

STATE OF DELAWARE



EXECUTIVE DEPARTMENT DOVER

EXECUTIVE ORDER NUMBER SEVENTY-EIGHT

**RE: IMPLEMENTATION OF FINANCIAL MANAGEMENT
MEASURES FOR THE DEPARTMENT OF TRANSPORTATION
AND THE TRANSPORTATION TRUST FUND**

WHEREAS, on June 1, 2005, Executive Order No. 69 was adopted, establishing a Transportation Development and Funding Options Committee; and

WHEREAS the Committee recognized that the Delaware Department of Transportation ("DelDOT") is unique among all State agencies in that it must attempt to forecast many uncertain outcomes in order to build a proposed planning, design, and construction/acquisition program; and

WHEREAS, on November 30, 2005, the Transportation Development and Funding and Options Committee delivered a series of recommendations, including recommendations that the State implement certain financial management measures to improve forecasting and reporting of revenues and expenditures for the State's Transportation Trust Fund ("TTF"); and

WHEREAS, certain measures recommended by the Committee, such as capital project spending checkbooks and partnering in the State's implementation of Enterprise Resource Planning Financial project, have already been initiated by DelDOT; and

WHEREAS, certain additional measures recommended by the Committee can be implemented administratively, and such measures will ensure better financial management and reporting by DelDOT and the TTF,

NOW, THEREFORE, I, RUTH ANN MINNER, by virtue of the authority vested in me as Governor of the State of Delaware, do hereby declare and order the following:

1. DelDOT shall provide a monthly operating expenditure report to the Director of the Office of Management and Budget ("OMB"). Monthly operating expenditure reports shall at a minimum review both expenditures to date as well as forecasted yearly expenditures. These reports shall be presented in a format agreed to by DelDOT and OMB staff.

2. DelDOT shall provide a quarterly capital expenditure report to the Director of OMB. Quarterly capital expenditure reports shall list at a minimum both expenditures to date as well as forecasted yearly expenditures. These reports shall be presented in a format agreed to by DelDOT and OMB staff.

3. There is established a Transportation Finance Advisory Committee, consisting of the Secretary of DelDOT, the Secretary of Finance, the Director of OMB and such other members as shall be appointed by the Governor. A chairperson of the Transportation Finance Advisory Committee shall be designated by the Governor.

4. The Transportation Finance Advisory Committee shall develop and review revenue and expenditure estimates for the TTF on a regular basis. The Transportation Finance Advisory Committee shall advise the Delaware Financial Advisory Council on revenue and expenditure estimates for the TTF.

5. At least annually, the Transportation Finance Advisory Committee shall conduct a comprehensive review of revenue and expenditure estimates in coordination with a review of the Capital Improvements Program adopted pursuant to Title 29, Delaware Code, Chapter 84. The Committee shall present findings and conclusions concerning the feasibility and sustainability to the Council on Transportation and to the Governor. This review will also include an assessment of the extent to which the Capital Improvements Plan meets the 50/50 "pay go" standard and the 2.25 coverage test historically used in the State's transportation budget program. The first comprehensive review of revenue and expenditure estimates and the Capital Improvements Plan shall be undertaken on or before October 31, 2006.

Approved and adopted this 9th day of January, 2006.



Ruth Ann Minner
Ruth Ann Minner
Governor

Attest:

Harriet Smith Windsor
Secretary of State