

# **Quarterly Traffic Light Report**

**Capital Program Oversight Committee  
January 2012**



**Metropolitan Transportation Authority**

# MTA CPOC Risk-Based Monitoring

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## ➤ Monthly Reports to CPOC on Large / Technical / Complex Projects

## ➤ Quarterly Traffic Light Report & Follow-Up for Others

- Includes projects budgeted at \$5M or greater (250 projects with total value of \$8.5B)
- Provides early observation of trends on budget/schedule to be able to focus on any underlying problem areas
- Identified problems (i.e. “red lights”) result in one-page agency reports outlining problems and corrective actions taken
- Allows for further in-depth evaluation by IEC of projects that have persistently triggered red or continued negative trending

# MTA CPOC Quarterly Traffic Light Report

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- Three performance measures are used to determine project health as indicted by a designation of green, yellow or red (*Index below 1.0 is favorable, above 1.0 is unfavorable*):
- **Cost Index**- measured as a percentage of total project Estimate At Completion divided by current approved budget
  - **Contingency Index**- measured as a percentage of contingency used divided by percentage of construction completed
  - **Schedule Variance**- measured as the number of months changed in schedule since last Traffic Light Report
- Also includes trending arrows, which indicate if condition is improving or worsening on the three measures since the last report



Indicates condition worsening







Indicates condition improving

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## Reporting Criteria

### Projects in Design

-  **Green:** No indices 115% or more and no index movement 15% or more
-  **Red- Cost Index:** An EAC increase of 15% (or index movement of 15% or more since the last Traffic Light Report)
-  **Red- Schedule Variance:** An increase of 3 months or more to substantial completion or since the last Traffic Light Report
-  **Yellow:** Previously indicated as red with no new substantial change since the last Traffic Light Report

### Projects in Construction

-  **Green:** No indices 110% or more no index movement 10% or more
-  **Red- Cost and Contingency Index:** An increase of 10% (or index movement of 10% more since the last Traffic Light Report)
-  **Red- Schedule Variance:** An increase of 3 months or more to substantial completion or since the last Traffic Light Report
-  **Yellow:** Previously indicated as red with no new substantial change since the last Traffic Light Report

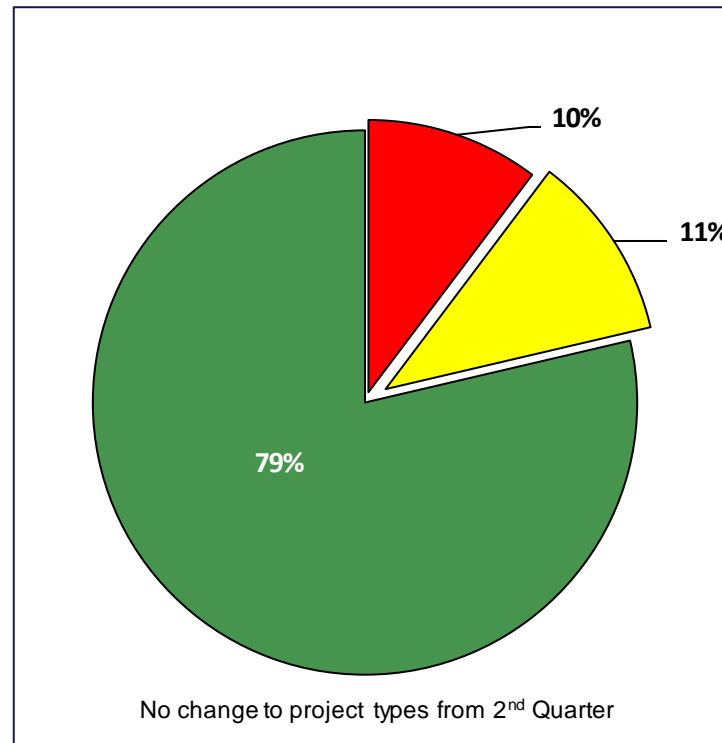
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## **Project Reporting Based on Performance Measures May Trigger:**

- Agency pink One-Page Reports for “red light” projects
- Agency Follow-up Reports on projects with unfavorable performance measures & continued negative trending
- Further IEC review on projects designated for follow-up

## MTA CPOC Quarterly Traffic Light Report: Third Quarter

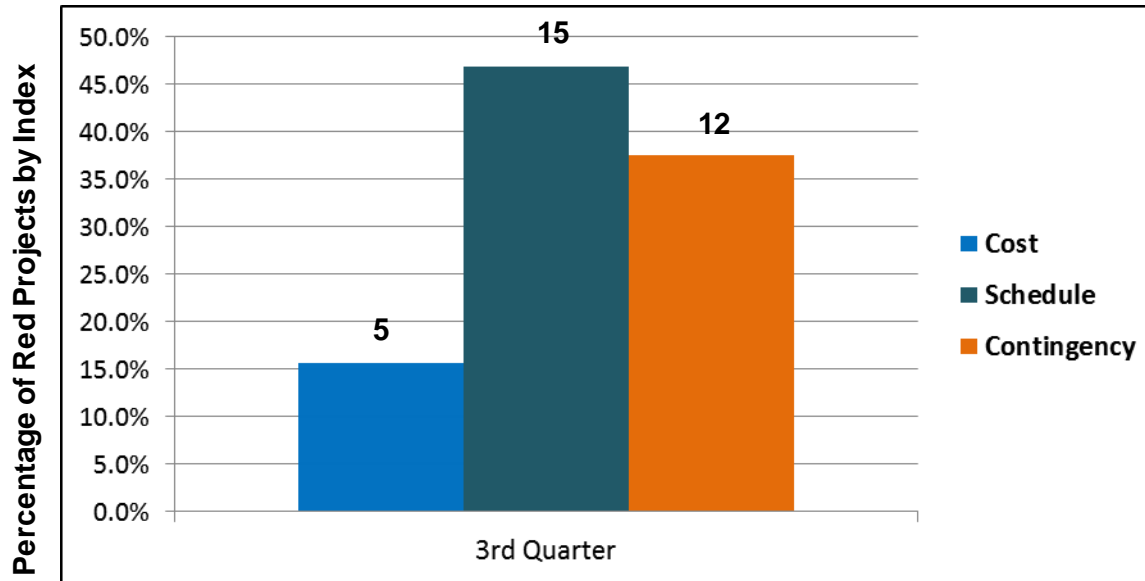


Number of projects reviewed - 253

- 199 projects
- 28 projects
- 26 projects

# MTA CPOC Quarterly Traffic Light Report

## Indexes that Triggered Red Projects in 3<sup>rd</sup> Quarter 2011



### Summary assessment of Third Quarter Indexes

- **Cost** : Most EAC increases were due to additional in-house labor, construction management and design/scope changes
- **Schedule**: Delays in project approval, design change, and site access were most predominant
- **Contingency**: Most projects state they have sufficient contingency remaining or have introduced budget modifications to complete the project

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## Next Steps

- Projects in procurement to be added upon completion of efficiency study
- Provide agencies with analysis to benefit project management / lessons learned
- Next Traffic Light Report on the 4<sup>th</sup> Quarter 2011-March CPOC Meeting