ORGANIZATIONAL OVERVIEW

Created in 1967, the Department of Transportation (DOT) is responsible for shaping and administering policies to protect and enhance the safety, adequacy, and efficiency of the Nation's transportation system and services. Transportation is a strategic investment essential to strengthening the American economy. America needs a fully integrated domestic transportation system as well as safe and efficient connections to the rest of the world. DOT's management has defined its mission, vision, and strategic goals to help guide the Department towards more streamlined and economical operations, while focusing on systems and processes that help fully integrate the domestic transportation system.

Mission

Serve the United States by ensuring a safe transportation system that furthers our vital National interests and enhances the quality of life of the American people.

Vision

A visionary and vigilant Department of Transportation leading the way to transportation excellence and innovation in the 21st Century.

Strategic Goals

Safety–Promote public health and safety by working toward the elimination of transportation-related deaths and injuries.

Mobility–Shape an accessible, affordable, reliable transportation system for all people, goods, and regions.

Economic Growth–Support a transportation system that sustains America's economic growth.

Environment–Protect and enhance communities and the natural environment affected by transportation.

Security–Ensure the security of the transportation system for the movement of people and goods, and support the Homeland and National Security Strategies.

Organizational Excellence–Advance the Department's ability to manage for results and achieve the goals of the President's Management Agenda.

Organization

DOT employs almost 60,000 people across the country and is organized into 12 Operating Administrations (OAs) and the Office of the Inspector General. Each OA is responsible for a mode of transportation or an intermodal aspect of the transportation system. The Department also has an Office of Inspector General that works within the Department of Transportation to promote effectiveness and head off, or stop, waste, fraud, and abuse in Departmental programs. A full description of all Departmental agencies may be found on the Web at www.dot.gov.

Financial and Performance Integration Vision for the Future

The Department's strategic vision for enhancing the integration of financial and performance information includes improving decisions linking program cost and performance; enhancing the tools available to analyze and make management decisions based on cost and performance information; and implementing a standardized managerial cost accounting system. DOT is achieving financial and performance integration by several methods:

Managerial Cost Accounting. Managerial cost accounting identifies, tracks, and analyzes the total cost attributable to a particular task, job, or program. The purpose of managerial cost accounting is to provide program managers the cost information required to accurately report program

efficiency and development of a program's future budget.

Marginal Cost of Performance. Marginal cost of performance focuses on determining how much additional funding agencies will require to improve program performance. Marginal cost of performance requires accurate cost accounting and performance data.

Dashboard. DOT's Office of Financial Management (OFM) is creating information presentation and analysis in an easy-to-use format for all levels of DOT management to use for on-going decision-making. This automated Dashboard will give program managers the ability to monitor both performance and spending regularly against established metrics.

The integration of financial and performance information will help DOT program managers at all management levels make better cost/ performance resource decisions. This strategy will improve resource allocation by strategic goal and maximize the safety of the Nation's transportation system—DOT's top priority—and the number of lives saved.

Cost and Performance

The Department links costs (i.e., accruals plus outlays) to strategic performance areas at a finer-grained level of detail for performance categories in 2004. Detailed tables showing performance measures linked to costs within DOT are located in Appendix D of this report.

Furthermore, the Department has encouraged its individual Operating Administrations to refine their unique program management tools. For example, the Department is using safety data from DOT's National Highway Traffic Safety Administration and the Federal Aviation Administration's (FAA) Air Traffic Organization (ATO) to link performance to financial information. ATO is developing a comprehensive financial/cost picture of service units to identify opportunities to control costs and increase operational efficiency. This analysis identifies the primary cost drivers at each facility. Executives and managers will use the information to find best practices to emulate, to identify which facilities are most efficient and which are under utilized, and to concentrate their efforts where costs appear to be out-of-line.

This analysis will help DOT and FAA demonstrate why some air traffic control centers have higher costs than others. With this information, FAA's managers will be able to easily compare the centers with the highest proportional labor costs (e.g., Indianapolis, Chicago, Cleveland, Atlanta) with those with the highest infrastructure costs (e.g., Anchorage, Oakland), and develop action plans based on cost drivers, resulting in improved air safety services at less cost to the taxpayer.