

CHAPTER 10 – WORK PROGRAM AND PROJECT FUNDING

Contents

Developing the Work Program	2
The Project Manager’s Role in the Work Program.....	5
Contract Funds Management System.....	7
Payment of Invoices.....	7
Additional Information	8

Introduction

The process used to identify and track the Florida Department of Transportation's (FDOT's) large volume of work and the appropriated budget is the Work Program. The Work Program process currently manages over \$6 billion each year. Some of basic principles that underlie this unique process are:

- The FDOT operates primarily from dedicated sources of funding, both state and federal. The State Transportation Trust Fund receives revenue from specific tax sources “dedicated” to transportation.
- The Department resembles a private-sector company in that it must forecast revenues and develop a Finance Plan. The Finance Plan takes into account levels of expenditures as well as federal aid and state revenues to determine a cash balance. By law, the program must balance expenditure and revenue forecasts.
- The program is driven by policies and program objectives outlined in the [2060 Florida Transportation Plan \(FTP\)](#). The FTP is described in detail in Part I, Chapter 8, The Transportation Planning Process, of this handbook.
- The Secretary of Transportation formally adopts the new Work Program each July. The Work Program lists the specific projects to be funded over a five-year period.
- The Department's funds are allocated among the seven districts by detailed formulas and procedures. Districts have the authority to determine the best use of their funds in a manner consistent with the Work Program Instructions (WPI) and the policies and objectives outlined in the short range component of the Florida Transportation Plan. Both documents are updated and published annually.
- The districts and Central Office staff, working with the Metropolitan Planning Organizations (MPOs) and local governments, develop the Department's Work Program. Input is also received through public hearings and from the Legislature and the Governor's Office. The program must be consistent with the capital improvement element of local comprehensive plans.

Developing the Work Program

The FTP and the [Program and Resource Plan](#) guide the development of the Work Program. The FTP is the blueprint that sets the policy framework of the Department. The Program and Resource Plan links the FTP, the Legislative Budget Request and the Five-Year Work Program. Consequently, development of the Department's Work Program and the appropriation request can be described with the term “Policy to Projects.” This process ensures that the

transportation products and services provided to the people of Florida are consistent with policy direction.

This complex process begins in the summer. The Department’s Executive Committee meets and sets the directives based on the Department’s goals and objectives. After the Executive Committee issues the directives, the operating Legislative Budget Request (LBR) is developed. The LBR reflects the requested budget amounts by budget entity and appropriation category. The Central Budget Office coordinates with the district and turnpike enterprise budget coordinators, along with the Office of Work Program, to develop the LBR. The LBR is due to the Legislature and the Governor’s Office by September 1.

Simultaneously, work has begun on a new Tentative Work Program. The new Five-Year Tentative Work Program provides an update to the existing Adopted Work Program for the first four years. The Tentative Work Program represents the first formal project-level programming for the new fifth year.

Annually the Department prepares the Five-Year Work Program pursuant to Section 339.135, Florida Statutes. The Work Program must be a balanced financial plan that provides a list of transportation projects (by phase) that are scheduled for implementation during the ensuing five-year period. It includes all proposed project commitments classified by major program and appropriation category.

Projects are scheduled by phase (i.e., planning, design and construction) because it usually takes several years to complete a project. Phases are defined

Figure 1
Work Program Phase Description

	Phase	Description
	3B	PE Service Contract
Planning	11	Planning In-House
	12	Planning Consultant
	14	Planning Grant
	18	Planning Other Agencies
PD&E	21	PD&E In-House
	22	PD&E Consultant
	28	PD&E Other Agency
Design	31	PE In-House
	32	PE Consultant
	38	PE Other Agency
Right of Way	4B	R/W Service Contract
	41	R/W In-House
	42	R/W Consultant
	43	R/W Land
	45	R/W Relocation
	46	R/W Utility
	48	R/W Other Agency
Construction	5A	Construction Contract Bonus
	52	Construction Contractor
	54	Construction Grant
	56	Construction Utility
	57	Construction Railroad
	58	Construction Other Agency
	61	Construction Support In-House
	62	Construction Support Contractor
Maintenance	71	Maintenance In-House
	72	Maintenance Consultant
	74	Maintenance Grant
	78	Maintenance Other Agency
Misc.	84	Operations Grant
	88	Operations Other Agency
	94	Capital Grant
Local Agency Projects (LAP)	18	Planning Other Agencies
	28	PD&E Other Agency
	38	PE Other Agency
	48	R/W Other Agency
	58	Construction Other Agency
	68	CEI Other Agency
	78	Maintenance Other Agency
	88	Operations Other Agency

CEI: Construction Engineering & Inspection PE: Preliminary Engineering
PD&E: Project Development & Environment R/W: Right of Way

by number and description. Figure 1, **Work Program Phase Description**, lists Work Program Phases and their descriptions.

Work Program Instructions (WPI) and fund allocations communicate funding and policy directives to the districts and the turnpike enterprise. Instructions for building a Five-Year Work Program to the specification of the Program and Resource Plan are contained in Schedule A for fund allocations and Schedule B for program performance targets. The WPI and Schedules A (fund allocations) and B (program targets) can be found at the [Office of Work Program \(OWP\)](#) website. Figure 2, **Policy, Budget and Work Program Development** at the end of this chapter demonstrates how projects become part of the Work Program.

The development of the Work Program involves three distinct sequences: gaming, tentative and adopted. Each is accomplished via remote computer terminals in district offices as well as the turnpike enterprise and central offices. During gaming, the districts use the Work Program Administration (WPA) files and Schedules A (fund allocations) and B (program targets) to project scenarios of alternative projects. The Work Program Instructions contain the following basic guidelines for this process:

- The District Work Program shall be developed cooperatively from the outset with the various Metropolitan Planning Organizations (MPOs) of the state and include, to the maximum extent feasible, the project priorities of the MPOs that have been submitted to their districts by October 1 of each year.
- When developing the Work Program, the first priority should be given to projects listed in the current Adopted Work Program. In other words, all projects included in the second year of the previously Adopted Work Program must be advanced to the first year of the Tentative Work Program. Exceptions must be approved by the Secretary.
- To maximize federal aid, districts are encouraged to identify and assign federal funds, when available, to projects prior to using state-allocated funds.
- During gaming, the districts and the turnpike enterprise must program up to the established target levels in Schedule B. Further, to ensure that the Department maintains a financially balanced program, districts cannot exceed fund allocations found in Schedule A.

By the end of the gaming process, and prior to submitting the Tentative Work Program to the Central Office, the districts and turnpike enterprise must adhere to the following:

- Have projects identified, scheduled and balanced to fund allocations
- Present the Work Program to the MPOs to determine if changes are necessary

- Hold public hearings

The Project Manager's Role in the Work Program

Although it is important to understand the process, the Project Manager (PM) is not normally involved in the process of developing the Work Program. However, a PM must know what is in the Work Program that pertains to their projects and the implications of that information. The project must be in the Adopted Work Program to be undertaken. If federally funded, the project must be included in the State Transportation Improvement Program (STIP); and, if in an MPO area, must also be included in the MPO's Transportation Improvement Program (TIP).

Regardless of the work phase, an FDOT PM is responsible for the successful progression of a transportation improvement through all project phases. The FDOT PM must ensure that the Work Program estimate for each phase is valid. The PM must also ensure that the project can be produced as scheduled. If circumstances make it impossible to complete the planned improvements within the Work Program estimate or schedule, the PM must take the appropriate steps to revise the project scope, estimate or budget and coordinate these changes with the Work Program Office. It is the PM's responsibility to keep the Work Program data current.

Changes That Must Be Reported: The District Work Program Manager must be kept abreast of key developments in a project as they relate to the Work Program. It is particularly important to update the Work Program before proceeding to contract advertisement for construction and letting. The following are examples of changes that should be reported:

- Estimated costs (increased or decreased)
- Project concept and scope
- Project limits
- Letting date
- Contract supplemental agreements
- Planned phases
- Needs to change programmed years

Failure to Report Changes: If the PM fails to notify the Estimates Office of significant changes, the TRNS*PORT system will not be updated. On federally funded projects, a Transportation Improvement Plan (TIP) and State Transportation Improvement Plan (STIP) amendment may be required if the scope of the project or estimate changes significantly. Amending these projects will have the following outcomes:

- Changes in the estimate will require that the Work Program be re-balanced to account for these shifts (reserves reduced or estimate increased).
- A project scheduled for letting may be delayed. Approval of Work Program amendments typically takes from four to eight weeks.
- Related activities such as right of way and utility reimbursables will be affected.

Work Program Amendments: A Work Program amendment will be required if:

- Any right of way, construction, or public transportation phase costing over \$500,000 in appropriated funds is advanced or deferred in the Work Program.
- A preliminary engineering phase costing over \$150,000 in appropriated funds is advanced or deferred in the Work Program.
- Any project or project phase costing over \$150,000 in appropriated funds is added to the Work Program in the current year.
- Any project is deleted from the Work Program.

STIP/TIP Amendments: Formal amendments in the STIP or TIP will be required if the change results in one of the following:

- Adds new individual projects to the current STIP/TIP
- Affects air quality conformity
- Adversely impacts financial constraints
- Results in major scope changes
- Removes or deletes an individually listed project from the STIP/TIP

Contract Funds Management System

The Contract Funds Management System (CFM) system is governed by Florida Statute 339.135 (6)(a), which states the following:

The department, during any fiscal year, shall not expend money, incur any liability, or enter into any contract which, by its terms, involves the expenditure of money in excess of the amounts budgeted as available for expenditure during such fiscal year. Any contract, verbal or written, made in violation of this subsection is null and void, and no money may be paid on such contract. The department shall require a statement from the comptroller of the department that funds are available prior to entering into any such contract or other binding commitment of funds. Nothing herein contained shall prevent the making of contracts for periods exceeding 1 year, but any contract so made shall be executory only for the value of the services to be rendered or agreed to be paid for in succeeding fiscal years; and this paragraph shall be incorporated verbatim in all contracts of the department which are for an amount in excess of \$25,000 and which have a term for a period of more than 1 year.

Funds must be encumbered prior to execution of a contract, contract amendments or supplemental agreement that obligates funds. The encumbrance process, as described in **Procedure 350-020-200, [Contract Funds Management Funds Approval](#)**, ensures that the budgeted funds are in place and sets those funds aside for payment of the specific contract. Payments must match the encumbrance accounting data found in the CFM system.

Payment of Invoices

The PM must be assured that the work, services or goods have been delivered prior to payment of an invoice; and that the invoice is within the terms of the contract and the invoice is properly documented. Part I, Chapter 14, Consultant Contract Management, of this handbook, discusses the responsibilities of both the consultant PM and the FDOT PM in the preparation, review and approval of invoices. Appendix D, Statutory Authority and Responsibilities of the Department's PM, also provides a detailed summary of invoice responsibilities for FDOT PMs.

Federal Funds: It is the PMs responsibility to ensure that Federal Aid Coordinators are notified in a timely manner of the need to request federal authorizations for federally funded projects. This responsibility includes ensuring all the required prerequisite criteria are met (and supporting materials are available) before requesting the Federal Aid Coordinator to prepare the Federal Authorization Request (FAR). The PM is responsible for obtaining federal aid project numbers assigned to all phases of work. The Federal Highway Administration (FHWA) must approve the FAR before construction projects can

be advertised or before Preliminary Engineering (PE) and Construction Engineering and Inspection (CEI) contracts are executed. The FAR must be submitted to the Federal Aid Programs Office at least 30 days prior to the date the approval is needed. The Federal Aid Coordinator will notify the PM when federal project authorization is received. Complete instructions on the authorization process are found in **Procedure No. 350-050-005**, [Federal Project Authorizations](#).

The PM must close each phase of work in a timely manner upon completion. This includes completing all the required documentation necessary to close the project with FHWA.

- **Local Funds:** Local funds must be deposited with the Department prior to advertising locally funded projects and encumbering the contract funds.
- **Project Closeout:** Another important Work Program task for the PM is project closeout. As the project is brought to completion, the PM should work with the District Work Program Manager and Comptroller's staff to close out the project. The PM must ensure that final invoices are submitted and processed as quickly as possible.

Upon payment of the final invoice, the project manager must notify the district work program office to un-encumber any remaining funds so that they may be utilized on other projects.

Final reimbursement of federal funds cannot be requested until proper project closeout. The PM should work with the Federal Aid Coordinator to accomplish this work. Improper closeout documentation can affect billions of dollars of federal reimbursement.

Additional Information

The Work Program may be viewed at the project/phase level on the **OWP** website. This program is accessed by going to the Finance and Administration site and clicking on Item Segment Overview. A project can be viewed at item level, or many projects can be reviewed by selecting one or more of the criteria on the screen. The codes are written out so that they can be easily followed. The Work Program Instructions contain all information concerning programs and funds along with contact people for each area. The Appendices of the Instructions list all data elements involved in the programming of projects.

Figure 2
Policy, Budget and Work Program Development

