



Assess Activity-Based Cost Methodology (CC08)

Project Charter
DRAFT 6/29

SECTION 1: Project Summary

Concept Definition	Assess the viability of implementing a method of calculating and communicating the discreet cost of each core activity performed at TxDOT to maximize efficiency and reduce lower-valued tasks in support of Texas citizens.		
Program	Core Competencies	Project Lead(s)	Duane Sullivan
Exec. Sponsor	James Bass	Sponsor	Brian Ragland

SECTION 2: Vision Alignment

Problem	Activity costs are not well-understood and leveraged to make more cost-effective management decisions.		
Goal	Assess the viability and approach for implementing Activity Based Costing.	Measurable Benefit Target	
Scope	Includes: - Develop decision-making criteria for implementing an Activity Based Costing (ABC) program at TxDOT. - Assess multiple possible approaches to implementing ABC versus the defined decision-making criteria. - Select approach. - Document next steps.		Excludes:
Associated Goals / Visions / Recommendations	Source / ID#	Text	
	GT / 7	Adopt appropriate management disciplines across the organization and support these with enabling methodologies, tools and training	
	GT / 18	Improve management discipline, controls and approaches used in the organization. Hold people accountable for adhering to defined practices, processes, and procedures. Operate with more of a business mindset, bringing transparency to data, processes, standards, and costs internally in a way that helps enable accountability and continuing improvement and efficiency over time.	

SECTION 3: Execution Detail

Related Efforts / Risks					
Tailoring	Tailoring Tier	Org Impact	Project Size	Complexity	Execution Risk Rating
		No	X-Small	Low	Low

Forecasted Milestone Schedule	Phase Completion Tollgate	Date	Approach Overview:
	Concept Definition		
	Concept Validation		
	Design		
	Build		
	Implement	4Q2012	

Team Members	Name	Role	Name	Role

SECTION 4: Change Management Assessment

Audience	Impact	Stakeholder	Concern(s)