



# INDIANA DEPARTMENT OF TRANSPORTATION

100 North Senate Avenue  
Room N758  
Indianapolis, Indiana 46204

PHONE: (855) 463-6848

**Mike Braun, Governor**  
**Lyndsay Quist, Commissioner**

June 6, 2025

Mr. Chad E. Ranney  
State Budget Director  
State Budget Agency

Dear Mr. Ranney,

INDOT is submitting our strategic plan in response to your letter dated June 2, 2025. The strategic plan is outlined in the annexure.

This submission is made with the approval of Matthew Ubelhor, Secretary of Transportation and Infrastructure, and Lyndsay Quist, INDOT Commissioner.

Please let us know if further information is needed.

A handwritten signature in cursive script, appearing to read "Sarah Bump", is written in dark ink.

Sarah Bump  
Chief Financial Officer  
Indiana Department of Transportation

Cc. Matthew Ubelhor, Secretary of Transportation and Infrastructure  
Lyndsay Quist, INDOT Commissioner  
Steve Fanning, INDOT Budget Director  
Katie Hughes, SBA Division Director – Environment, Transportation, Capital  
Gabriel Donnelly, SBA Fiscal Analyst – Transportation & Management

## **Annexure-I**

### **1. How the spending plan will achieve the reserve target.**

*INDOT is requesting an exception for the reserve requirement. However, INDOT will continue to review all operational activities to seek out cost saving measures. We will work with all parties both internally and externally to determine if there are any changes that would allow cost-saving measures to be implemented for our agency. Each division within the agency will continue to be held accountable for their adherence to their budgets.*

### **2. The agency's plan to comply with the policies in the FMC.**

*INDOT will comply with all policies in the FMCs, except for specific areas of FMC 4.1 (see #10 below). In alignment specifically with FMC 1.1 Fiscal Prudent Measures, INDOT scrutinizes every contract and purchase for necessity and cost. Our goal as an agency will continue to be to deliver the highest level of service possible, while utilizing our resources in the most efficient manner possible. We will also work closely with SBA to provide what we can in terms of reversion funding.*

### **3. Any cost savings identified by the agency.**

*INDOT continues to evaluate all aspects of its business to ensure its resources are being fully maximized while minimizing the cost. Since January 2025, INDOT has produced savings including but not limited to: Welcome Center redesign (\$16M), elimination of subscriptions (\$315K), elimination of sponsorships (\$95K) and elimination of swag (\$23K). In addition, INDOT eliminated ECI raises for professional consultants in FY 2026, which we estimate will produce \$12M in savings. We are also actively evaluating the excess property sales process, permitting process, contract work optimization and best value designs for facilities. There is potential for significant savings in these longer-term efforts.*

### **4. Any opportunities to prioritize federal spending rather than state funding.**

*INDOT will continue to fully utilize any federal funding that is available to reduce State dollars. We utilize all of the federal formula monies made available to INDOT and have a full-time position dedicated to evaluating and applying for discretionary federal grant opportunities.*

### **5. Anticipated federal grant opportunities or renewals through June 30, 2026, which include a state match component.**

*We anticipate renewal of Federal Highway Funds, which are monies apportioned to each state for the building of new highway roads and bridges, including local alternative transportation efforts such as sidewalks, ADA ramps, trails and bike paths. In addition to building new infrastructure, federal highway funds are utilized to maintain and improve the safety of the State's Highway Infrastructure, including all roads and bridges. Federal highway funds are also used for highway and motor vehicle safety, public transportation, motor carrier safety, hazardous materials safety, rail, and research, technology, and statistics programs. Additionally, INDOT will pursue any potential grant opportunities that could reduce State spending and utilize new Federal dollars. The amount of funding expected from federal highway requiring a state match is equal to more than \$970.8M in FY 2026. This does not include any grants that we may be successful in obtaining which will require a state match.*

### **6. The agency's staffing plan.**

*As instructed recently by SPD, all new job Requisitions submitted through SuccessFactors are first reviewed and approved by our agency's top fiscal officer (or designee) before posting. This approval indicates that budget availability is in line with our spending plan. For years we have been providing our bi-weekly payroll forecast to the State Budget Agency. This is in addition to our bi-weekly meetings to review this document. As INDOT did in FY 2025, we will request an augmentation for payroll. That request will come from the numbers outlined in the document.*

### **7. An analysis of open contracts.**

*As part of INDOT's normal and continuing operations, we negotiate up-front and obtain the most favorable terms, following IDOA policies regarding competitive bids for purchases and vendor contracts. An analysis of open contracts is actively being worked on and is expected to be completed in June 2025.*

8. **The agency's anticipated procurement and technology needs through June 30, 2026, including any anticipated new procurements or contract renewals.** *We are actively evaluating INDOT's digital transformation efforts that include our participation in the Salesforce contract held by IOT. Discussion about the future of this contract is ongoing, and we will keep SBA updated as decisions are made.*
9. **An analysis of the agency's capital plans, if applicable.** *N/A*
10. **Any anticipated exceptions to FMCs or state policies, along with the justification for the requested exception.** *As the FMCs and state policies exist today, we do not expect to request any exceptions, outside of FMC 4.1. Sarah Bump, CFO submitted 5 waiver requests on June 2, 2025, addressing specific requirements of FMC 4.1 that cannot be met primarily due to federal requirements for reimbursement submissions conflicting with Peoplesoft's Project Costing and Billing module functionality. The waivers include compensating controls that we believe mitigate the risks identified in FMC 4.1. These waivers were reviewed with SBA in FY 2025 and Sarah resubmitted the waivers for FY 2026 with the understanding that all waivers must be submitted annually.*



## State of Indiana

State Budget Agency  
State House #212  
Indianapolis, IN 46204  
317-232-5610

Mike Braun, Governor  
Chad Ranney, Director

### Approved Fiscal Year 2026 Strategic Spending Reduction Plan

**Agency Name:** Indiana Department of Transportation

Pursuant to applicable state budgeting and financial management guidelines, the undersigned hereby affirm that the Fiscal Year 2026 Strategic Spending Reduction Plan submitted for the above-named agency has been reviewed and is approved for implementation. This approval signifies the plan submitted is in alignment with agency priorities, applicable legal requirements, and available funding levels.

*Chad E. Ranney*

Chad E. Ranney  
State Budget Director

Date: 8/29/25

*Matthew A. Ubelhor*

Matthew Ubelhor  
Secretary of Transportation & Infrastructure

Date: 8/27/2025

*Lyndsay Quist*

Lyndsay Quist  
Commissioner

Date: 8/27/2025

**Ensuring that Indiana's priorities are funded today and tomorrow.**