



**PERFORMANCE EVALUATION AUDIT  
OBSERVATIONS AND RECOMMENDATIONS**

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# Executive Summary

The West Virginia Department of Transportation (DOT or the Department) is responsible for providing a safe, efficient, and reliable transportation system for the State of West Virginia. In alignment with the State's objectives to enhance operational efficiency, achieve cost savings, and improve service delivery, the Office of the Governor engaged BDO to conduct a comprehensive performance evaluation audit of the department's operations, processes, and systems.

This report presents key observations and recommendations resulting from the audit, identifying areas in which existing processes, policies, and technologies may limit the effectiveness of DOT or present opportunities for fiscal improvement. Certain issues will require substantial investment of time and resources to resolve, while others may be addressed through targeted adjustments to policies and procedures with minimal or no upfront cost.

Implementation of the recommended improvements has the potential to generate annual savings of up to \$50.6 million for the State of West Virginia. For clarity and focus, the findings are organized into six principal categories:

## I. DOT STRUCTURAL AND STRATEGIC FINDINGS

Strengthening leadership, strategy, and organizational structure will improve accountability and long-term results.

## II. INEFFECTIVE OPERATIONAL UNITS

**Total Potential Savings: \$1.0 million**  
Streamlining key units can reduce project delays, lower costs, and enhance operational efficiency.

## III. DOH COST CONTAINMENT ON KEY EXPENSE DRIVERS

**Total Potential Savings: \$35.4 million**  
Tighter management of consultants and contractors will help control costs and minimize project risks.

## IV. PROCESSES AND SYSTEMS

**Total Potential Savings: \$12.4 million**  
Modernizing systems, procurement, and HR will reduce administrative burden and increase productivity.

## IV. DMV AND MULTIMODAL TRANSPORTATION FACILITIES

**Total Potential Savings: \$1.8 million**  
Targeted technical and process improvements can further enhance efficiency in DMV and Multimodal operations.

\*The \$50.6M total savings figure is a combination of all items identified may not sum to the total presented in the four principal categories displayed due to rounding.

# Executive Summary (Continued)

The findings summarized on this page represent the principal operational issues identified through BDO's assessment. Each finding outlines a distinct challenge affecting departmental performance and is examined in greater detail in the pages that follow.

## I. DOT Structural and Strategic Findings

- ▶ **FINDING 1: Leadership, Organizational Culture, and Governance** – The current leadership and organizational culture have limited the Department's ability to effectively respond to structural pressures, execute key processes, and sustain long-term performance improvements.
- ▶ **FINDING 2: Strategy and Planning** – DOT meets all federal planning requirements; however, it lacks a unified strategic framework to guide investment decisions and measure outcomes.
- ▶ **FINDING 3: Organizational Structure** – DOT's current organizational structure is too flat for an agency of its size and complexity, resulting in unclear accountability, an excessive executive span of control, and increased reliance on informal delegation and escalation to manage cross-cutting issues.

## II. Ineffective Operational Units

- ▶ **FINDING 4: Economic Development Office** – The DOT Office of Economic Development (OED) was established to facilitate private development by coordinating permits and traffic requirements for projects requiring access to State roadways. In practice, however, the Office has become a significant point of delay, impeding project timelines and creating uncertainty for developers across West Virginia.
- ▶ **FINDING 5: Performance Management Unit** – The DOT maintains a relatively large, centralized Reporting and Performance Management Unit that primarily produces reactive, low-value reporting. This limits leadership's ability to use performance data to manage operations, while consuming approximately \$1 million annually in staff resources.
- ▶ **FINDING 6: Duplicated Accounts Receivable** – Fragmented ownership, decentralized systems, and inconsistent coding practices result in unnecessary duplication, rework, and heightened risk across the DOT's Accounts Receivable (AR) function.

## III. Division of Highways Cost Containment on Key Expense Drivers

- ▶ **FINDING 7: Consultant Cost Management** – The Division of Highways (DOH) has increased spending on consultants, surpassing staff costs and creating long-term cost exposure as consultants increasingly substitute for in-house capacity.
  - ▶ **FINDING 8: Contractor Management and Performance** – Weaknesses in how DOH manages contractors across the project lifecycle limit accountability and create conditions that increase cost, delay, and execution risk.
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# Executive Summary (Continued)

## IV. Processes and Systems

- ▶ **FINDING 9: Systems and Data** – DOT’s systems environment is fragmented and poorly governed, resulting in duplicative processes, manual workarounds, and avoidable cost and productivity losses.
- ▶ **FINDING 10: Procurement and Bid Solicitation** – Legislative mandates have made the DOT’s procurement processes highly complex, with contractor procurement and bid solicitation particularly burdensome in terms of administrative effort and resource requirements.
- ▶ **FINDING 11: Human Resources** – DOT’s Human Resources (HR) function has significantly improved in recent years; however, HR staffing levels exceed industry benchmarks, suggesting an opportunity to reduce headcount overtime through clearer performance metrics, process optimization, and automation.

## V. Divisions of Motor Vehicles and Multimodal Specific Findings

- ▶ **FINDING 12: DMV** – The Division of Motor Vehicles (DMV) has made significant strides in improving operational efficiency and, with further technical enhancements, could achieve even greater impact.
- ▶ **FINDING 13: Multimodal** – The Division of Multimodal Transportation Facilities (DMTF) operates efficiently for its size. However, opportunities remain for process consolidation and consideration of a broader policy question regarding State ownership of rail assets.

**VI. FINDING 14: Miscellaneous Additional Focus Areas** – Additional opportunities for enhancement were identified that may support DOT in improving efficiency or outcomes but were not significant or verifiable enough to merit dedicated sections or detailed cost analysis. These items are discussed beginning on page 60.

# Executive Summary (Continued)

## Savings Breakdown Table

ID	Finding Description	Estimated Level of Investment to Correct	Estimated Time to Fix	Estimated Personnel Cost Savings/ Revenue	Estimated Other Than Personnel Cost Savings/ Revenue	TOTAL Estimated Annual Cost Savings/ Revenue
1	Leadership, Organizational Culture, And Governance	-	-	-	-	-
2	Strategy and Planning	-	-	-	-	-
3	Organizational Structure	-	-	-	-	-
4	Economic Development Office	Low	1 year	\$170,000	-	\$170,000
5	Performance Management Unit	Low	1 year	\$400,000	\$100,000	\$500,000
6	Duplicated Accounts Receivable	Low	1 year	\$400,000	-	\$400,000
7	Consultant Cost Management	Medium	2 years	-	\$2,400,000	\$2,400,000
8	Contractor Management and Performance	Low	1 year	-	\$33,000,000	\$33,000,000
9	Systems and Data	Medium	1-2 years	\$6,800,000	\$3,300,000	\$10,100,000
10	Procurement and Bid Solicitation	Low	1 year	\$176,000	\$136,000	\$312,000
11	Human Resources	Low	1 year	\$2,000,000	-	\$2,000,000
12	Division of Motor Vehicles	Medium	2 years	\$90,000	\$1,660,000	\$1,750,000
13	Multimodal Transportation Facilities	-	-	-	-	-
<b>Total</b>				<b>\$3,236,000</b>	<b>\$47,386,000</b>	<b>\$50,622,000</b>

# Approach

BDO conducted a performance evaluation audit of the DOT to identify opportunities for enhanced operational efficiency, cost savings, and improved service delivery across key functional areas. The audit employed both qualitative and quantitative methodologies to assess current processes, systems, and organizational structures within the Department and its constituent Divisions.

The approach was structured in the following phases:

- ▶ **Objective Definition:** Audit objectives, key questions, and scope were established in consultation with the Office of the Governor and DOT leadership.
- ▶ **Focus Area Identification:** Key areas for review were selected based on expenditure magnitude, strategic importance, and potential operational risk. These areas included technology and systems, finance and payments, workforce, and facilities.
- ▶ **Document Review:** Relevant documents, including budgets, organizational charts, and prior reviews, were examined to inform the analysis.
- ▶ **Stakeholder Interviews:** Interviews were conducted with 37 staff members, including commissioners for each Division and numerous directors, to obtain insights into operational practices and challenges.
- ▶ **Data Analysis:** Findings from interviews, financial data, and other relevant information were analyzed to estimate the potential cost savings associated with identified operational changes.

It is important to note that, while every effort was made to source all quantitative data from the State's financial management system or official records, the audit team observed inconsistencies in the quality of DOT data. Staff frequently rely on spreadsheets and other unofficial systems for operational tracking and reporting.

While certain elements of this audit focus on specific Divisions within DOT where issues were most pronounced, it is important to recognize that the underlying operational challenges and process inefficiencies identified may be present across multiple Bureaus. Accordingly, the findings and recommendations should be considered broadly applicable to any Bureau engaged in similar activities. Follow-up studies or expanded reviews may reveal additional opportunities for cost savings and operational improvements if such issues are found to be pervasive throughout the Department.

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# Acknowledgements

BDO would like to acknowledge Steven “Todd” Rumbaugh, Secretary of Transportation and Commissioner of Highways, and the entire team within the Department of Transportation for their participation and candor throughout this process. DOT staff provided information and enhanced clarity regarding processes through our discussions and information requests, all toward the common goal of improving the efficiency of operations and ultimately enhancing the quality of the infrastructure supporting the transportation needs and safety for citizens of West Virginia and its visitors.

Throughout this assessment, Secretary Rumbaugh and the Department’s leadership team were actively engaged and provided critical access, context, and insight that informed the analysis. Many of the improvement opportunities described in this report were discussed collaboratively during the course of the engagement, and several align with initiatives the Department has already begun to explore. The Department’s cooperation and openness were essential to completing this assessment, and continued leadership engagement will be critical to advancing the improvements identified.

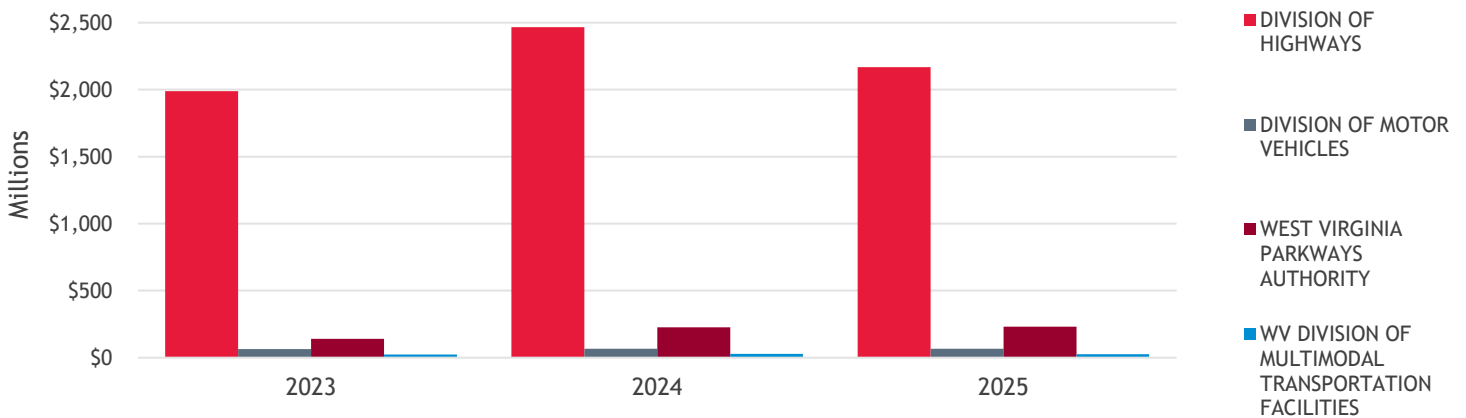
# Department of Transportation Overview and Peer State Comparison



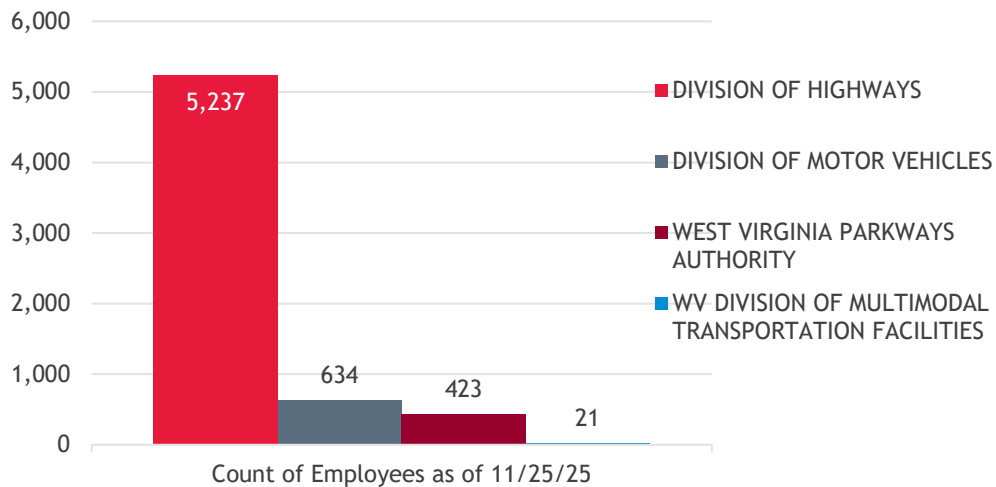
# Overview

The West Virginia DOT is responsible for overseeing a portfolio of agencies charged with managing the State’s transportation infrastructure, mobility systems, and safety initiatives. The Department encompasses the Division of Highways (DOH), Division of Motor Vehicles (DMV), Division of Multimodal Transportation Facilities (DMTF), and the Parkways Authority. Notably, the Division of Highways constitutes the predominant component of the Department’s fiscal and operational profile, representing the majority of expenditures, staffing, and activities within the DOT, as shown in Exhibits 1 and 2.

**Exhibit 1: Expenses per Division**



**Exhibit 2: Count of Employees per Department**



In Fiscal Year (FY) 2025, DOH accounted for approximately 87 percent of the DOT’s total expenditures and 83 percent of its workforce, comprising roughly 5,200 employees and managing the vast majority of Departmental capital. In comparison, the DMV and Parkways Authority employ approximately 420 and 630 staff, respectively, while Multimodal Transportation Facilities operates with fewer than 30 employees. As such, the performance, efficiency, and leadership capacity of DOH are critical determinants of the overall effectiveness of the Department.

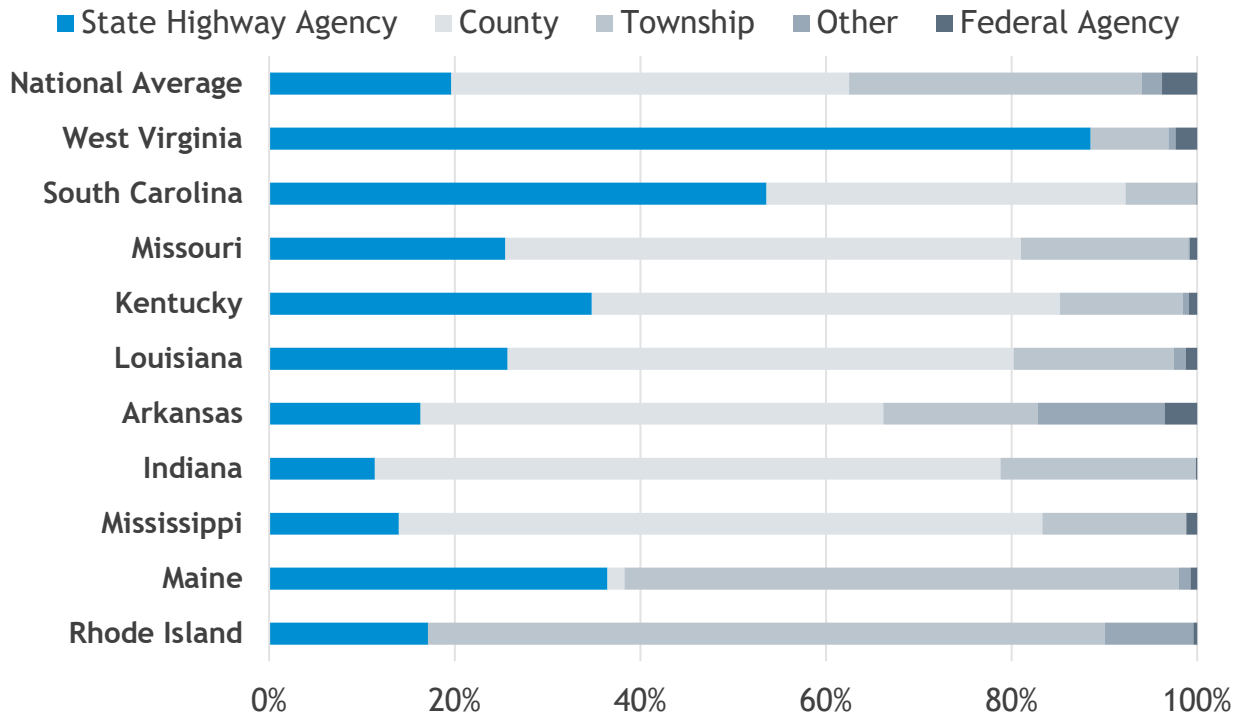
# Overview

## CONTINUED

West Virginia maintains the most centralized transportation system in the nation. DOH is responsible for approximately 88 percent of all public road miles within the State, compared to a national average of roughly 20 percent.<sup>1</sup> **Exhibit 3** below show the comparison of the State’s distribution of responsibility compared to the national average and peers.

Under this centralized model, DOH oversees not only the interstate system but also nearly all rural and secondary routes throughout West Virginia. Consequently, the Division is tasked with maintenance, staffing, and capital demands that, in most other states, are distributed across multiple layers of government.

**Exhibit 3: Share of Rode Milage by Maintaining Agency**



# Overview

## CONTINUED

West Virginia's transportation system faces unique structural and financial constraints, rendering it more complex and costly to manage than those in most other states. These challenges stem from the State's mountainous geography, dispersed population, and funding model, all of which drive higher maintenance costs, operational inefficiencies, and persistent fiscal pressure.

- ▶ **Geography and Infrastructure:** The State's mountainous terrain, aging infrastructural assets, and frequent freeze-thaw cycles significantly increase maintenance requirements and associated costs. Roads and bridges are more susceptible to wear, construction projects are more complex, and service delivery necessitates greater equipment and labor resources per mile than in flatter regions.
- ▶ **Population and Scale:** West Virginia's population of approximately 1.8 million is dispersed across 39,000 miles of public roadway, equating to roughly 21 miles of roadway for every 1,000 residents, about 65 percent more roadway per capita than the national average. This distribution creates a structural imbalance, whereby a relatively small tax base must support a disproportionately large transportation network. The result is elevated per-capita maintenance costs, increased budgetary pressure, and constrained flexibility to invest in other Departmental priorities.
- ▶ **Funding and Fiscal Pressure:** The Roads to Prosperity bond program financed more than \$1.6 billion in construction projects. Although these funds were intended to be allocated over a 30-year period, they were fully committed within seven years. While the bond program expanded the Department's short-term construction capacity, the resulting debt obligations have limited future budgetary flexibility and reduced funds available for ongoing maintenance and system modernization.<sup>2</sup>

These conditions affect the operating environment for every division within the DOT, particularly in DOH, given its size. Accordingly, the effectiveness of DOH's leadership, systems, and processes is a critical determinant of both DOT's overall performance and the reliability of the State's transportation network.

In 2016, Deloitte conducted a comprehensive performance audit of DOH, estimating that DOH could achieve annual savings of \$25-\$50 million. Many structural and operational challenges from that report still persist. The Department did not implement key recommendations, including creating a cross-agency task force to oversee corrective actions and monitor progress. BDO cites Deloitte's findings where relevant and urges current DOT leadership to review the report to determine which recommendations remain applicable nearly a decade later.

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# Peer State Comparison

To contextualize DOT's performance, BDO conducted a peer comparison with states that share similar geographic, demographic, and operational characteristics. This benchmarking exercise highlights both West Virginia's unique challenges and opportunities for improvement by examining how comparable states' structure, fund, and manage their highway and transportation systems.

## PEER STATES SELECTED

The following states were included as peers:

- ▶ South Carolina
- ▶ Kentucky
- ▶ Louisiana
- ▶ Mississippi
- ▶ Arkansas
- ▶ Maine
- ▶ Missouri
- ▶ Rhode Island

## SELECTION CRITERIA

Peer states were chosen based on the following factors:

- ▶ **Population Size and Density:** States with small to mid-sized populations and lower population densities, similar to West Virginia.
- ▶ **State-Run Highway Miles:** States with a high proportion of state-managed highway miles, reflecting a centralized transportation model.
- ▶ **Geographic and Economic Similarities:** States with rural characteristics, challenging terrain, or similar economic profiles.
- ▶ **DOT Structure and Staffing:** States with comparable DOT workforce sizes and organizational structures.
- ▶ **Highway Spending Patterns:** States with similar highway spending as a percentage of total state expenditures and per capita.

## KEY SIMILARITIES

- ▶ **Centralized Highway Management:** Like West Virginia, several peer states manage a significant portion of their highway miles at the state level, rather than delegating to local governments.
  - ▶ **Rural and Low-Density Profiles:** Most peers have low population densities, resulting in higher per-capita infrastructure costs.
  - ▶ **Budgetary Constraints:** Peer states often allocate a similar or lower percentage of their budgets to highways, facing comparable fiscal pressures.
  - ▶ **DOT Staffing Ratios:** The ratio of state-run highway miles to DOT employees is a common operational metric, highlighting workforce efficiency and coverage challenges.
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# Peer State Comparison

## Exhibit 4: Peer Comparison

State	Population <sup>3</sup>	Pop. Density (per sq. mile) <sup>4</sup>	Pop./Total Miles	State Govt. Highway Spending <sup>5</sup> (in thousands)	State Govt. Highway Spending \$/Capita	Total Hwy Miles <sup>1</sup>	State-Run Hwy Miles <sup>1</sup>	% State- Run	Spending/ State-Run Mile	DOT Employees <sup>6</sup>	State Run Miles/ Employee
WV	1,774,122	73.7	45.7	\$1,644,727	927	38,837	34,375	88.5%	\$47,847	5,719	6.0
IN	6,844,545	190.8	70.5	\$3,966,968	580	97,035	11,059	11.4%	\$358,709	3,707	3.0
SC	5,287,935	175.6	68.9	\$1,929,451	365	76,729	41,119	53.6%	\$46,924	3,759	10.9
KY	4,519,233	113.8	56.7	\$2,441,895	540	79,676	27,713	34.8%	\$88,114	4,341	6.4
LA	4,593,687	105.5	69.3	\$1,807,901	394	66,292	17,026	25.7%	\$106,185	4,231	4.0
MS	2,941,939	62.7	37.5	\$1,144,430	389	78,390	10,957	14.0%	\$104,447	2,557	4.3
AR	3,047,704	58.5	30.7	\$1,999,620	656	99,165	16,188	16.3%	\$123,525	3,740	4.3
ME	1,390,922	45.1	60.9	\$872,760	627	22,848	8,327	36.4%	\$104,811	1,612	5.2
MO	6,179,414	89.7	46.5	\$1,823,186	295	132,889	33,810	25.0%	\$53,924	N/A	N/A
RI	1,099,498	1,052.2	170.1	\$545,211	496	6,464	1,107	17.1%	\$492,512	N/A	N/A

Sources: 2022 U.S. Census Bureau - Population Data<sup>3</sup>, 2022 U.S. Census Bureau - Geography Data<sup>4</sup>, 2022 FHWA Highway Statistics<sup>1</sup>, 2022 U.S. Census Bureau - State Government Finance Tables<sup>5</sup>, 2023 AASHTO State DOT HR Metrics Report<sup>6</sup>

## OBSERVATIONS

- ▶ West Virginia stands out for its exceptionally high percentage of state-run highway miles (88.5 percent), far above the national average of 23.2 percent and the statistics of its peers.
- ▶ State Government Highway Spending per Capita in WV is the highest among peers, reflecting both the scale of the network compared to the State's population and the challenges of maintaining infrastructure in a rural, mountainous state. WV's per capita spending ranges from 41 to 214 percent greater than its peers, though the State's total spending per mile of State-run highway is actually near the lowest (further highlighting the challenge of amount of infrastructure supported compared to the population).
- ▶ DOT's ratio of State-run miles per employee, at six highway miles managed per employee, is on the higher end of peer states, though is only slightly over the average across the peer set. This indicates that DOT does seem to have found an efficient balance for staffing given the scale of its responsibility, though opportunities may still exist to further refine operations.

These comparisons highlight the need for tailored strategies to improve operational efficiency, optimize workforce allocation, contain costs, and address the State's unique geographic and demographic challenges.

# Findings and Considerations

## I. Department of Transportation Structural and Strategic Findings

# Findings and Considerations

## FINDING 1: LEADERSHIP, ORGANIZATIONAL CULTURE, AND GOVERNANCE

### BACKGROUND

**The current leadership and organizational culture have limited the Department's ability to effectively respond to structural pressures, execute key processes, and sustain long-term performance improvements.**

DOT staff experience low morale, fragmented leadership, and unclear accountability, creating an environment in which well-intentioned changes rarely achieve lasting impact. Interviews and document reviews revealed generally low morale within DOT and widespread frustration regarding organizational direction, internal alignment, and strategic clarity. Although these challenges originated under previous administrations and cannot be resolved overnight, the Department recognizes the issues and is actively taking steps to address them now. Compounding these issues, the rapid expansion of work driven by the Roads to Prosperity program has stretched organizational capacity and left the Department with a fragile internal structure.

Structural demands have intensified this internal pressure to deliver more with fewer resources. Specifically, DOH faces challenges in asset maintenance given that approximately one-third of roads are classified as “deteriorated,” and 18 percent of bridges are rated as “poor.”<sup>7</sup> The Federal Government has threatened to restrict future funding unless the State improves bridge conditions.

Meanwhile, staff consistently report feeling overstretched and undervalued. Technical personnel whose skills are high in demand, such as engineers, frequently depart for better compensation or working conditions in neighboring states. This turnover erodes institutional knowledge and perpetuates a cycle of re-work, missed deadlines, and increased reliance on external consultants. Although the loss of experienced staff has diminished institutional knowledge, it also presents an opportunity to promote new talent and re-evaluate established processes. A limited number of employees have initiated efforts to modernize outdated workflows and streamline decision-making; however, such initiatives remain the exception rather than the norm.

Leadership commitment has been inconsistent. While Secretary Rumbaugh is respected for his experience, he has faced challenges in building a cohesive leadership team. Several interviewees noted that, although some managers are effective, there is common perspective that others appear to be retained for reasons other than performance. These dynamics have resulted in pockets of disengagement and mutual mistrust, with some leaders competing for influence rather than collaborating to achieve shared objectives.

It remains unclear whether DOT's current leadership is positioned to reinvigorate the organization. Persistent gaps in strategic planning, budgetary management, and personnel oversight have left the Department without a clear framework for improvement. The development of a strong strategic vision and a deliberate change-management plan could provide the clarity and alignment necessary to restore trust, focus, and accountability. Until leadership articulates a unifying direction, DOT is likely to continue operating as a collection of disconnected units.

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# Findings and Considerations

## FINDING 1: LEADERSHIP, ORGANIZATIONAL CULTURE, AND GOVERNANCE

### ESTIMATED IMPACT

Clear and aligned leadership is essential to efficient execution and accountability. The absence of a shared vision and collaborative processes and relationships slows decision-making, undermines cost and schedule estimates, and diminishes candor among project teams in confronting operational challenges. As highlighted in the U.S. Department of Transportation's *Understanding Construction Change Orders* report, organizational leadership directly influences staff willingness to produce realistic estimates, an issue that affects the frequency and magnitude of change orders and overall budget outcomes.<sup>8</sup> Thus, agencies that promote transparency are less likely to encounter credibility issues, whereas those that do not often face public scrutiny and budgetary diversions when projects exceed timeframes or cost projections.

If DOT does not address the current leadership and cultural challenges, the Department will continue to experience operational inefficiencies, elevated costs, declining workforce capacity, weakened performance accountability, and declining stakeholder confidence. These issues will impair the Department's ability to deliver safe and reliable infrastructure and to maximize the impact of limited funding. While these challenges may not result in immediate budgetary losses, the inefficiencies they generate through increased turnover, delayed decision-making, and inconsistent oversight carry measurable administrative costs and pose long-term risks to program delivery. In the absence of a clear, documented, unified strategic direction, the Department's ability to effectively align funding, staffing, and accountability systems remains constrained.

It is noteworthy that current DOT leadership has acknowledged the challenges related to organizational culture and transparency and has initiated steps toward improvement. Sustained and focused efforts in these areas will be critical to overcoming persistent issues and ensuring the Department's long-term effectiveness and credibility.

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# Findings and Considerations

## FINDING 1: LEADERSHIP, ORGANIZATIONAL CULTURE, AND GOVERNANCE

### POTENTIAL CONSIDERATIONS

To strengthen leadership alignment and reinforce organizational accountability, DOT may consider implementing the following actions, aiming to build executive cohesion, enhance oversight, and establish sustainable structures for performance management.

CATEGORY	CONSIDERATION
Strategic Oversight	Establish structured executive touchpoints with the Governor’s Office. Implement standing meetings to review major initiatives, leadership priorities, and interagency coordination. DOT should also establish a formal Departmental strategy, with specific priorities and related action steps. This strategy should be widely and consistently communicated across the Department, with specific related responsibilities explicitly assigned and monitored (see Finding 2).
Governance and Accountability	Clarify roles and decision-making authority among executive leadership. Conduct a governance review to delineate the responsibilities of the Secretary, Deputy Secretary, and Division Directors, reducing overlap, clarifying accountability, and ensuring decisions are made at the appropriate level.
Change Management	Implement a Department-wide leadership and change-management initiative. Consider the need to engage an external facilitator or establish an internal position or function to support culture renewal, strengthen management capacity, and promote a shared vision for performance improvement.

### IMPLEMENTATION

Successful implementation of these actions will require clear executive sponsorship and thoughtful sequencing. The Secretary should lead the governance and alignment review, supported by the Governor’s Office and Division leadership. Achieving early wins, such as formalizing executive check-ins and establishing clear role definitions, can demonstrate visible progress and help restore internal confidence. Longer-term initiatives should be phased in concurrently with the development of a Department-wide strategic plan (see Finding 2).

# Findings and Considerations

## FINDING 2: STRATEGY AND PLANNING

### BACKGROUND

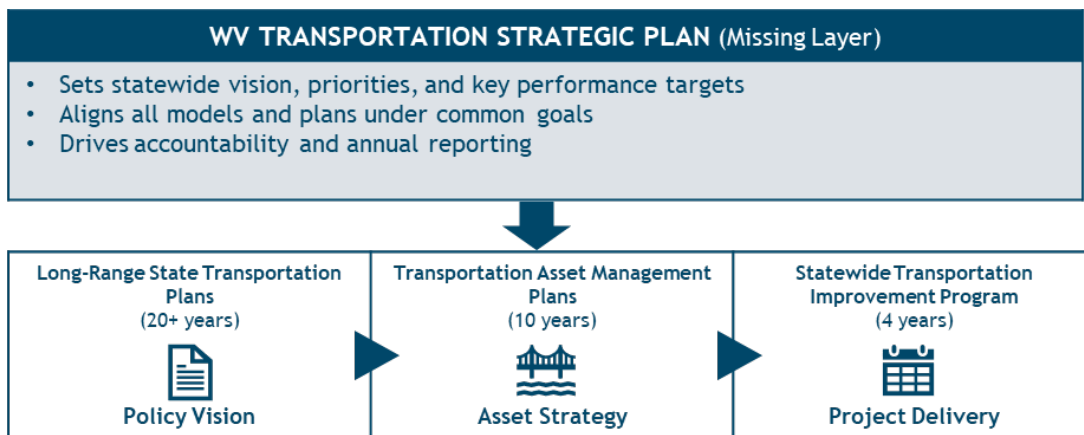
**DOT meets all federal planning requirements; however, it lacks a unified strategic framework to guide investment decisions and measure outcomes.**

The Department produces all federally mandated planning documents, including the Long-Range Transportation Plan (LRTP), Transportation Asset Management Plan (TAMP), and State Transportation Improvement Plan (STIP). However, these plans function largely as standalone compliance exercises, rather than components of an integrated management framework.

- ▶ **Long-Range Transportation Plan (LRTP):** A 20+ year vision document that defines Statewide policy goals, system-wide needs, and broad strategic priorities. The LRTP sets the direction for the desired future state of the transportation network.
- ▶ **Transportation Asset Management Plan (TAMP):** A 10-year, asset-focused plan that inventories the condition of physical infrastructure; including roads, pavements, and bridges; and establishes performance targets, maintenance and rehabilitation strategies, and lifecycle management for system assets. The TAMP is intended to ensure that investments maintain or improve system condition over time.
- ▶ **State Transportation Improvement Plan (STIP):** A 4-year (or multi-year) project delivery plan that lists specific programmed and funded projects, serving as a bridge between the long-term vision and asset-management goals and concrete investments. The STIP translates the LRTP’s vision and the TAMP’s maintenance strategy into real-world projects.

While each document fulfills its federal purpose, collectively they fail to support a cohesive strategy, linking long-term objectives with funding decisions, project delivery, and measurable outcomes. Further, these required reports only address activities specific to DOH and do not establish clear prioritization and goals for the whole of DOT.

DOT lacks a unifying strategic framework to align these plans, prioritize investments, and track progress. Establishing such a framework would transform planning from a fragmented process into a cohesive system that drives accountability, optimizes resource allocation, and ensures that investments deliver the greatest value.



# Findings and Considerations

## FINDING 2: STRATEGY AND PLANNING

### BACKGROUND CONTINUED

The challenges described above are not unique to West Virginia. Across the country, many state transportation agencies meet federal planning requirements without achieving full integration between long-range goals, asset management strategies, and investment programs. A Brookings Institution survey of state DOT practices found that, while nearly all states publish federally required plans, most fail to connect those plans to measurable performance outcomes or transparent project selection criteria.<sup>9</sup>

Although fragmented planning is a national issue, West Virginia stands out for the magnitude of its performance gaps. Nationally, the State ranks 48th in overall road quality and 33rd for highway system efficiency, a decline from 16th five years ago, and its bridge network includes a substantial share, 18 percent, of structures in poor condition.<sup>10</sup> These outcomes indicate that, while fragmented planning is common, its effects in West Virginia are especially pronounced, exacerbated by fiscal constraints, leadership turnover, and limited analytical capacity to align spending and strategic priorities.

DOT leadership has acknowledged these limitations and has begun to re-evaluate the LRTP, TAMP, and STIP processes with the goal of improving integration and data-driven decision-making. This includes reviewing corridor systems, prioritizing paving and bridge work, and developing a more comprehensive asset inventory and maintenance schedule. The Department has also implemented the Transportation Request Infrastructure Portal (TRIP) software application to better track and document project requests, and some staff with prior experience remain involved in these efforts. While these initiatives are in early stages, continued progress will be necessary to address longstanding gaps and improve planning effectiveness.

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# Findings and Considerations

## FINDING 2: STRATEGY AND PLANNING

### ESTIMATED IMPACT

The absence of a unified strategic planning framework has direct and measurable consequences for DOT's performance and fiscal stability.

First, it weakens investment alignment. When long-term plans (LRTP), asset management priorities (TAMP), and project programs (STIP) are not integrated, project selection is often driven by funding availability or local preference rather than cost-effectiveness or performance need.

Second, it undermines federal confidence and funding leverage. Agencies that cannot demonstrate clear linkages between planning and spending risk reduced competitiveness for federal discretionary grants. Poor transparency in project prioritization can erode federal trust in state-level program management.

Lastly, the lack of an integrated, Department level plan presents challenges to ensure that all aspects of DOT's operations, and not just DOH, are receiving the direction, guidance, and attention needed to best serve the State.

Ultimately, the lack of strategic planning at DOT results in tangible economic and operational consequences, including:

- ▶ Reduced ability to prioritize limited funds toward the highest-value projects,
  - ▶ Increased exposure to budget overruns and delays,
  - ▶ Limited accountability and transparency to federal and state oversight bodies, and
  - ▶ Erosion of public trust as visible outcomes such as road quality, bridge safety, and travel reliability remain stagnant.
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# Findings and Considerations

## FINDING 2: STRATEGY AND PLANNING

### POTENTIAL CONSIDERATIONS

The following considerations are intended to support the Department's ongoing planning efforts by strengthening alignment across existing plans, investment decisions, and performance measurement.

CATEGORY	CONSIDERATION
Strategic Framework	Develop a concise, Department-wide strategic plan that establishes an outcome-focused strategy, defines Statewide transportation priorities and desired results, and serves as the organizing framework for all other planning documents.
Plan Integration	Align future updates of existing plans with the strategic plan. As the STIP, LRTP, and TAMP are updated on their regular cycles, require each to clearly demonstrate how goals, priorities, and project selection criteria support the Department's strategic framework.
Investment Decision-Making	Use the strategic plan to inform funding tradeoffs. Apply strategic priorities when evaluating preservation, expansion, and modernization investments to improve transparency and consistency in funding decisions.
Data Governance	Formalize which system will serve as the authoritative source for different types of asset management data, and ensure staff are held accountable for updating the appropriate system.
Performance Measurement	Track a set of statewide outcome measures. Monitor system-level indicators to assess whether strategic priorities are improving road condition, safety, and reliability over time.

### IMPLEMENTATION

Implementation should begin with the designation of an executive owner responsible for developing the Department's strategic framework. This framework should be completed prior to the next planning cycle and used to inform priorities for future updates to the LRTP, TAMP, and STIP. As these plans are updated, the Department should require documentation demonstrating how proposed goals, project selection criteria, and performance measures align with the strategic framework. Further, each Division should have a responsibility to create an associated strategic planning document aligned to the core strategic principles and goals established for the full DOT, establishing specific performance goals and time-bound achievements and outcomes anticipated. Progress should be monitored through Statewide outcome measures, which should be reported regularly to executive leadership.

# Findings and Considerations

## FINDING 3: ORGANIZATIONAL STRUCTURE

### BACKGROUND

**DOT's current organizational structure is too flat for an agency of its size and complexity, resulting in unclear accountability, an excessive executive span of control, and increased reliance on informal delegation and escalation to manage cross-cutting issues.**

An effective organizational structure supports accountability, coordination, and execution by clearly defining decision-making authority and escalation paths. This delineation is particularly important for state DOTs, which must simultaneously manage long-range planning, federally regulated programs, asset management, large-scale capital project delivery, compliance and oversight functions, as well as daily operations. Consistent implementation of such priorities depends upon organizational design and leadership capacity.

DOT's organizational chart, currently under revision, reflects executive and division-level reporting relationships. BDO observed that it does not depict all middle-management, regional, or field-level roles. For this reason, the remainder of this review focuses on how authority and responsibility are structured at the senior leadership level, rather than the full operational workforce model. With this assessment, the BDO team also reviewed organizational structures from peer state DOTs, to provide context on how agencies of comparable size and complexity typically organize senior leadership and management layers.

Based on the latest draft from West Virginia's DOT, the organization appears relatively flat compared to peer DOTs of similar size, scope, and geographic complexity. A wide range of administrative, technical, and oversight functions report directly to executive leadership, concentrating responsibility and visibility at the top of the organization. Additionally, three roles maintain dual reporting relationships at the executive level.

While flat organizational structures can provide direct access to leadership and increase executive visibility into core functions, they also place greater coordination and oversight demands on executive leadership in large, complex agencies. In practice, when many different functions report directly to a small number of executives, issues that span multiple areas, such as projects requiring collaboration across divisions, often lack clear ownership at the middle-management level. As a result, executives must frequently step in to resolve these cross-cutting issues, relying on informal delegation and ad hoc escalation rather than established processes. This can lead to confusion around prioritization, accountability, and decision-making authority.

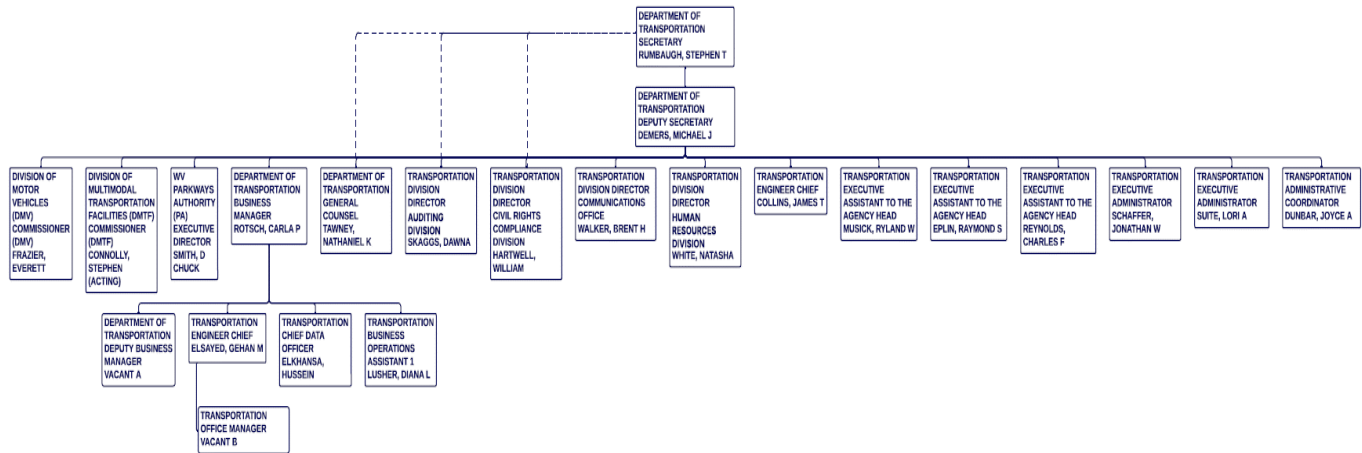
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# Findings and Considerations

## FINDING 3: ORGANIZATIONAL STRUCTURE

### ESTIMATED IMPACT

Exhibit 5: DOT Organizational Structure as of December 10, 2025



The current organizational chart presents several risks that may limit the DOT’s ability to execute priorities consistently and manage operations at scale.

The structure places substantial coordination and oversight demands on executive leadership, particularly the Deputy Secretary. At the time of the review, sixteen roles reported directly to the Deputy Secretary, encompassing administrative, technical, operational, and oversight functions. Managing such a large and diverse portfolio at the executive level increases complexity and limits the capacity for consistent oversight.

Management research and public-sector organizational practice generally indicate that effective executive spans of control are limited, especially in complex, multi-functional organizations. While there is no universally optimal number, executive spans of control commonly range from approximately six to ten direct reports. Effectiveness tends to decline as both the number and diversity of direct reports increases. When spans of control exceed these ranges, leaders are often forced to prioritize issue triage over proactive management, reducing their ability to align priorities, manage performance, and anticipate risks.

Dual reporting relationships further complicate accountability by introducing ambiguity around direction-setting, escalation, and ownership of outcomes. This is particularly problematic for oversight and compliance functions, where clarity and independence are essential.

The absence of a clearly designated operations director exacerbates these challenges. Without a senior role responsible for coordinating day-to-day operations across planning, project delivery, and administrative functions, cross-cutting issues may depend on informal coordination and executive intervention. Department leadership has indicated that the Business Manager role carries responsibility for several operational and administrative functions. However, this position is not structurally defined or positioned as a dedicated operations manager.

# Findings and Considerations

## FINDING 3: ORGANIZATIONAL STRUCTURE

### ESTIMATED IMPACT CONTINUED

Organizational charts reviewed from peer state DOTs generally demonstrate a clearer separation between strategic leadership, operational execution, and administrative support functions.<sup>11</sup> While titles and specific configurations vary by state, agencies of comparable size commonly distinguish between highway operations and project delivery, planning and preconstruction activities, and enterprise administrative functions, with each area led by a defined senior executive.

Among peer state DOTs, the role and positioning of the Deputy Secretary varies. In some states, the Deputy Secretary serves primarily as an internal coordinator or chief of staff, focusing on executive alignment and issue escalation. In other states, multiple deputy-level positions exist, each with distinct functional portfolios or, the role is positioned alongside modal commissioners, such as those overseeing motor vehicles or toll authorities. Despite differences in titles, reporting relationships, and responsibilities, peer organizational structures consistently strive to maintain a manageable number of direct reports at the executive level, particularly where responsibilities span diverse operational, technical, and administrative functions.

Additionally, organizational structures from peer agencies commonly include a designated chief operating officer or equivalent senior administrative role. This position is responsible for coordinating enterprise functions such as finance, human resources, information technology, and procurement. It also typically serves as the central point of accountability for administrative and operational support functions, separate from highway planning and delivery responsibilities.

**Exhibit 6** on the following page provides a visual example of a more common organizational structure for a state DOT.

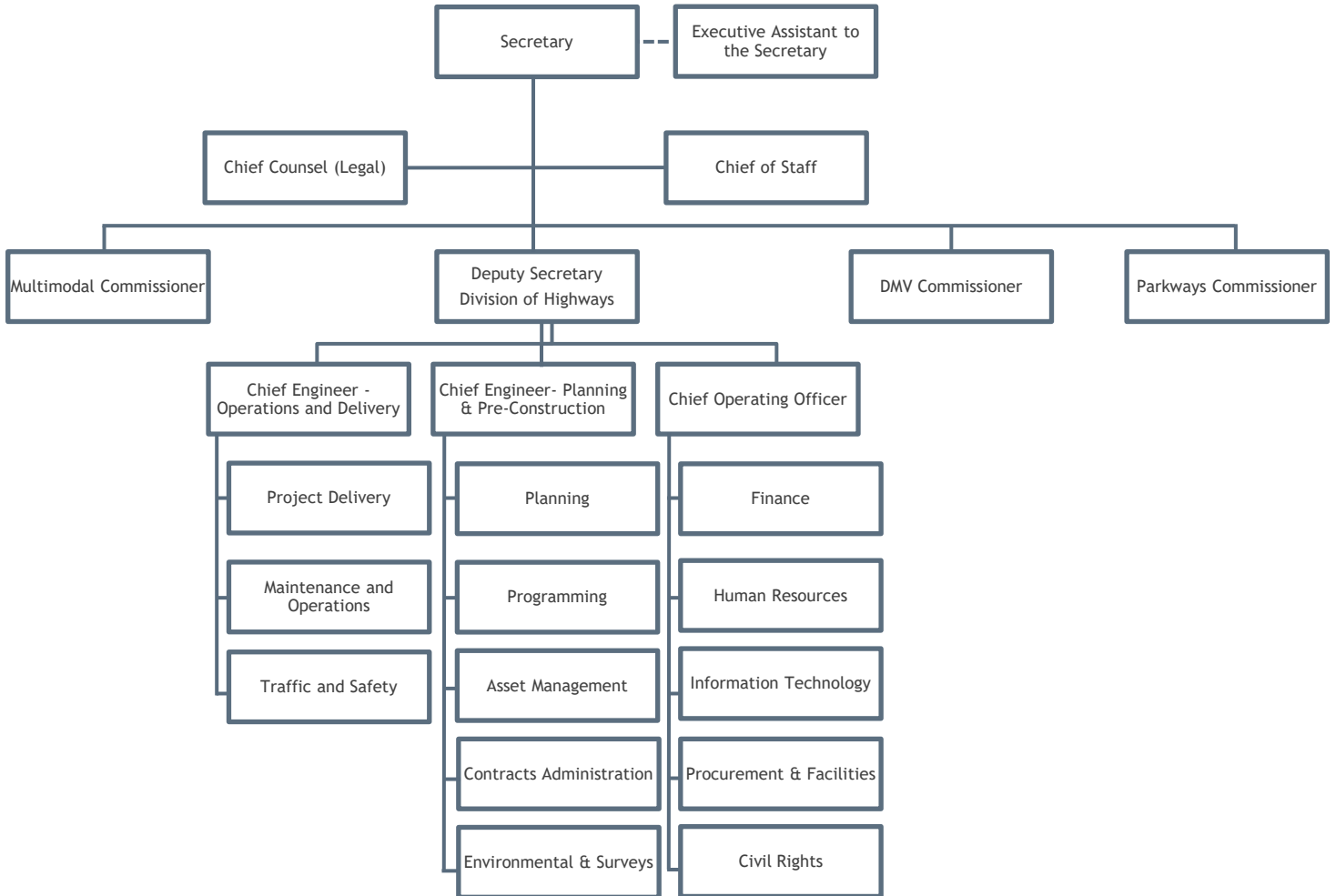
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# Findings and Considerations

## FINDING 3: ORGANIZATIONAL STRUCTURE

### ESTIMATED IMPACT CONTINUED

Exhibit 6: State DOT Illustrative Organizational Structure



# Findings and Considerations

## FINDING 3: ORGANIZATIONAL STRUCTURE

### POTENTIAL CONSIDERATIONS

As the DOT continues to refine its organizational structure, the following considerations may help to strengthen clarity, accountability, and execution.

CATEGORY	CONSIDERATION
Executive Span of Control	Assess whether executive reporting relationships reflect a manageable number of direct reports, especially where responsibilities span diverse administrative, technical, and operational functions. Evaluate whether oversight and coordination responsibilities can be distributed through clearly defined leadership layers, reducing reliance on executive-level intervention.
Role Clarity and Accountability	Clarify reporting relationships and decision-making authority for senior roles, particularly where dual reporting currently exists, to reduce ambiguity around prioritization and escalation. Ensure that oversight and compliance functions maintain clear independence while preserving appropriate access to executive leadership.
Operational Coordination	Consider formalizing responsibility for coordinating day-to-day operations across planning, project delivery, and administrative support functions. Where operational coordination responsibilities are currently performed informally, assess whether these duties should be explicitly defined within the organizational structure.
Consistency with Strategic Direction	As strategic priorities are clarified, evaluate whether the organizational structure clearly supports execution of those priorities across planning, investment, delivery, and operations.

### IMPLEMENTATION

Implementation should be aligned with DOT's ongoing organizational refinement efforts and should focus on reinforcing clarity, accountability, and operational coordination without disrupting core functions.

# Findings and Considerations

## II. Ineffective Operational Units

# Findings and Considerations

## FINDING 4: ECONOMIC DEVELOPMENT OFFICE

### BACKGROUND

**The DOT Office of Economic Development (OED) was established to facilitate private development by coordinating permits and traffic requirements for projects requiring access to State roadways. In practice, however, the Office has become a significant point of delay, impeding project timelines and creating uncertainty for developers across West Virginia.**

OED serves as the primary point of contact between developers, DOT districts, headquarters, and Traffic Engineering when a project development proposal requires roadway access. Before construction can begin, developers must enter into an agreement addressing roadway impacts and obtain a driveway permit. Traffic Engineering evaluates projected traffic volumes and determines required mitigation measures, while permit applications are reviewed concurrently by district offices and headquarters. OED is responsible for consolidating these inputs and communicating requirements, approvals, and next steps to developers.

Despite this defined coordination role, OED operates with limited transparency and inconsistent responsiveness, lacking clearly enforced service standards. Developers and local stakeholders reported extended communication delays, lost or unacknowledged submissions, and late approvals or denials, even in cases where project scopes had not changed. Because OED controls the sequencing of reviews and communication, delays at this stage halt the entire permitting process.

The absence of clear accountability and escalation mechanisms has resulted in prolonged project timelines, increased development risk, and strained relationships between the State, local governments, and the private sector.

### ESTIMATED IMPACT

Ineffective performance and limited accountability within OED increases the risk of delayed or foregone private investment in West Virginia, with downstream implications for economic activity, housing supply, and State and local tax revenue.

Stakeholder interviews identified multiple instances where prolonged OED delays materially affected project timelines. In one case, a gas station developer nearly cancelled a project after receiving no response from OED for six to seven months. Ultimately, the local municipality intervened to reinitiate communication. In another case, a developer proposing a housing development of more than 450 units reported repeated delays of five to six weeks, to receive acknowledgment of unchanged scopes. This non-responsiveness had postponed the initiation of a required Traffic Impact Study.

Beyond individual projects, inconsistent communication and limited transparency around OED agreements have created uncertainty for both developers and the State. Lack of visibility into agreement terms and timing has contributed to unanticipated project costs, including those not originally budgeted for in the State Transportation Improvement Plan (STIP). These unforeseen obligations disrupt planning and increase the likelihood of reallocating funds away from other priority transportation investments.

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# Findings and Considerations

## FINDING 4: ECONOMIC DEVELOPMENT

### ESTIMATED IMPACT (CONTINUED)

While the direct operating cost of the OED are modest, approximately \$170,000 annually for the Chief Economic Development Officer, including fringe benefits, the role exerts significant influence over the pace and predictability of private development Statewide. When coordination functions lack clear accountability, transparent tracking, and alignment with technical review processes, delays at this stage generate outsized economic and planning impacts across the State.

### POTENTIAL CONSIDERATIONS

The following considerations are intended to address delays, accountability gaps, and limited transparency in the OED permit distribution and coordination process. These options are not mutually exclusive and may be implemented in phases.

CATEGORY	CONSIDERATION
Organizational Structure	Reposition the economic development coordination function within DOT, improving alignment with technical review functions and clarifying accountability. This restructure may include relocating the function, under a technical or operational division (e.g., State Highway Engineer, Traffic Engineering, or General Counsel), and updating the office's name and mandate, to better reflect its role.
Process Transparency & Tracking	Implement a centralized tracking mechanism for development agreements and permits to capture key dates, responsible parties, review status, and outstanding requirements. Ensure this system is accessible for DOT leadership.
Roles & Decision Rights	Clearly document and communicate roles, responsibilities, and decision authority across OED, district offices, headquarters, and Traffic Engineering to reduce ambiguity and ensure consistent application of requirements.

### IMPLEMENTATION

Initial implementation could focus on improving transparency and consistency through documentation and tracking enhancements, while leadership evaluates longer-term structural alignment options.

UPFRONT COST TO CORRECT	ESTIMATED TIME TO FIX	PERSONNEL COST SAVINGS/REVENUE	OTHER THAN PERSONNEL COST SAVINGS/REVENUE	ESTIMATED ANNUAL COST SAVINGS/REVENUE
LOW	1 YEAR	\$170,000	\$0	\$170,000

# Findings and Considerations

## FINDING 5: PERFORMANCE MANAGEMENT UNIT

### BACKGROUND

**The DOT maintains a relatively large, centralized Reporting and Performance Management Unit that primarily produces reactive, low-value reporting. This limits leadership's ability to use performance data to manage operations, while consuming approximately \$1 million annually in staff resources, based on the central unit's budget.**

Nominally, the Performance Management Unit is intended to serve as a centralized resource for leadership by aggregating information from all ten districts and more than twenty central office divisions, summarizing that information, and developing reports to support informed decision-making.

In practice, however, the data received from districts is often inconsistent or inaccurate, resulting in the distribution of flawed reports across the Department. Other divisions have expressed concerns that these reports are frequently redundant with those produced by other units, such as the budget office. Additionally, report turnaround times can be lengthy, causing data to be stale by the time of delivery. Employees often bypass Performance Management and extract data directly from source systems. Furthermore, many of the reports generated by Performance Management are static spreadsheets. While some dynamic dashboards are produced, conversations suggest these are not the primary output.

The most significant limitation of the Performance Management Unit is its reactive approach to reporting, rather than proactively establishing key performance indicators. Effective performance management functions should work closely with leadership to monitor productivity and performance in real time.

### ESTIMATED IMPACT

Because the Performance Management Unit primarily produces retrospective and reactive reports, the Department's ability to use performance data as a management tool is limited. Leadership has limited visibility into operational performance trends and ability to proactively identify risks, inefficiencies, or underperforming initiatives.

The current operating model also drives inefficiencies across the Department. Staff resources are allocated to producing reports that are underutilized and replicated elsewhere, while managers spend additional time extracting and validating data independently. Over time, this fragmented approach weakens accountability and reduces the effectiveness of performance oversight.

It is important to note that the true cost of performance management may be understated if only the central unit's budget is considered. Including district-level staff involved in performance management activities would likely increase the total cost and further highlight the need for a more integrated and effective approach.

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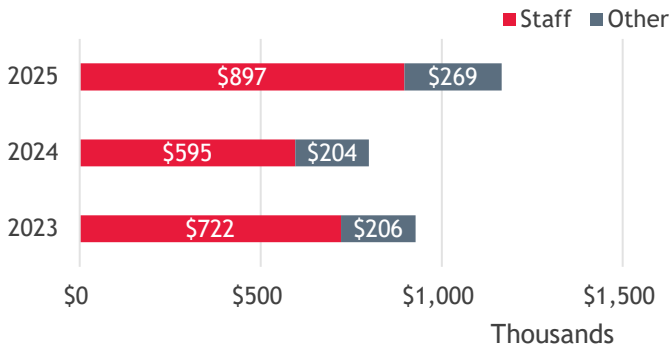
# Findings and Considerations

## FINDING 5: PERFORMANCE MANAGEMENT UNIT

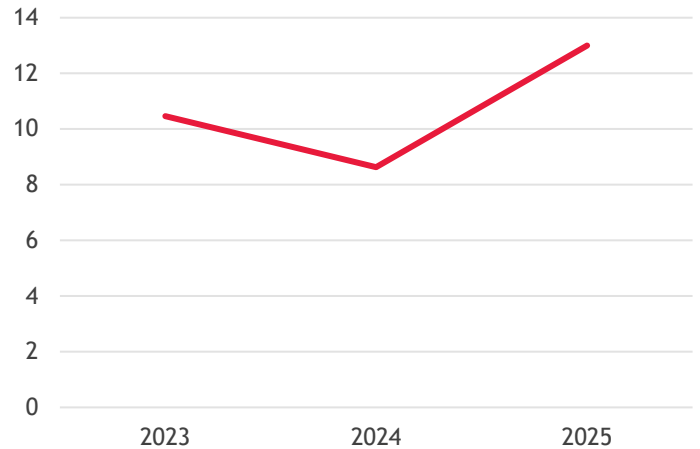
### ESTIMATED IMPACT CONTINUED

The cost of the Performance Management Unit is tricky to estimate. Data from the financial system of record indicates that between FYs 2023 and 2025, the Performance Management Unit cost the State approximately \$1 million annually, with most expenditures attributable to staffing (as shown in Exhibit 7). During this period, the unit averaged approximately eleven full-time equivalents (FTEs) (as shown in Exhibit 8). In the absence of a clearer strategic focus for performance management, this investment yields limited return in terms of improved decision-making, accountability, or performance outcomes.

**Exhibit 7: Performance Management Unit Expenses**



**Exhibit 8: Estimated FTEs**



However, these values may be inaccurate. A review of the 2024 Performance Evaluation Unit organization chart shows 30 FTEs, 19 filled and 11 vacant. As such, the true cost of the unit could be as high as \$2 million.

### POTENTIAL CONSIDERATIONS

The Department could consider two distinct approaches for addressing current limitations in the Performance Management Unit. Each option carries different implications for staffing, resource allocation, and leadership engagement.

CATEGORY	CONSIDERATION
<b>OPTION 1: Downsize by Half, Simplify Current Functions</b>	<p>This approach streamlines the Performance Management Unit by narrowing its focus and empowering stakeholders to handle their own reporting needs. The unit would shift from report creation to a support and enablement role, leveraging technology to increase efficiency. Specifically:</p> <ul style="list-style-type: none"> <li>▶ Refocus the unit’s mission away from producing reports and dashboards;</li> <li>▶ Provide technical assistance to stakeholders, teaching them how to use existing systems to generate reports that meet their needs; and</li> <li>▶ Implement AI and process automation tools to enable self-service reporting for stakeholders</li> </ul>

# Findings and Considerations

## FINDING 5: PERFORMANCE MANAGEMENT UNIT

### POTENTIAL CONSIDERATIONS CONTINUED

CATEGORY	CONSIDERATION
<b>OPTION 2:</b> Overhaul the Office to Focus on Strategic Performance Management	<p>This option transforms the Performance Management Unit into a strategic partner, working closely with leadership to drive organizational performance. The unit would assume a leadership role in establishing and tracking key performance indicators (KPIs), ensuring that initiatives are aligned with the Department’s goals. Specifically:</p> <ul style="list-style-type: none"> <li>▶ Collaborate with leadership to establish organization-wide KPIs;</li> <li>▶ Track and measure performance against these KPIs to ensure progress in meeting strategic objectives;</li> <li>▶ Invest in the unit upfront to build capacity for advanced performance management;</li> <li>▶ Enable the Department to better understand operations, drive effective change management, and realize cost savings; and</li> <li>▶ Ensure the office can reliably assess whether initiatives are achieving desired outcomes, supporting continuous improvement.</li> </ul>

### IMPLEMENTATION

To move forward, Department leadership must determine which option best aligns with the agency’s strategic objectives. Option 1 would reduce the size of the Performance Management Unit by half, generating approximately \$500,000 in annual savings. Option 2, while unlikely to lower current costs, would strengthen the agency’s strategic capacity and enhance long-term operational efficiency, likely providing long-term, annualized cost savings.

As an initial step, conducting a detailed review of current staff workloads will help identify which reporting activities can be streamlined, discontinued, or automated. This assessment will provide the necessary insight to guide a thoughtful transition, ensuring that resources are allocated effectively and that the chosen approach delivers measurable improvements.

With a clear commitment to change, the Department can position itself for greater efficiency and enhanced performance management.

UPFRONT COST TO CORRECT	ESTIMATED TIME TO FIX	PERSONNEL COST SAVINGS/REVENUE	OTHER THAN PERSONNEL COST SAVINGS/REVENUE	ESTIMATED ANNUAL COST SAVINGS/REVENUE
LOW	1 YEAR	\$400,000	\$100,000	\$500,000

# Findings and Considerations

## FINDING 6: DUPLICATED ACCOUNTS RECEIVABLE

### BACKGROUND

**Fragmented ownership, decentralized systems, and inconsistent coding practices result in unnecessary duplication, rework, and heightened risk across the DOT's Accounts Receivable (AR) function.**

DOT's AR function is fragmented, with revenue ownership distributed across multiple divisions, inconsistent system usage, and no single, enforced system of record for agreements, billing, and collections. As a result, the current process design frequently, and predictably, leads to duplication.

Between FYs 2023 and 2025, DOT collected \$3 billion in revenue, with at least 73 percent processed through AR. This revenue spans seven distinct sources, each with different billing rules, documentation requirements, and approval workflows. Tracking, billing, and collection responsibilities are split across at least four organizational units, including Finance, Districts, Right of Way, and Traffic Engineering.

Overall, the current-state AR process involves:

- ▶ Decentralized agreement management, with documentation scattered across the Hub, ProjectWise, email, and local spreadsheets;
- ▶ Manual invoice initiation, typically submitted via email using Form BF-38;
- ▶ Complex mixed-funding rules, particularly for non-federal revenue components;
- ▶ Weak coding validation, limiting reconciliation and reporting accuracy;
- ▶ Heavy reliance on spreadsheets, especially during system transitions; and
- ▶ Limited inter-division coordination, resulting in parallel tracking of the same revenue.

A key driver of this fragmentation is system limitations. Staff reported that OASIS, upon going live, lacked robust AR functionality, necessitating complex workarounds. To address some of these challenges, DOT is working with the Information Technology (IT) Division to develop a portal for Right of Way (ROW) permits, which should improve efficiency and could be expanded to other AR areas such as Logo Signs and Salvage Yards.

# Findings and Considerations

## FINDING 6: DUPLICATED ACCOUNTS RECEIVABLE

### BACKGROUND CONTINUED

The chart below summarizes the revenue types, responsible units, and complexity of collecting revenue.

REVENUE SOURCE	RESPONSIBLE UNIT	COLLECTION COMPLEXITY
Non-federal portion of mixed revenue projects	Finance, Districts	<b>High</b> - Requires complex coordination and precise coding. The process is currently time-consuming and poorly coordinated.
Federal aid reimbursements	Finance, Districts	<b>High</b> - Requires penny-level reconciliation and inactive project monitoring. The billing process is time-consuming but well coordinated. Inactive project monitoring is slow and cumbersome, resulting in additional work.
Right of Way permits	Right of Way Division	<b>High</b> - Entirely managed by the Right of Way Division using decentralized spreadsheets, with a high risk of duplicate billings. Finance is not involved in this process.
Advertisements on DOT property (i.e., Outdoor advertising signs)	Traffic Engineering, Finance	<b>Medium</b> - Heavily reliant on spreadsheets but transitioning to an integrated portal, which will simplify the process.
Advertisements on DOT Signage (i.e., Logo signs)	Traffic Engineering, Finance	<b>Medium</b> - Semiannual billing cycles, spreadsheet dependency.
Salvage yards	Finance / AR Team	<b>Low</b> - Relatively straightforward; process will be further simplified as it transitions to an integrated system.
Sewer permits	Finance / AR Team	<b>Low</b> - Standard permit lifecycle; requires accurate party-of-record.

# Findings and Considerations

## FINDING 6: DUPLICATED ACCOUNTS RECEIVABLE

### ESTIMATED IMPACT

The table below summarizes DOT's accounts receivable (AR)-related revenue by source, from FYs 2023 to 2025. While these figures provide directional insight into the scale and composition of revenue flowing through the AR process, precise interpretation is constrained by inconsistent coding practices, particularly for the non-federal portion of mixed-funding projects. As a result, some revenue streams cannot be reliably isolated or reconciled; reported values should be interpreted with caution.

Federal DOT billing represents the largest and most consistently tracked source of AR revenue, reflecting clearer ownership and more standardized processes. In contrast, non-federal and mixed-funding revenue streams, where coding is inconsistent and ownership is diffused, are the least visible and manageable, increasing the risk of duplication, rework, and delayed collections.

**Exhibit 9: AR-related Revenue by Source**

Source	2023	2024	2025	Grand Total
Federal DOT	\$639,230,727	\$822,906,096	\$764,105,134	\$2,226,241,957
Logo Signs	\$646,075	\$667,375	\$786,170	\$2,099,620
Outdoor Advertising Fees	\$276,564	\$217,769	\$240,815	\$735,148
Right of Way Permits			\$948,128	\$948,128
Salvage Yard Fees	\$67,015	\$60,000	\$57,600	\$184,615
Sewer Permits		\$250,902	\$287,692	\$538,594
Non-federal portion of mixed revenue projects	N/A	N/A	N/A	N/A
Non-AR Revenue	\$244,461,015	\$478,729,426	\$117,152,978	\$840,343,419
<b>Grand Total</b>	<b>\$884,681,396</b>	<b>\$1,302,831,568</b>	<b>\$883,578,517</b>	<b>\$3,071,091,481</b>

Based on organizational charts from 2024, BDO estimates that 27 FTEs are allocated to AR billing. Resolve, a firm specializing in AR automation, found that organizations investing heavily in automation were able to reduce costs by 17 percent.<sup>12</sup> However, as DOT's processes are very manual, BDO estimates DOT could reduce costs up to 26 percent. Applying this estimate to DOH's AR staff, improved processes and automation could save DOH approximately \$400,000 annually.

#### Savings from AR Efficiencies

Current AR FTEs	27
Est Cost	\$1.6 M
FTEs After Automation and AI	20
Est Cost	\$1.2 M
<b>Net Savings</b>	<b>\$400K</b>

# Findings and Considerations

## FINDING 6: DUPLICATED ACCOUNTS RECEIVABLE

### POTENTIAL CONSIDERATIONS

The following considerations are intended to address duplicated AR activity, accountability gaps, and limited transparency across DOT's AR processes. These options focus on clarifying system ownership, standardizing revenue tracking, and reducing reliance on manual workloads.

CATEGORY	CONSIDERATION
System-of-Record Governance	Assign the Hub as the single system of record for agreements by requiring a Hub Agreement ID on all invoices and supporting documentation. This would reduce agreement tracking across email, spreadsheets, and other systems, and improve consistency in billing and reconciliation.
System Role Clarity	Designate ProjectWise as a document library only, rather than as a tracking or system-of-record tool. Clarifying system roles would reduce confusion over where authoritative information resides and limit duplicate tracking efforts across divisions.
Revenue Tracking & Coding	Redesign the process for tracking revenue associated with mixed-funding projects to clearly distinguish federal and non-federal revenue streams.
Monitoring & Transparency	Create a federally funded activity dashboard within the Hub that includes automated reminders at nine months and mandatory district acknowledgement. This would improve visibility into billing status, reduce delays, and lessen reliance on manual follow-ups.

### IMPLEMENTATION

Initial implementation could focus on establishing system-of-record governance and clarifying system roles, as these changes require limited upfront investment and enable subsequent process and automation improvements. Process redesign and dashboard development could then be phased in to support longer-term standardization, transparency, and efficiency gains across AR functions.

UPFRONT COST TO CORRECT	ESTIMATED TIME TO FIX	PERSONNEL COST SAVINGS/REVENUE	OTHER THAN PERSONNEL COST SAVINGS/REVENUE	ESTIMATED ANNUAL COST SAVINGS/REVENUE
LOW	1 YEAR	\$400K	\$0	\$400K

# Findings and Considerations

## III. Division of Highways Cost Containment on Key Expense Drivers

# Findings and Considerations

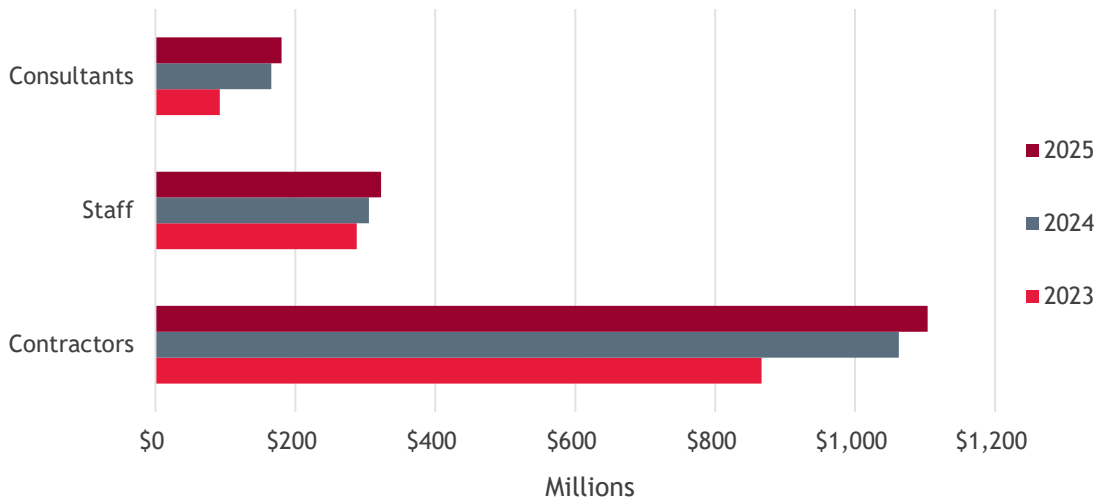
## FINDING 7: CONSULTANT COST MANAGEMENT

### BACKGROUND

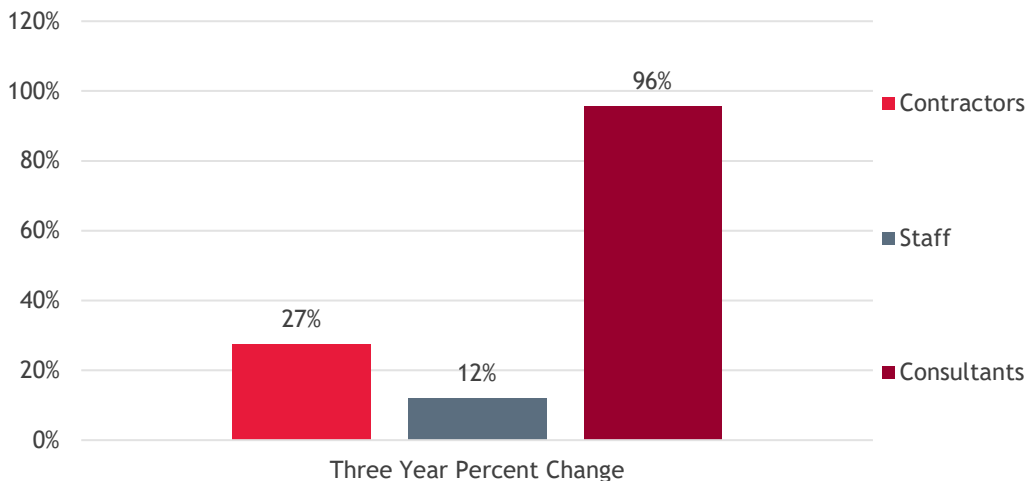
**DOH has increased spending on consultants, surpassing staff costs and creating long-term cost exposure as consultants increasingly substitute for in-house capacity.**

DOH is increasingly reliant on consultants to deliver core engineering and technical functions. Between FYs 2023 and 2025, annual consultant spending increased from approximately \$92 million to \$180 million, a 96 percent increase. This growth significantly exceeds the rate of increase in both staff and contractor expenses over the same period, as illustrated in Exhibits 10 and 11 below.

**Exhibit 10: Contractors, Staff, and Consultant Expenses**



**Exhibit 11: Percent Change in Contractors, Staff, and Consultant Expenses**



# Findings and Considerations

## FINDING 7: CONSULTANT COST MANAGEMENT

### BACKGROUND (CONTINUED)

Several factors contribute to the increasing reliance on consultants within DOH. The Department's capital and programming portfolio requires specialized technical expertise and, in certain cases, particularly for complex or time-limited projects, the engagement of consultants is appropriate. Additionally, procurement requirements under the Brooks Act limit DOH's ability to negotiate consultant pricing until after narrowing the potential vendor pool based on capabilities and qualifications, constraining cost containment once consultant services are required.

However, sustained growth in consultant spending is also associated with workforce capacity and retention challenges. DOH has experienced difficulty retaining engineers due to pay competitiveness, limited advancement opportunities, and working conditions. As staff engineers depart, DOH must often backfill core technical functions with consultants to maintain project delivery. DOH estimates that the average general-level consultant pay rate is 90 percent greater than the staff rate. Unlike most state agencies, which typically engage consultants for outcomes-driven projects, DOH's current practice often involves substituting consultants directly for staff on an hour-for-hour ("body swap") basis. This approach is particularly costly and not considered a best practice.

Two recent examples illustrate this dynamic:

- ▶ An engineer requested a 5 percent pay increase but was denied, leading to his resignation and subsequent employment with a consulting firm. Had the pay increase been approved, the engineer's total annual cost to the state would have been approximately \$131,000 (including salary and fringe benefits). Instead, DOH contracted with the consulting firm, and the engineer continued performing the same work at a contract cost of \$250,000 for one year, 91 percent more than the potential staff cost because of the refusal to incur incremental cost of under \$10,000 in additional salary.
  - ▶ A division with three engineers, whose combined annual cost to the state was approximately \$540,000, was dissolved. Despite the dissolution, the work remained essential, and DOH contracted with a consulting firm to perform similar duties. The one-year cost of this contract was \$1 million, or about 85 percent more than the cost of the former staff.
-

# Findings and Considerations

## FINDING 7: CONSULTANT COST MANAGEMENT

### ESTIMATED IMPACT

Significant cost savings could be realized by replacing consultants with staff engineers; however, this would require DOH to address the underlying factors driving staff turnover, namely low pay and challenging working conditions. One staff member noted that implementing a combination of initiatives, such as a 10 percent pay increase to bring DOH salaries in line with neighboring states, could help slow the loss of engineers. The Department has developed a new engineer pay scale based on surrounding states, which will be presented to the Governor's office, but it was not provided to BDO in time for this analysis. BDO conducted its own analysis of pay differentials between the State and its neighboring DOTs, with detailed results provided in Appendix A. The analysis indicates that the average engineer in West Virginia would need to earn approximately 20 percent more to match the salaries of their counterparts in surrounding states. For supervisory engineers, the required increase rises to 23 percent. A salary increase of 10 percent would materially improve the State's competitiveness relative to neighboring markets.

Currently, DOH employs approximately 93 engineers and senior engineers, with a total annual cost of \$12.6 million, or about \$135,000 per engineer. Consultant rates, according to DOH estimates, are roughly 90 percent higher, averaging \$257,000 per FTE. Increasing salaries by 10 percent would raise the per-engineer cost to \$146,000, narrowing the cost gap to \$111,000 per position. However, this adjustment would need to be applied across all engineers and senior engineers to retain existing staff, resulting in an additional annual cost of \$980,000.

To break even on this investment, DOH would need to replace at least nine consultant FTEs with staff engineers. Any additional consultant positions replaced beyond this threshold would generate ongoing savings of \$111,000 per position. It is important to note that this analysis does not account for potential increases in administrative or support costs associated with higher staffing levels, nor for the possibility that senior staff may require further compensation adjustments. Additionally, the analysis does not capture the potential operational benefits and flexibility gained by relying more heavily on in-house staff.

The DOT Secretary has indicated an intention to replace 30 to 40 consultants with staff engineers. If this initiative is paired with a 10 percent salary increase, the agency could realize estimated annual savings of approximately \$2.4 million.

A summary of these results is provided in the table below.

	Replace 9 Consultant FTEs	Replace 30 Consultant FTEs
Salary Increases to Current Staff	\$900K	\$900K
New Engineer's Hired Cost	\$1.3M	\$2.6M
Total Staff Cost Increase	\$2.291M	\$5.41M
Decrease in Consultant Expenses	\$2.312M	\$7.7M
<b>Net Savings</b>	<b>\$19K</b>	<b>\$2.4M</b>

# Findings and Considerations

## FINDING 7: CONSULTANT COST MANAGEMENT

### POTENTIAL CONSIDERATIONS

The following considerations are intended to support more disciplined consultant cost management by enabling DOH to systematically replace consultant services with in-house capacity, where feasible.

CATEGORY	CONSIDERATION
Identify Consultants to Replace	Conduct a targeted audit of all active consultant contracts to identify engagements that are most readily replaceable with in-house staff, based on scope, duration, and required skill sets.
Increase Engineer Salaries	Conduct an analysis to assess whether a 10 percent salary increase for engineers would improve recruitment and retention, sufficiently to reduce need for consultants.
Develop a Recruitment Plan	Develop a structured recruitment plan that includes targeted outreach, a streamlined hiring process, and monthly tracking of hires against established staffing targets.
Proportionally Reduce Consultant Engagements	As new staff are onboarded, implement a plan to proportionally reduce consultant engagements performing similar work to ensure staffing investments translate into realized cost savings.

### IMPLEMENTATION

Effective consultant cost management can deliver decreased costs and more efficient performance for DOH. Improved cost tracking and clearer performance metrics help reduce overspending and ensure accountability. Over time, these measures lead to better budget predictability and more efficient use of DOH's budget. While initial efforts may require additional administrative work and cultural adjustments, the long-term impact is a more disciplined, transparent approach to consultant engagement that supports DOT's operational and financial goals.

However, implementing these strategies will present certain challenges. Balancing cost control with maintaining quality and meeting project timelines can be difficult. Limited internal resources often lead to over-reliance on consultants, making it challenging to monitor scope creep and prevent unnecessary hours. Tracking and validating consultant billing against deliverables can be complex, especially when multiple projects and vendors are involved (see Finding 8). Additionally, resistance to stricter oversight, both internally and from consultants, can slow adoption of new cost management processes.

UPFRONT COST TO CORRECT	ESTIMATED TIME TO FIX	PERSONNEL COST SAVINGS/REVENUE	OTHER THAN PERSONNEL COST SAVINGS/REVENUE	ESTIMATED ANNUAL COST SAVINGS/REVENUE
MEDIUM	2 YEARS	\$0	\$2.4 MILLION	\$2.4 MILLION

# Findings and Considerations

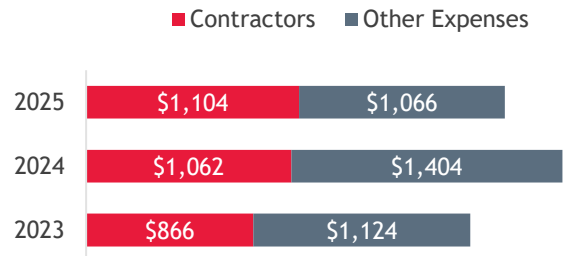
## FINDING 8: CONTRACTOR MANAGEMENT AND PERFORMANCE

### BACKGROUND

**Weaknesses in how DOH manages contractors across the project lifecycle limit accountability and create conditions that increase cost, delay, and execution risk.**

WVDOH relies extensively on external contractors to deliver its transportation program, particularly for capital-intensive projects that exceed the capacity or specialization of in-house staff. Contractor payments represent the Department's single largest cost driver. As shown in **Exhibit 12**, between FYs 2023 and 2025, contractor expenditures accounted for approximately 46 percent of total Department costs, underscoring the importance of effective contractor management to cost control, schedule reliability, and program performance.

**Exhibit 12: Contractors as a % of Total Costs, FY23 - FY25 (millions)**



The use of contractors is necessary for any state DOT. Outcomes depend heavily on how contractors are managed before, during, and after construction. Effective contractor management requires disciplined project readiness, timely and consistent oversight during delivery, and strong performance evaluation to reinforce accountability.

As part of this assessment, BDO reviewed contractor management practices across the project lifecycle, including project development, construction oversight, and contract closeout. Staff interviews and document review identified several areas where gaps in management controls have shaped contractor behavior and downstream project outcomes. Administrative procurement requirements and staff capacity considerations related to contractor solicitation are discussed separately.

### 1. PROJECT DEVELOPMENT

During project development, staff reported that, historically, some projects advanced to construction before key prerequisites such as permits, right-of-way acquisition, or utility coordination were fully secured. These incomplete approvals, to which staff informally refer as “dirty permits,” limited the Department's ability to enforce original cost and schedule expectations once construction began. Contractors encountering unresolved prerequisites were required to pause work, re-sequence activities, or remobilize crews, introducing uncertainty into project execution. While Department leadership indicated that these practices are being discontinued, their legacy illustrates how front-end readiness decisions directly affect contractor performance and management leverage during delivery. In one large capital project valued at approximately \$35 million, unresolved prerequisites resulted in multiple change orders and inefficiency claims, ultimately increasing total project costs by \$2 million on an annual basis.

# Findings and Considerations

## FINDING 8: CONTRACTOR MANAGEMENT AND PERFORMANCE

### BACKGROUND (CONTINUED)

#### 2. CONTRACTOR OVERSIGHT

Once projects move into construction, DOH staff and consultants are responsible for monitoring contractor performance. Two major areas were noted as problems during this phase of the work.

- ▶ Staff reported that approval thresholds for change orders are centralized, slowing routine decision-making and increasing the likelihood of delayed responses. Over the past five years, interest payments associated with delayed approvals have totaled approximately \$200,000 (\$40,000 annually). These amounts represent costs incurred solely due to process delays, rather than changes in project scope or quality. Generally, staff noted that engineering contingencies are often used to cover change order costs, resulting in cumulative Statewide impacts that amount to millions of dollars over time.
- ▶ Limitations in schedule oversight further increase cost and delay risk. Critical Path Management (CPM) is required for all projects costing over \$2.5 million. Staff noted that limited training and capacity to review schedules allows contractors to revise sequencing and claim additional time with limited challenge. In several cases, contractors successfully obtained time extensions and associated costs that staff believed could have been mitigated with stronger review and oversight. For example, on one \$35 million contract, insufficient review of contractor-submitted schedules contributed to approximately \$1 million in additional costs associated with time extensions and claims.

#### 3. CONTRACTOR CLOSEOUT

At contract closeout, DOH evaluates contractor performance through formal ratings. However, staff indicated that current evaluations lead to all contractors having high scores. This diminishes DOH's ability to differentiate between high- and low-performing contractors and could increase the likelihood that contractors delivering subpar results will be engaged on future projects. For instance, one contractor delivered a project on-time but managed their invoices poorly, resulting in \$30,000 in additional consultant expenses due to the time required to resolve invoicing issues. Another contractor might have been able to do the same work and invoice in a timely fashion. The current contractor evaluation rubric would not capture the distinction between the two.

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# Findings and Considerations

## FINDING 8: CONTRACTOR MANAGEMENT AND PERFORMANCE

### ESTIMATED IMPACT

The table below summarizes the estimated annual costs incurred by District 3, which encompasses the Mid-Ohio Valley and surrounding central counties in West Virginia, due to identified inefficiencies.

	Est. Annual Cost
Delays related to “Dirty Permits”	\$2M
Payments related to insufficient CPM review	\$1M
Interest payments due to change order approvals	\$40K
Additional costs due to inaccurate contractor performance ratings	\$30K
<b>Total</b>	<b>\$3 Million</b>

These costs represent approximately 3 percent of the \$100 million that District 3 spent on contractors in FY25. During the same fiscal year, the State spent \$1 billion on contractor services. Assuming that other districts incur proportional costs, the State could potentially save up to \$33 million through enhanced oversight and improved contractor management.

# Findings and Considerations

## FINDING 8: CONTRACTOR MANAGEMENT AND PERFORMANCE

### POTENTIAL CONSIDERATIONS

The following considerations are intended to improve contractor oversight, reduce cost overruns, and strengthen performance accountability across DOH projects. These options focus on governance, process controls, and performance management.

CATEGORY	CONSIDERATION
Permitting & Compliance Controls	DOH must put checks in place to ensure that “dirty” permits are no longer issued. Should this issue arise again, DOH should consider stronger enforcement mechanisms to ensure they are no longer used in future projects and to promote consistent compliance across districts.
Change Order Governance	DOH has adjusted change order approval thresholds to allow line-level staff to approve routine change orders. Or, alternatively, accelerate review timelines for higher-threshold approvals to reduce administrative delays while maintaining appropriate oversight.
Schedule Management & Controls	Provide additional training to DOH staff and consultants on CPM scheduling standards to reduce schedule manipulation and limit the use of extensions to justify additional payments.
Contractor Grading System	DOH needs to redesign the contractor grading system to more clearly differentiate high-performing contractors based on quality of work and timeliness of documentation, enabling performance to meaningfully influence future contract decisions.
Cost Estimation & Analytics	Develop a more consistent methodology for estimating cost overruns and efficiency savings to improve visibility into the financial impact of contractor performance and oversight decisions.

### IMPLEMENTATION

DOH should overhaul its processes to ensure that projects are well planned and effectively managed. Implementing these improvements across all ten districts will be a significant challenge but has the potential to yield substantial savings. Additionally, DOH should conduct a more thorough analysis of the costs associated with overruns and inadequate contractor oversight.

UPFRONT COST TO CORRECT	ESTIMATED TIME TO FIX	PERSONNEL COST SAVINGS/REVENUE	OTHER THAN PERSONNEL COST SAVINGS/REVENUE	ESTIMATED ANNUAL COST SAVINGS/REVENUE
LOW	1 YEAR	\$0	\$33 Million	\$33 Million

# Findings and Considerations

## IV. Processes and Systems

# Findings and Considerations

## FINDING 9: SYSTEMS & DATA

### BACKGROUND

**DOT's systems environment is fragmented and poorly governed, resulting in duplicative processes, manual workarounds, and avoidable cost and productivity losses.**

DOT relies on a broad and fragmented set of systems and software applications to support core operations, administrative, and financial functions. Some systems are DOT-specific, while others are shared across the State. However, DOT lacks a comprehensive, functionally oriented view of its systems portfolio, which limits its ability to assess redundancy, usability, cost effectiveness, and alignment with business needs.

DOT IT provided documentation identifying approximately 266 systems for which it manages back-end administration. This inventory excludes certain mission-critical systems, such as Oasis, due to limited IT involvement in system maintenance, and does not include associated annual system costs. Systems are grouped using internal administrative classifications, rather than by functional purpose. This organization makes it difficult to identify overlap, duplication, or opportunities for rationalization across the portfolio.

Staff consistently reported feeling overwhelmed by the number of systems, spreadsheets, and trackers required to perform routine tasks. In several cases, staff are required to enter similar information into multiple systems. For example, fuel usage is tracked across the Fuel Master system, paper or Excel mileage logs, timesheets, and Form 56, leading to potential duplication of effort and unnecessary administrative burden.

In interviews, certain systems were cited repeatedly for usability and control concerns, suggesting uneven performance across the technology environment and inconsistent support for core functions.

### TIMEKEEPING IN OASIS

Timekeeping in Oasis was identified as a particular weakness. While Oasis allows staff to enter time electronically, system configuration permits users to view and edit co-workers' entries, creating control gaps. To mitigate these issues, staff continue to rely on paper or Excel timesheets that are later manually entered into Oasis by designated "timekeeper" staff. One interviewee estimated that up to 60 staff may be performing timekeeping-related functions, reflecting a significant manual workaround for system limitations. DOT has indicated that a future version of Oasis may address some of these issues. If implemented, this transition would present an opportunity to move toward fully electronic timekeeping and reduce reliance on manual processes.

### GOOGLE SUITE

DOT experienced significant disruption following the Statewide transition from Microsoft to Google Suite. DOT staff reported raising integration and usability concerns prior to implementation, particularly given DOT's reliance on external systems requiring seamless integration. Systems such as ProjectWise, which is central to DOT documentation and project management, currently have limited integration with Google tools. DOT IT is actively working to resolve these issues; however, remediation requires time and effort. Other states, including Virginia, have attempted similar transitions and ultimately reverted to Microsoft due to such challenges.<sup>13</sup>

# Findings and Considerations

## FINDING 9: SYSTEMS & DATA

### ESTIMATED IMPACT

In FY2025, the DOT (excluding Parkways) spent approximately \$22 million on external computer services. Given the scale of DOT's systems portfolio and staff feedback regarding system burden and duplication, there is significant opportunity to improve efficiency and reduce costs through enhanced system governance, automation, and rationalization.

DOT could benefit from establishing a Software Asset Management (SAM) plan to provide visibility into installed software, usage patterns, licensing compliance, and lifecycle management. Core elements of an effective SAM program include:

- ▶ **Inventory & Discovery:** Identify all installed and subscribed software, including both on-premises and SaaS applications.
- ▶ **License Management:** Track entitlements versus actual usage to ensure compliance and avoid over-purchasing.
- ▶ **Optimization:** Reduce the number of unused licenses, downgrade tiers, and rationalize redundant applications.
- ▶ **Governance & Policy:** Establish processes for procurement, renewals, and decommissioning.
- ▶ **Lifecycle Management:** Manage software from acquisition through retirement.

Gartner has estimated that organizations using SAM tools can achieve software savings of up to 30 percent.<sup>14</sup> Conservatively, assuming DOT could realize half of that benefit, this would translate to approximately \$3.3 million in annual savings.

Additional savings opportunities exist through automation of timekeeping. The average salary, with fringe, for administrative assistants and business operations assistants is \$54,000. Assuming 60 of those positions function as timekeepers, automating their responsibilities could yield \$3.2 million in annual savings.

Finally, the productivity impact of the transition from Microsoft to Google Suite is material. DOT spent approximately \$363 million on staff in FY25. Even a 1 percent decline in productivity attributable to system inefficiency equates to approximately \$3.6 million in lost value annually. While exact productivity impacts are difficult to isolate, even modest efficiency losses carry substantial cost implications at DOT's scale. Below is an illustrative high-level savings estimates:

	High Savings Estimate
Savings from Software Asset Management (SAM) Plan	\$3.3M
Savings from automating time keeping	\$3.2M
Savings from Switching back to Microsoft Suite	\$3.6M
<b>Total</b>	<b>\$10.1M</b>

# Findings and Considerations

## FINDING 9: SYSTEMS & DATA

### POTENTIAL CONSIDERATIONS

The following considerations are intended to improve system efficiency, reduce duplication, and strengthen governance across DOT's technology environment. These actions focus on establishing visibility, improving controls, and aligning systems with operational needs.

CATEGORY	CONSIDERATION
Software Asset Management (SAM) Plan	Develop a SAM plan to document all systems currently in use across DOT. Assess the utilization of these systems and identify opportunities for optimization, consolidation, or decommissioning.
Automation	Collaborate with Oasis to enhance the time-tracking module and enable greater automation, reducing reliance on manual timekeeping processes and duplicate data entry.
Productivity & Tool Alignment	Reevaluate the transition to Google Suite and assess whether reverting to Microsoft tools would better support DOT's operational systems and help recover productivity losses.

### IMPLEMENTATION

Implementing these actions is expected to deliver substantial improvements in system efficiency and generate meaningful cost savings. Establishing a SAM plan will likely streamline operations and reduce redundancies; however, DOT should proceed with caution. The previous transition from Microsoft to Google serves as a clear example of the risks associated with system changes made without considering the impacts beyond immediate costs. Careful planning and evaluation are essential to avoid unintended productivity losses and ensure that future decisions maximize value.

UPFRONT COST TO CORRECT	ESTIMATED TIME TO FIX	PERSONNEL COST SAVINGS/REVENUE	OTHER THAN PERSONNEL COST SAVINGS/REVENUE	ESTIMATED ANNUAL COST SAVINGS/REVENUE
MEDIUM	1-2 years	\$6.8 MILLION	\$3.3 MILLION	\$10.1 MILLION

# Findings and Considerations

## FINDING 10: PROCUREMENT & BID SOLICITATION

### BACKGROUND

**Due to legislative mandates, the DOT's procurement processes are complex, with contractor procurement and bid solicitation processes being particularly administratively intensive and resource-demanding.**

DOT utilizes distinct procurement processes for consultants, commodities, services, and capital project contractors. The 2016 Deloitte performance evaluation provides a more detailed analysis of factors to consider during this phase, including a cost-benefit analysis of in-house staffing versus outsourcing. BDO recommends reviewing page 46 and the capital project case studies of the Deloitte report for additional information.

DOT is subject to a unique legislative exemption from the State Purchasing Division (PD). Contracts that include labor as a component, such as those for contractors, are exempt from PD oversight. Purchases that are solely for commodities are not exempt, even if they pertain to commodities that only DOT would procure (e.g., asphalt). This exemption adds unnecessary complexity to the procurement process.

The contractor procurement process is particularly complex and could be simplified. State law requires projects to be advertised in local newspapers. Staff reported that coordinating and managing these newspaper advertisements requires the equivalent of approximately one full-time position Statewide, while contractors primarily rely on BidX and industry channels, rather than newspapers, to identify bidding opportunities.

Prior to submitting a bid, contractors must complete a State pre-qualification process to confirm eligibility. Approximately two full-time staff positions support this process Statewide by assisting contractors and reviewing submitted materials. However, this requirement duplicates the vetting already performed by bond brokers.

As part of the procurement process, contractors must secure both a bid bond and a performance bond. If a contractor fails to sign a contract they were awarded or does not perform the agreed work, the bond premium is forfeited. Consequently, contractors undergo both the bond broker's vetting and the State's pre-qualification process. While these requirements aim to mitigate risk, they also introduce administrative complexity into the solicitation process.

Following bid submission, contract administration staff are required to conduct a public bid reading via online broadcast, in accordance with State law. There is no indication that any individual listens to these broadcasts and it is unclear how much they cost the state. Staff suggested it took about an hour per month of one person's time. However, additional costs associated with setting up the broadcasts or similar tasks may not be quantifiable.

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# Findings and Considerations

## FINDING 10: PROCUREMENT & BID SOLICITATION

### ESTIMATED IMPACT

If DOT were no longer required by law to advertise in newspapers and simplified the pre-qualification process, the Department could reduce its headcount by at least three FTEs as well as decrease advertising expenses.

#### Savings from Procurement Efficiencies

FTEs Allocated to Newspaper Ad Buys and Pre-Qualification Administration	3
Est Cost	\$176K
Est. Newspaper Ad Buy Costs	\$136K
<b>Savings</b>	<b>\$312K</b>

### POTENTIAL CONSIDERATIONS

CATEGORY	CONSIDERATION
Remove Legislative Mandates	Request that the Legislature eliminate requirements for newspaper advertising and public bid broadcasts.
Simplify Pre-qualification Process	Streamline the pre-qualification process so that the primary criterion for contractor eligibility is the ability to secure a performance bond.

### IMPLEMENTATION

The Legislature has previously declined to remove the mandates for newspaper advertising and public bid readings, in part due to strong support from contractors. However, eliminating these requirements would be a straightforward way to reduce costs and administrative complexity without incurring additional expense. Simplifying the pre-qualification process will require a more comprehensive analysis to balance the benefits of increased oversight against the added administrative burden.

UPFRONT COST TO CORRECT	ESTIMATED TIME TO FIX	PERSONNEL COST SAVINGS/REVENUE	OTHER THAN PERSONNEL COST SAVINGS/REVENUE	ESTIMATED ANNUAL COST SAVINGS/REVENUE
LOW	1 YEAR	\$176K	\$136K	\$312K

# Findings and Considerations

## FINDING 11: HUMAN RESOURCES

### BACKGROUND

**DOT's HR function has improved materially in recent years; however, HR staffing levels exceed peer benchmarks, suggesting an opportunity to reduce headcount over time through clearer performance metrics, process optimization, and automation.**

Since becoming exempt from the State's Division of Personnel in 2020, the HR Division has achieved notable improvements in hiring efficiency and workforce development. Exemption enabled DOT to establish its own civil service system, allowing for more flexible classification changes, accelerated hiring processes, and enhanced recruitment capabilities. Despite Statewide challenges in talent availability, DOT has successfully promoted internal career growth through structured programs to develop technical skills, including those for technicians, bridge inspectors, and transportation workers. Hiring timelines have been reduced significantly from three to six months to just weeks. Additionally, HR has strengthened recruitment efforts through partnerships with Workforce West Virginia, leveraging job fairs, in-person events, and online platforms.

At the same time, DOT leadership has raised concerns regarding HR's size and operating model. Certain core systems, including OASIS, remain slow and heavily manual, limiting productivity gains from process improvements. Additionally, HR's primary focus on DOH may result in inconsistent service levels across other DOT agencies. As a result, while HR performance has improved, opportunities remain to further streamline operations, clarify workload drivers, and better align staffing levels with service demand and system capabilities.

### ESTIMATED IMPACT

Industry benchmarks suggest that large organizations with more than 1,000 employees typically maintain a ratio of one HR staff member per 100 employees.<sup>15</sup> As of November 2025, OASIS lists the combined workforce of DOH, DMV, and Multimodal as a total of 5,892 employees, with 90 having titles that align with Human Resource functions. This represents a ratio of approximately 1.53 HR employees per 100 staff.

Identifying employees performing HR work has been challenging. Some staff may have Human Resource aligned titles in OASIS but may not perform HR work or vice versa. In addition, the benchmark value does not break out public and private organizations. A private firm of a similar size may operate with more advanced technology and streamlined processes, which may reduce HR staffing needs. Therefore, while the industry benchmark provides a useful reference, it should not be assumed to be the optimal standard for DOT. If DOT determines that aligning with this benchmark is appropriate and elects to reduce HR staffing accordingly, potential savings could reach up to \$2 million.

	Current	At Benchmark
HR Employees Per 100 Employees	1.53	1.0
Est. FTE	90	59
Est. Cost	\$6M	\$4M
<b>Net Savings</b>		<b>\$2M</b>

# Findings and Considerations

## FINDING 11: HUMAN RESOURCES

### POTENTIAL CONSIDERATIONS

The following considerations are intended to help DOT right-size HR staffing over time while preserving recent service improvements. These actions focus on performance measurement, demand analysis, and process efficiency.

CATEGORY	CONSIDERATION
Role clarity	Clearly identify, in organization charts and Oasis, which staff perform core HR functions.
Action Planning & Metrics	Develop an action plan that defines HR performance metrics most relevant to DOT leadership, such as hiring cycle time, vacancy duration, service volumes, and transaction throughput. Use these metrics to inform staffing decisions.
Workload & Historical Analysis	Evaluate historical relationships between HR headcount, hiring volumes, vacancy rates, and service demand to better understand staffing requirements and identify opportunities for consolidation or redeployment.
Process & Technology Review	Review HR processes with an emphasis on identifying opportunities for automation, AI enablement, and technology improvements that could increase efficiency and reduce manual effort.

### IMPLEMENTATION

DOT's HR staffing levels are higher than industry benchmarks for organizations of similar size. However, this does not necessarily indicate overstaffing. Discussions with HR personnel suggest that hiring speeds and other processes have improved since DOT received an exemption from the State Division of Personnel in 2020. DOT should ensure that any reductions in headcount do not compromise the quality of HR services.

UPFRONT COST TO CORRECT	ESTIMATED TIME TO FIX	PERSONNEL COST SAVINGS/REVENUE	OTHER THAN PERSONNEL COST SAVINGS/REVENUE	ESTIMATED ANNUAL COST SAVINGS/REVENUE
LOW	1 YEAR	\$2 Million	\$0	\$2 MILLION

# Findings and Considerations

## V. Division of Motor Vehicles and Multimodal Transportation Facilities

# Findings and Considerations

## FINDING 12: DIVISION OF MOTOR VEHICLES

### BACKGROUND

**The DMV has made significant strides in improving operational efficiency and, with further technical enhancements, could achieve even greater impact.**

The DMV provides essential services related to motor vehicles, dealers, drivers, and commercial drivers through its central headquarters and 26 regional offices Statewide. In addition to these core functions, the DMV promotes highway safety, facilitates interstate travel, and collects revenue for highway maintenance and construction programs. The Division is recognized for having some of the most entrepreneurial staff within DOT.

In recent years, the DMV has implemented initiatives that have significantly improved service delivery. These efforts have reduced wait times by more than 80 percent, transitioned many services online, and positioned West Virginia as one of the first states to adopt contactless driver skills testing following the onset of the COVID-19 pandemic. The DMV continues to expand electronic self-service options; however, progress is constrained by limited internet access and low technology literacy among some customers.

Notably, the DMV is among the few State agencies observed by BDO that actively tracks KPIs, including monitoring service levels at regional offices through wait times and customer surveys, as well as analyzing headquarters activity to identify trends and improvement opportunities. While these practices demonstrate a strong commitment to performance management, opportunities remain for further efficiency gains.

### ESTIMATED IMPACT

DMV is transitioning from the State's mainframe system to a cloud-based solution. Currently, DMV's share of mainframe maintenance costs is approximately \$600,000 annually. Migrating to a cloud platform will not only eliminate these costs, but also enable expanded customer self-service options, which could reduce reliance on physical locations. In FY25, DMV incurred \$3.8 million in occupancy costs. Closing five of its 26 regional offices could generate annual savings of up to \$729,000.

The DMV is also evaluating the discontinuation of mailing registration decals. DOT estimates that approximately 420,000 decals are mailed each year at a cost of \$0.86 per unit. Eliminating this practice, along with associated labor for envelope preparation, could reduce expenses by roughly \$450,000 annually. The use and size of vehicle decals is influenced by law enforcement needs and legislative mandates. While alternative approaches exist, any modifications would need to address law enforcement concerns and may require statutory changes.

Additionally, DMV has initiated discussions about contracting schools to administer driving skills tests. This approach could improve efficiency by allowing full-time DMV employees to focus on other customer services. While this initiative is expected to reduce wait times during peak periods, its impact on overall costs remains uncertain.

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# Findings and Considerations

## FINDING 12: DIVISION OF MOTOR VEHICLES

### ESTIMATED IMPACT CONTINUED

	High Savings Estimate
Mainframe + Office Closures	\$1.3M
Eliminating Registration Decals	\$450K
<b>Total</b>	<b>\$1.75M</b>

### POTENTIAL CONSIDERATIONS

CATEGORY	CONSIDERATION
Mainframe	Continue transitioning from the mainframe to a modern cloud-based solution.
Improving Customer Self-Service	Leverage the cloud transition to expand customer self-service options, potentially allowing for closure of some regional offices or conversion to mobile service units.
Eliminate Registration Decals	Discontinue the practice of mailing registration decals to customers.

### IMPLEMENTATION

Transitioning away from the mainframe system will be time-consuming but is expected to enhance the DMV's customer self-service capabilities. Determining the appropriate approach for closing regional offices will require careful planning to ensure that citizens with limited internet access or technical capabilities continue to have reasonable access to physical locations.

UPFRONT COST TO CORRECT	ESTIMATED TIME TO FIX	PERSONNEL COST SAVINGS/REVENUE	OTHER THAN PERSONNEL COST SAVINGS/REVENUE	ESTIMATED ANNUAL COST SAVINGS/REVENUE
MEDIUM	2 YEARS	\$90K	\$1.66 MILLION	\$1.75 MILLION

# Findings and Considerations

## FINDING 13: MULTIMODAL TRANSPORTATION FACILITIES

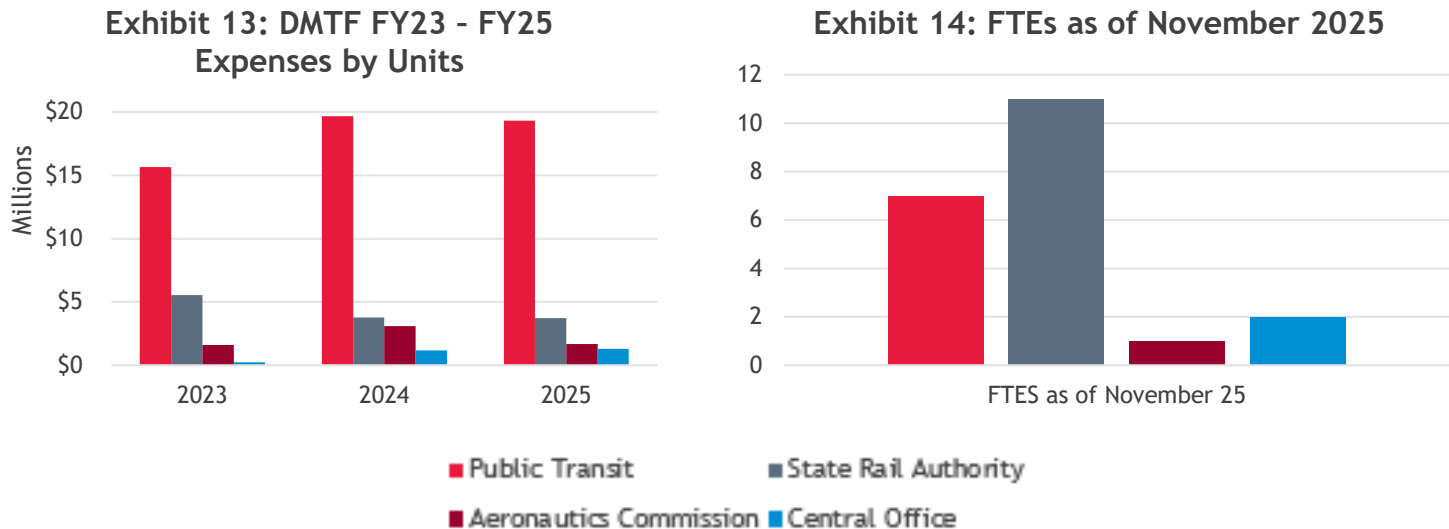
### BACKGROUND

The Division of Multimodal Transportation Facilities (DMTF) operates efficiently for its size. However, opportunities remain for process consolidation and consideration of a broader policy question regarding State ownership of rail assets.

DMTF comprises four primary units:

- ▶ **Aeronautics Commission:** Oversees West Virginia’s 24 public-use airports, including 7 airports offering commercial airline service, and administers aviation-related grants and regulatory oversight.
- ▶ **Public Transit:** Administers federal and State transit funding programs and provides oversight to local transit authorities. This unit functions primarily as a grants administration and compliance hub, rather than a direct service provider.
- ▶ **State Rail Authority:** Manages State-owned rail assets, oversees key rail lines, administers rail-related grants, supports short-line and commuter rail services, and preserves abandoned rail corridors for future use or recreation.
- ▶ **Port Authority:** Exists in statute but has no staff or operating expenditures and is excluded from this analysis.

Exhibits 13 and 14 below present each unit’s total expenses and estimated staffing levels:



Despite overseeing a diverse portfolio, DMTF operates with a relatively small staff compared to other DOT divisions. Available expenditure and staffing data indicate that the division has managed its responsibilities efficiently given its size.

Public Transit represents the largest unit by total expenditures; however, this is primarily attributable to its role as a pass-through for grant funding rather than direct operations. In FY25, Public Transit administered approximately \$12 million in grants to local partners.

# Findings and Considerations

## FINDING 13: MULTIMODAL TRANSPORTATION FACILITIES

### BACKGROUND CONTINUED

Public Transit grantees currently submit reporting and supporting documentation via email, which staff then download and review manually. While this process is highly manual, the staff member responsible for grant administration reported having sufficient capacity to perform required due diligence and ensure compliance. Nevertheless, reliance on manual workflows presents an opportunity for incremental efficiency gains through process standardization or automation. One option is consolidating grant administration functions within the DOT Planning Division, which already administers federal and State grants. From an administrative efficiency standpoint, no material operational issues were identified within the Aeronautics Commission or the Rail Commission.

DOT has raised the broader policy question of whether a program of \$25-\$30 million in State dollars and approximately 22 FTEs needs to be represented at the Commission level. In most other states, similar multimodal functions are structured as a division or operating unit within the Planning Division, reflecting their primary focus on grants management rather than direct operations. This approach may offer opportunities for further administrative streamlining and alignment with peer practices.

### ESTIMATED IMPACT

The State Rail Authority raises a broader policy consideration regarding the role of State government in owning and maintaining freight and tourist railroads. As of 2020, West Virginia had approximately 2,700 miles of railroad. The State Rail Authority owns two lines: the 52-mile South Branch Valley Railroad and the 132-mile West Virginia Central Railroad. Freight service operates on the South Branch Valley line and both lines support scenic tourist rail operations.

Day-to-day operations are contracted to third-party vendors who collect service fees. However, these fees do not fully cover costs when capital expenses are included, a situation common among publicly owned railroads nationwide. In FY26, the Rail Commission requested approximately \$1.1 million for bridge and track improvements. The primary justification for continued State ownership is the economic development benefit provided to rural areas, though this rationale is broadly applicable to many forms of public infrastructure.

In FY25, the State spent approximately \$3.7 million on the Rail Commission, including \$2.4 million for contractors performing capital improvements. If the State were to divest ownership of these rail assets, it would no longer bear responsibility for their ongoing maintenance and capital costs (and could potentially see a one-time revenue benefit from related asset sale).

While a full evaluation of the policy implications of State-owned railroads is beyond the scope of this report, the issue is noted due to its unique nature within DOT's overall portfolio and its long-term fiscal implications.

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# Findings and Considerations

## FINDING 13: MULTIMODAL TRANSPORTATION FACILITIES

### POTENTIAL CONSIDERATIONS

The following considerations distinguish between near-term administrative opportunities and longer-term policy decisions.

CATEGORY	CONSIDERATION
Grants Administration	Evaluate the consolidation of the public transit grants administration portfolio within the Planning Unit or another centralized grants administration function to streamline processes and reduce reliance on manual workflows.
Rail Commission Policy	Reassess the policy implications of continued State ownership of the South Branch Valley Railroad and the West Virginia Central Railroad, including fiscal responsibility, economic development objectives, and long-term sustainability.

### IMPLEMENTATION

DMTF currently operates leanly and efficiently, and no broad structural changes are recommended. Any near-term improvements should focus on modest process enhancements, such as consolidating grant administration functions, where these changes can be implemented without disrupting existing operations.

The more significant consideration involves the State's role in owning and maintaining rail assets. Given the policy, economic development, and fiscal tradeoffs involved, any reassessment of rail ownership should be undertaken through a separate, comprehensive analysis outside the scope of this performance evaluation.

# Findings and Considerations

## VI. Miscellaneous Additional Focus Areas

# Findings and Considerations

## FINDING 14: MISCELLANEOUS ADDITIONAL FOCUS AREAS

### OVERVIEW

During BDO's audit, additional issues and concerns were noted that warrant documentation in this report. These findings were not significant or verifiable enough to merit dedicated sections or detailed cost analysis. BDO has recorded these additional areas of focus for the State's consideration and situational awareness.

### PARKWAYS

- ▶ Parkways functions as a quasi-independent agency with limited overlap and coordination with other DOT functions. The agency reported few challenges and appeared to be operating efficiently.

### DOH NOTABLE EXPENSES

During the review of DOT expenses, BDO identified several object codes with significant expenditures. It may be beneficial to examine these in greater detail:

- ▶ **Custodial Services:** \$5.8 million expensed in FY25. Staff noted this is part of a Statewide contract, but the quality of service is reported to be poor. It may be worthwhile to assess whether a better vendor is available.
  - ▶ **Lawn Care Services:** \$4.8 million expensed in FY25. DOT should evaluate whether bringing these services in-house would be more cost-effective.
  - ▶ **Doc Payments:** \$619,000 expensed in FY25. This is a sub-object code of contractual services with a confusing naming convention. It may relate to expenses for documents printed as part of contracts and could warrant closer review.
  - ▶ **Outside Record Keeping:** \$192,000 expensed in FY25. DOT should review whether this service is still necessary or if it can be transitioned to a State-owned facility.
  - ▶ **Printing and Binding:** \$110,000 expensed in FY25. This is a separate object code from Doc Payments and has decreased by \$150,000 since FY23. Further digitization could potentially reduce these expenses even more.
-

# Appendices



# Appendix A

## Engineer and Secretary Salary Analysis

The average engineer at the DOT would need to have their salary increased by approximately 20 percent to match the salaries of engineers in neighboring states. Similarly, the DOT Secretary’s salary would need to increase by 36 percent to match that of counterparts in surrounding states. West Virginia may wish to consider targeted salary adjustments to strengthen its ability to recruit and retain highly skilled engineers and senior leaders.

Data for this analysis is sourced from the American Association of State Highway and Transportation Officials (AASHTO) annual salary survey of state DOTs. As part of the survey, states are asked to align their internal job classifications to one of 89 benchmark titles.<sup>16</sup> Although AASHTO characterizes the survey as annual, the most recent available dataset is from 2023.

For this analysis, BDO compared West Virginia’s reported average salaries for five benchmark positions to those in four neighboring states—Kentucky, Ohio, Pennsylvania, and Virginia—as well as to non-neighboring states. Colorado, Idaho, Maryland, New Mexico, New York, and Rhode Island did not participate in the survey and are therefore excluded from all comparative averages.

### Engineer Salary Analysis

The AASHTO survey includes 17 “Engineer” benchmark titles, organized into four broad categories. The State reported data for 310 full-time equivalent (FTE) positions that were matched to ten of these benchmark titles, all of which fall within two of the four categories. The number of FTEs reported in the survey exceeds the number of FTEs in the same classifications as of November 2025.

The table below lists the AASHTO benchmark titles by broad category, the corresponding State DOT job classifications, and the number of FTEs associated with each classification in the 2023 survey and as of November 2025.

AASHTO Survey Title	State Titles Included	WV FTEs in Survey	WV FTEs as of 11/25
E1. Transportation Engineer - Non-supervisory	Transportation Engineer Trainee 1 Transportation Engineer Trainee 2 Transportation Engineer Trainee 3 Transportation Engineer Associate Transportation Engineer Associate Senior Transportation Engineer	237	216
E2. Transportation Engineer-Supervisory	Transportation Engineer Senior Transportation Deputy District Engineer Transportation District Manager Transportation Engineer Chief	73	67
E3. Bridge/Structural Engineer-Non-supervisory	Grouped into series E1	0	0
E4. Bridge/Structural Engineer Supervisory	Grouped into series E2	0	0
<b>Total</b>		<b>310</b>	<b>283</b>

# Appendix A

## Engineer and Secretary Salary Analysis

The table below presents the average salaries for the broad categories of AASHTO benchmark titles for West Virginia, its neighboring states, and the average for non-neighboring states. For non-supervisory staff, West Virginia's average salary is higher than that of Kentucky but lower than all other comparison states. West Virginia's supervisory staff have the lowest average salary among all states included in the analysis.

AASHTO Survey Title	WV	KY	PA	VA	OH	Neighboring States	Non-Neighboring States
E1. Transportation Engineer - Non-supervisory	\$71K	\$68K	\$82K	\$89K	\$100K	\$84K	\$86K
E2. Transportation Engineer-Supervisory	\$111K	\$120K	\$132K	\$152K	\$147K	\$136K	\$142K
E3. Bridge/Structural Engineer-Non-supervisory			\$75K			\$75K	\$88K
E4. Bridge/Structural Engineer Supervisory			\$105K		\$126K	\$113K	\$132K
<b>Average Engineer Salary</b>	<b>\$87K</b>	<b>\$89K</b>	<b>\$97K</b>	<b>\$116K</b>	<b>\$119K</b>	<b>\$104K</b>	<b>\$110K</b>

The table below shows the percentage increase in average salary required for West Virginia to reach pay parity with the comparison states. The gap in average salaries is larger for supervisory engineers than for non-supervisory staff.

AASHTO Survey Title	WV	KY	PA	VA	OH	Neighboring States	Non-Neighboring States
E1. Transportation Engineer - Non-supervisory	\$71K	-4%	15%	25%	41%	18%	21%
E2. Transportation Engineer-Supervisory	\$111K	8%	19%	37%	32%	23%	28%
E3. Bridge/Structural Engineer-Non-supervisory							
E4. Bridge/Structural Engineer Supervisory							
<b>Average Engineer Salary</b>	<b>\$87K</b>	<b>2%</b>	<b>11%</b>	<b>33%</b>	<b>37%</b>	<b>20%</b>	<b>26%</b>

# Appendix A

## Engineer and Secretary Salary Analysis

### Chief Executive Salary Analysis

The AASHTO survey uses the title “DOT Director” to refer to the chief executive of a state Department of Transportation. The table below compares the salary of West Virginia’s DOT Secretary to the salaries of DOT Directors in the other comparison states. West Virginia has the lowest director salary among all states included in the analysis. Note that Pennsylvania did not report its Director’s salary; therefore, it is excluded from the table.

	WV	KY	PA	VA	OH	Neighboring States	Non-Neighboring States
A1. Department of Transportation (DOT) Director	\$142K	\$156K	N/A	\$253K	\$170K	\$193K	\$215K
% Change in Salary		10%	N/A	78%	20%	36%	51%

### Estimated Impact

As noted previously, the number of engineer FTEs as of November 2025 differs from what is reported in the AASHTO survey. Average salaries have also increased modestly since 2023. The average salary for positions within the E1. Transportation Engineer - Non-supervisory category increased by 2%. The average salary for the DOT Secretary and for positions within E2. Transportation Engineer - Supervisory increased by 3%. It is reasonable to assume that other states implemented similar salary adjustments, and therefore the pay gaps identified in the 2023 survey likely remain.

Using the 2025 data as a baseline, the table below summarizes the estimated cost for West Virginia to achieve pay parity with other states for both engineering positions and the DOT Secretary role.

AASHTO Survey Title	WV 2025 FTE	WV 2025 Avg. Salary	KY	PA	VA	OH	Neighboring States	Non-Neighboring States
E1. Transportation Engineer - Non-supervisory	216	\$71K	\$0	\$2.3M	\$3.9M	\$6.4M	\$2.8M	\$3.3M
E2. Transportation Engineer-Supervisory	67	\$111K	\$611K	\$1.5M	\$2.8M	\$2.4M	\$1.8M	\$2.1M
A1. Department of Transportation (DOT) Director	1	\$146K	\$14K		\$114K	\$29K	\$52K	\$75K
<b>Total Cost</b>			<b>\$625K</b>	<b>\$3.8M</b>	<b>\$6.8M</b>	<b>\$8.8M</b>	<b>\$4.7M</b>	<b>\$5.5M</b>

# Appendix B

## INTERVIEW LIST

NAME	POSITION	ORGANIZATION
Stephen Rumbaugh	Cabinet Secretary	Department of Transportation
Michael DeMers	Deputy Secretary	Department of Transportation
Carla Rotsch	Business Manager	Department of Transportation
Kristy Dawson	Procurement Officer	Department of Transportation
Natasha White	Director of HR	Department of Transportation
Matthew Ball	Assistant Director of HR	Department of Transportation
Hussein Elkhansa	CTO	Department of Transportation
Yueming Wu	Director of IT	Department of Transportation
Bob Bryant	IT Assistant Director	Department of Transportation
Perry Keller	Chief Economic Development Officer	Department of Transportation
Dawna Skaggs	Director of Auditing Division	Department of Transportation
Nina Orndorff	Director of Budgeting Division	Department of Transportation
Amache Watson	Director of Office Services	Department of Transportation
Michelle Ozley	Director of Performance Management	Department of Transportation
Cindy Wilkinson	Director of Finance	Department of Transportation
Michelle Petry	Assistant Financial Director	Department of Transportation
Jacob Bumgarner	State Highway Engineer	Division of Highways
Gehan Elsayed	Chief Engineer of Planning & Programming	Division of Highways
Shawn Smith	Director of Contracts Administration	Division of Highways
R.J. Scites	Director of Engineering Division	Division of Highways
Tim Sedosky	Acting Director of Planning Division	Division of Highways
Chris Kessell	Director of Programming	Division of Highways
Josh Smith	Construction Engineer	Division of Highways
Everett Frazier	Commissioner	Division of Motor Vehicles
Cecil Lloyd	Executive Director	Division of Motor Vehicles
Eric Tipton	Executive Director	Division of Motor Vehicles
Tracy Dawson	HR Director	Division of Motor Vehicles
Stephen Connolly	Acting Commissioner	Division of Multimodal Transportation Facilities
Henrietta Pauley	CFO	Division of Multimodal Transportation Facilities
Dwayne "Chuck" Smith	Executive Director	Parkways Authority
Alan Cummings	Internal Auditor	Parkways Authority
Tyrone Gore	Director of Operations	Parkways Authority
Heather Abbott	CIO	Office of Technology
Jeff Whitman	Deputy CIO	Office of Technology
Tom Allen	CCOE Manager	Office of Technology
Sandra Shaffer	Project Manager for DOT	Office of Technology
Jeff Wilson	PMO	Office of Technology

# Appendix C

## DOCUMENTS REVIEWED

1. Department and Division Organizational Charts
2. Department internal audits
3. Agency & Office Descriptions
4. FY26 Budget Reports
5. Unit budgets
6. Fiscal projections and other analysis generated by DOT staff
7. Financial Reports generated from Oasis

# Endnotes

# Endnotes

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