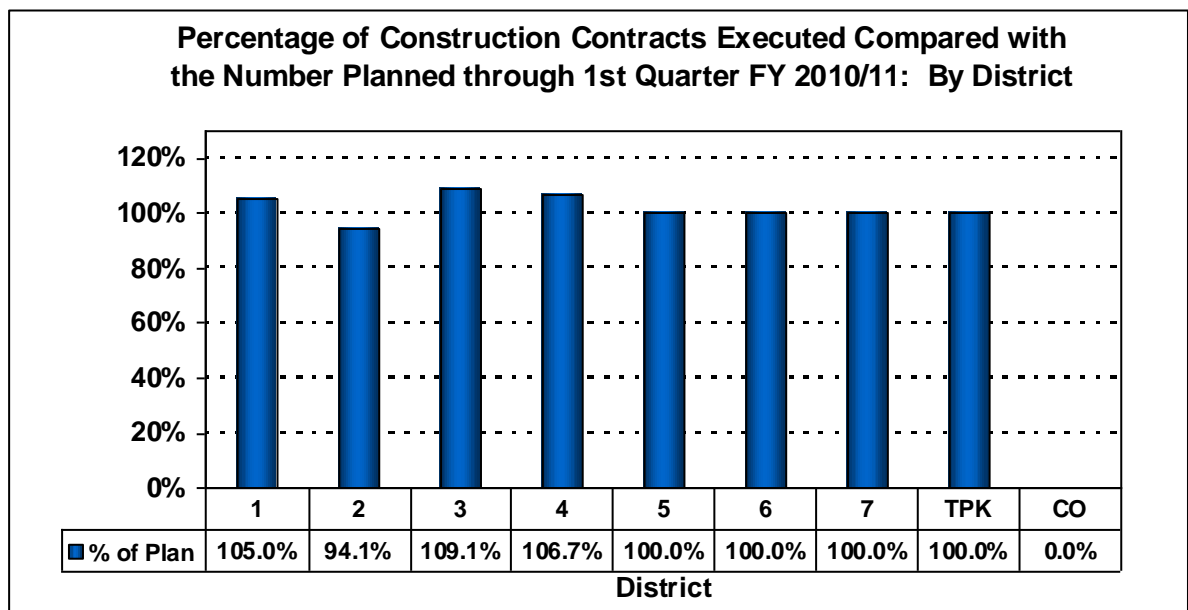
Primary: The number of Construction Contracts executed compared to the number planned.

Objective: Not less than 95% of plan.

Results: The Department achieved 102.0% of plan; executing 104 of 102 projects planned. The Department also advanced seven projects not in the plan.



Statewide Construction Contract Data				
	Fiscal Year 2010/11			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Plan	102	178	289	387
Actual	104	0	0	0
% of Plan	102.0%	0.0%	0.0%	0.0%
Additions	7	0	0	0
Total	111	0	0	0



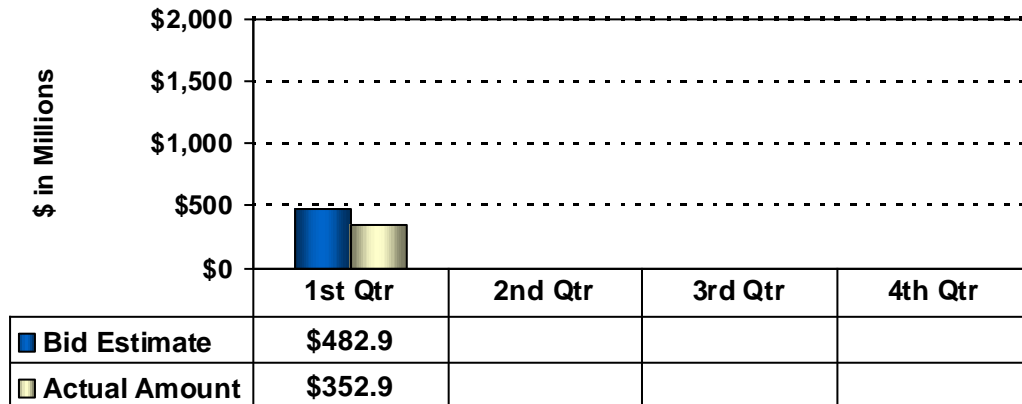
District Construction Contract Data through 1st Quarter FY 2010/11

	District								
	1	2	3	4	5	6	7	TPK	CO
Plan	20	17	11	15	15	8	11	5	0
Actual	21	16	12	16	15	8	11	5	0
% of Plan	105.0%	94.1%	109.1%	106.7%	100.0%	100.0%	100.0%	100.0%	N/A
Additions	1	0	2	1	0	1	2	0	0
Total	22	16	14	17	15	9	13	5	0

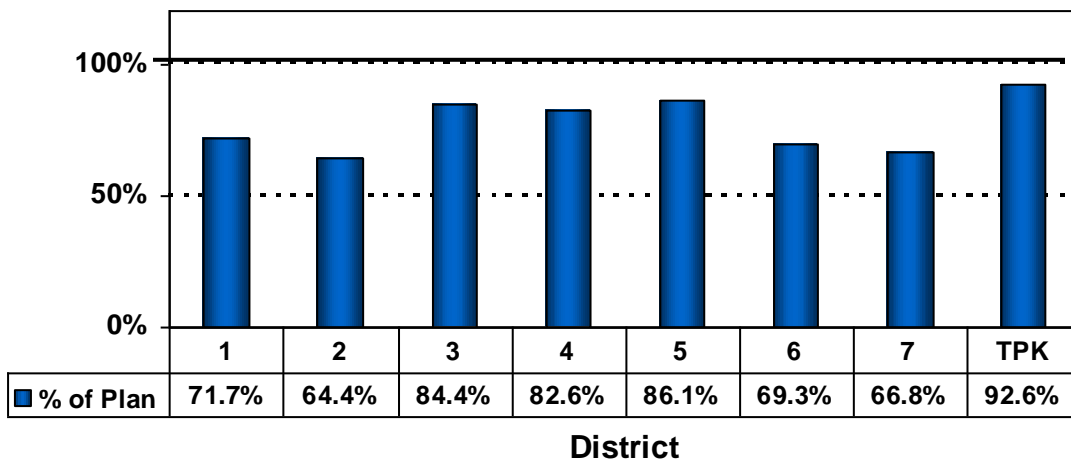
SECONDARY MEASURE: The following chart and table compare the dollar value of the construction contracts executed during the year with their original estimated value. This information is an indicator of how well the Department develops its financial plan and estimates the contract amount. For instance, if the percentage of the dollar value of contracts executed is tracking below 100%, then contracts were executed at a price less than what the Department had planned for. If the percentage tracks too far below 100%, then the Department is overestimating project amounts which ties up dollars in its financial plan that can be allocated towards other projects or for other purposes.

RESULTS: The dollar value of the construction contracts let through the 1st Quarter of FY 2010/11 (those in the plan plus any advances from the 2nd through 4th Quarters) is \$352.9 million. This figure is \$130.0 million less than the Department's estimate of \$482.9 billion. Therefore, actual contract dollar amounts are 26.9% less than the Department's estimated contract value. The variance is due to good bids that have reduced the initial estimated cost of the projects.

**Statewide Construction Contract Dollars Executed
FY 2010/11 - Actual Amount vs. Estimated
(Cumulative by Quarter)**



**Construction Contract Dollars Executed as a Percentage of their
Original Estimated Amount: by District**



**District Construction Contract Dollars:
Estimate vs. Actual through 1st Quarter FY 2010/11**

	District								Statewide
	1	2	3	4	5	6	7	TPK	
Estimate	\$89.3	\$152.4	\$27.0	\$13.8	\$102.2	\$31.3	\$58.8	\$8.1	\$482.9
Actual	\$64.0	\$98.2	\$22.8	\$11.4	\$88.0	\$21.7	\$39.3	\$7.5	\$352.9
% of Plan	71.7%	64.4%	84.4%	82.6%	86.1%	69.3%	66.8%	92.6%	73.1%

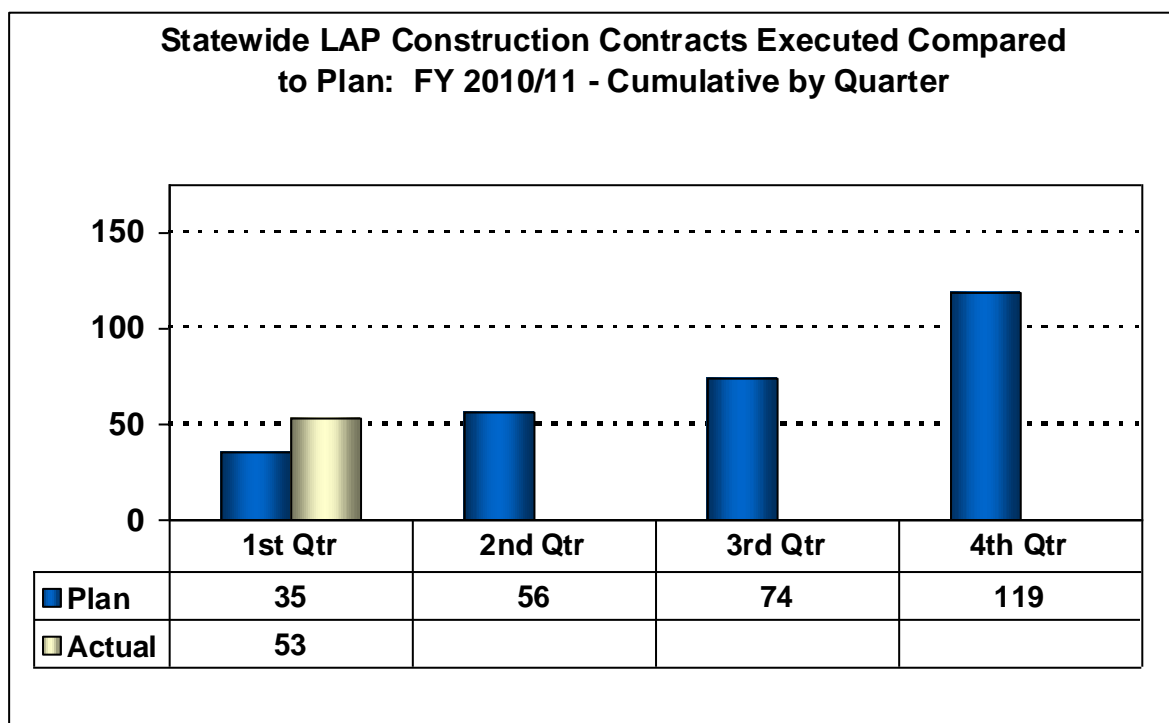
CONSTRUCTION CONTRACT LETTINGS – Local Agency Program (LAP)

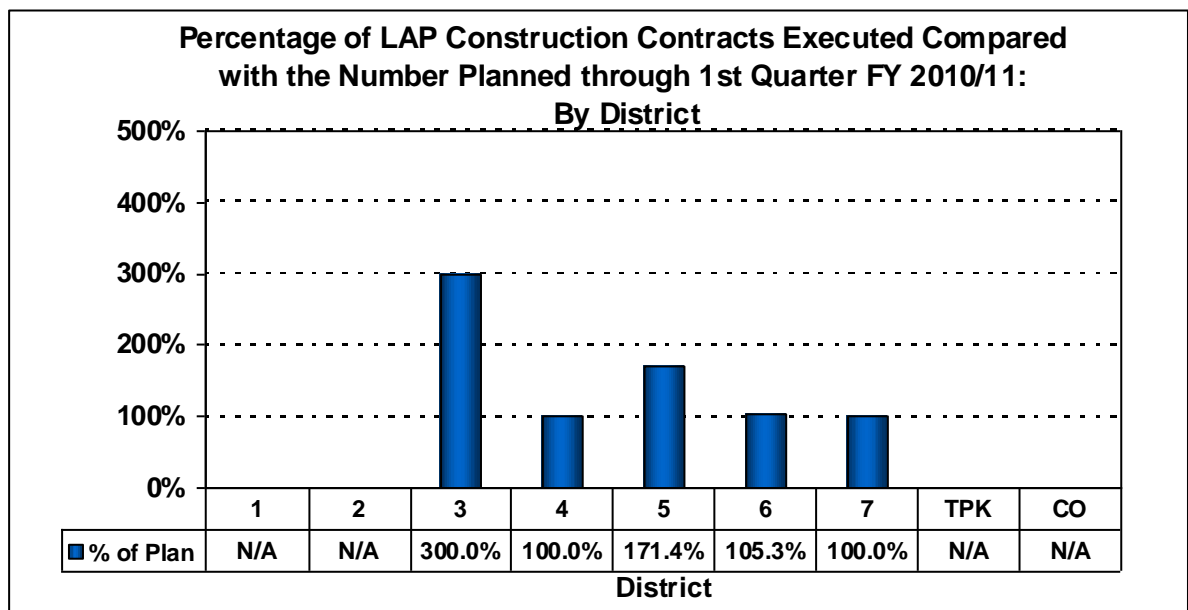
This measure addresses whether the Department is meeting its commitment to Local Governments to execute construction contracts that are planned and coordinated with Local Governments.

Primary: The number of Construction Contracts executed compared to the number planned.

Objective: No less than 80% of plan.

Results: The Department achieved 151.4% of plan; executing 53 of 35 planned LAP projects. The Department has let 44.5% of the planned contracts for this fiscal year. The Department advanced another 30 projects valued at \$39.8 million.





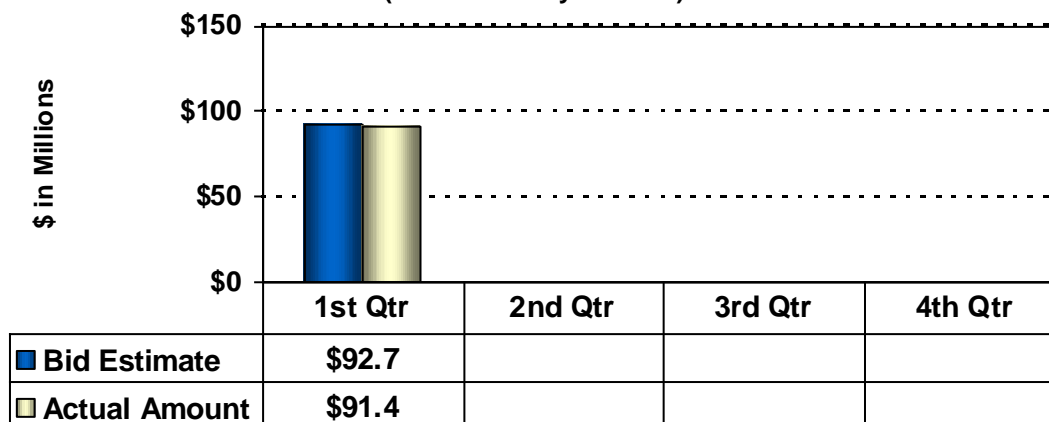
District LAP Construction Contract Data through 1st Quarter FY 2010/11

	District							
	1	2	3	4	5	6	7	TPK
Plan	0	0	1	1	7	19	7	0
Actual	8	2	3	1	12	20	7	0
% of Plan	N/A	N/A	300.0%	100.0%	171.4%	105.3%	100.0%	N/A
Additions	0	0	0	1	27	0	2	0
Total	8	2	3	2	39	20	9	0

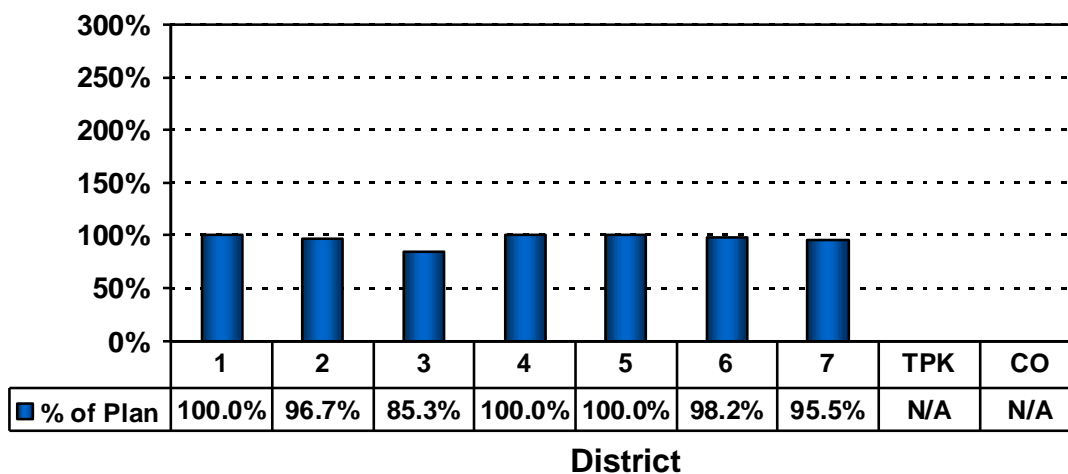
SECONDARY MEASURE: The following chart and table compare the dollar value of the LAP construction contracts executed during the year with their original estimated value. This information is an indicator of how well the Department develops its financial plan and estimates the contract amount. For instance, if the percentage of the dollar value of contracts executed is tracking below 100%, then contracts were executed at a price less than what the Department had planned for. If the percentage tracks too far below 100%, then the Department is overestimating project amounts which ties up dollars in its financial plan that can be allocated towards other projects or for other purposes.

RESULTS: The dollar value of the construction contracts let through the 1st Quarter of FY 2010/11 (those in the plan plus any advances) is \$91.4 million. This figure is \$1.3 million less than the Department's estimate of \$92.7 million. Therefore, actual contract dollar amounts are 1.4% less than the Department's estimated contract value due to receiving good bids.

**Statewide LAP Construction Contract Dollars Executed
FY 2010/11 - Actual Amount vs. Estimated
(Cumulative by Quarter)**



**LAP Construction Contract Dollars Executed as a Percentage of
their Original Estimated Amount: by District**



**District LAP Construction Contract Dollars:
Estimate vs. Actual through 1st Quarter FY 2010/11**

	District								
	1	2	3	4	5	6	7	TPK	CO
Estimate	\$15.7	\$3.0	\$3.4	\$1.1	\$47.0	\$11.3	\$11.2	\$0.0	\$0.0
Actual	\$15.7	\$2.9	\$2.9	\$1.1	\$47.0	\$11.1	\$10.7	\$0.0	\$0.0
% of Plan	100.0%	96.7%	85.3%	100.0%	100.0%	98.2%	95.5%	N/A	0.0%

CONSTRUCTION CONTRACT ADJUSTMENTS

Time extensions and cost increases are granted to the contractor by the Department due to:

- rain or other inclement weather conditions (“weather days”);
- unanticipated environmental/soil conditions (hazardous waste on site);
- design changes or omissions; and
- equipment, material, or workforce related issues.

Although there are justifiable reasons for time extensions, the Department’s objective is to keep time adjustments to a minimum and complete the project “on time and on budget.” The following measures determine the Department’s ability to manage its construction contracts related to time and cost increases.

Construction Contract Time Adjustments

Time extensions due to inclement weather (“weather days”) are unavoidable and not included in this measure.

Additional days granted by the Department resulting in time extensions, or authorization of additional work through a supplemental agreement, are included in this measure. If a contractor fails to complete the project within the original contract time plus extensions, the contractor is declared delinquent and must pay liquidated damages for each day delinquent.

Primary Measure: The percentage of contracts that were completed at no more than 20% above the original contract time.

Objective: Not less than 80% of completed contracts falling within the 20% threshold.

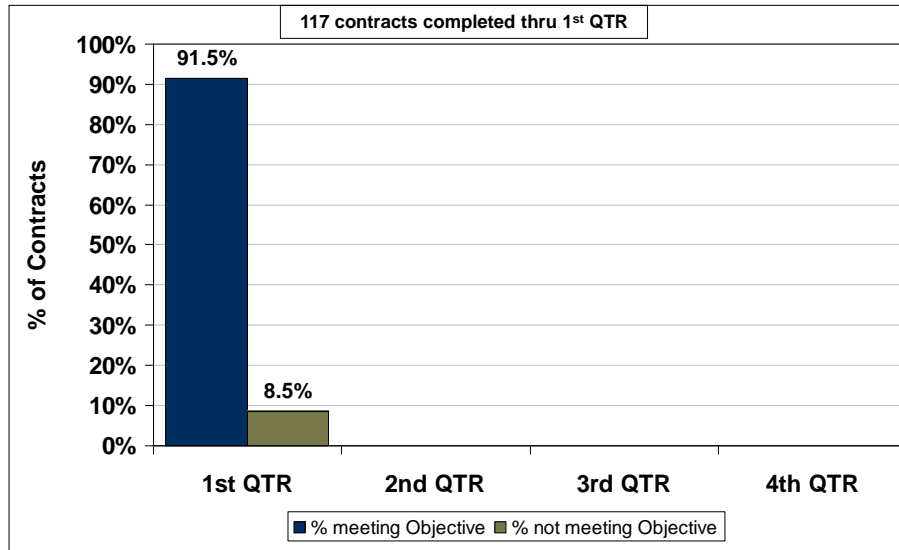
Results: Of the 117 construction contracts completed, 91.5% were completed within 20% of their original contract time.

Construction Contract Time Data by Quarter

	Fiscal Year 2010/11			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Original Days	26,253			
Additional Days	886			
Total Days	27,139			
# of Contracts	117			

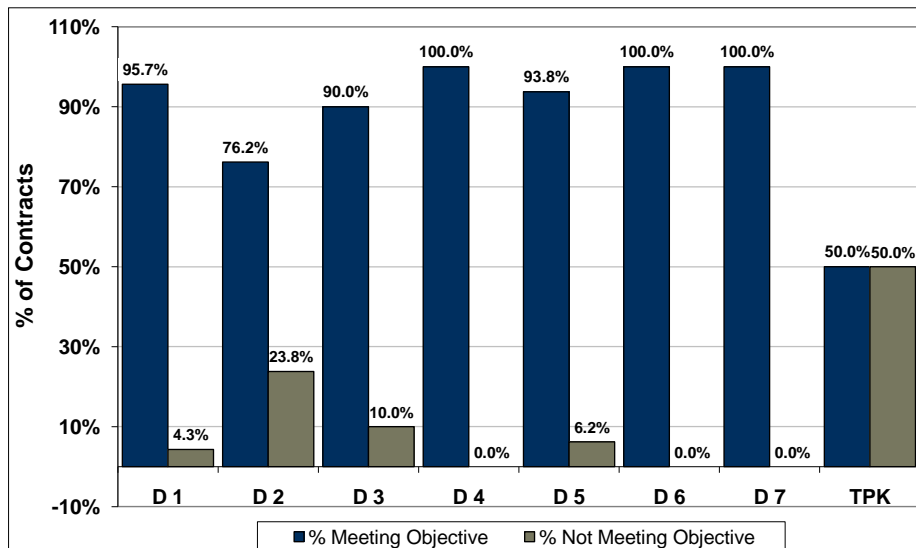
Time Adjustments: Completed Construction Contracts Percentage of Contracts Meeting Objective

Objective: 80% of contracts < or = 20% Over Original Contract Amount



Time Adjustments: Construction Contracts by District Percentage of Contracts Meeting Objective

Objective: 80% of contracts < or = 20% Over Original Time



District Construction Contract Time Data through 1st Quarter FY 2010/11

	District							TPK
	1	2	3	4	5	6	7	
Original Days	3,098	6,566	3,580	5,710	2,295	1,939	2,880	185
Additional Days	-17	840	182	-43	64	92	-271	39
Total Days	3,081	7,406	3,762	5,667	2,359	2,031	2,609	224
# of Contracts	23	21	20	14	16	10	11	2

Construction Contract Cost Adjustments

Factors such as changing market conditions, volatile changes in the cost of materials, and the call for aesthetic additions to projects have made cost increases an accepted norm within the construction industry. Additional costs are provided for:

- Individual work items which may increase by 5% (minor cost overrun);
- Overruns of 5% which must be authorized through Supplemental Agreement;
- Supplemental Agreements which authorize additional work at an additional cost; and
- Claims for work that the Department disagrees with paying (administrative or legal resolution)

Primary Measure: Percentage of construction contracts completed at no more than 10% above original contract amount.

Objective: Not less than 90% of completed construction contracts falling within the 10% threshold.

Results: Of the 117 contracts completed, 85.5% were within 10% of the original contract amount.

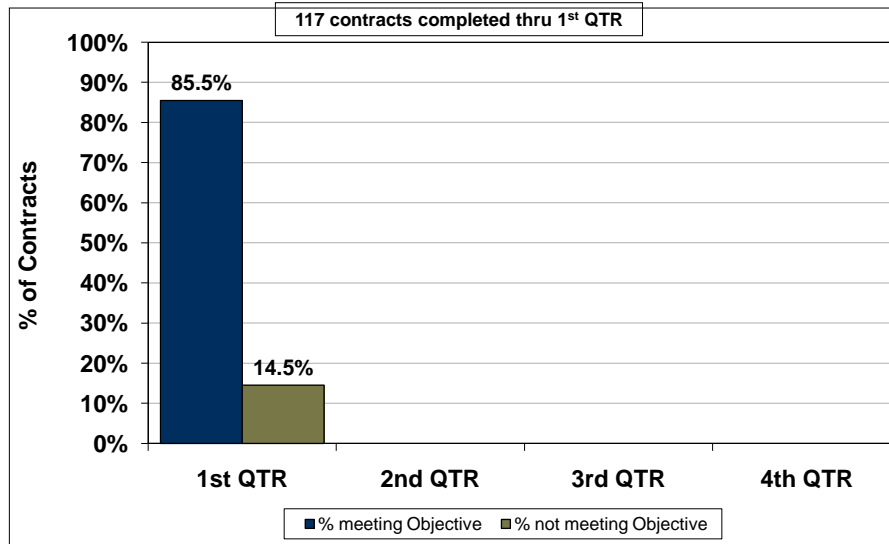
Construction Contract Cost Data by Quarter

(\$ in millions)	Fiscal Year 2010/11			
	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
Original Amount	\$537.2			
Additional Amount	\$32.4			
Total Amount	\$569.6			
# of Contracts	117			

Cost Adjustments: Completed Construction Contracts

Percentage of Contracts Meeting Objective

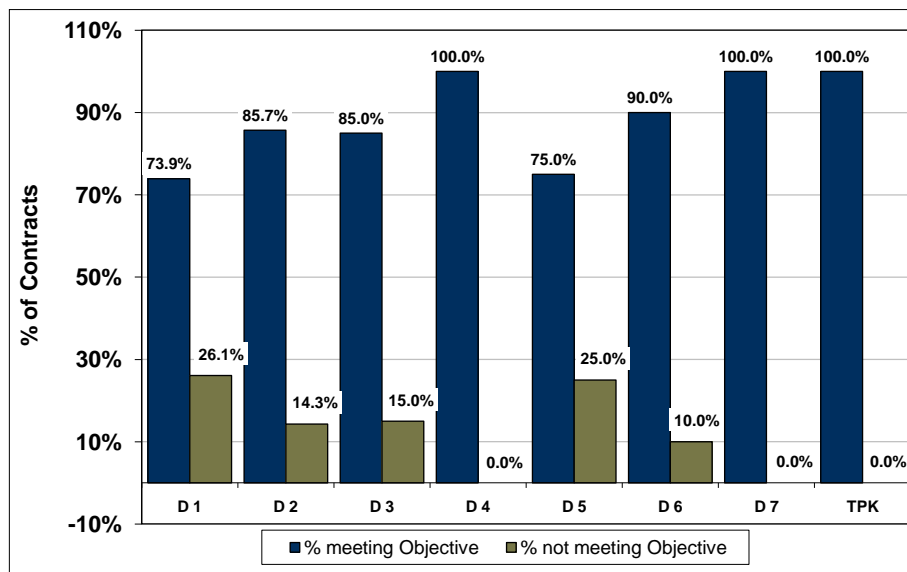
Objective: 90% of contracts < or = 10% Over Original Contract Amount



Cost Adjustments: Construction Contracts by District

Percentage of Contracts Meeting Objective

Objective: 90% of contracts < or = 10% over original amount



District Construction Contract Cost Data through 1st Quarter FY 2010/11

(\$ in millions)	District							
	1	2	3	4	5	6	7	TPK
Original Amount	\$40.3	\$155.4	\$45.8	\$136.5	\$38.0	\$12.5	\$104.9	\$3.8
Additional Amount	\$3.1	\$22.1	\$0.8	\$2.2	\$2.4	-\$0.5	\$2.2	\$0.0
Total Amount	\$43.4	\$177.5	\$46.6	\$138.7	\$40.4	\$12.0	\$107.1	\$3.8
# of Contracts	23	21	20	14	16	10	11	2

CASH MANAGEMENT

The Department is the only state agency that operates on a "cash flow" basis. That is, the Department is not required to have funds "on hand" to cover all existing contractual obligations, and it may let contracts against revenue it expects to receive in the future. The advantage of the cash flow method is that transportation tax collections are returned to the taxpayer in the form of transportation facilities much sooner than would be possible using the more traditional "encumbrance" financing method -- under which all funds for a project must be "in the bank" at the time the contractual obligation is incurred.

State law requires that the Department maintain a minimum cash balance in the State Transportation Trust Fund (STTF) of 5% of outstanding obligations, or \$50 million, whichever is less. In order for the Department to maintain a lawful cash balance and pay its bills promptly under the cash flow method, where contractual obligations far exceed available cash, it must carefully forecast future incoming revenues and future expenditures and frequently revise forecasts based on new information. For instance, when economic factors negatively impact gas tax revenues, the Department must adjust its cash forecast to reflect less incoming revenue, which may, in turn, necessitate deferral of projects in the work program. Periodic fine-tuning of forecasts of revenues and expenditures is essential to sound financial management.

Primary Measure: "Did the Department adopt a financially balanced work program, and did the Department manage its financial planning and budgeting processes so as to maintain a cash balance of at least 5 percent of outstanding obligations or \$50 million, whichever is less, at the end of each quarter?"

Objective: Adopt a financially balanced work program and maintain cash within the statutorily required balance.

RESULTS: Through September 30th actual cash receipts of \$1.521 billion were **6.1% lower** (\$97.8 million) than the Department's forecasted receipts of \$1.619 billion. Actual cash disbursements of \$1.391 billion were **15.1% lower** (\$246.7 million) than the Department's forecasted disbursements of \$1.637 billion. The disbursement variance is due mostly to a delay in the Sun Rail purchase which has been reforecast for December.

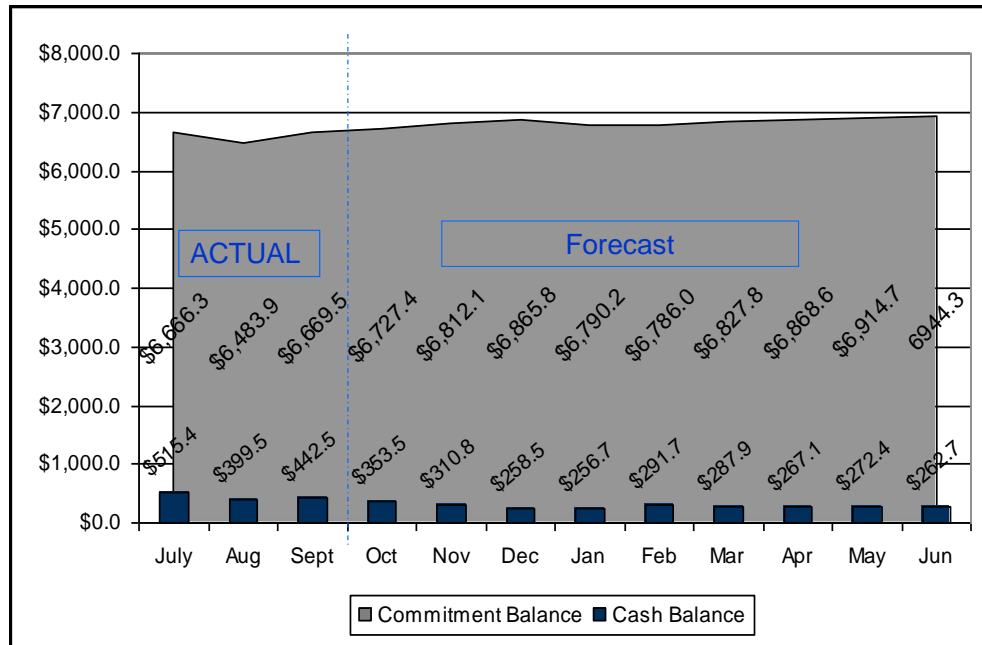
State Transportation Trust Fund

Cash Receipts	
Forecast of July 2010	\$1,618.9
2010/11 Actual	\$1,521.1
\$ Variance	-\$97.8
% Variance	-6.0%

Cash Disbursements	
Forecast of July 2010	\$1,637.3
2010/11 Actual	\$1,390.6
\$ Variance	-\$246.7
% Variance	-15.1%

Note: Dollars are in millions.

Cash Management



Monthly Cash Balance and Contractual Obligations

\$ are in millions

Month	Cash Balance	Commitment Balance	Cash as % of Commitment
July	\$515.4	\$6,666.3	7.73%
August	\$399.5	\$6,483.9	6.16%
September	\$442.5	\$6,669.5	6.63%
October	\$353.5	\$6,727.4	5.25%
November	\$310.8	\$6,812.1	4.56%
December	\$258.5	\$6,865.8	3.77%
January	\$256.7	\$6,790.2	3.78%
February	\$291.7	\$6,786.0	4.30%
March	\$287.9	\$6,827.8	4.22%
April	\$267.1	\$6,868.6	3.89%
May	\$272.4	\$6,914.7	3.94%
June	\$262.7	\$6,944.3	3.78%

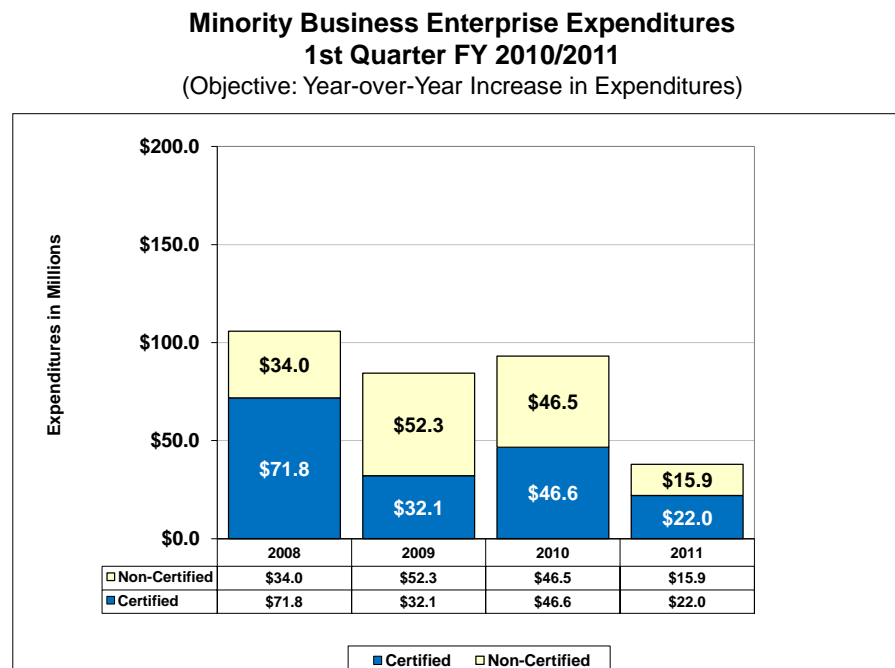
MINORITY BUSINESS ENTERPRISE PROGRAM

The Department strives to improve economic opportunities for the state's women and minority owned businesses by ensuring equity in the execution of contracting provisions. The Governor's One Florida Initiative has shifted the emphasis on tracking expenditures by industry group (set-asides under the "Small and Minority Business Assistance Act of 1985") to tracking total expenditures with MBE's and the increase in such expenditures annually.

PRIMARY MEASURE: The annual dollar amount of MBE compared to the previous year.

OBJECTIVE: The objective of a year-over-year increase was approved by the Performance Measures Working Group effective with the 2007 report.

RESULTS: The MBE expenditure level through the 1st Quarter of FY 2009/10 was \$37.9 million which is \$55.2 million less (59.3% decrease) than the \$93.1 million level through the same period in FY 2008/09. Spending has decreased due to lower spending as a result of winding down the stimulus program and a much smaller program in the current year.



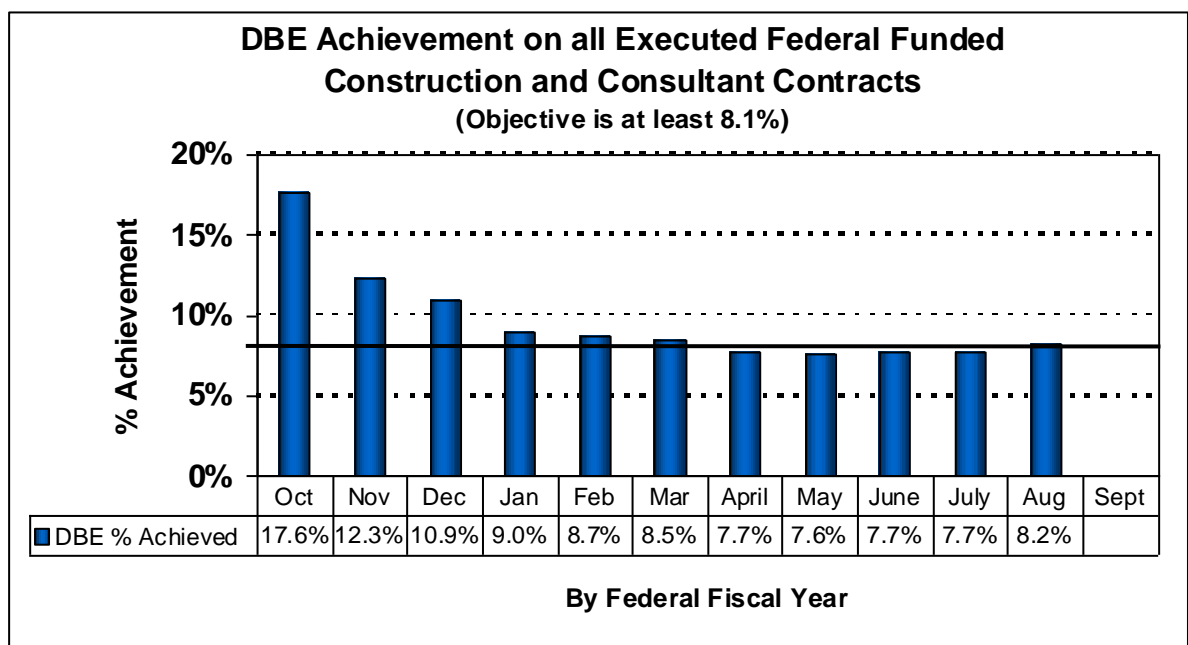
DISADVANTAGED BUSINESS ENTERPRISE PROGRAM

Under new federal guidance, the Department initiated on January 1, 2000 a race and gender-neutral DBE program for all consultant and construction contracts, which are in part funded with federal funds. This program is based on demonstrable evidence of market conditions and availability conditions. The definition of DBE is different from MBE mainly in firm size and the requirement for being based in Florida. Both Federal and State laws address utilization of socially and economically disadvantaged business enterprises in Department contracts for the construction of transportation facilities. The Department ensures that DBE's have an equal opportunity to receive and participate in these contracts.

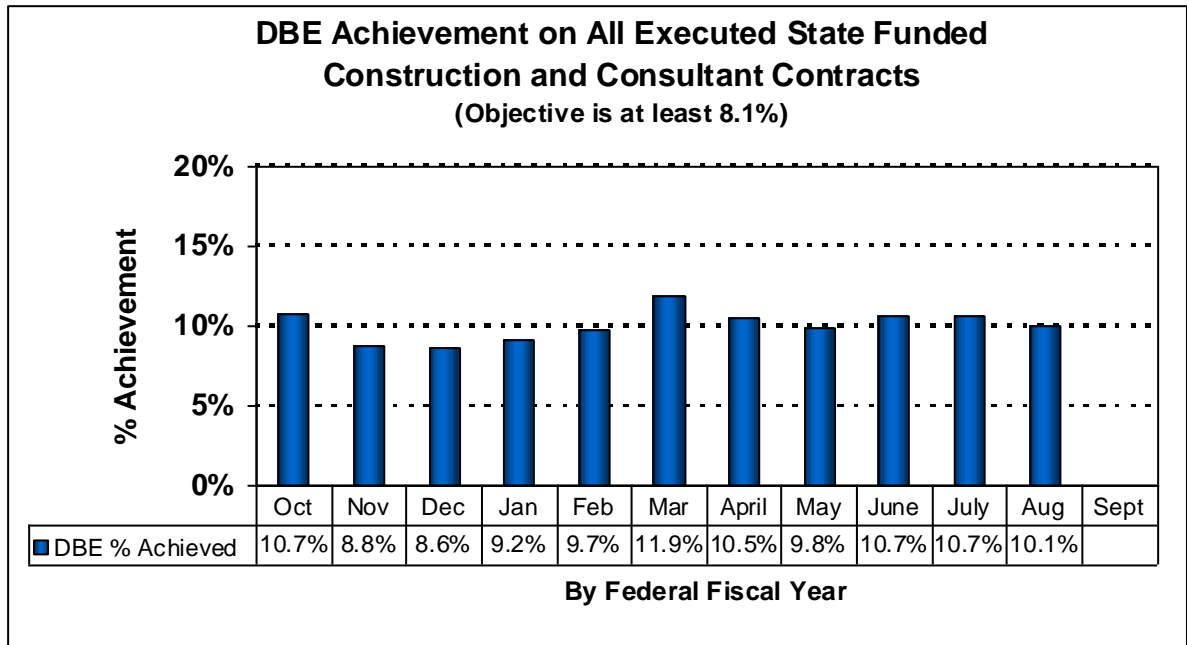
Secondary Measure: Dollar volume of DBE participation as a percentage of total federal funded construction and consultant contract amounts.

Objective: A goal of 8.1 % participation for all consultant and construction contracts partially funded with federal aid. The same standard is applied to 100 percent state funded contracts.

Results: For federal funds, through August 31st of the Federal Fiscal Year (October 1 through September 30) DBE participation is 8.22%. For 100 % state funded contracts, the DBE participation is 10.07%. The final figures for the year will not be available until the end of November. Preliminary figures will be available for the next FDOT Executive Board meeting in mid-November.



Although not a federal requirement, the Department also tracks DBE participation on 100% state funded construction and consultant contracts and uses the same seven and nine tenths percent objective as its goal. The result is presented below.



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