



U.S. Department
of Transportation

Federal Highway
Administration

Proposal: Financial Management Improvement

Using the momentum of Every Day Counts to reinvigorate past efforts to enhance program delivery, Federal Highway Administrator Victor Mendez challenges the Federal-aid financial management community to submit its best ideas for improving the way we manage grant assistance. In the mid-1990s, the FHWA implemented a broad-based effort to test and evaluate innovative ways for State Departments of Transportation to get the most from their Federal highway grants. Designated officially as “Test and Evaluation Project TE-045,” the effort advanced many financial management tools – such as advance construction, flexible match and toll credits – that are now firmly in the mainstream of State practice.

Today, the strain on highway funding is felt more deeply than ever. Building on past success and today’s urgent demands, the Administrator asks the Division Offices, in consultation with their State DOT partners, to propose practical ways to expand the flexibility and increase the effectiveness of Federal-aid financial management practice. Consistent with the agency’s experimental authority, the scope of the proposals must fall within policy, guidance and regulation that originate from title 23 of the US Code.

After concluding its review of the proposals, the FHWA will authorize trials (not to exceed 12 months) of all innovative techniques that offer the potential to be incorporated into our official guidance and policies, with an eye toward those proposals with the broadest future application. The Administrator will honor the Division Office that sponsors the most innovative proposal selected for testing at the fall employee awards ceremony.

Proposals are due no later than 4:30 p.m. ET on June 28, 2012.

The completed form should not exceed 5 pages, excluding exhibits. If your Division/State has multiple proposals, please submit each one separately using multiple copies of this form. If you have questions regarding this form, please contact Fred Werner at Frederick.Werner@dot.gov. Please complete all applicable information using this form and forward it via email to EveryDollarCounts@dot.gov by 4:30 p.m. ET on June 28, 2012.

A) Description. Describe the proposal, including its purpose, features, and any resources required for its implementation. What current FHWA regulation, guidance or policy would need revision in order for the proposal to become standard practice?

Replace and Insert Text Here (boxes will expand if filled out on computer)

B) Participants. Describe the cooperation necessary to implement this idea successfully. Are staff at the Division Office and State DOT prepared to work together to make it happen?

Name of Division/State DOT: Insert Text Here

Organizational Impact: Insert Text Here

Agency Website(s): Insert Text Here
(If Websites are not available, please provide a brief description of the requesting agency or agencies)



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C) Potential Benefits. Addressing the areas below, summarize the potential benefits of adopting this proposal in your Division/State.

Reduction in overall costs, whether Federal, State or local:

Insert Text Here

Acceleration in estimated project delivery date(s):

Insert Text Here

Optimization of State's cash flow:

Insert Text Here

Other:

Insert Text Here

Would the proposal have an adverse effect on any third party (i.e., non-FHWA, non-State DOT) entities?

Insert Text Here

D) Implementation. Describe the timetable and approach for implementing this proposal. When would the State require FHWA authorization in order to implement the change? How would the Division/State determine its potential for becoming standard practice?

Insert Text Here

E) Controls. Compare the effect on oversight and control of implementing this proposal versus the status quo. Do appropriate levels of accountability remain in place?

Insert Text Here

F) Other Information. Please provide any additional information you'd like us to consider.

Insert Text Here



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G) Contact: Identify a Division Office contact person with whom all communication should flow.

Name: (Point of Contact)

Title:

Street Address:

City/State:

Phone:

Fax:

E-mail:

Signature: The undersigned pledge that their respective offices will cooperate fully to implement the proposal, if authorized, and evaluate fairly its potential to become a regular feature of Federal-aid financial management practice.

FHWA Division:

Name _____

Title _____

Division _____

Date _____

State DOT:

Name _____

Title _____

DOT _____

Date _____

Please attach any relevant documents (e.g., flow charts, organization charts, etc.).