

Illinois Peer Exchange (IL-CO-MN-NC-VA) on DOT Financial Practices & Programs

December 6 and 7, 2018

Chicago, Illinois

Overview

This customized exchange will provide an opportunity for a hand-selected group of state DOTs to discuss common issues, compare best practices, and engage in a facilitated dialogue about managing and strengthening key aspects of their transportation programs. The objective is to develop internal capacity by providing opportunities for interdisciplinary collaboration and learning within each DOT and sharing of best practices among the states.

Audience

- Each state will select professionals from key DOT offices and disciplines that are in a position to positively impact operational efficiency by gaining a deeper knowledge of financial practices and programs through the exchange. While it is expected that senior personnel in finance functions will participate, the states may wish to assemble multi-disciplinary teams for the event to include representation from planning, financial management, or other functions.
- The BATIC Institute will provide facilitators for the exchange, whose selection will depend on the topics identified by the participants prior to the peer exchange.
- It is anticipated that each participating state will have FHWA Division Office representation at the exchange.

Format

- The event will be spread over two days - starting on the morning of Day 1 and ending around midday on Day 2. Attendees are also invited to an optional group dinner on the night of Day 1.
- The event will be structured as a series of facilitated discussions about specific topics within a few general focus areas.
- It is anticipated that some states will have a participant provide a brief presentation to correspond with selected topics within the focus areas (noted below).
- These peer exchanges are designed to be free-flowing conversations and not series of presentations. The facilitators will work with the participants to keep the conversations active and productive, with a minimal amount of presentation time (not more than 10 minutes for each topic).
- The exchange will conclude with an institutional capacity assessment that may begin with a general Q/A session followed by an open discussion of what follow-up or other activities would be most beneficial

to help participants overcome challenges in applying best practices or lessons learned from the exchange.

Focus Areas

I. Program Development (approx. 90 min)

- Illinois-led discussion: Automated connections between programming system and other systems
- Facilitated Discussion:
 - Investment analyses / needs (including maintenance vs. new capital)
 - Addressing long-term lifecycle costs
 - Prioritization process (entities involved and projects incorporated)
 - Estimating project costs and cash flow on project obligations
 - Forecasting revenues (new revenue options?)

2. Program Execution (approx. 90 min)

- Virginia-led discussion: Leadership's role in establishing accountability, visibility and transparency with regard to project cost estimates and schedules
- Facilitated Discussion:
 - Federal and non-federal programs / projects
 - Demonstrating fiscal constraint (apportionments and OA caps)
 - Showing AC / conversions in the STIP
 - STIP management (amendments)
 - Over- and under-programming issues

3. Funds Management Policies and Requirements (approx. 90 min)

- Minnesota-led discussion: Advance construction management policyFacilitated discussion:
 - State statutes, regulations and/or policies to direct financial management of federal funds and matching dollars
 - Budgeting / appropriations process and requirements
 - Allocation of funds within the state
 - Utilizing performance measures and achieving TAMP / other goals
 - FIRE reports, audits, penalties

4. Funds Management Challenges and Strategies (approx. 90 min)

- North Carolina-led discussion: Policies and procedures for managing (optimizing) cash balances
- Facilitated Discussion:
 - Working with local governments, swapping funds
 - Financing strategies (programming tool, accelerating cash) Implications of uncertain federal funding
 - Inactive projects, project closeouts
 - Funding lapses, rescissions, transfers, August redistribution

5. Institutional Capacity Assessment (approx. 90 min)

- Overview of organizational structures, resource challenges and training needs
- Group discussion, potentially including
 - Enhancing and maintaining “cross pollination” among offices / functions
 - Key personnel / succession planning / in-house vs. outside resources
 - Becoming a data-driven organization (utilizing performance measures and management systems)
- Future activities to continue collaboration and build capacity

Draft Agenda

Session	Description	Presenters / Facilitators
Day 1	Begins after breakfast (provided by Palmer House; or, own your own if not traveling)	
1	Welcome and Opening Remarks (8:15 – 8:30)	Alex Clegg/Anna Bosin (BATIC Institute) Justine Sydello and Erin Aleman (IDOT)
2	Overview and Introductions (8:30 – 9:00) <ul style="list-style-type: none"> Participants briefly introduce themselves (1 min. each) 	
3	Focus Area: Program Development (9:00 – 10:30) <ul style="list-style-type: none"> Illinois: Automated connections between programming system and other systems Facilitated Discussion 	State presenter Facilitators
	<i>Break (10:30 – 10:45)</i>	
4	Focus Area: Program Execution (10:45 – 12:15) <ul style="list-style-type: none"> Virginia: Leadership's role in establishing accountability, visibility and transparency with regard to project cost estimates and schedules Facilitated Discussion 	State presenter Facilitators
5	Working Lunch (12:15 – 1:30) <ul style="list-style-type: none"> Group Discussion 	FHWA and State participants
6	Focus Area: Funds Management Policies (1:30 – 3:00) <ul style="list-style-type: none"> Minnesota: Advance construction management policy Facilitated Discussion 	State presenter Facilitators
	<i>Break (3:00 – 3:15)</i>	
7	Focus Area: Funds Management Strategies (3:15 – 4:45) <ul style="list-style-type: none"> North Carolina: Policies and procedures for managing (optimizing) cash balances Facilitated Discussion 	State presenter Facilitators
8	Group Dinner (6:00 – 7:30)	
Day 2	Begins after breakfast (provided by Palmer House; or, own your own if not traveling)	
9	Institutional Capacity Assessment (8:30 – 10:00) <ul style="list-style-type: none"> Question-storming exercise Overview of organizational structures, resource challenges and training needs Facilitated Discussion 	State participants Facilitators
	<i>Break (10:00 – 10:15)</i>	
10	Key Takeaways / Concluding Remarks: (10:15 – 11:15) <ul style="list-style-type: none"> Comments by state representatives Future activities to continue collaboration and build capacity 	State participants Facilitators