



**MISSOURI DEPARTMENT OF  
TRANSPORTATION ROADEOS**

**From The Office Of State Auditor  
Claire McCaskill**

*Equipment-handling competitions (called  
Roadeos) are not necessary and are not a  
good use of resources.*

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**PERFORMANCE AUDIT**



Office of  
Missouri State Auditor  
Claire McCaskill

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**Audit calls for cutting transportation employees' equipment competitions; department suspends program for now**

The Missouri Department of Transportation spent at least \$870,000 over calendar years 1999 and 2000 for employee competitions, known as "Roadeos," which test equipment-handling skills. This audit reviewed various aspects of the competitions, which involve state personnel and state equipment, and determined the contests are not an effective use of state resources and do not significantly contribute to the department's mission. The following highlights the findings:

**Competition costs steadily increase, total cost unknown**

Each of the department's 10 districts holds a competition and then advances winners to district and statewide contests. Most competitions include gifts, prizes, food, travel and lodging expenses for judges and participants. In one year, the competition costs increased by 40 percent, with at least \$9,000 spent on retail store gift certificates for winners. In one district, the cost tripled over three years. In addition, the estimated total costs reported in this audit are conservative because the department did not track all costs and cannot quantify others. (See page 3 and 6)

**Full state workday used for 30-minute exercise**

In 2000, the 2,000 participating employees spent an average of 6 state hours at area competitions and 6 state hours at district competitions. Audit observations showed participants spent less than 30 minutes actually operating or inspecting equipment in the four contest events. Employees charged more state time to the statewide contest, including some employees who charged three working days to the competition. (See page 4)

**Competitions called training**

Department officials consider the competitions part of the safety training program, even though participation is not required. Audit observations showed the events, including using a backhoe to put a bowling ball in a box, often do not mimic real situations. The existing department training on the machinery is more intense than the half hour spent on equipment during these contests. (See page 6)

**Other states canceled or did not hold competitions**

The 2001 national Roadeo competition only had six states participate. Auditors contacted transportation officials in other states and found many canceled the contests due to funding issues or higher priorities. Some states called the competitions "morale boosters," but did not consider them safety training. (See page 6)

YELLOW SHEET

**MISSOURI DEPARTMENT OF TRANSPORTATION ROADEOS**

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**Missouri State Auditor**

Honorable Bob Holden, Governor  
and  
Henry Hungerbeeler, Director  
Missouri Department of Transportation  
Jefferson City, Missouri

The State Auditor's Office audited the Missouri Department of Transportation equipment handling competitions referred to as "Roadeos." The objective of this audit was to review the benefits and associated costs of the annual roadeos and determine whether these activities are justified.

We concluded the roadeo program should be discontinued because it is not an effective use of resources and does not significantly contribute to the department's mission.

The audit was made in accordance with applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and included such tests of the procedures and records as were considered appropriate under the circumstances.

Claire McCaskill  
State Auditor

June 29, 2001 (fieldwork completion date)

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## **RESULTS AND RECOMMENDATION**

### **The Rodeo Program Is Not an Effective Use of Resources and Does Not Significantly Contribute to the Mission of the Missouri Department of Transportation (MoDOT)**

MoDOT spent at least \$870,000 during calendar years 1999 and 2000 for employee competitions (called Rodeos) to demonstrate equipment-handling skills. These costs are escalating as evidenced by one district's costs more than tripling between 1999 and 2001. MoDOT officials stated that the Rodeos were a safety training program for their employees in which participation is usually voluntary. Based on audit observations, participants spent approximately 30 minutes to complete the competition while incurring travel, personal service and, sometimes, lodging expenses. MoDOT officials stated these competitions led to a nationwide event. Only six states participated in fiscal year 2000 and many opted out because it was not a good use of resources.

#### **Description of Rodeos**

MoDOT Rodeos are a series of competitive events in which some maintenance division employees engage in various activities, primarily involving the driving or handling of state road equipment. The department's maintenance division is the operating unit of MoDOT that is responsible for maintaining the existing roads and bridges on the state highway system. MoDOT is organized in 10 districts across the state. Separate competitions begin in the department's 10 districts. In some districts, the competitions begin at the maintenance area (shed) level where winners proceed to district competitions. Winners of the district competitions represent their district at the state Rodeo competition held every October. In addition, in May 2001, MoDOT provided funding and transportation for the winners of the 2000 state Rodeo to compete in the national Rodeo competition held in Ohio.

Each district conducted its Rodeo competitions differently. Some districts required maintenance employees to participate in the Rodeo competitions, while other districts have made participation voluntary.

State road equipment is used in the Rodeo competitions at all levels. The competitions require the use of heavy equipment such as backhoes, loaders, dump trucks and snowplows. Participants are scored on their abilities to perform required tasks/maneuvers using this equipment in a timed environment.

We observed a portion of the District 3 (Hannibal) Rodeo competition held in Mexico, Missouri in May 2001. Our observations of the various events are described below.

#### **Loader Competition**

This timed event generally took each participant less than 3 minutes to complete. The operator used a loader shovel to lift a bucket and drove forward and backward through a series of cones. After reaching the end of the course, the operator lowered the loader shovel and set down the bucket.



### **Snowplow Competition**

The snowplow competition took each participant approximately 4 minutes to complete. This was a timed event in which the operator drove a snowplow through a series of cones representing fixed objects. The operator then backed the snowplow into a specified area. The participants had to plow the ground close to cones without knocking them down and then back into a spot without hitting the cones or knocking over the board located behind the snowplow.



### **Pre-trip Inspection**

This event took each participant approximately 15 minutes to complete. Participants inspected the engine compartment, cab, and exterior of a truck to ensure the vehicle was safe to operate. According to a department employee judging the event, a pre-trip vehicle inspection is supposed to be performed by operators every morning before the vehicle is used. For the competition, judges planted several defects on the vehicle. The judges scored participants on how well the operators inspected and identified safety issues pertaining to the vehicle. Many of the requirements for this came from the state commercial driver's license examination.

### **Backhoe Event**

The backhoe event took each participant approximately 4 minutes to complete. This was an optional, non-competitive event in which the operator picked up a cylinder with the tip of the backhoe shovel and placed the cylinder over a stationary post. After completing this task, the participants attempted to use the backhoe shovel to lift a bowling ball off a large tee and put it in a wooden box.



Only one individual was participating in each of these activities at one time. According to Roadeo officials, the day's activities were scheduled to last 5½ hours. Based on our observations, each participant spent less than ½ hour actually participating in the four events. The rest of the time was spent waiting for their turn at the various events. One department official indicated the time spent by the participants at the Roadeo was beneficial because "they could learn by watching the other participants." Fifty-two of 219 District 3 maintenance employees attended this competition.

Participants spent very little time in competition

### **Costs of the program are substantial**

We estimate the department spent at least \$870,000 during 1999 and 2000 for the Roadeos. This estimate is conservative because MoDOT did not separately account for or track the total costs and some costs were not readily quantifiable. To estimate costs, we obtained cost information/documentation from the districts and, to a limited extent, from MoDOT

headquarters. In some instances, actual cost information could not be located so we estimated some costs based on available information.

**Table 1.1: Estimated Cost of the Roadeos**

<u>Type of Cost</u>	<u>1999</u>	<u>2000</u>	<u>Totals</u>
<i>Personal Service</i> *	\$316,380	\$435,600	\$751,980
<i>Awards</i>	7,622	10,582	18,204
<i>Jackets/ T-shirts/Hats</i>	8,355	13,228	21,583
<i>Miscellaneous</i>	20,064	25,517	45,581
<i>Food</i>	9,851	16,840	26,691
<i>Expense Accounts</i>	<u>1,749</u>	<u>4,737</u>	<u>6,486</u>
<b>Totals</b>	<b>\$364,021</b>	<b>\$506,504</b>	<b>\$870,525</b>

Source: Estimates provided by MoDOT district and area personnel

*\*Personal service costs were calculated using an average hourly rate of \$24.80 in 2000 and \$24.00 in 1999, multiplied by the total number of estimated hours dedicated to the Roadeos. The hourly rates were calculated by dividing total labor costs of the maintenance division by the number of full time employees of that division.*

The costs of the Roadeos have increased substantially each year. In addition, department officials have indicated that this program is still in its early stages. Our review found that total estimated Roadeo costs increased by almost 40 percent from 1999 to 2000. District 2 (Macon) estimated that the total cost of its Roadeo more than tripled from \$4,900 in 1999 to \$18,000 in 2001.

Costs are escalating

The following paragraphs detail the various costs and our estimates directly attributable to the Roadeo program.

**Personal service costs**

All competitions took place on state time. Therefore, most of the costs associated with the Roadeos were the personal service time of attending/participating employees and represented time away from their normal road maintenance duties. Personal service costs accounted for 86 percent of the 1999 and 2000 total Roadeo costs (\$316,380 plus \$435,600 divided by \$870,525). During 2000, each participating employee spent an average of 6 hours at the area Roadeos and 6 hours at the district Roadeos. The total number of estimated personal service hours devoted to the Roadeos was over 13,000 in 1999 and over 17,000 in 2000. Over 1,700 MoDOT employees attended and/or participated in the area and district Roadeos in 1999 and nearly 2,000 attended and/or participated during 2000. District MoDOT officials indicated that the personal service hours related to the competitions were charged to safety training programs.

According to department officials, approximately 30 supervisors served as judges in 2000 for the state Roadeo in Springfield. Many district engineers, safety officers and other supervisors also attended the state Roadeos to provide support for participants from their respective districts. Approximately 170 attending/participating employees spent an

average of 17 hours involved in state Roadeo-related activities in 2000. Employees from some districts charged as much as 3 working days to the state Roadeo.

### **Other identifiable costs**

Most competitions also included gifts for participants, prizes for winners, food, travel and lodging expenses for judges and participants. These included:

- Gift certificates to winners for merchandise at retail stores.
- T-shirts and/or hats for participants and judges.
- Trophies, plaques, and/or jackets, awarded to winners of each event at the area, district and state competitions.
- Lunches for employees.
- Breakfasts at some Roadeos.
- Purchase of stopwatches and rental of tents, portable toilets, tables, chairs, fans, and golf carts.
- Security guard costs at one Roadeo.
- Roadeo logo design costs in one district.
- Bleacher rental at the state Roadeo finals.

Four winners from the 2000 state Roadeo competed in a national Roadeo competition held in Columbus, Ohio in May 2001. Including the estimated personal services costs, the cost to send four competitors and a district safety officer to the national event totaled approximately \$6,700. Attendance at this event involved 3 work days for the employees attending. These costs included transportation costs, meals and lodging. Two attendees drove a rental car to Ohio. Two other attendees took commercial air flights to Ohio and one drove his personal vehicle. MoDOT incurred lodging costs for each attendee at \$149 per night for two nights.

### **Costs which could not be identified**

MoDOT headquarters had no information on the area or district competition costs and incomplete information on state competition costs. Some districts provided documentation of most of their costs, while other districts provided little information. Costs that could not be determined and that are not included in our cost estimate include:

Roadeo cost information was not well documented

- State vehicles used to travel to the various levels of competition.
- State equipment used during the Roadeos and practices for the Roadeos.
- Hours spent practicing, planning and conducting the Roadeos on state time.

**Prizes and gifts awarded to winners may not be legal**

The prizes awarded at the Roadeos represent extra compensation or bonuses to public officials or employees, which may be a violation of Article III, Section 39(3), of the Missouri Constitution. At least \$9,000 in gift certificates went to winners of the various Roadeo competitions. The dollar amounts of the gift certificates were as high as \$150 each. In addition, other items were awarded to winners, such as \$45 jackets, trophies, plaques and T-shirts. *(See Appendix III, page 12, for the citation of Article III, Section 39(3), of the Missouri Constitution.)*

**MoDOT views the Roadeo program as a training activity**

Department officials have indicated they consider the Roadeo competitions primarily a safety training program, and enter many of the program expenses into MoDOT’s accounting system as safety training costs. MoDOT officials advised that the program provides the following benefits:

- Improves skills of the participants.
- Emphasizes safe use of equipment.
- Allows non-participants to aspire to do better and participate in future contests.
- Allows participants to share their experience with non-participants.
- Improves morale of maintenance employees.
- Reduces exposure to liability due to accidents.

MoDOT already has training on the operation of loaders, backhoes, and snowplows. Training manuals with stated objectives, goals and training benefits are available for the various items of state equipment and hands-on operation training is given. These training programs are more intensive than the 30-minute exercise that occurs at the Roadeos. The concept of winners advancing to future competitions does not concentrate training on individuals who need the training.

MoDOT  
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training

**Other states’ views on and participation in Roadeo competitions**

MoDOT officials indicated other states were involved in Roadeo activities, including national Roadeo events. However, only six states participated in the 2001 national Roadeo event in Ohio. We contacted highway officials at 12 other states to determine their participation and views regarding Roadeos. Comments received follow:

- Kentucky officials indicated although there were some positive benefits to the Roadeos, (i.e., they raise morale), “you can’t put a value on them.”
- Tennessee officials indicated while safety was stressed, the Roadeo was held “mostly for motivation of field people,” and the Roadeos are not considered safety training.
- Iowa officials indicated the Roadeos are categorized as both safety and maintenance events, but are not considered training. Officials also indicated the state did not participate in the 2001 national Roadeo event due to unavailable funds.
- Illinois officials discontinued Roadeos around 1994 or 1995 due to lack of funding for travel to and from the competitions. In addition, top administrative and accounting personnel felt they could no longer justify funding the program.
- Kansas officials did not have any Roadeo competitions this year because “it wasn’t going to fly.” Officials stated they had looked into what it would take to put a Roadeo together and determined it would take “too much decision-making” to hold a competition this year.
- Oklahoma officials had other priorities they were “more intent on doing.” The Department has been undergoing cutbacks for the last 4 to 5 years and the number of maintenance employees has dropped from 3,400 to 2,500. Their main concern is “having enough people to work on the roads.”
- Alabama officials were familiar with Roadeo events, but they do not hold or participate in any of them. An official stated that they have “roads to build and bigger fish to fry...and they don’t have time for this (Roadeos).”

Other states indicate Roadeos are not a priority

Based on these interviews, these states do not view the Roadeos as training or anything more than an event for improving employee morale. The lack of state participation in the national Roadeo event and the concern raised by other states about funding these events indicates that Roadeos either have low or no priority in their road maintenance programs.

**Conclusion**

The Roadeo program is not necessary to accomplish training for staff.

**Recommendation**

We recommend the Missouri Department of Transportation discontinue the Roadeo program.

**Department of Transportation Response**

*While we believe the Roadeo program is valuable, the decision was made in early August to suspend the Roadeo. This action was taken in part because of MoDOT’s recent cost-savings initiatives and in part to allow time to evaluate the program for effectiveness and to more formally set and document guidelines.*

*This action in no way diminishes our belief that the safe and efficient operation of equipment is critical to MoDOT's overall mission to preserve and improve Missouri's transportation system to enhance safety and encourage prosperity. Safety is uppermost in the thoughts and actions of the many MoDOT employees who work every day on state highways, sometimes mere feet from fast-moving vehicles.*

*MoDOT continually searches for better ways to fulfill its mission and the Roadeo has proven to be an effective method of training equipment operators. Similar programs are used by other state DOTs, other public works departments and businesses in general to reinforce safe and efficient operation of heavy equipment.*

*MoDOT employees use heavy equipment, such as loaders and backhoes, as they work on the roads throughout the year. In the winter, these employees must work long shifts with heavy equipment in extremely adverse conditions to clear roads for the traveling public. It is important to take advantage of every opportunity to improve operator knowledge and skills to make equipment operation as safe and efficient as possible.*

*Equipment safety training reduces the risk of accident, injury and death for the traveling public and MoDOT employees. This is an issue where costs are tallied in human terms, and for that reason, safety training and a safety emphasis will continue to be a MoDOT priority.*

*The Roadeo provides an annual operator skills training in controlled conditions with a safety emphasis. This is necessary so operators can familiarize themselves with equipment controls and sharpen skills prior to actually going on the roads. The program also reduces tort liability exposure because avoiding one accident can save the state of Missouri millions of dollars.*

*The cost discussion in the report is misleading. Training costs are not new with the Roadeo but have been incurred in prior years as operators familiarize themselves with heavy equipment operations. Discontinuing the Roadeo, as is recommended, would not reduce or eliminate personal service costs, which represent 86 percent of the questioned costs. Additionally, MoDOT's legal counsel disagrees with the draft audit report's finding that the prizes awarded at the Roadeo represent extra compensation or bonuses to public officials or employees, which may be a violation of Article III, Section 39 (3) of the Missouri Constitution. Any award or prize earned by a MoDOT employee during the Roadeo is part of that employee's actual compensation, which MHTC has legal authority to set.*

### **State Auditor's Comments**

It is encouraging to hear that MoDOT is suspending the Roadeos. However, we stand by our recommendation to cancel the program. The Roadeos are not a comprehensive training program. It is misleading to say that the Roadeo training is necessary prior to going on the roads since participation in the Roadeo is voluntary.

The MoDOT response states that the cost discussion is misleading. We demonstrated, and in many cases had to reconstruct, the expenditures to estimate a total cost for the Rodeo competitions. We did not state that these costs would be savings on personal services if the department cut the program, but showed such costs are an inefficient use of resources. All other Rodeo costs, an estimated \$119,000 and additional unidentifiable costs, would be saved by canceling the program.

The MoDOT response also states that the rewards received by some Rodeo participants are not bonuses or extra compensation, but are part of the employee's actual compensation. An employee's wage form (W-2) would show these awards as income if they are to be considered actual compensation. MoDOT officials said these awards are not reported on employee wage forms.

**OBJECTIVE, SCOPE AND METHODOLOGY**

**Objective**

The objective of this audit was to review the benefits and associated costs of the annual MoDOT Roadeos and determine whether these activities are justified.

**Scope and Methodology**

Audit fieldwork began in May 2001 and continued through June 2001. Our audit included gaining an understanding of the Rodeo program and reviewing available records related to the activities and costs of the area, district and state Rodeo competitions in calendar years 1999, 2000, and 2001. The audit involved interviews with maintenance division and other appropriate department officials at both the headquarters and district levels. In addition, highway officials in other states were contacted to determine the extent of similar activities in those states. We observed the District 3 (Hannibal) competition in May 2001 and reviewed the national Rodeo costs incurred by MoDOT in May 2001.

**Table I.1: States Contacted**

Alabama	Arkansas
Illinois	Indiana
Iowa	Kansas
Kentucky	Mississippi
Nebraska	Ohio
Oklahoma	Tennessee

Source: Prepared by auditors

Auditors estimated some costs based on input from districts and areas since the department did not accumulate or track cost information or keep complete cost information. Because some costs were not quantifiable, our cost estimates are conservative.

**BACKGROUND**

In recent years, the Missouri Department of Transportation (MoDOT) has held competitive events involving the participation of some maintenance division employees located in the department's 10 districts. These maintenance employees participate in competitive events on state time using department vehicles and equipment. Depending on the district, the competitions generally start at the maintenance shed or area level, proceed to district competitions, then to a statewide competition, and ultimately to a national competition. The department's maintenance division is the operating unit of MoDOT that is responsible for maintaining the existing roads and bridges on the state highway system.

In 1997, MoDOT's District 4 (Kansas City) was the first district to hold Roadeo competitions. In 1998, District 1 (St Joseph) also began holding Roadeos and in that year, winners of the District 4 Roadeo participated in the Kansas City American Public Works Association Roadeo. By 1999, Roadeo participation had expanded to all 10 of MoDOT's districts. In October 1999, MoDOT held its first state Roadeo. Both the 1999 and 2000 state Roadeos were held at District 8 facilities in Springfield. MoDOT is planning to hold the 2001 state Roadeo in Sedalia.

## APPENDIX III

### **ARTICLE III, SECTION 39(3), OF THE MISSOURI CONSTITUTION**

Article III, Section 39(3), of the Missouri Constitution states, “The general assembly shall not have power:

(3) To grant or to authorize any county or municipal authority to grant any extra compensation, fee or allowance to a public officer, agent, servant or contractor after service has been rendered or a contract has been entered into and performed in whole or in part....”