

*Domestic Scan Tour*

*Financial Planning and  
Fiscal Constraint*

*Federal Highway Administration  
Office of Planning*

## Executive Summary

FHWA conducted a domestic scan in 2002 and 2003 to gather information on financial planning and fiscal constraint in the statewide transportation planning process. The scan was conducted in two parts: 1) a TRB Peer Exchange on Financial Planning and Fiscal Constraint and Congestion Management Systems; and 2) technical visits by a U.S. Department of Transportation team to three States to assess the role of financial planning and fiscal constraint in statewide transportation planning and programming.

Planning officials from the three States described planning and programming processes and how financial planning is integrated into these processes. The State representatives also discussed challenges they face in balancing financial planning with long-range visions and strategies, high priority needs, and development of projects. State participants highlighted the following themes:

- **Critical to Success** -- Fiscal constraint is a very useful aspect of the STIP. “It is very important to us, not just a federal requirement...federal encouragement is reinforcing.” Fiscal constraint is critical to planning successful projects.
- **Flexibility** -- States and MPOs stressed the need for flexibility in developing financial plans and determining fiscal constraint of programs as opposed to a restrictive and prescriptive approach.
- **Political Will** -- States may experience resistance to applying fiscal constraint to setting priorities and making decisions. Introducing fiscal constraint can require strong political will.
- **Realistic Options** -- Accurate financial information and fiscal constraint introduce a critical reality to the “big picture” presented in long-range plans. Financial information allows realistic trade-offs among options that balance growth, needs and priorities, and desired performance.
- **Clear Process** -- It is important to have a clear and explicit financial planning process that transportation planning agencies can defend in terms of the benefits from improved decisions.
- **Collaborative Process** -- It is essential for States, MPOs, and other participants to understand and agree on their roles and responsibilities in the statewide and metropolitan planning processes. This has important implications for cooperative planning and acceptance of how funds are allocated. It is critical to establish trust among States and regional authorities, including MPOs, if the financial planning process is to be followed, supported, and credible.

# **Domestic Scan**

## **Financial Planning and Fiscal Constraint**

### **Introduction**

The transportation planning requirements in the Intermodal Surface Transportation Efficiency Act (ISTEA) in 1991 and its reauthorization under the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) in 1998 call for development of comprehensive, coordinated, and collaborative statewide and metropolitan area transportation planning processes. The statewide and metropolitan processes include development of long-range Transportation Plans (the Plan), metropolitan area Transportation Improvement Programs (TIP), and Statewide Transportation Improvement Programs (STIP). The TIP and the STIP identify investments and strategies to implement the Plan. Additionally, the metropolitan Plan, the TIP, and the STIP must include financial plans identifying the source of funds from the public and private sectors that can reasonably be expected to be available to carry out the policies, strategies, and investments identified in these planning documents. In particular, the metropolitan Plan, the TIP, and the STIP must be fiscally constrained to demonstrate that identified policies, strategies, and projects can be implemented using revenues that are currently available or that can reasonably be projected for the future. The legislation in TEA-21 and associated regulations related to financial planning are summarized in Appendix A, and are available at HEP Legislation website: <http://www.fhwa.dot.gov/hep/legreg.htm>.

In 2000-2001, the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) conducted an internal review of the STIP development process and the related TEA-21 requirement for fiscal constraint. As a follow-up to this review, the FHWA Office of Planning organized a domestic scan to examine how state DOTs and their planning partners are developing financial plans and demonstrating that STIPs are fiscally constrained.

### **Goals for the Scan**

The FHWA Office of Planning, Environment and Real Estate sponsored the first in the current series of domestic scans in 2002. The FHWA undertakes domestic scans to gather in-depth information on a single high priority topic from a range of States or local areas. The scans allow the FHWA and FTA to work with state representatives to identify emerging transportation issues and concerns. These topics are selected based on their importance to FHWA, FTA, and their state and local partners. The scans are conducted to collect information on how transportation is being planned and develop insights into how transportation planning practices might be improved. State representatives are able to identify tools, training, and other resources that FHWA and FTA might provide to assist states to improve planning and better meet the TEA-21 planning requirements. This information is collected to assist FHWA, FTA, and their partners to work together to strengthen transportation planning nationwide.

One of the top priority issues FHWA and FTA field planners and state DOTs are dealing with is fiscal constraint. This issue adds a critical element of financial realism to long and short-range

planning processes, and increases the likelihood that planning is a major contributor to state decisions on policies, investments, and strategies. Fiscal constraint is particularly important during periods of national economic slowdown and recession both nationally and in individual states. The purpose of this scan was to learn how individual states apply fiscal constraint and revenue forecasting within their planning process, and in particular, within the process to program funds to projects.

The scan provided FHWA and FTA with opportunities to discuss current planning practices, issues, and concerns at a substantive level with the state planners directly responsible for this work. This summary report documents the information collected, including current and noteworthy practices.

### **Scope and Two Stages of Scan**

The domestic scan was conducted in two parts.

*Part One* was the Transportation Research Board (TRB) Statewide Multimodal Transportation Peer Exchange held at Wood's Hole, Massachusetts July 14-16, 2002. The TRB Committee on Statewide Multimodal Transportation Planning (A1D01) organized this workshop.

Representatives from eleven States participated in the Wood's Hole Peer Exchange, which focused on two subjects: Financial Planning/Fiscal Constraint and Congestion Management Systems (CMS). The following States participated:

- Alaska
- California
- Florida
- Maryland
- Massachusetts
- Michigan
- Minnesota
- Texas
- Washington
- Wisconsin
- Ohio

The results of the TRB workshop are presented in a separate Transportation Research Circular, Number E-CO62, "Addressing Fiscal Constraint and Congestion Issues in Statewide Transportation Planning," available at the TRB web-site:

<http://gulliver.trb.org/publications/circulars/ec062.pdf>

[Appendix B](#) summarizes key points from TRB Peer Exchange report for the States that were not included in the FHWA financial planning and fiscal constraint scan.

*Part Two* was a scan conducted by a team of USDOT and State DOT experts in financial planning. The team visited three States to discuss financial planning and fiscal constraint in the context of statewide and metropolitan planning and programming and to explore the state-of-practice in additional detail. The scan provided the opportunity for candid and focused exchanges between federal and state planning staff, and among State DOT peer practitioners. This report is the summary of the scan.

FHWA selected three States for site visits in October and November to review a range of experiences with and approaches to financial planning:

- [Salem, Oregon](#)
- [Phoenix, Arizona](#)
- [Harrisburg, Pennsylvania](#)

### **Scan Participants**

FHWA invited representatives from the respective FHWA Division and FTA Regional offices to participate in each state visit. The core team consisted of staff from the FHWA Office of Planning and the USDOT's Volpe National Transportation Systems Center and peer experts from other State DOTs. The team brought together the following individuals with a broad range of interests and experiences related to financial planning:

- Carolyn Gassaway, Oregon Department of Transportation
- Bob Gorman, FHWA Office of Intermodal and Statewide Planning
- Bob Hofstad, Minnesota Department of Transportation
- Lorrie Lau, FHWA Western Resource Center
- William Lyons, USDOT/Volpe National Transportation Systems Center
- Tim McDowell, Wyoming Department of Transportation
- Fred Patron, FHWA Oregon Division Office

The core team members and participants in the Oregon, Arizona, and Pennsylvania reviews are identified in [Appendix C](#).

### **Structure of the Domestic Scan -- Research Questions**

The TRB workshop provided a set of discussion questions to participating States in advance of the peer exchange. Each State answered the following questions:

1. How does the State address financial planning in your statewide planning?
2. How does the statewide plan document financial planning issues?
3. How does the State demonstrate fiscal constraint in its STIP?
4. How is the current fiscal/economic environment situation reflected in the State's long-range statewide planning and programming processes?
5. What, if any, of the performance measures used by the State have a financial basis?

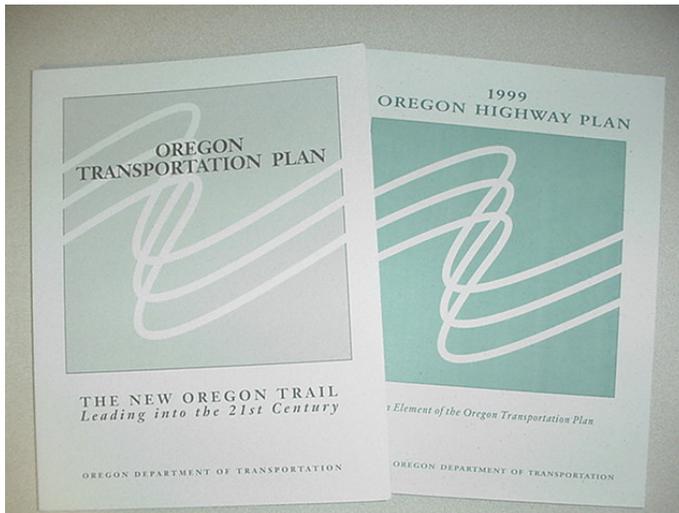
The domestic scan began with a similar set of questions, which were then expanded and developed in additional detail. The expanded set of discussion questions is provided in [Appendix D](#). The questions were provided to the State DOT staff in advance of the site visits and were used to structure the agenda and discussion during the visit.

The following sections summarize information and insights from each of the three state reviews. References to technical reports for participating States, with web locations, are included in the text and in [Appendix E](#).

# Oregon

## Planning Context

Oregon's 27-year tradition of integrated statewide transportation and land use planning provides the context for financial planning. Comprehensive planning at local and regional levels is supported by state regulations. Every community develops a comprehensive plan and local land use that must be consistent with state goals.



According to Oregon DOT (ODOT) staff, passage of ISTEA and TEA-21 has encouraged the further evolution of the State's integrated approach to statewide planning. Prior to ISTEA, ODOT targeted funds to eight sub-areas, which then selected projects locally. These projects were then reflected in the STIP. After ISTEA, ODOT moved to a more coordinated and integrated approach, improving links between statewide and local transportation planning.

With encouragement from the federal planning requirements, ODOT has worked with its partners to strengthen links to planning in metropolitan areas by MPOs and in non-metropolitan areas by local and regional authorities. To accomplish this more integrated approach, Oregon divides the State into different sub-areas for several purposes that are relevant to statewide transportation planning.

- Oregon DOT uses five regional offices for planning and programming purposes.
- Under the Governor's Livability Initiative, there are five agencies throughout the State that support an integrated approach to addressing local issues.
- The Federal Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) defines Transportation Management Areas with populations over 200,000 that must meet federal requirements for continuing, cooperative, and comprehensive transportation planning. Under the current Census, Oregon will add two new transportation management areas (TMAs), increasing from four to six MPOs. According to State planners, the MPOs are becoming effective at taking a regional planning approach.
- There are ten Area Commissions on Transportation (ACTs) in non-urbanized areas, which:
  - Are voluntary, flexible, and self-designated advisory bodies, chartered by the Oregon Transportation Commission, and formed in the late 1990's;
  - Have been formed by ten of the twelve eligible regions;

- Most designate regional development organizations (RDOs) such as the Oregon Cascades West Council of Governments (COG) as the supporting organizations;
- Sub-areas without ACTs can receive planning assistance from the State DOT.
- Include members who are local officials, citizens, or representatives of local interest groups. The list of members is approved by the Oregon Transportation Commission and approved simultaneously with the ACT charter.
- Perform an advisory role for statewide transportation planning, including providing a sounding board and forum for the statewide process;
  - This can include providing valuable public input.
- Improve local understanding of and input to the STIP process, contributing to project selection, including prioritization and ranking;
- Do not develop long-range plans such as those required for MPOs under TEA-21, but participate in identifying regional planning priorities.

Figure 1 indicates how the ACTs cover Oregon geographic regions. Note that Lane County has chosen not to become an ACT.

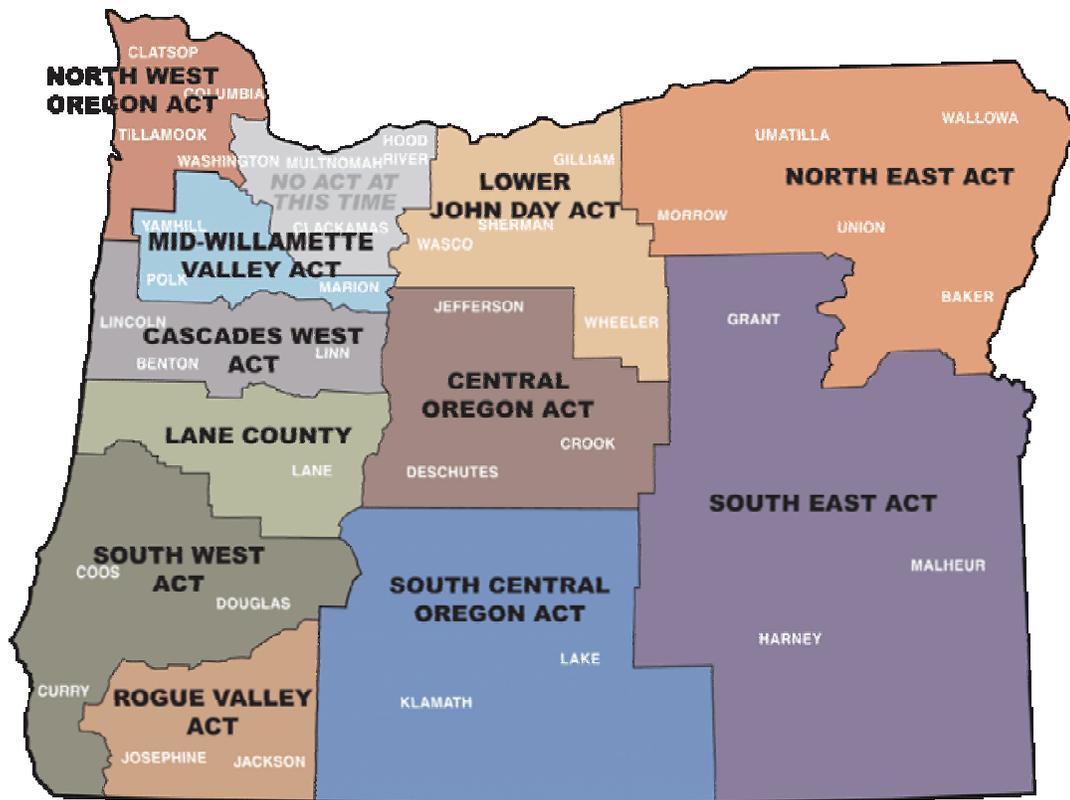


Figure 1: Oregon ACTs

According to ODOT contacts, the ACTs:

- Focus on regional and local transportation issues that affect the State system.
- Are to address all aspects of transportation (surface, marine, air, and transportation safety), but primarily prioritize bridge, preservations, safety, operations, transit and modernization projects;
- Interact with local organizations dealing with transportation issues;
- Play a key advisory role in development of the STIP by communicating local problems and priorities, and recommending projects;
- Expand opportunities for public involvement in statewide transportation planning.

Additional information is available at <http://www.odot.state.or.us/otc/ACT.htm>.

ODOT works closely with local and regional organizations, including the MPOs and the ACTs. Together, the ACTs and MPOs cover almost the entire State and ensure that there is a process for connecting local and statewide concerns through the transportation planning process.

## **The Statewide Transportation Planning Process and Financial Planning**

### *Developing the Plan*

The State long-range transportation plan sets broad directions for statewide transportation planning. There are well-established links between statewide transportation planning, including the statewide long-range plan and planning at local and metropolitan area wide levels. Communities are encouraged to develop land use plans that are linked to the OTP. Regional and local transportation system plans must be consistent with the OTP, and State and local transportation projects must be consistent with local land use plans.

The Oregon Transportation Commission (OTC) adopted the current *Oregon Transportation Plan (OTP)* in 1992. The OTP is:

- Multimodal, including, but not limited to, aviation, highways, public transit, bicycle, pedestrian walkways, pipelines, ports, rails and waterways;
- The umbrella document for a series of modal plans.

The Freight Advisory Committee, the Public Transit Advisory Committee, and special interest groups such as the 1000 Friends of Oregon and bicycle advocacy groups, provide stakeholder input on problems, policies, and needs, as opposed to proposing specific solutions. The OTP places the highest priority on investments in the State transportation system that promote safety and on improvements in managing and preserving infrastructure and services.

The OTP identifies four major statewide transportation goals, and provides policies and actions to guide decisions to implement each goal. The four goals are:

1. **Characteristics of the System** -- Enhance economic advantage and quality of life by providing a transportation system with the following characteristics:
  - Balance
  - Efficiency
  - Accessibility

- Environmental Responsibility
  - Connectivity among Modes and Carriers
  - Safety
  - Financial Stability
2. **Livability** – Develop a multimodal system that provides access to the entire state, supports land use plans, is sensitive to regional differences, and supports urban and rural livability.
  3. **Economic Development** – Promote expansion and diversity of the economy through efficient movement of goods, services and passengers in a safe, energy-efficient and environmentally sound manner.
  4. **Implementation** – Implement the OTP by creating a stable but flexible financing system; good management; through research and technology; and by working cooperatively with federal, regional, and local governments, Indian tribal governments, the private sector, and citizens.

The OTP provides a series of performance measures for each goal. The measures are used to identify trends and progress from 1990 through forecasts in 2010. By defining minimum levels of service for transportation systems, the OTP allows progress to be measured. The OTP also targets specific Oregon Benchmarks (see below) for:

- Urban mobility
- Air quality
- Livability
- Economic prosperity

Although the 1992 multimodal OTP is still the current plan, ODOT is in the process of updating the Oregon Transportation Plan, which it anticipates completing in early 2006. ODOT produced the 1999 *Oregon Highway Plan*, which is a major update to the highway component of the OTP. The Highway Plan refines goals, policies, and investment strategies for the State highway system for the next 20 years. The Highway Plan provides investment scenarios with associated investment strategies, and is fiscally constrained. The Highway Plan is available at <http://www.odot.state.or.us/tdb/planning/highway/>.

The Highway Plan has three main elements:

- The *Vision* for the future, with economic and demographic trends, technologies, and policy and legal context.
- The *Policy Element* with goals, policies, and actions in five areas: system definition, system management, access management, travel alternatives, and environmental and scenic resources.
- The *System Element* with analysis of highway needs, revenue forecasts, investment policies and strategies, an implementation strategy, and performance measures.

To assist local areas, ODOT developed *Transportation System Planning Guidelines*.

Cities and counties above a threshold develop a transportation systems plan; these are not fiscally constrained. Eighty percent of the 296 jurisdictions in the State have developed or are in the process of completing their transportation system plans (174 are adopted by the local

governments). MPOs produce long-range plans and TIPs to meet the planning requirements of TEA-21, including those for fiscal constraint.

The State also has freight, public transit, bicycle/pedestrian, and other advisory committees. Consistent with the emphasis on a “bottoms-up” approach, the State encourages integration of land use and transportation planning by requiring local transportation plans to be consistent with land use plans. Of the 174 plans currently adopted by local governments, 106 are considered compliant with the statewide planning goals.

### ***Financial Planning and Fiscal Constraint***

#### ***Priority Setting***

The OTP looks at long-range investments in categories rather than for specific projects, and demonstrates the impacts of three funding scenarios:

- Forecast
- Moderate increase
- Preferred funding

The OTP shows impacts for highway, transit, bicycle/pedestrian, air, rail, and ports in terms of ability of the State to:

- Maintain below the current level
- Maintain at current level
- Improve the system

The 1998 Status Report and Constrained Investment Strategy did not amend the OTP, but updated information on the status of the State transportation system. The Status Report presents trends from 1990 to 1997 and projections to 2010 in key policy level measures established in the OTP (see discussion of performance measures below). The Status Report also provides a “constrained investment strategy” that:

- Updates revenue forecasts.
- Defines a role for ODOT as “an important investment partner” along with local governments in implementing the OTP.
- Meets the OTP goals within the 20-year time horizon for forecasting revenue and expenses.
- Describes in general terms three funding and investment scenarios for implementing the OTP.
  1. *Current Forecasted* – highway and transit systems gradually deteriorate.
  2. *Moderate Increase* – meets growth and inflation and improves maintenance and preservation of highways.
  3. *Preferred Funding* – funding is adequate to address goals for all modal areas.

The OTP identifies the funding shortfalls for statewide investment categories for the preferred program. User costs and congestion still increase, but to a lesser extent than under Scenarios 1 and 2.

The State works with the MPOs on the long-range revenue forecasts, which it provides to them for the metropolitan area long-range plans and TIPs. ODOT also works with the MPOs on area-wide travel forecasts. ODOT produced *Financial Assumptions for the Development of Metropolitan Transportation Plans*, which it updated in 2000 to reflect federal reauthorization under TEA-21, with revised estimates of inflation and distributions to TMAs and non-TMAs through 2023. The assumptions were not revisited in 2000 but are currently being revised in anticipation of the reauthorization.

### Developing the STIP

The STIP is an important decision-making document rather than one formed in separate and independent components at local levels. According to State DOT contacts, State residents did not understand how the STIP process worked prior to important public outreach refinements, such as establishment of the ACTs. The State brought together a STIP Stakeholder Committee to identify needed improvements. One key recommendation was soliciting input from the local, regional, and metropolitan area plans prior to allocating funds by program and region.

The STIP Process Stakeholder Committee:

- Provides advice feedback and recommendations to the OTC for improvements to the STIP process.
- Was formed in 2001, when it began by assisting with project selection criteria and prioritization.
- Relies on objectives provided by the OTC.
- Members include representatives of the Association of Oregon Counties, League of Cities, Portland Metro, 1000 Friends of Oregon, American Automobile Association, a Council of Governments, and FHWA.
- Chaired by an OTC Commissioner.

ODOT switched the STIP from a six-year to a four-year document because of difficulty forecasting the last two years accurately.

- Year One is fiscally constrained
- Years Two and Three are programmed above the obligation limitation (in particular, the MPOs' TIPs), not to exceed the authorized amount
- Year Four is provided "for information"

The STIP is updated every two years and amended frequently.

- The cycle starts two years prior to final approval, increasing the importance of accurate forecasting.
- Fiscal constraint is based on obligation limits.
- The State investment program is "needs based."
- The State continues to use the ISTEA pavement, safety, bridge, congestion, and freight management systems.
  - Approximately two-thirds of Oregon's highway investment program is controlled by management systems.
  - The management systems provide information on project development, inventory, and needs.

In 2003 the OTC approved project eligibility criteria and prioritization factors and an associated process for the 2006-2009 STIP. The first use of eligibility criteria occurred with the 2004-2007 STIP. The OTC establishes goals, funding levels, and regional funding distribution at the start of each two year STIP update cycle. In making final project selections, the OTC considers advice and recommendations from the ACTs, MPOs, and regional and statewide advisory groups.

The current STIP is divided into two sections:

- The Development STIP, with eligibility criteria to select projects that
  - Address unmet transportation needs in the Transportation System Plan, are identified as a project of statewide significance, or are a federal discretionary project;
  - Have adequate funding to meet identified milestones.
- The Construction STIP, with eligibility criteria to select:
  - Modernization projects that are consistent with local government Transportation System Plans and the Oregon Highway Plan;
  - Pavement Preservation projects identified through the Pavement Management System process.
  - Bridge replacement and rehabilitation projects identified through the Bridge Management System process and that are improvements or work needed to rebuild or extend service life of existing structures.

The Project Eligibility Criteria and Prioritization Factors are described in a document at <http://www.odot.state.or.us/stip/Documents/06-09%20STIP%20Criteria%20Approved%20by%20OTC%2011-17-03.pdf>

Modernization investments are based on the following factors:

- Population
- Vehicle Miles Traveled
- Ton-miles traveled
- Vehicle Registrations
- Modernization needs as identified in the Oregon Highway Plan

### **Constraining the Oregon STIP**

1. Determine amount of expected revenue, both state and federal.
2. Deduct items that are taken off the top to determine net state revenue available to the STIP and net federal revenue available to the STIP.
3. Allocate available funds for the STIP to various programs, by region, according to state law, system needs, and OTC direction. Regional/problem targets are distributed to the region.
4. Compile projects into the draft STIP in accordance with available revenue and regional/program targets.
5. Analyze project list to determine total of funded projects by year, by program, and by fund type.
6. Compare analysis to expected revenue and to regional/program targets, by year.
7. Make any adjustments necessary to balance to the regional/program targets with available state and federal revenue.

### **Use of Performance Measures**

Oregon provides a valuable national model for how performance measures can be applied in transportation planning at statewide, metropolitan area, and local levels.

- Statewide performance measures are set for all sectors, including transportation, by the Oregon Progress Board, an independent State planning and oversight agency.
  - The Progress Board was created by the Legislature in 1989 and is chaired by the governor to focus on the future. The Board is responsible for implementing the State's 20-year strategic plan.
- As part of its responsibility to focus on the future, the Progress Board has developed "Oregon Benchmarks" -- 90 high-level quality of life indicators in seven categories: economy, education, civic engagement, social support, public safety, community development and environment.
  - ODOT is responsible for relating statewide transportation plans and programs to the Benchmarks.
- ODOT cross-references many of the performance measures in the statewide planning process to Oregon Benchmarks both indirectly (e.g., rural jobs, disabled employment, carbon dioxide emissions, and air quality) and directly (vehicle miles traveled, travel delay, and road condition).
- The policy level outcomes in the Oregon Transportation Plan Update track progress from 1990 to forecast outcomes in 2010 for the following goals and Benchmark measures:
  - Access/Mobility: Percent of Oregonians commuting by non-SOV mode.
  - Land Use: Annual VMT/capita in metropolitan areas
  - Air Quality: Percent of Oregonians in communities where air quality meets standards.

- The investments and strategies in the Plan and the STIP are identified and implemented to provide progress toward meeting the high-level statewide goals. Progress is measured using the Benchmark and other performance indicators.

Information on the Oregon Progress Board, Oregon Benchmarks, and related transportation indicators and benchmarks is available at: <http://www.odot.state.or.us/performance/>.

### **Observations from Oregon DOT**

ODOT planners offered the following observations related to financial planning:

- The value of exchanging ideas and experiences with State DOT peers on how to:
  - bring State perspectives to regional and local levels, particularly with the MPOs. For example, how do other states such as California and Florida communicate statewide prioritization to local and regional areas?
  - define and analyze future needs, and perform trade-offs between the costs and performance of alternative investments, and bring modal plans together.
  - assess the performance of the “big picture” and long-range options as developed in the long-range plan.
  - consider fiscal constraint in the long-range plan at the level of local or regional jurisdictions, particularly in a way that reflects the scale of the jurisdiction.
- The need for succession planning for those involved in the complex STIP process.
- The importance of improving the knowledge level of economics and economic development within the statewide planning process. The finance function is also undervalued, particularly modeling and cost estimation.
- Fiscal constraint as a very useful aspect of the STIP. “It is very important to us, not just a federal requirement...federal encouragement is reinforcing.” Fiscal constraint is critical to planning successful projects.

### **Contact**

Jerri Bohard  
Oregon Department of Transportation  
555 13<sup>th</sup> Street, NE, Suite 2  
Salem, OR 97301-4178  
[Jerri.L.Bohard@odot.state.or.us](mailto:Jerri.L.Bohard@odot.state.or.us)

## Arizona

### Planning Context

Arizona DOT (ADOT) is working with its planning partners to develop a transportation system that will meet the needs of a rapidly growing state. The State has traditionally been rural, with an economy defined by the “3 C’s of copper, cotton, and cattle.” However, major trends have been moving the State toward urbanization -- two-thirds of the population now resides in the Phoenix and Tucson metropolitan areas. These demographic trends, which will continue and strengthen in the future, have major implications for transportation planning and programming

According to new materials being developed for the updated Arizona *Long Range Plan*, the State is expected to grow by almost an additional 50 percent over the twenty-year long-range planning horizon. This growth will significantly expand personal and business travel and demands for new investments in transportation. In addition, the State will face growth in tourist and retiree populations that will increase requirements for alternative modes of travel. Cross border freight flows will also grow significantly. Air quality conformity under the Clean Air Amendments is also a concern – there were eight PM-10 non-attainment areas.

At the time of the scan, the State DOT was moving toward a more performance-based approach from a statewide planning and programming approach that relied heavily on the *Casa Grande Accord*. The Accord is a negotiated agreement between the State, metropolitan areas, and non-metropolitan or rural areas, including four councils of government, to agree on resource allocations. The Accord resulted in redistribution of statewide transportation funds by region, with a funding increase for Phoenix and Tucson metropolitan areas (Statewide -- 50 percent, Phoenix (MAG) -- 37 percent, and Tucson (PAG) -- 13 percent). Participants viewed the Accord as a process with negotiated limits and regional allocations tied to long-range strategic planning and comprehensive plans, with assessment of needs and reliance on performance measures. At the time of this summary it was not known how the performance-based approach would be combined with the established percentages from the Accord.

As part of the Plan update, the Governor convened the Vision 21 Transportation Task Force, which completed a set of recommendations to improve the State’s transportation system and position it to meet future needs. The Task Force presented recommendations to the Governor in December 2001. Key recommendations in the Vision 21 Task Force Report included:

- Require performance-based planning and programming
- Establish transportation system performance measures
- Develop and adopt a long-range statewide, multimodal transportation plan
- Coordinate land use planning and transportation planning
- Establish comprehensive financial management
- Increase dedicated transportation revenues
- Increase fuel taxes
- Establish a dedicated statewide sales tax
- Establish dedicated development fees

Additional information on the Vision 21 Task Force report is at:  
<http://www.dot.state.az.us/Vision21/reports/final.html>

The vision and recommendations from the Task Force, along with recommendations from the MPOs, councils of governments, small area studies, and American-Indian reservations provided the “raw material” for the mission statement, goals, and objectives to the major plan update that is now underway.

The State Transportation Board is granted policy responsibilities and empowered to approve the State’s Five Year Construction and any changes. The Board is responsible for establishing a complete State highway system; has the exclusive authority to issue revenue bonds to finance needed transportation improvements throughout the state; determines priority program planning for transportation facilities; and annually adopts the five-year construction program.

Although the Director is responsible for the administration of the Department of Transportation, the Transportation Board is granted policy powers and duties in addition to serving in an advisory capacity to the Director. The Board consists of seven members appointed by the Governor. Six members represent counties or specific transportation districts, while one serves at large. The Board is responsible for determining which State highway routes to accept into the State highway system and which to improve. The Board’s authority includes:

- Establishing any portion of a State route or highway, including scenic roadways;
- Awarding construction contracts;
- Monitoring construction projects;
- Exercising exclusive authority to issue revenue bonds for financing transportation improvements throughout the state;
- As part of the planning process, determining priority program planning with respect to transportation facilities; and
- Annually adopting the five-year construction program.

### **The Statewide Transportation Planning Process and Financial Planning**

#### ***Developing the Plan***

ADOT participants described the following evolution in statewide long-range transportation planning:

- 1976 -- ADOT moved from a Highway Department to a DOT
- Prior to 1978 -- individual modal plans with 20-year horizons
- 1978 -- individual Modal Plans
- 1987 -- updates of Modal plans
- 1995 -- First Vision plan

The current Statewide Plan (STP) includes 33 project specific “significant” corridors, and provides details on multimodal projects (bicycles, pedestrian, highway, and transit) over the twenty-year planning horizon. The focus for a stakeholder focus group is on the vision and goals for the plan update described above. Also as described above, the intent is to move to a performance based planning and programming process for the State highway system, excluding

segments in the metropolitan areas. The current plan only describes performance factors for the State highway systems.

The Arizona Department of Transportation is currently producing a statewide long-range transportation plan called *MoveAZ*. Both Federal and State law require the State to produce a plan that will provide a means to allocate funding to transportation projects throughout the state. The plan has three phases.

1. A strategic direction to guide Arizona's transportation investments for the next twenty years. This process includes developing a broad mission statement and a set of clear and concise goals and objectives.
2. An ongoing public involvement process, which overlaps with the other two phases and allows residents and businesses to participate in creating the plan.
3. Detailed technical analyses of transportation system needs, including evaluation of policies, programs, and projects, and creation of the final Plan.

*MoveAZ* will be used to evaluate specific new programs and projects the State is considering funding over the next twenty years and to distribute ADOT funds across a variety of programs.

The mission for the updated plan, *MoveAZ*, is to:

- Be fiscally responsible;
- Provide citizens with transportation choices;
- Emphasize accountability;
- Be responsive to change;
- Harmonize with Arizona's proud heritage and unique diversity;
- Encourage coordination of transportation and land use planning at the state, regional, and local level; and
- Address air, transit, rail, highway, and pedestrian travel.

ADOT's long-range planning process uses three revenue scenarios:

1. Fiscally constrained.
2. Additional "reasonably available" sources are available.
3. Unconstrained (Vision) -- with performance based system needs.

The statewide long-range plan is developed cooperatively with direction from the *MoveAZ* Working Group, which includes representatives from the nine regional planning agencies in the state, the Arizona Transit Association, and Arizona's Federally recognized Indian Tribes.

Information on the new plan is available at:

<http://www.moveaz.org/Projects/AboutTheProject.html>

As indicated in Figure 2, the regional planning agencies cover the entire state.

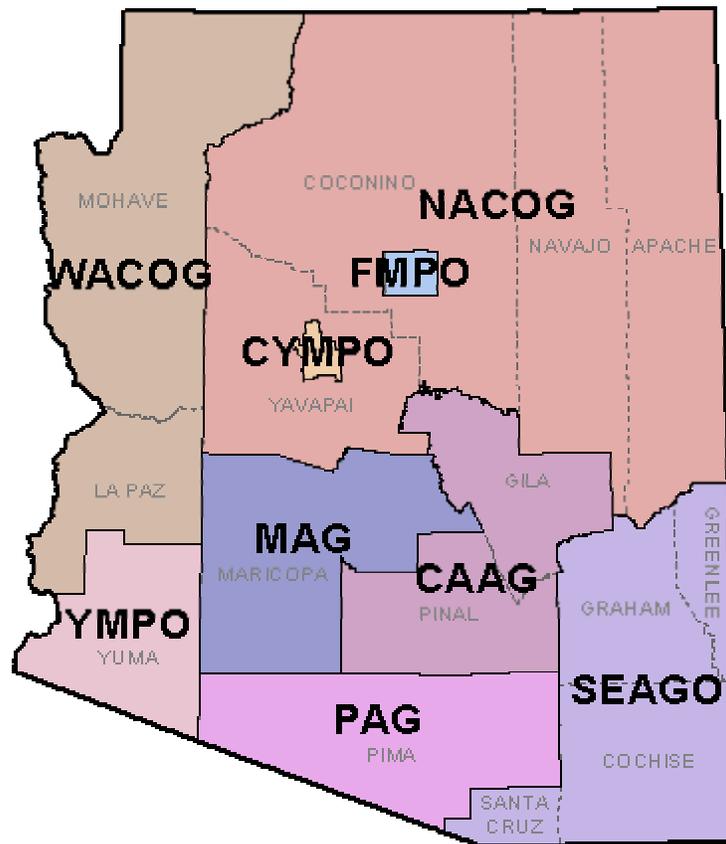


Figure 2: Arizona Regional Planning Agencies

### ***Financial Planning and Fiscal Constraint***

Key policies both of Vision 21 and *MoveAZ* will be important aspects of financial planning and fiscal constraint in the Arizona statewide transportation planning. Discussions during the site visit focused on the process underway for the updated plan to evolve toward a more technical and strategic planning process, with important implications for financial planning. The discussions also covered current procedures for developing the STIP, including:

- Allocation of funds;
- Programming of projects and project selection; and
- Fiscal constraint.

The STIP includes a three-year program for all projects (statewide, metropolitan, and non-metropolitan) and a five-year program that also includes and is limited to State initiated projects. The first three years of the five-year program constitute the statewide construction program. Some participants in the site visit said there was an interest in moving to a two-year STIP cycle. ADOT uses a six-year forecast period for revenues.

In developing projects for the STIP, ADOT uses the following steps:

1. Establish need
2. Conduct a study or project assessment which results in a scoping document
3. Complete full design

ADOT has a rigorous and sophisticated approach to monitoring program expenditures. This includes monitoring: project schedules, percent of projects let to contract annually, and monitoring cash flow to reflect concern about controlling debt levels that take twenty percent of current revenue for annual repayment. As part of monitoring, ADOT financial directors provide monthly expenditure reports to the agency's Transportation Board.



ADOT's annual July cycle to update the STIP follows the following steps:

- Apply Finance Management System to generate updated budget estimates.
- Meet with COGs and MPOs.
- Develop resource allocation divided by categories, including
  - Revenue sources (bonds, sales tax, local, etc.);
  - Jurisdictions (e.g., counties, towns, MPO/Association of Governments, statewide, etc.);
  - Or broad project type (e.g., transit or highway, with lists of highway projects and their funding source);
- State District Offices provide input into the construction program.
- Transportation Board confirms STIP budget allocations.

The current STIP is available at <http://tpd.az.gov/pps/pdf/stip/04stip.pdf>

The FY 2003 ADOT Financial Plan had a total program of \$1.62 billion. Among the sources were:

- Federal Funds (\$333 m. or 21 percent).
- The Arizona Highway User Fund (HURF -- \$529 m. or 33 percent), dedicated to highway purposes; distribution formulas are set by statute.
- The Regional Area Road Fund (RARF -- \$268 m. or 16 percent), based on a half cent sales tax option; for
  - Maricopa County (Phoenix area), funds are to be used primarily for controlled access facilities under ADOT direction;
  - Pima County (Tucson area), funds flow to a regional transportation fund;
  - Other counties, RARF funds are administered by County Supervisors.
  - Bonds (\$278 m. or 17 percent).

ADOT makes extensive use of advanced construction and grant anticipation. About 20 percent of current revenue goes for debt repayment, which will play a role in determining where some future resources are directed.

Uses of the FY 2003 program include:

- Debt service (20 percent).
- Capital Budget (60 percent).
- Operations (6 percent).
- Maintenance (6 percent).

Arizona continues to rely on the ISTEA Pavement, Bridge, Safety, and Public Transit Management Systems for inputs and information to help guide the statewide construction program.

### **Use of Performance Measures**

ADOT is at early stages of developing a comprehensive approach to performance measures in its current plan update (see above). The “Final Technical Memorandum” developed for the *MoveAZ* updated Long Range Transportation Plan focuses on several performance factors selected by ADOT to monitor the ability of the future transportation system to satisfy ADOT’s goals. The work underway sets a framework the State can build on for future planning and programming of resources.

Examples of performance factors and associated performance measures include:

- Mobility and Economic Competitiveness (Percent of person miles traveled by level of service to measure how much travel is occurring at different levels of congestion and average delay per trip).
- Connectivity (Travel time savings in identified high-priority corridors).
- Preservation (VMT by pavement condition).
- Reliability (Incident-related non-recurring delay per VMT on State system).
- Safety (Accidents per 100 million VMT by functional class).
- Accessibility (Park-and-Ride spaces and Percent of State routes or Route miles that are bike suitable).
- Resource Conservation (Mobile source emissions, Fuel consumption, or *MoveAZ* plan projects that are also listed in regional transportation plans).

Additional information is available at: <http://www.moveaz.org/Projects/Documents.html>.

### **Observations from Arizona DOT**

ADOT planners offered the following observations related to financial planning:

- The importance of improving the consistency in reconciliation of available transit funding estimates at federal, state, and local levels.
- The importance of moving to a multimodal plan from modal plans and to a technical process based on performance based planning and programming.

- The importance of further improving the ability to monitor expenditures and maintain construction schedules.
- The importance of further clarification of roles and responsibilities of ADOT and the MPOs in the statewide and metropolitan planning process, with implications for acceptance of how funds are allocated.

### **Contact**

Dale Buskirk  
ADOT  
206S 17<sup>th</sup> Ave.  
Phoenix, AZ 85007  
[dbuskirk@dot.state.az.us](mailto:dbuskirk@dot.state.az.us)

## Pennsylvania

### Planning Context

The Pennsylvania Department of Transportation (PENNDOT) began an effort in 1997 to redesign the statewide transportation planning and programming processes. According to PENNDOT contacts, these efforts were to a great degree encouraged and supported by the federal emphasis in ISTEA and TEA-21 on comprehensive statewide planning. PENNDOT describes the redesigned process as “the most collaborative and cooperative planning and programming process in the nation” (*Pennsylvania’s 2003 Transportation Program Financial Guidance*).

In a critical early step in redesign of the statewide planning process, PENNDOT organized a series of workshops with the state’s fourteen MPOs and six Local Development Districts (LDDs). These workshops allowed State and regional agencies to exchange ideas and set the stage for the redesign.

PENNDOT next established an advisory committee of representatives from the MPOs, LDDs, FHWA, FTA, the public, the State Transportation Commission, and rail, freight, and transit organizations to examine and critique the existing statewide process and to recommend a redesign. The committee supported a longer term and more decentralized process than that previously employed, and recommended that the process have the following characteristics:

- Be based on trust and consensus between PENNDOT and its regional partners.
  - Emphasize good communication and coordination.
- Participants should share information and review, support, and develop the process through annual meetings of stakeholders.
  - Participants should jointly establish the annual agenda.
- Participants will formalize roles and responsibilities through MOUs.
- PENNDOT and its regional partners will jointly develop financial and other guidance on technical aspects of the redesigned processes.

The redesign effort resulted in the following “guiding principles” for the planning and programming process:

- Long-range plans of PENNDOT, the MPOs, and the LDDs cover 20 years; these plans function as the “gate keepers” for the programming process;
- The Commonwealth will develop a policy and corridor specific long-range plan;
- PENNDOT and the regional agencies will work together to develop staged long-range plans;
- The State program will include all modes (highway, transit, and intermodal projects initially, with aviation, rail freight, and others added in the future).

The redesign resulted in guidance that includes the following procedures:

- Updates to guidance will be issued jointly.
- The Governor and the Secretary, working with the State Transportation Commission, will resolve issues and priorities on a statewide basis.

- The LDDs will become Rural Planning Organizations with responsibilities for programming similar to those of MPOs. (Note: this was completed in 2003.)
- Public involvement will be used to strengthen planning and programming;
  - The MPOs and LDDs will be responsible for public involvement for Program updates;
  - The State Transportation Commission will evaluate public hearing practices.
- Programming products will be standardized and the programming process will be automated.
- Real time project data will be shared with all partners using a project management system.

PENNDOT and its regional partners discuss and update the guidance in annual meetings.

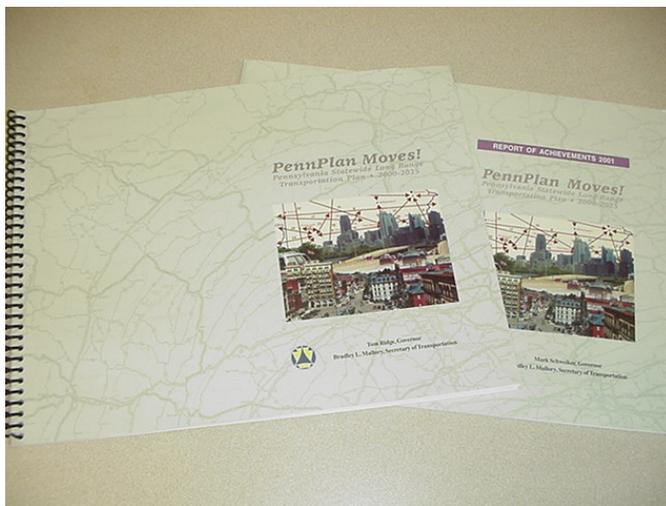
In implementing the revised coordinated process, PENNDOT faces challenges because of the mismatch of State district boundaries to those of the MPOs and LDDs. Other states face similar coordination difficulties.

## **The Statewide Transportation Planning Process and Financial Planning**

### *Developing the Plan*

The current Statewide Long Range Plan, *PennPlan Moves!* (PennPlan), covers a 25-year period and was finalized in 2000. The plan was developed to incorporate needs and priorities from the MPO and LDD's long-range plans. The directions in PennPlan will be reflected in future updates to the regional and local plans.

PennPlan is a multimodal policy plan, considering long-range trends, needs, and goals for highways and public transit, as well as intercity rail, air travel, and non-motorized modes.



PennPlan was based on extensive public involvement, including contacts with over 2000 citizens. Based on this outreach, PENNDOT identified two high-level priorities for all modes:

1. Safety
2. Maintenance

PennPlan identifies ten statewide goals:

1. Promote safety of the transportation system
2. Improve the environment
3. Retain jobs and expand economic opportunities
4. Make transportation decisions that support land use planning objectives
5. Maintain, upgrade, and improve the transportation system
6. Inform and involve the public and improve customer service
7. Advance regional and corridor-based planning
8. Develop transportation alternatives and manage demand
9. Promote smooth, easy connections between transportation alternatives
10. Ensure accessibility of the system and mobility for everyone

These ten goals provide the basis for two sets of objectives within PennPlan:

1. Statewide Objectives
  - Identifies 30 objectives.
  - Multiple objectives correspond to each goal.
  - Each objective tracks to one or more of the 10 goals.
  - Each objective has performance measures with quantified targets.
2. Corridor Level Objectives
  - Identifies 28 corridors of statewide importance (described in PennPlan as concepts rather than in detail).
  - Objectives for each corridor were set in cooperation with MPOs, LDDs, and other regional and local authorities.
  - A primary purpose is to ensure there is continuity for corridors in the plans of neighboring states.
  - The corridors are assessed at a technical level in Trends and Issues Reports.

PennPlan is available at

<http://www.dot.state.pa.us/internet/secinet.nsf/HomePagePennPlan?OpenForm&AutoFramed>

PENNDOT issues annual reports on achievement of the goals and objectives in PennPlan (see section below on performance measures).

### ***Financial Planning and Fiscal Constraint***

The statewide planning priority, as expressed in PennPlan, is to maintain the existing system. Consistent with this priority, the target is to spend 80 percent of statewide funds on maintenance and 20 percent on capacity improvement. Of the total amount of highway funds, the Secretary can allocate up to 20 percent from a discretionary “spike fund” derived from Pennsylvania’s portion of federal transportation money. These funds are provided for “spike projects” proposed

by the MPOs and LDDs as priority investments that cannot be funded through routine regional funding allocations and would overwhelm other State and local resources.

PENNDOT provides financial guidance to its regional partners for preparing programs and is working on developing guidance for Long Range Plans. The financial guidance is based on the “guiding principles” described above.

PENNDOT also develops an annual Business Plan for its Districts. This plan translates statewide performance measures into strategies for each District.

PENNDOT works with other State and federal agencies to combine transportation resources with those available for other sectors to pursue common goals. PENNDOT representatives provided the example of its interaction with the Pennsylvania Department of Community and Economic Development. Funding from both agencies can be combined to examine community needs and opportunities for development. The agencies undertake collaborative studies on how communities can encourage interaction between land use and transportation decisions.

### ***Priority Setting and Developing the STIP***

The Pennsylvania STIP is designed to implement the vision, policies, goals, and objectives of the current Statewide Long Range Plan. As required by TEA-21, PENNDOT produces a four-year STIP, combining the 14 MPO TIPs with projects from the LDDs or rural counties. Projects in the metropolitan TIPs must be included in the STIP to be eligible for State funds. After the Governor endorses the STIP, it goes to USDOT for review and approval; this review includes determination of fiscal constraint as well as air quality conformity for non-attainment areas, including the Philadelphia and Pittsburgh metropolitan areas.

In a parallel but independent process to development of the STIP, PENNDOT is required by the State Legislature to produce a 12-Year Transportation Program that has been in effect for many years. Originally, PENNDOT had a six-year program but when the agency was unable to complete substantial parts of the program because of limited funds, it extended the program to twelve years.

#### **The 12-Year Program:**

- Meets additional State requirements;
- Replaced earlier requirements for a six-year Program;
- Is revised every two years;
- Presents the state’s priority list of transportation projects;
- Includes projects funded solely by the State as well as those that combine state, local, and federal funds;
- Emphasizes the first four years of projects, similar to the STIP;
- Includes the TIPs as the first four-year period for highways and transit; and
- Is used to assess whether tax increases are necessary.

If required, the 12-Year Program can be amended through action of the State Transportation Commission at its quarterly meetings; the metropolitan TIPs can be amended at the MPO level.

MPOs and LDDs amend their TIPs on a monthly basis and the overall program is formally updated every two years. The State does not prepare an annual STIP.

The redesigned collaborative approach to financial planning, including development of the MPO TIPs and LDD programs, is described in the Financial Guidance developed by PENNDOT and the regional agencies. This approach reflects the following:

- A conservative approach to estimate revenue.
  - Use of authorization levels instead of obligation limits.
- For post-TEA-21 years, use the same amounts as used in last year of TEA-21.
- Most funds are allocated regionally.
- Penn DOT reserves \$25 million per year for economic development opportunities.
- A statewide Financial Guidance Work Group co-chaired by PENNDOT and a representative of the participating regional organizations provides input to set funding priorities.
  - Voluntary membership for regional organizations.
  - Committee examines all different parameters.
  - Produces various funding iterations – the first looks at different parameters; later iterations revisit the parameters.

The Pennsylvania programming process for development of the STIP and TIPs has highway and transit components. The Highway Program includes all Federal and State capital funds anticipated over the four year STIP duration. The programming process includes the following major funding categories:

- Several federal funding categories are combined into an overall “highway funds” category, including Interstate Maintenance (IM), Surface Transportation (STP), National Highway System, Minimum Guarantee (MG) Programs.
- TEA-21 funding for 2004-2006 is assumed at the level of 2003, pending reauthorization.
- Federal funds are based on authorization levels, with the understanding that usage will be adjusted based on obligation limitations.
- \$25 million per year is reserved for economic development opportunities statewide to apportion at the Secretary’s discretion (with collaboration with the Governor’s Action Team, which is within the Department of Community and Economic Development).
- \$25 million per year in federal funds is reserved to flex to transit agencies.
- Twenty percent of highway funds are reserved for the Secretary to distribute in consultation with the State Transportation Commission to offset the impact of high cost projects (“spikes” – see above).
- The remaining 80 percent is distributed among urban and rural areas based on the regions’ averages of population, land area, and vehicle miles of travel. Funds are further subdivided in urban planning regions by lane area and vehicle miles and in rural regions by lane miles.
- Bridge funds are allocated to regions based on need factors through the state’s Bridge Management System (i.e., share of statewide total of square feet of deck area of deficient bridges).
  - The decision to flex up to 50 percent of the bridge funds to other purposes is made at the local level in collaboration with PENNDOT.
- STP-Urban funds are allocated based on the federal formulas to areas over 200,000.

- Congestion Mitigation and Air Quality (CMAQ) funds, distributed to states based on federal factors based on regional air quality classification, are distributed within the State to regions based on the same factors.
- STP-Enhancement funds are distributed based on population (80 percent) and land area (20 percent), with 20 percent reserved for the Secretary's discretionary use.
- The program is constrained by year for each MPO and LDD.
- PENNDOT works with MPOs and LDDs to assign projects and funds by year based on project readiness and availability of funds.
- Programming is based on cash flow management.
  - Low cost and short duration smaller projects have full funding listed in a single year.
  - Larger and longer-term projects have cost spread over several years, with conversion to cash flow in the years project activity is active.
- In combination, the above categories and other smaller ones not listed are considered each region's "fair share" of program funds. Other categories that have limitations external to the process described are considered in addition to the fair share.

The Transit Program is a combination of federal, state, and local funds. Federal funds are provided through TEA-21.

- As agreed to by PENNDOT and the regional and local agencies, \$25 million of federal highway funds are flexed to transit as follows:
  - 70 percent to the Philadelphia area
  - 25 percent to the Pittsburgh area
  - Five percent to smaller transit operators
- Other federal funds are based on guaranteed authorizations, and are from urban formula, fixed guideway, new starts, and bus project programs.
- Capital assistance funded by State bonds is determined.

Pennsylvania has developed a consistent approach for MPOs to use in developing their TIPs that encourages consistency not only with the statewide planning process, but also with key aspects of the TEA-21 planning requirements. The process, including allocation of financial resources, involves the following steps:

- PENNDOT District representatives meet with MPO and LDD directors. Meeting participants evaluate and prioritize projects based on:
  - 17 criteria and 7 TEA-21 Planning Factors are used to prioritize projects in the regional areas. (See section below on MPO Perspective for discussion of the use of criteria.)
  - Proposed major capital projects should be consistent with the State long-range plan.
  - The expected split for capital projects of 80 percent for maintenance and 20 percent for expansion.
  - Needs are identified at the initial stage without limitation for financial constraint.
  - Emphasis is more on demonstrating needs than on balancing geographic suballocation.
  - Prioritization is established using performance measures.
  - Five percent of local funds are on the TIPs as a statewide average.

- MPO members need to support each other on a priority; the intent is that this not be done in a “self-serving manner.”
- Process seeks regional perspectives to direct programming decisions toward regional needs.
- Municipalities submit transportation needs.
- Local programs may include a contingency item to cover cost overruns on some projects. It is a local decision to include a contingency element.
- In the last step at the statewide level, PENNDOT applies fiscal constraint, considering base allocation or “fair shares” provided to each area. PENNDOT central and district staff participate in this step.
  - State revenue is assumed to increase at 0.1 percent annually, which allows conservative programming.
  - PENNDOT staff determines final fiscal constraint.

One result of this process, as described by participants in the financial scan, is that PENNDOT allocates about 80 percent of statewide funds relying on decisions made at regional or metropolitan area levels.

PENNDOT uses the technique of “advance construction” (AC) extensively, carrying a balance of \$400-\$500 million of AC at any time. AC allows states to begin a project using non-federal funds while preserving eligibility for future Federal-Aid funds. FHWA determines that eligible projects technically qualify for Federal-Aid even though present or future Federal funds have not been committed to the projects. After an advance construction project is authorized, the State may convert the project to regular Federal-Aid funding provided these funds are made available for the project. AC provides more flexibility in financing projects and developing financial plans, particularly the STIP, and allows the State to begin construction on additional projects sooner. The PENNDOT projects typically are converted to Federal-Aid annually to match cash flow needs for each year of construction.

### ***The MPO Perspective on Statewide Financial Planning***

The federal team visit included discussions with representatives of the Tri-County Regional Planning Commission, the regional planning agency for Cumberland, Dauphin, and Perry Counties, the City of Harrisburg, and Capital Area Transit, and the Harrisburg Area Transportation Study (HATS) the MPO for the Tri-County region. The representatives described how the agencies participate in the statewide planning process and financial planning and prepare the regional TIP. These perspectives provided the federal team with general insights into how Pennsylvania MPOs work with PENNDOT.

The Tri-County RPC and HATS staff described their approach to integrating land use and transportation planning as follows:

- An emphasis on comprehensive planning to link land use and transportation planning.
- Each of the area’s three counties has a comprehensive plan and regional growth management plan that allocate growth among the counties.
- County and local level planning are included as key components of the metropolitan area process.

- The member counties and local agencies work collaboratively rather than making autonomous regional decisions.
- The process encourages consistency within local and county comprehensive plans and transportation plans.
- The area does not have urban growth boundaries.
- Planning is underway for a full-growth build-out incorporating State growth projections.

The Harrisburg area MPO develops a long-range plan that incorporates county and local plans. This plan is a basis and justification for projects in the MPO's TIP. The planning process:

- Includes a Vision Plan for the transportation system including expanded passenger rail.
- Develops and analyzes different planning scenarios, each with financial plans.
- Has developed priority programming using multiple criteria to score candidate projects.
- Funds few road projects locally because PENNDOT's responsibility includes many local roads.

In describing their evolving relationship with PENNDOT, the Harrisburg area representatives described PENNDOT as responsive both to MPO and statewide needs. The MPOs and other regional agencies play a role as “gatekeepers” in program development, consistent with the earlier reference in this summary.

The representatives described the Harrisburg area process as including the following steps:

- Meet with PENNDOT staff, including District representatives and other MPO and LDD directors.
  - Receive projected financial allocation at the planning meetings.
- Request municipalities to submit transportation needs.
  - No constraint on the local agencies at this initial stage.
- Apply formal criteria as a starting point to evaluate proposed projects. The criteria provide a formal, documented, and transparent process and allow the localities to track the progress of their projects.

The 17 criteria consist of:

- Nine based on federal requirements, including the seven TEA-21 planning factors, plus criteria to reflect air quality and environmental justice regulations.
- Five based on consistency with the HATS Regional Transportation Plan, Congestion Management Plan, Regional Growth Management Plan, funding history and new funds available, and the statewide PennPlan.
- Three based on local priorities: consistency with each county's comprehensive plan, local/sponsor priority, and local funding commitment.
- For each criterion, the project is assigned points based on “high, medium, or low impact.”
- The total points result in numeric ranking to determine preliminary priority, which is refined based on eligibility for specific funding sources such as CMAQ, STP, or bridge.
- Fiscal constraint influences the timing of projects, as do “unforeseen matters,” including politics.

This metropolitan planning process, with its links to statewide planning and Federal TEA-21 planning requirements, parallels that described more generally across the State in the STIP development section of this summary.

### **Use of Performance Measures**

PENNDOT and its regional partners make extensive use of performance measures throughout the statewide planning process and financial planning. For example,

PennPlan, the current statewide long-range plan, is based on performance measures. Each objective under each goal has performance measures with quantified targets. For example,

- Objective 1: Adhere to “maintenance first” in allocation of resources.
  - Performance measure: percent of PENNDOT’s resources expended on maintenance programs and projects.
  - Target: 80 percent
- Objective 4: Reduce number of fatalities and severity of crashes on highways.
  - Performance measure: Number of injuries, fatalities (age group and cause).
  - Target: All fatalities down 10 percent in 2002, 15 percent in 2004, 40 percent in 2020.
- Objective 6: Meet requirements of the Clean Air Act.
  - Performance measure: Number of highway funding sanctions.
  - Target: No sanctions imposed.
- Objective 13: Improve pavement ride quality.
  - Performance measure: International Roughness Index.
  - Target: reduce percent of interstate miles rated poor from under 5 percent in 2002 to less than 1 percent in 2005.
- Objective 29: Implement objectives in the Statewide Bicycle and Pedestrian Master Plan.
  - Performance measure: Number of objectives implemented.
  - Target: 100 percent of short-term objectives by December 31, 2004, 75 percent of long-term action items by December 31, 2010.

PENNDOT issues annual reports monitoring achievement of the goals and objectives in the PennPlan. The reports present progress in meeting PennPlan’s statewide long-range objectives with performance measures, targets, and accomplishments, quantified when appropriate, otherwise in descriptive summaries. The reports also describe progress in meeting corridor objectives from PennPlan.

For example, the 2001 Achievement Report includes the following:

Objective: Adhere to maintenance first policies in allocation of financial resources.

Performance Measure: Percentage of PENNDOT resources expended on maintenance programs and projects.

Target: 80 percent.

Achievement: 78 percent for maintenance, up from 71 percent 2000 and 22 percent for system expansion. Target “not met.”

Objective: Achieve goals in updated ITS Plan.

Performance Measure: Number of goals achieved.

Target: Achieve all goals in timely manner.

Achievement: Activities toward five of six goals are underway. Progress toward target on schedule.

Objective: Promote telecommuting as alternative to traditional work travel.

Performance Measure: Percentage of Pennsylvanians who work at home one or more days a week.

Target: Percentage increased annually from 2000 measurement of 18 percent.

Achievement: 37 percent worked at home one or more days per week. Target met.

The reports on annual performance are available at

<http://www.dot.state.pa.us/internet/secinet.nsf/infoPennPlanAchievements?ReadForm&AutoFrame>.

PENNDOT also develops an annual Business Plan for its Districts, which translates statewide performance measures into strategies for each District.

### **Observations from Pennsylvania DOT**

PENNDOT and MPO participants in the meeting offered the following observations related to financial planning:

- State DOTs may experience resistance to applying fiscal constraint to set priorities and make decisions. Introducing fiscal constraint can require strong political will.
- It is important to have a clear and explicit financial planning process that can be defended in terms of benefits from supporting improved decisions.
- Broadly based and strong support from an active Technical Advisory Committee is critical.
- It is critical to establish trust among participants if the process is to be followed, supported and credible.
- The process should be open to participation and transparent.
- Rely on meeting financial targets instead of on over-programming, which reduces effectiveness and the rigor of the process.
- Participants expressed preference for flexibility as opposed to a restrictive and prescriptive approach to financial planning.

### **Contact**

Dennis Lebo  
Chief, Program Development  
400 North Street, 6<sup>th</sup> Floor  
Harrisburg, PA 17120  
[dlebo@state.pa.us](mailto:dlebo@state.pa.us)

## Appendix A

### Legislation and Regulations

(Emphasis Added)

#### Legislation

**23 USC 134 (g) (2) [Metropolitan] Long-range transportation plan.**-- A long-range transportation plan under this section shall be in a form that the Secretary determines to be appropriate and shall contain, at a minimum, the following:

(B) A financial plan that demonstrates how the adopted long-range transportation plan can be implemented, indicates resources from public and private sources that are reasonably expected to be made available to carry out the plan, and recommends any additional financing strategies for needed projects and programs. The financial plan may include, for illustrative purposes, additional projects that would be included in the adopted long-range transportation plan if reasonable additional resources beyond those identified in the financial plan were available. For the purpose of developing the long-range transportation plan, the metropolitan planning organization and State shall cooperatively develop estimates of funds that will be available to support plan implementation.

**23 USC 134 (h) (1) Metropolitan Transportation Improvement Program.**--

(C) Funding estimates.--For the purpose of developing the transportation improvement program, the metropolitan planning organization, public transit agency, and State shall cooperatively develop estimates of funds that are reasonably expected to be available to support program implementation.

**23 USC 134 (h) (2) Metropolitan TIP: Contents.**--The transportation improvement program shall include--

(A) a priority list of proposed federally supported projects and strategies to be carried out within each 3-year period after the initial adoption of the transportation improvement program; and

(B) a financial plan that --

(i) demonstrates how the transportation improvement program can be implemented;

(ii) indicates resources from public and private sources that are reasonably expected to be available to carry out the program;

(iii) identifies innovative financing techniques to finance projects, programs, and strategies;  
and

(iv) may include, for illustrative purposes, additional projects that would be included in the approved transportation improvement program if reasonable additional resources beyond those identified in the financial plan were available.

**23 USC 135 (e) [Statewide] Long-Range Transportation Plan.**--

(4) Financial plan.--The long-range transportation plan may include a financial plan that demonstrates how the adopted long-range transportation plan can be implemented, indicates resources from public and private sources that are reasonably expected to be made available to carry out the plan, and recommends any additional financing strategies for needed projects and programs. The financial plan may include, for illustrative purposes, additional projects that would be included in the adopted transportation plan if reasonable additional resources beyond those identified in the financial plan were available.

**23 USC 135 (f) (2) State Transportation Improvement Program.**-- Include projects. --

(E) Financial plan.--The transportation improvement program may include a financial plan that demonstrates how the approved transportation improvement program can be implemented, indicates resources from public and private sources that are reasonably expected to be made available to carry out the plan, and recommends any additional financing strategies for needed projects and programs. The financial plan may include, for illustrative purposes, additional projects that would be included in the adopted transportation plan if reasonable additional resources beyond those identified in the financial plan were available.

## **Regulations**

**23 CFR §450.214 (b) (6) Statewide transportation plan.** *The plan shall reference, summarize or contain information on the availability of financial and other resources needed to carry out the plan.*

**23 CFR §450.216 (a) (5) Statewide transportation improvement program (STIP).** In addition, the STIP shall be financially constrained by year and include sufficient financial information to demonstrate which projects are to be implemented using current revenues and which projects are to be implemented using proposed revenue sources while the system as a whole is being adequately operated and maintained. In nonattainment and maintenance areas, projects included in the first two years of the current STIP/TIP shall be limited to those for which funds are available or committed. In the case of proposed funding sources, strategies for ensuring their availability shall be identified;

**23 CFR §450.322 (b) (11) Metropolitan transportation planning process: Transportation plan.** In addition, the plan shall include a financial plan that demonstrates the consistency of proposed transportation investments with already available and projected sources of revenue. The financial plan shall compare the estimated revenue from existing and proposed funding sources that can reasonably be expected to be available for transportation uses, and the estimated costs of constructing, maintaining and operating the total (existing plus planned) transportation system over the period of the plan. The estimated revenue by existing revenue source (local, State, and Federal and private) available for transportation projects shall be determined and any shortfalls identified. Proposed new revenues and/or revenue sources to cover shortfalls shall be identified, including strategies for ensuring their availability for proposed investments. Existing and proposed revenues shall cover all forecasted capital, operating, and maintenance costs. All cost and revenue projections shall be based on the data reflecting the existing situation and historical trends. For nonattainment and maintenance areas, the financial plan shall address the specific financial strategies required to ensure the implementation of projects and programs to reach air quality compliance.

**23 CFR §450.324 (e) Transportation improvement program: General.** The TIP shall be financially constrained by year and include a financial plan that demonstrates which projects can be implemented using current revenue sources and which projects are to be implemented using proposed revenue sources (while the existing transportation system is being adequately operated and maintained). The financial plan shall be developed by the MPO in cooperation with the State and the transit operator. The State and the transit operator must provide MPOs with estimates of available Federal and State funds which the MPOs shall utilize in developing financial plans. It is expected that the State would develop this information as part of the STIP development process and that the estimates would be refined through this process. Only projects for which construction and operating funds can reasonably be expected to be available may be included. In the case of new funding sources, strategies for ensuring their availability shall be identified. In developing the financial analysis, the MPO shall take into account all projects and strategies funded under title 23, U.S.C., and the Federal Transit Act, other Federal funds, local sources, State assistance, and private participation. In nonattainment and maintenance areas, projects included for the first two years of the current TIP shall be limited to those for which funds are available or committed.

## **Appendix B**

### **State Summaries of Key Points from TRB Peer Exchange Report**

The full TRB Peer Exchange report can be found at  
<http://gulliver.trb.org/publications/circulars/ec062.pdf>

#### **Alaska**

1. Investment Analysis is part of the STP.
  - a. Multi-modal analysis compares needs to revenues.
  - b. Focus on operations and maintenance.
2. Fiscal constraint based on
  - a. Estimates of TEA-21 Revenue Aligned Budget Authority (RABA) forecasts and past funding.
  - b. Program targets match amount apportioned to amount expected.
  - c. Projects are scheduled to match annual funding.
  - d. Cumulative project funding is adjusted by funding category (e.g., STP, IM, NHS, CMAQ, etc.).
3. Current fiscal/economic environment does not play a particularly important role. Long-range planning uses forecasts of economic conditions, population, and other parameters that affect demand for transportation.

#### **California**

1. According to Caltrans, it appreciates the value of fiscal constraint and is interested in encouraging and incorporating this approach in future statewide and metropolitan plans and programs.
2. Financial planning is a major component of and drives the transportation planning process.
3. The State Transportation Improvement Plan (STIP) uses estimates of local and federal funds.
  - a. The STIP incorporates regional TIPs programmed by the 43 regions and the interregional TIP programmed by the state.
    - i. Regional and interregional TIPs are based on approved multimodal plans.
  - b. The STIP is a policy plan that advocates flexibility of expenditures to allow jurisdictions to identify and pursue transportation challenges.
  - c. To assure fiscal constraint, the STIP is limited to projects nominated in the regional and interregional TIPs and is programmed up to estimated fund limits.
  - d. The fiscal/economic environment is considered in planning and programming.
  - e. Cost-effectiveness is a key performance measure applied at project levels.
    - i. Currently investigating use to evaluate alternatives.

#### **Florida**

1. The state has a range of federal, state, and local revenue sources for funding transportation improvement.
  - a. Federal and state funds (State Transportation Trust Fund) are reflected in the STP, STIP, Resource Plan and Work Program.
  - b. Local funds go into the local trust group, and are distributed to local agencies to develop their capital improvement programs.
2. Within the statewide planning process, financial planning has two components: Forecasting and Use of Funds.
  - a. Forecast Revenue – ten-year Finance Plan (constrains five-year Work Program, ten-year program, and the Resource Plan). This forecast is updated twice annually.

- b. Forecast Revenue -- STP. The state develops the STP financial numbers by extrapolating from the Finance Plan numbers for the fifteen to twenty-year period using forecasted growth rate.
  - c. Use of Funds -- State law requires the work program to meet state goals and policy as outlined in the STP.
3. State law requires that the five-year work program be constrained to available funding and be consistent with the STP policies and goals.
    - a. Documentation on financial planning issues is in the STP, Program, Resource Plan, modal plan, and related studies. The Program and Resource Plan and financial planning process are reviewed and analyzed annually by the executive management.
  4. The STIP is the subset of the federally funded five-year Work Program incorporating TIPs from Florida's 25 MPOs and federally funded rural projects.
    - a. Funding allocation is distributed by:
      - i. Program and geographic district; and
      - ii. Intrastate Highway system, bridges, resurfacing, maintenance, public transit, airports, etc.
  5. STIP Fiscal Constraint
    - a. The state gives local agencies commitment authority in the work program and resource plan for full funding of projects over a multi-year period.
    - b. Authority for commitment is matched to the short-term Cash Forecast and the Finance Plan.
  6. A committee (revenue estimating conference) develops the revenue forecasts. The State DOT, Governor's Office, Office of Economic and Demographic Research, and House/Senate staff are represented on the conference, which usually meets before and after the legislative session.

### Maryland

1. One of the goals of the STP is "funding our transportation future."
  - a. Objective is to secure adequate resources to build, operate, and maintain a high quality transportation system.
2. Funding availability is determined through a series of revenue and operating cost projections based on a "moderate growth" scenario for the national economy.
3. The state has the authority to use innovative financing to supplement and support its cash flow.
  - a. Examples: Certificate of Participation, Rental Car Facility Charges, and Safe Harbor Leases.
4. The STP provides a twenty-year forecast of transportation needs based on the financial resources available (constrained needs). The Commission on Transportation Investment examines the data and the funding gap, and recommends the future annual levels of capital investment. These recommendations become the State's financial benchmarks.
5. The STIP and the projects in it are shown on a cash-flow basis, by year and by federal funding categories.
6. The Maryland Transportation Plan (MTP) is a statewide policy document with a twenty-year horizon that includes a number of specific long-range improvement projects. (Last update 2002)
7. Priorities in the MTP form the basis for the projects submitted by the state to include in the LRPs developed by Baltimore and other metropolitan area MPOs.
8. In current economic downturn, major projects in the Baltimore metropolitan area long-range plan (LRP) were evaluated to determine if they were affordable within the plan's timeframe. For the statewide plan, the Office of Finance took into account current economic conditions and forecasts of statewide revenues through the Plan's time horizon. These projected revenues shortfalls are then allocated to unfunded needs of the various regions.
9. The annual Attainment Report on Transportation System Performance provides a status update on the state's progress toward meeting the goals and objectives in the MTP.
10. Performance measures used in the Plan include:
  - a. Revenues from innovative sources obtained by the state and;

- b. Differences between targeted levels of funding needed to sustain the system and actual funding levels.
11. Additional Performance Measure: Cost Effectiveness. Challenge is applying this measure:
- a. To compare costs per unit across modes;
  - b. When some goals such as safety or increasing mode splits for non-motorized modes might not be adequately evaluated using costs and benefits;
  - c. By project or capital program.

### Massachusetts

1. Two offices are responsible for financial planning: the Capital Expenditure and Programming Office (CEPO) and the Bureau of Transportation Planning and Development (MassHighway Planning).
2. STIP financial planning
  - a. Starts with federal projections from FHWA and state financial projections from CEPO.
  - b. During a series of meetings involving the CEPO, the Chief Engineer, and Highway Engineering division staff, budget targets are set for:
    - i. Central/Artery Tunnel Project
    - ii. Statewide needs including interstate highways, capital maintenance and planning, and
    - iii. Regional MPO budgets.
  - c. The MPO budgets are distributed by a formula developed by the Massachusetts Association of Regional Planning Agencies and adopted by the State.
  - d. A series of consultation meetings with Massachusetts Association of Regional Planning Agencies is held to discuss the proposed budgets.
    - i. FHWA participates in the financial consultation between the state and the MPOs, and usually sends representatives to MPO meetings across the state.
  - e. Once budgets are agreed upon, the state releases the budgets as MPO “targets” to be used in developing metropolitan area TIPs.
  - f. When there is uncertainty about specific year-to-year funding availability projections, the state advises the MPOs to assume level funding.
3. The State Transportation Improvement Plan (STIP) is a compilation of thirteen regional TIPs and is for a five-year program.
4. In the STIP fiscal constraint includes a CEPO-prepared comprehensive breakdown of funding assumptions, projections, and allocations.
5. FHWA and FTA review the STIP financial analysis/constraint (described above) determination in the draft STIP each September, and ensure that it meets fiscal constraint requirements.
6. The state is required to spend a minimum of \$400 million annually on road and bridge construction, excluding the Central Artery/Tunnel Project, under an agreement between the state and the MPOs.
7. Performance measures:
  - a. Minimum expenditure requirement is \$400 million annually.
  - b. Status of projects on the first year of the current TIP
    - i. Advertised for construction;
    - ii. Reasonable geographic equity in the distribution of advertised projects.
  - c. Advertised amounts are based on programmed amounts.

### Michigan

1. The state monitors travel and economic trends that impact transportation revenues used in the LRP and STIP.
  - a. Financial planning in the Statewide Long Range Plan (SLRP) is based on revenue trends and projections compared to needs based on long term goals.

- b. The MPO Long Range Plans are based on revenue estimates of current funding levels as shown in the TIPs and projected over a twenty-year period.
- 2. The state has a Five-Year Road and Bridge Program
  - a. The program is a rolling five-year program for state roads only; it is updated annually by adding and deleting a year to the program.
  - b. The projects in the five-year program provide the basis for the three-year trunkline program in the STIP and the MPO TIPs. Development of the five-year program provides MPOs with adequate notice to help coordinate their three-year TIPs.
  - c. The Program is easier to understand and more useful as a communications tool for the public than the STIP.
  - d. The state uses the collaborative process to develop the five-year Program; process includes extensive MPO, Rural Task Force, and general public involvement.
  - e. The state includes a precise analysis of program funding levels.
- 3. STIP/TIP financial planning:
  - a. The state program is based on federal aid with obligation limitations plus estimated state gas tax revenue.
  - b. State programs are fiscally constrained at the state level; the projects that take place within MPO boundaries become part of the metropolitan area TIPs.
  - c. Local programs are based on authorized levels of federal aid plus local match.
    - i. Local funding and local federal aid are added to the resources that will be available to finance programs contained in the TIPs.
  - d. Revenue for projects on the state level system is not sub-allocated by MPO but is based on the state trunkline projects selected for that area.
- 4. TIP fiscal constraint requirement has a major impact on project selection and scheduling.
- 5. Documentation is at different levels of detail, consistent with the information available (five-year program, MPO LRP, STIP/TIP).
- 6. The state Long Range Plan is primarily a policy document that identifies high priority corridors and some high profile projects but is not fiscally constrained. It includes:
  - a. Long term objectives;
  - b. Strategies to achieve those objectives; and
  - c. Future revenue for addressing long term needs and identifying new sources and methods for generating that revenue.
- 7. STIP/TIP fiscal constraint demonstration is a detailed comparison of “New Resources” compared to “New Commitments.”
  - a. “New Resources” are the estimated annual stream of federal and non-federal revenue to state or local programs.
    - i. “New Resources” does not represent a budget. It is a benchmark for the purpose of demonstrating fiscal constraint.
  - b. “New Commitments” are the total cost of project phases that will be started (funds obligated) during the year and funded by those programs.
  - c. This comparison is documented through a series of financial tables in the metropolitan area TIPs that are linked to non-MPO area tables and statewide summary tables in the STIP report.
  - d. The method of fiscal constraint appears to be rigorous but is also time consuming.
  - e. The state estimates resources available for the non-MPO areas of the state and includes them in the STIP along with a listing of non-MPO trunkline and rural local projects.
  - f. State provides MPOs with funding level estimates from direct federal programs, state trunkline projects, and associated funds, and state allocations of federal and state funds. The MPO provides estimates for local sources of funds such as dedicated tax revenues, local general fund obligations, and other sources.
  - g. The state estimates revenue for statewide grant programs such as Enhancements based on the best available information and includes in the TIPs as General Program Accounts (GPAs).

- h. When resources exceed or equal commitments, the program is clearly constrained.
  - i. Although new commitments may exceed new resources, it is still possible for the program to be constrained (e.g., when a project is authorized for advance construct in one year and converted in a future year that has reduced new commitments). Detailed explanation must be presented if this occurs.
  - j. The comparison of New Resources and New Commitments establishes a “gateway” into the STIP or TIP through which every project must pass once.
  - k. This approach allows the state to maintain the listing of new STIP/TIP projects and provides a consistent, connected, and understandable view of the program across all TIPs and the STIP.
8. Funding assumptions concerning future available revenue are adjusted based on current economic status. Program categories are allocated estimated revenue that is referred to as the program “template.”
    - a. Program categories are linked to program goals and performance measures.
    - b. The template controls programming of projects, both short- and long-term.
    - c. Budget fluctuations trigger template changes, which may or may not trigger program changes, depending on their size and certainty.
    - d. State change short-range revenue forecasts much more frequently than longer-range revenue forecasts.
  9. The five-year Road and Bridge Program is constrained to a revenue estimate with clearly documented assumptions.
  10. Fluctuations in revenue affect the schedule of program delivery. The state will delay projects rather than reconfiguring the programs or eliminating projects.
    - a. State has developed a cash flow model to track project reimbursements over multi-year periods, use of Advance Construction financing, use of bonding, and changes in estimated revenue.
  11. This information is compared with programmed expenditures, conversion of Advance Construction, and payment of debt service to assess the overall financial condition of the program as expressed as a projected end-of-year cash balance.
    - a. The state uses a performance measure that determines whether the state is using all available obligation authority each year.
    - b. The state reviews the percentage of projects listed as new commitments for the fiscal year compared to the percentage that are obligated in that year.
      - i. The state also continuously monitors the local agency balances to determine the amount of authorized federal aid that has been obligated, and to track whether local programs are delivered as promised in the TIPs.
      - ii. With the cash flow model and other financial monitoring tools, the state believes it has sufficient financial control to ensure prudent and responsible budgeting and programming.
    - c. According to the state, the STIP requirements for fiscal constraint impose additional layers of analysis that increase administrative costs without any corresponding increase in financial accountability.

### Minnesota

1. *Moving Minnesota 2003* is a policy document that describes types and levels of funding typically available statewide.
  - a. Planning guidance provides a twenty-year financial/funding forecast for MN/DOT district plans.
  - b. These plans contain performance scenarios that show a fiscally constrained future based on recent funding trends.
2. STIP fiscal constraint -- A funding target is developed for each district for estimates of state and federal funds for the three-year period of the STIP.
  - a. The metropolitan areas use a portion of statewide funds based on system size and usage to develop TIPs.

- b. Area TIPs are then integrated into the STIP.
- 3. The forecasted funding targets for the STIP are based on trend analysis updated annually.
  - a. Current revenue forecasts have been lowered due to the current economic environment.
  - b. Long-range revenue projections are based on a quantitative analysis of long-term revenue trends that captures revenue changes due to political and economic events.
- 4. All long-range performance targets or goals are based on a scenario of reasonable and achievable funding.
  - a. Goals and performance targets are based on expert knowledge and understanding of what could be achieved under a “reasonable but optimistic” future funding scenario.
  - b. Projected performance is based on recent funding history.

### Ohio

- 1. The state established a “funds management committee” that determines long and short-term funding allocations to districts and major program areas.
  - a. Project Selection factors
    - i. Funding projections;
    - ii. Quantitative performance measures of existing and projected conditions (such as bridge and pavement conditions); and
    - iii. Funding estimates needed to address quantitative goals based on performance measures for each program area and condition.
  - b. Representatives are from the Central Office including the Division of Planning, Finance, Construction, Pavements, Major Bridges, etc.
- 2. The state regularly develops and updates its financial projections, which are documented in the statewide plan and the funds management process.
- 3. STIP Fiscal Constraint -- All programs and funding sources are reviewed for fiscal constraint prior to being included in the STIP.
  - a. STIP amendments can be no more frequent than quarterly.
  - b. Planning staff review and make quarterly adjustments as needed to maintain the financial constraint of the STIP.
- 4. With reduced funding, the state will take the first reduction from its capacity-adding program, while continuing to fund its maintenance and safety programs as priorities.
- 5. All performance measures are linked to the financial base.
  - a. The state sets financial and performance goals are set to be achievable based on the amount of funding realistically available.

### Texas

- 1. The current Statewide Long Range Plan (SLRP), the first produced post-ISTEA, did not address fiscal constraint.
  - a. The SLRP was basically a policy document.
  - b. It addressed the considerable need of all modes of transportation without fiscal constraint.
- 2. A second generation Statewide Plan is currently in progress but will not address fiscal constraint since individual projects costs will not be identified.
  - a. The SLRP will discuss funding options and innovative finance issues, but will not contain project specific funding commitments.
- 3. The State addresses financial planning through its Unified Transportation Program (UTP). This planning and programming process is project specific and fiscally constrained.
  - a. The state is currently conducting a comprehensive revised process to revise the UTP.
  - b. The new process under development will include planning for a longer time period.

4. The state anticipates that the 2004-2006 STIP will link to the UTP process, which is fiscally constrained and specify projects for a longer planning period.
5. Performance measures are not currently used in preparation of the Statewide Plan.

### Washington

1. The statewide planning process identifies system deficiencies and solutions to those deficiencies.
  - a. Prior to 2002, the Transportation Commission balanced projected revenues against proposed solutions (projects), which resulted in a fiscally constrained project list.
2. Washington's Transportation Plan (WTP) is a multimodal plan and addresses all transportation system needs.
  - a. The current 2003-2022 update of the WTP no longer constrains the list of needs, nor does it document that portion of the financial planning process.
    - i. This provides flexibility in programming
    - ii. It also avoids difficult "trade-off" decisions for future years.
    - iii. Projections of current available revenues will fall short of the amount necessary to satisfy the twenty-year list of needs.
    - iv. The Transportation Commission gives final approval to the statewide plan.
  - b. The WTP contains:
    - i. An overview of the current statewide transportation system conditions;
    - ii. An assessment of the transportation investment needs for the next twenty years;
    - iii. A comparison of the public/private costs of transportation;
    - iv. A discussion of costs associated with transportation in the state; and
    - v. Major sources of transportation revenue that usually contribute to state funding.
3. State law also requires WSDOT to submit a six-year expenditure plan, balanced by available revenue, when submitting their biennial budgets.
4. WSDOT's internal process to set priorities for its program is used to develop the six-year plan. The criteria considered in the state highway system priority programming includes:
  - a. The Highway Improvement program:
    - i. Use of benefit/cost analysis.
    - ii. Traffic congestion;
    - iii. Heavily traveled corridors;
    - iv. Synchronization with other transportation projects; and
  - b. The Highway Preservation program:
    - i. Life-cycle cost analysis;
    - ii. Traffic volume;
    - iii. Subgrade soil conditions;
    - iv. Environmental and weather conditions;
    - v. Materials available; and
    - vi. Construction factors.
5. The Washington State Ferry system and the state Intercity Passenger Rail program follow a priority programming process.
6. STIP Documentation
  - a. WSDOT's role is to compile the MPOs' TIPs and forward them to the Governor and FHWA for successive approvals.
  - b. Washington State does not use the STIP process as a budget tool to fiscally constrain transportation funding. This is considered to be a "bottoms up" approach and is consistent with the state Growth Management Act (GMA).
  - c. MPOs and rural Washington counties are annually allocated federal funds for different "colors of money" -- money for different types of programs.

- i. The MPOs allocate these funds to the local agencies through a regional competitive process or other processes.
    - ii. The MPOs and rural counties fiscally constrain their TIPs to the state's estimates of funding targets.
  - d. WSDOT checks the submitted TIP totals and compares the "carry-forward dollars" of unobligated dollars from previous years by program against:
    - i. Current allocations of the MPOs and rural counties; and
    - ii. The second and third years estimated funding allocation.
  - e. This analysis ensures current and planned projects do not create an "over programming" of available funds.
  - f. The MPO or rural county is notified if there appears to be over-programming to allow revisions.
7. Highway System Plan (HSP) is updated approximately every two years.
    - a. Current fiscal and economic environmental factors are taken into consideration in comparing the identified system list of deficiencies and available revenue, and is recalibrated which projects are feasible.
  8. In 2000 a taxpayer revolt led to the loss of approximately \$350 million per year in transportation tax revenue.
    - a. This tax revenue loss and the current recession have forced economic belt tightening.
    - b. The resulting revenue shortfall required an immediate reexamination of the programs and projects previously funded through the lost revenue.
  9. The current environment has focused attention on the preservation and maintenance of the present infrastructure.
    - a. Short-term capacity improvements have focused on some congestion relief projects through operational efficiencies.
    - b. Long-range planning and programming have become more problematic as the state falls further behind the anticipated needs to meet travel growth.
      - i. To some political and business leaders, the current outlook is already beginning to affect the prospects for future growth and economic development.
  10. In 2002, the Legislature passed legislation that authorizes creation of a Regional Transportation Investment District (RTID) in the Central Puget Sound Region.
    - a. The RTID legislation provided funding mechanisms for implementing a regional transportation investment plan (subject to a public vote) for regional transportation projects.
    - b. Projects may include improvements to a highway of statewide significance that adds new HOV or other lanes, park-and-ride lots, vans for vanpools, buses, or other capital projects.
    - c. Local roads leading to new highways are also eligible for revenue if certain conditions are met.
    - d. The state is studying congestion pricing and tolls to include in the long-range planning process.
  11. Although the state does not currently have specific, financially based performance measures, it uses the criteria describe above in item 4.
  12. The Secretary of Transportation and the Transportation Commission's Benchmark Committee have begun to define and establish statewide benchmarks.
    - a. Legislation passed in 2002 defines several policy goals for the operation of, performance of, and investment in the state's transportation system.
    - b. The policy goals that serve as the basis of "detailed and measurable performance benchmarks" are to be established by the Transportation Commission.
  13. Two of the financially based topics that have not yet been addressed in depth and present significant challenges are:
    - a. Administrative costs as a percentage of transportation spending.
    - b. Median cost per vehicle revenue hour of public transit agencies.

## Wisconsin

1. The SLRP tries to identify all major cost components of statewide transportation and compares them to estimates of future revenues.
  - a. Components include capital and operating expenditures for rail passenger and transit and improvement needs for highways.
  - b. Costs for highway maintenance and operations have not been included in past plans, but will be included in the next generation of plans.
  - c. Wisconsin's statewide plans are considered fiscally constrained to reasonably achievable levels.
  - d. The SLRP shows the cost of recommendations, which it compares to expected revenue.
  - e. In other plans the state recommends possible revenue-raising mechanisms that might fill funding gaps.
2. Fiscally constrained STIP -- All projects show funding sources. The totals for each source are limited by what is available on a statewide basis or for specific MPOs.
3. The current financial environment has little impact on long-range plans.
  - a. The state assumes that the economic downturn will be of limited duration.
  - b. The STIP responds to expected fiscal impacts.
    - i. The state stretches projects out or delays them to accommodate less-than expected revenues.
4. Comparison between costs and revenues is the only direct financial performance measure.
  - a. Finances influence the thresholds the state uses for pavement and congestion.

## Appendix C

### List of Participants

#### Domestic Scan on Financial Planning Meeting 1, Salem, Oregon October 29, 2002

#### Scan Participants

Don Amon  
ODOT- Highway Finance Office  
355 Capitol St, NE  
Salem, OR 97301-3872  
[Donald.C.Aman@ODOT.State.OR.US](mailto:Donald.C.Aman@ODOT.State.OR.US)

Scott Bassett  
Oregon Department of Transportation  
355 Capitol St, NE  
Salem, OR 97301-3872

Jerri Bohard  
Oregon Department of Transportation  
555 13<sup>th</sup> Street, NE, Suite 2  
Salem, OR 97301-4178  
[Jerri.L.Bohard@odot.state.or.us](mailto:Jerri.L.Bohard@odot.state.or.us)

Carolyn Gassaway  
Oregon Department of Transportation  
Salem, OR 97301-3744  
[Carolyn.h.Gassaway@dot.state.or.us](mailto:Carolyn.h.Gassaway@dot.state.or.us)

Bob Gorman  
FHWA HQ, HEPS-10  
400 7<sup>th</sup> St., SW Room 3301  
Washington, DC 20590  
[Robert.Gorman@fhwa.dot.gov](mailto:Robert.Gorman@fhwa.dot.gov)

Robert Hofstad  
Office of Investment Management  
Minnesota Department of Transportation  
395 John Ireland Boulevard MS 440  
St. Paul, MN 55155  
[Bob.hofstad@dot.state.mn.us](mailto:Bob.hofstad@dot.state.mn.us)

Kim Hoovestol  
FHWA- Oregon Division  
530 Center St., Ste 100  
Salem, OR 97301-3744  
[Kim.hoovestol@fhwa.dot.gov](mailto:Kim.hoovestol@fhwa.dot.gov)

Lorrie Lau  
FHWA/Western Resource Center  
201 Mission St., Suite 2100  
San Francisco, CA 94105  
[Lorrie.Lau@fhwa.dot.gov](mailto:Lorrie.Lau@fhwa.dot.gov)

William Lyons  
USDOT/Volpe Center  
Cambridge, MA 02142  
[Lyons@volpe.dot.gov](mailto:Lyons@volpe.dot.gov)

Tim McDowell  
Wyoming Department of Transportation  
5300 Bishop Blvd  
Cheyenne, WY 82009-3340  
[Tim.mcdowell@dot.state.wy.us](mailto:Tim.mcdowell@dot.state.wy.us)

Fred Patron  
FHWA – Oregon Division  
530 Center St., Suite 100  
Salem, OR 97301-3744  
[fred.patron@fhwa.dot.gov](mailto:fred.patron@fhwa.dot.gov)

Jack Svadlenak  
Policy Section  
Oregon Department of Transportation  
555 13<sup>th</sup> St, NE, Suite 2  
Salem, OR 97301  
[John.R.Svadlenak@state.or.us](mailto:John.R.Svadlenak@state.or.us)

Jill Vosper  
ODOT Hwy. Finance Office  
355 Capitol St. NE  
Salem, OR  
[Jill.a.Vosper@odot.state.or.us](mailto:Jill.a.Vosper@odot.state.or.us)

Mark Wills  
Oregon Department of Transportation  
355 Capitol St, NE  
Salem, OR 97301-3872

**Domestic Scan on Financial Planning  
Meeting 2, Phoenix, Arizona  
October 30, 2002**

**Scan Participants**

Arnold Burnham  
ADOT-TPD  
206S 17<sup>th</sup> Ave., 320B  
Phoenix, AZ 85007  
[abrnham@dot.state.az.us](mailto:abrnham@dot.state.az.us)

Dale Buskirk  
ADOT  
206S 17<sup>th</sup> Ave.  
Phoenix, AZ 85007  
[dbuskirk@dot.state.az.us](mailto:dbuskirk@dot.state.az.us)

Carolyn Gassaway  
Oregon Department of Transportation  
Mill Creek Office Building  
555 13<sup>th</sup> Street, NE, Suite 2  
Salem, OR 97301-4178  
[Carolyn.h.Gassaway@dot.state.or.us](mailto:Carolyn.h.Gassaway@dot.state.or.us)

Bob Gorman  
FHWA HQ, HEPS-10  
400 7<sup>th</sup> St., SW RM 3301  
Washington, DC 20590  
[Robert.Gorman@fhwa.dot.gov](mailto:Robert.Gorman@fhwa.dot.gov)

Robert Hofstad  
Office of Investment Management  
Minnesota Department of Transportation  
395 John Ireland Boulevard MS 440  
St. Paul, MN 55155  
[Bob.hofstad@dot.state.mn.us](mailto:Bob.hofstad@dot.state.mn.us)

Lorrie Lau  
FHWA/Western Resource Center  
201 Mission St., Suite 2100  
San Francisco, CA 94105  
[Lorrie.Lau@fhwa.dot.gov](mailto:Lorrie.Lau@fhwa.dot.gov)

William Lyons  
USDOT Volpe Center  
55 Broadway  
Cambridge, MA 02142  
[Lyons@volpe.dot.gov](mailto:Lyons@volpe.dot.gov)

Tim McDowell  
Wyoming Department of Transportation  
5300 Bishop Blvd  
Cheyenne, WY 82009-3340  
[Tim.mcdowell@dot.state.wy.us](mailto:Tim.mcdowell@dot.state.wy.us)

Dennis Mittelstedt  
FHWA – Arizona division  
400 East Van Buren, Room 410  
Phoenix, AZ 85004  
[dennis.mittelstedt@fhwa.dot.gov](mailto:dennis.mittelstedt@fhwa.dot.gov)

Thom Noss  
ADOT-FMS  
206 S. 17<sup>th</sup> Ave., 205B  
Phoenix, AZ 85007  
[TNOSS@dot.state.az.us](mailto:TNOSS@dot.state.az.us)

Fred Patron  
FHWA – Oregon Division  
530 Center St., Suite 100  
Salem, OR 97301-3744  
[fred.patron@fhwa.dot.gov](mailto:fred.patron@fhwa.dot.gov)

Ed Stillings  
FHWA - Arizona Division  
400 East Van Buren, Room 410  
Phoenix, AZ 85004  
[ed.stillings@fhwa.dot.gov](mailto:ed.stillings@fhwa.dot.gov)

Vicki Tsatsumida  
FHWA - Arizona Division  
400 East Van Buren, Room 410  
Phoenix, AZ 85004  
[Vicki.Tsatsumida@fhwa.dot.gov](mailto:Vicki.Tsatsumida@fhwa.dot.gov)

**Domestic Scan on Financial Planning  
Meeting 3, Harrisburg, Pennsylvania**  
November 26, 2002

**Scan Participants**

Bob Gorman  
FHWA HQ, HEPS-10  
400 7<sup>th</sup> St., SW Room 3301  
Washington, DC 20590  
[Robert.Gorman@fhwa.dot.gov](mailto:Robert.Gorman@fhwa.dot.gov)

Mike Herron  
FHWA – PA Division  
228 Walnut Street, 5<sup>th</sup> Fl  
Harrisburg, PA 17101  
[mike.herron@fhwa.dot.gov](mailto:mike.herron@fhwa.dot.gov)

Robert Hofstad  
Office of Investment Management  
Minnesota Department of Transportation  
395 John Ireland Boulevard MS 440  
St. Paul, MN 55155  
[Bob.hofstad@dot.state.mn.us](mailto:Bob.hofstad@dot.state.mn.us)

Lorrie Lau  
FHWA/Western Resource Center  
201 Mission St., Suite 2100  
San Francisco, CA 94105  
[Lorrie.Lau@fhwa.dot.gov](mailto:Lorrie.Lau@fhwa.dot.gov)

Dennis Lebo  
Chief, Program Development  
400 North Street, 6<sup>th</sup> Floor  
Harrisburg, PA 17120  
[dlebo@state.pa.us](mailto:dlebo@state.pa.us)

Keith Lynch  
FTA – Region III  
1760 Market Street, Suite 500  
Philadelphia, PA 19103  
[keith.lynch@fhwa.dot.gov](mailto:keith.lynch@fhwa.dot.gov)

William Lyons  
USDOT/Volpe Center  
55 Broadway  
Cambridge, MA 02142  
[Lyons@volpe.dot.gov](mailto:Lyons@volpe.dot.gov)

Diane Myers-Krug, AICP  
TCRPC/HATS  
112 Market Street, 2<sup>nd</sup> Fl  
Harrisburg, PA 17101

Walt Panko  
Program Center  
PENNDOT  
400 North Street, 6<sup>th</sup> Floor  
Harrisburg, PA 17120  
[wpanko@state.pa.us](mailto:wpanko@state.pa.us)

Fred Patron  
FHWA – Oregon Division  
530 Center St., Suite 100  
Salem, OR 97301-3744  
[fred.patron@fhwa.dot.gov](mailto:fred.patron@fhwa.dot.gov)

Lou Schultz  
Director, Program Development & Management  
PENNDOT  
400 North Street, 6<sup>th</sup> Floor  
Harrisburg, PA 17120  
[loschultz@state.pa.us](mailto:loschultz@state.pa.us)

Jim Smedley  
PENNDOT  
400 North Street, 6<sup>th</sup> Floor  
Harrisburg, PA 17120  
[jsmedley@state.pa.us](mailto:jsmedley@state.pa.us)

Matt Smoker  
FHWA – PA Division  
228 Walnut Street, 5<sup>th</sup> Fl  
Harrisburg, PA 17101  
[Matt.smoker@fhwa.dot.gov](mailto:Matt.smoker@fhwa.dot.gov)

Spencer Steavens  
FHWA – PA Division  
228 Walnut Street, 5<sup>th</sup> Fl  
Harrisburg, PA 17101  
[spencer.steavens@fhwa.dot.gov](mailto:spencer.steavens@fhwa.dot.gov)

James W. Szyborski, AICP  
Tri-County Regional Planning Commission  
Harrisburg MPO  
112 Market Street, 2<sup>nd</sup> Fl  
Harrisburg, PA 17101

Joe Werning  
FHWA/Eastern Resource Center  
10 S. Howard Street, Suite 4000  
Baltimore, MD 21201  
[joseph.werning@fhwa.dot.gov](mailto:joseph.werning@fhwa.dot.gov)

## Appendix D

### **List of Questions Used in Domestic Scan: Fiscal Constraint and Financial Planning**

Salem, Oregon -- October 29, 2002

Phoenix, Arizona -- October 30, 2002

Harrisburg, Pennsylvania -- November 26, 2002

Format for all meetings: Brief presentations with dialogue followed by informal discussion.

#### Core questions:

1. How does your statewide planning process address financial planning?
2. How does your statewide plan document financial planning issues?
3. How does the statewide planning process demonstrate fiscal constraint in its STIP?
4. How is the current fiscal/economic environment reflected in long-range statewide planning and programming processes?
5. How does the statewide planning process consider future financial trends and uncertainties?
6. Do you use any performance measures that have a financial basis?
7. As part of long-range planning, does the statewide planning process consider a “vision” or other scenarios in addition to fiscal constraint? Do these additional scenarios project cost and performance?
8. **What are the roles and responsibilities of the state DOT, MPOs, and local agencies in financial planning?**
9. To what extent does the Plan, including goals, priorities, policies, and financial projections, guide the STIP?

#### Detailed Discussion Questions:

##### **1. Statewide/Metropolitan Planning Process**

- 1.1. Is financial planning part of your planning process and documented in your plan? In a separate documents?
- 1.2. What type of data, input, and analysis do you use for your financial planning?
- 1.3. How does the current economic situation affect your financial forecast?
- 1.4. How many different scenarios does your state provide forecasts for?
- 1.5. Who is involved in the financial planning elements?
- 1.6. How is this information used in the LRP and in implementation?
- 1.7. Is there a need for calibration, and evaluation of the financial planning elements?
- 1.8. How does the state ensure equity among its regions, geographic locations, etc?
- 1.9. How does the state define “reasonably available”?
- 1.10. What are the state legislations/statutes impact your financial planning?
- 1.11. Are these information presented to the public for review and comments?
- 1.12. How is this information shared with regional transportation agencies/MPOs?
- 1.13. What are the differences in forecasting for transit vs. highways?
- 1.14. How are innovative financing activities reflected in financial planning?
- 1.15. How is the state’s transportation vision reconciled with the financial planning?
- 1.16. Are performance measured linked to the financial planning?

- 1.17. What do you feel are the shortfalls and challenges in the overall financial planning process?
- 1.18. What issues do you encounter that you would like to highlight?
- 1.19. Is this a useful requirement and exercise?

## **2. Statewide Transportation Improvement Program and TIPs**

- 2.1. How are the revenues forecast/budgeting for the STIP developed?
- 2.2. What type of data, input, and analysis do you use for your budget?
- 2.3. Who is involved in the process?
- 2.4. How is it documented? by year? by funding group? by source? by regions?
- 2.5. How often does the revenue forecast needs to be revised?
- 2.6. How is Advance constructions showed? How is the AC accounting impact on current and future programs?
- 2.7. What information is shared with the local agencies and MPOs?
- 2.8. How does the state ensure equity among its regions, geographic locations, etc?
- 2.9. How does the state define “reasonably available” in the STIP?
- 2.10. How does your state define fiscal constraint? And why?
- 2.11. How is fiscal constraint demonstrated and documented?
- 2.12. How many FTEs/personnel are needed to document fiscal constraint?
- 2.13. How is this information presented to the FHWA/FTA in the STIP?
- 2.14. Are these information presented to the public for review and comments?
- 2.15. How does the political forces impact the revenue forecast/budgeting process? Decision-making process?
- 2.16. What do you feel are the shortfalls and challenges in the overall revenue forecasting/budgeting process?
- 2.17. What issues do you encounter that you would like to highlight?
- 2.18. Is fiscal constraint a useful requirement and exercise? Should this be a planning or an accounting exercise?

## **3. Discussion of FHWA/FTA oversight of financial planning and fiscal constraint.**

- 3.1. What is the overall role of the division planner for this requirement?
- 3.2. What is presented to you in the LRP and STIP?
- 3.3. Who reviews the documentation, the planner? The financial manager?
- 3.4. Does the division review the transit, as well as the highway funding?
- 3.5. Is this a planning activity?
- 3.6. What data do you use as basis of evaluating the State data? MPO data?
- 3.7. What review do you complete on the financial planning/revenue forecast?

## **4. Other related topics.**

- 4.1. Recommendations and suggestions that you would like to make to FHWA/FTA
- 4.2. Training/Technical Assistance that you would like to see develop in the near future

## Appendix E

### Financial Scan Technical Resources: Documents and Web-Sites

#### Oregon

##### *Reports*

- Oregon Transportation Plan – “The New Oregon Trail Leading into the 21<sup>st</sup> Century,” December 1992.
- “1999 Oregon Highway Plan” – An Element of the Oregon Plan.  
<http://www.odot.state.or.us/tdb/planning/highway/>
- “Oregon Transportation Plan – 1998 Status Report and Constrained Investment Strategy” April 18, 1999. <http://www.odot.state.or.us/tdb/policy/otp/index.htm>
- “2004-2007 Draft Statewide Transportation Improvement Program Evaluation of the Preservation Program.”
- “Constraining Oregon’s STIP.”
- “ODOT’s Financial Assumptions for Metropolitan Transportation Plans,” May 1998 and April 25, 2000.
- “Highway Plan Investment Scenarios,” October 28, 2002.
- “Transportation System Planning Guidelines 2001.”
- Maintenance Region and District Map.
- Oregon Department of Transportation, ACTS/MPOs/Region Map
- Background Data on Performance Measures: How is Oregon Doing?”
- “Oregon 2002-2005 STIP,” <http://www.odot.state.or.us/stip/>.

##### *Web-Sites*

- ODOT – Transportation Development Division: Planning <http://www.odot.state.or.us/tdb/planning/>
- Area Commission on Transportation <http://www.odot.state.or.us/otc/ACT.htm>
- STIP Development Timeline  
<http://www.odot.state.or.us/stip/Documents/Timeline%20for%2006-09%20STIP.pdf>
- Oregon Transportation Investment Act <http://www.odot.state.or.us/otia/>
- Transportation And Growth Management <http://www.lcd.state.or.us/tgm/index.htm>
- Oregon Financial Facts and Figures  
<http://www.odot.state.or.us/home/factsfigures.htm#planningpolicy>
- ODOT Financial Service: Financial Reports & Analysis <http://www.odot.state.or.us/fsbpublic/>

#### Arizona

##### *Reports*

- “Vision 21 Newsletter” – January 2002.
- “Move Arizona!” (Arizona Long-Range Transportation Plan)  
<http://www.moveaz.org/Projects/AboutTheProject.html>.
- “Five Year Transportation Facilities Construction Program: FY 2003 – 2007” (Airport and Highways) <http://tpd.az.gov/ppls/azpps.asp>.
- “Federal-Aid Highway Program: Federal Fiscal Year 2001 Report.”
- “Arizona Highway User Revenue Fund – Forecasting Process & Results FY 2002-2011,” December 2001.
- “2001 Comprehensive Annual Financial Report – for FY ending 06/30/2001.”

- “ADOT: Maricopa County Transportation Excise Tax – Forecasting Process & Results FY 2002-2006.”
- “Regional Freeway System: Life Cycle Certification,” July 31, 2002.
- “Source and Uses of Funds.”
- “Financial Overview FY 2003-2007.”
- “FY 2002 Highway Program Monitoring Report – YTD Total Transportation Facilities Construction Program Summary.”
- “Discretionary Fund Analysis.”
- “Priority Planning Advisory Committee Meeting (PPAC) – Meeting Minutes.”
- Aeronautics Division: “FY 02-03 Airport Development Program Amendments.”

#### *Web-Sites*

- ADOT – Transportation Planning Division <http://tpd.az.gov/>
- 5-year Construction Program <http://tpd.az.gov/pps/azpps.asp>
- Vision 21 <http://www.dot.state.az.us/Vision21/index.html>
- ADOT Financial Management Services <http://www.dot.state.az.us/about/fms/fmstxt.htm>
- ADOT Highway Users Revenue Fund <http://www.dot.state.az.us/ABOUT/fms/hurflink.htm>
- ADOT Highway Users Revenue Fund FY 2003 Year-End Report <http://www.dot.state.az.us/ABOUT/fms/yrend03.pdf>
- ADOT Highway Users Revenue Fund Forecast Process and Results 2004-2013 <http://www.dot.state.az.us/ABOUT/fms/hurfcastproc0413.pdf>

### **Pennsylvania**

#### *Reports*

- Penn Plan Moves! Pennsylvania Statewide Long-Range Transportation Plan 2000-2025 <http://www.dot.state.pa.us/internet/secinet.nsf/infoPennPlanMoves>
- PennPlan Moves! Report of Achievements 2001
- Pennsylvania’s 2003 Transportation Program Financial Guidance (07/27/2001)
- Pennsylvania STIP Guiding Principles (08/20/97)
- Procedures for STIP and TIP Modifications
- Status of Federal Funds Report (11/01/02)
- 2003 Transportation Program Update – Project Ranking Criteria – revised (07/23/2001)
- RATS Metropolitan Planning Organization – Fiscal Constraint Table FFY 2003-2004
- Procedures for TIP Administrative Actions (Harrisburg Area Transportation Study – HATS)
- PENNDOT Twelve Year Program <http://www.dot.state.pa.us/internet/secinet.nsf/HomePageTIP>
- Report of Achievements 2001. <http://www.dot.state.pa.us/internet/secinet.nsf/infoPennPlanAchievements?ReadForm&AutoFramed>.

#### *Web-Sites*

- PENNDOT Planning: Center for Program Development and Management <http://www.dot.state.pa.us/internet/plninth.nsf/HomePagePrgDevManagement>
- PENNDOT: Funding and 12-Year Plan <http://www.dot.state.pa.us/internet/secinet.nsf/HomePageTIP>
- PENNDOT Transportation Development: MPOs and Regional Planning Organizations <http://www.dot.state.pa.us/internet/plninth.nsf/HomePageMPO>
- PennPlan Moves! <http://www.dot.state.pa.us/internet/secinet.nsf/infoPennPlanMoves>
- PennPlan Moves! Executive Summary

- <http://www.dot.state.pa.us/internet/secinet.nsf/infoPennPlanExecSum>  
PennPlan Moves! Achievement Reports  
<http://www.dot.state.pa.us/internet/secinet.nsf/infoPennPlanAchievements>