

## 2015 NASCIO Awards

Title: "NJDOT Operations MT-89 Receiving Report Payment Improvement Process," Public Safety and Emergency Management

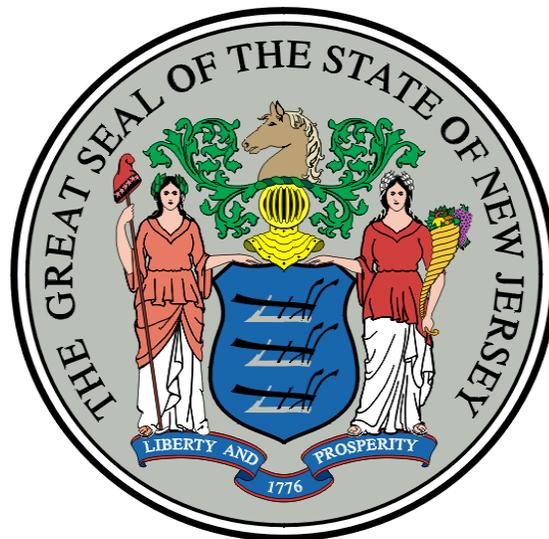
Category: Digital Government-Government to Business

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Initiation: 8/12/13

Completion: Present



## **EXECUTIVE SUMMARY:**

Improving Public Safety and Emergency Management during snow storms and other hazardous weather was and is a critical goal for the New Jersey Department of Transportation (DOT). The safety of citizens and the functioning of the State economy depend upon maintaining transportation routes during storms. Bad weather often requires rapid deployment of contractors working side by side with State employees. For example, more than 300 contractors may be needed during a single snowstorm. Relationships with these contractors are critical to effective emergency response. To improve coordination between agencies and vendors, and to expedite authorization reports and tracking, DOT created a new path for internal communications between divisions. The new system required robust IT software, significant policy changes, new methodology, and focused, coordinated communications. Implementation resulted in a measurably improved process for the management and payment of contractors' work, significantly reduced administrative work, and improved coordination among contractors, operations and accounting. Among other benefits, the new system reduced the typical time needed to pay a contractor to three days. In the past, even routine payments could take a month or more. Disputed bills often took months to resolve. The new system effectively ended delays because of disputed bills by making it highly unlikely that payments will be disputed.

### **Statement of the Business Problem:**

Rapid call-up of more than 300 contractors needed during winter storms and other severe weather events was causing gridlock in the Operations and Accounting Divisions. Even routine payments to contractors were being delayed by a month or more. Disputed bills resulted in payment delays totaling months. Because of State accounting and procurement rules, the required procedures and documentation are complex. To meet these requirements quickly, our staff needed rapid preparation of contracts and waivers as well as seamless filing of receiving reports. They needed the capability to track contractor work efforts as events changed rapidly and unpredictably during weather events. To keep pace, the ideal system would process payable receiving reports effortlessly. Ensuring proper, on-time payment and approvals would be quick and unfailingly reliable. Archival for auditing purposes would be easy and, whenever possible, automatic.

The old system fell far short of these needs. It was apparent that a methodology change and IT ingenuity were needed to streamline the process to better serve our stakeholders— including the 300 vendors and the public.

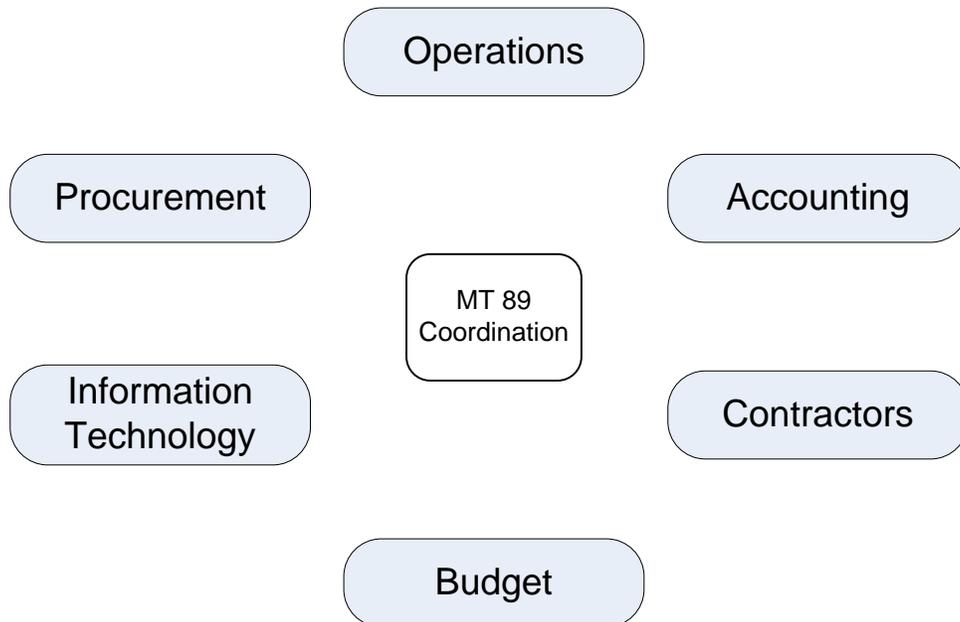
Project goals were to:

- 1) Increase the consistency and accuracy of the receiving reports sent to Accounting.

- 2) Streamline the payment, approval, and archive process within Accounting.
- 3) Streamline the timesheet calculations for the contractors, operators and crew supervisors.
- 4) Reduce contractor disputes during and after storm events.
- 5) Reduce the time of payment for work performed during the entire snow season.
- 6) Improve coordination between the contractors, Operations and Accounting.
- 7) Simplify payments during the winter season

In addition to the technical challenges, individual staff members would have to improve their communication skills and techniques. Stakeholders at the highest levels would need to promote these communication efforts so the project could be accomplished.

### **MT 89 Communications Coordination**



**Solution and Significance to the Improvements of the Operation of Government:**

A combination of policy changes, improved communications, and strategic implementation of a robust IT software solution created a measurably improved process for the management and payment of contractors during the winter storm season.

The first significant improvement model resulted in a significant reduction in internal work effort by making it easier to move money between accounts and to vendors. In the place of hundreds of accounts, the project plan created nine pools of money. This enabled the Accounting Division to transfer money with less frequency and made it easier to provide tracking and bookkeeping.

Planners began using a simple model for the gathering of contractor work effort in real time. The project used phone calls to a datacenter to facilitate real-time data entry. This allowed entry and tracking of contractors' time sheets while the work was still underway. Once a contractor's shift ended, staff could immediately review time sheets and print and distribute those timesheets to drivers.

The system allowed for automated creation of storm receiving reports (MT 89). These were generated and automatically emailed for digital signature to every contractor. These same receiving reports (originals) were then automatically emailed into a central SharePoint library dedicated to the Accounting workflow process, facilitating payment. Once the contractor signed and emailed the receiving report, Department staff reviewed the report for signature and placed it into SharePoint folder. (This allowed a two-part match.) The system made possible the creation of just one receiving report from each contractor for each storm.

A workflow was established within the Accounting Division for payment of the receiving reports and immediate capture to FileNet for long term storage. This produced an average turnaround of three days for the payment to the vendor during snow events. There also was a significant reduction in contractor disputes since the timesheet to receiving report conversion was automated, and a simple signature indicating acknowledgement and agreement of the work hours was all that was needed by the contractor to receive payment.

### **Benefits and Results:**

- Created a new path for internal communications between Divisions. Sped up deployment of contractors needed to safeguard the safety of citizens who travel New Jersey's highways and roads during snow storms and other hazardous weather.
- Effectively ended delays because of disputed bills by making it highly unlikely that payments will be disputed.

- The typical turnaround for the payment to vendors after snow events was three days compared to as much as a month or more before the system implementation.
- Contractor disputes fell significantly.
- Workload for handling storm accounting and tracking plunged.
- Contractors found the new system easier to use.
- Staff adapted to the new system with little trouble.
- The Department implemented process improvements in real time with no disruption of services during these emergency events.

### **Key Participants:**

Several Individuals played a role in the success of this process.

- Marc Dorsch from the Department's IT staff – Project manager of the process change.
- Anthony Genovese, Procurement – Managed the stakeholder procurement process changes required to help Accounting with the movement of money and contracts management.
- Barbara DeLucia, Accounting – Managed stakeholder process improvement changes within the Division to make possible the rapid payment of receiving reports.
- Andrew Tunnard, Operations – Worked on changes in managing the contractors.
- Deirdre Boes and Charlotte Collins-Bowlby – Facilitated accounting changes before and during the winter season.
- Joseph Licari Jr, from IT – The lead programmer for the IT Solutions provided.
- Stephanie Chandler and Douglas Campbell – Worked on the contract management before and during the winter season.