

Office of Work Program and Budget Program Allocation Guide

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Introduction

This guide describes the processes, assumptions, and requirements used to develop the Work Program Fund Allocations of the Florida Department of Transportation.

It is best viewed as the funding mechanism which implements the department's Program Plan. The funding plan is transmitted in the form of a document entitled "Schedule A" (see sections 4 and 5). Schedule A specifies and distributes the estimated funds legally available in the current and ensuing five years.

Legally apportioned funds are subsequently constrained by Obligating Authority (OA) limits imposed by the Congress and the Federal Highway Administration.

The department uses the term 'Obligating Authority Constraint' to designate the shortfall, i.e., the difference between Apportionments and Obligating Authority.

OA constraints are shown in Obligating Authority Constraints Section 3. Also they are displayed in the Program Accomplishment Report (PAR) as a deduction from Apportionments. OA is not distributed by law or formula: it is strategically assigned to protect or optimize program and production levels. Section 3 explains the Obligating Authority Plan.

2018 Allocations and Suballocations are based on the FAST Act (Fixing America's Surface Transportation Act).

Section 1 - Fund Distribution Factors

The model, Master Tables - Fund Distribution Factors, records the fund distribution factors which are used to allocate work program funds in accordance with state and federal law and policy. The legal authority and method for each fund is detailed in Exhibits 1-3 in Appendices, Work Program Fund Allocations. The model includes:

- 1 The Statutory Formula table is updated annually from data supplied by the Finance and Revenue staff of the Office of Comptroller. Currently, the data is a spreadsheet titled "Schedule A Allocations" which details population and collections by county, and then rolls up the information by District. The new formula is applied to future years only, since the current year went to public hearing under the old formula.

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- 2 The Population Shares table reflects data from the 2010 U.S. Census.
- 3 The Resurfacing Needs table is provided by the Program and Resource Allocation Staff in the Office of Work Program and Budget. The data is based upon the latest resurfacing need inventory and analysis.
- 4 The Rural table is used to distribute the SN suballocation of the Surface Transportation Block Grant Program and TALN of the Transportation Alternative Program. By department policy, SN and TALN funds are distributed to districts based upon their share of State Rural System Centerline Miles. The table is adjusted annually with the annual Transportation Planning Statistics report.
- 5 The DIHT (State 100% in-house product support and indirect cost) table is used when computing the district's individual shares of DS funds. Since 1996, the DIH shown in Schedule A is based upon direct cost only. In the DS formula, it was the intent of the Department to distribute DS based upon the total of available district DS plus total DIHT, including overhead, multiplied by the statutory formula and less the individual district's DIHT. The DIHT table combines each districts direct and indirect costs.

Section 2 - Apportionments

The Schedule of Available Funds records estimated FAST Act Apportionments using the Federal Aid Revenue Forecast prepared by the Office of Work Program and Budget. In the Schedule of Available Funds:

- 1 Actual current year Apportionments are recorded when received from FHWA on, or about, October, annually.
- 2 The HP and HR program percentage levy, which is required by the FAST Act to be deducted from the Apportionments, is performed.
- 3 Any approved Fast Act transfers on the federal books, made at the state's request, are shown in federal dollars.
- 4 Releases of Obligating Authority versus Apportionments are also recorded.
- 5 The various suballocations of the Surface Transportation Block Grant and Transportation Alternative Programs required by the FAST Act are computed. Exhibit 3 provides a detailed suballocation logic diagram.

The final apportionment table is published in the Work Program Instructions Appendix A.

Section 3 - Obligating Authority Constraints

The Obligating Authority Plan, performs the following functions:

- 1 Records the estimated Obligating Authority provided by the Office of Work Program and Budget, DOT.
- 2 Updates the current year when a formal obligating release letter is received from the FHWA.

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- 3 Applies the OA constraints against the programs in such a fashion as to preserve previously approved projects and production levels wherever possible, in accordance with the strategic and policy actions of the DOT Executive Board.
- 4 Utilizes internal balancing controls to show that no more, or no less, than the authorized constraints are assigned.

Section 4 - Federal Fund Allocations

The model, Schedule A - Federal Fund Allocations, produces the federal funding portion of Schedule A and performs the following functions:

- 1 Records the balance forward in each federal fund from the Federal Aid Reconciliation model (FRECON.XLS) and any subsequent adjustments thereto.
- 2 Records current year apportionments provided by FHWA and the department's future year estimates of apportionments. Distributes same in accordance with law and department policy, respectively.
- 3 Constructs upload records to record these distributions in the department's Program Accomplishment Report (PAR).

Section 5 - State Fund Allocations

The model, Schedule A - State Fund Allocations, provides that portion of Schedule A which deals with non-federal funds and records or calculates the distribution of non-federal funds under the control of the department. These include the State Transportation Trust Funds and Bond funds. The State Funds model includes:

- 1 Right of Way and Bridge Bonds funds (BNxx) reimbursed by bonds are provided by the Office of Work Program and Budget.
- 2 Public Transportation needs based programs, required uses of 100% State (DPTO) and District Dedicated Revenue (DDR), and the Ports program (PORT) are developed by the Public Transportation staff in conjunction with the Office of Work Program and Budget.
- 3 The Transportation Disadvantaged Commission funding detail is provided by their staff.
- 4 The Small County Road Assistance Program (SCRAP) (a.k.a. Small County Resurfacing Assistance (SCRA) Funding is allocated to the individual "Small Counties" having a population of 75,000 or less according to the 1990 Census Data. In addition, at a minimum these "Small Counties" must have enacted the maximum rate of the Local Option Fuel Tax authorized by 335.025(1)(a) F.S. (i.e., at least 6%) to receive these funds.

The Growth Management for Small County Outreach Programs (GRSC), 2012 SB 1998 - Small County Outreach Program (SCED) and Small County Outreach Program (SCOP) Funds were allocated to the individual counties within the department's districts having a population of 150,000 or less based on the population estimates as of April 1st each year. However, for FY 2015-16, the Implementing Bill (SB 2502A, section 62) modified the definition of small county, increasing the population threshold to 165,000 or less. Further, beginning in FY 2016-17, section 339.2818, F.S. was amended (by HB 7061, Ch 2016-239, s. 45, Laws of Florida) to modify the definition of small county, increasing the population

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threshold to 170,000 or less. (The implementing bill also contained the change in the population threshold.) These estimates are officially received from the Office of Economic and Demographic Research (EDR) on November 1st (via the EDR website).

The Rural Areas of Economic Opportunity (SCRC) funds are made available for eligible municipalities and communities within rural areas of economic concern, as designated by the Governor.

- 5 District Dedicated Revenue (DDR) is a straight-forward representation of SCETS tax actual receipts less commitments plus estimated receipts -- attributed to individual counties within the department's districts. Schedule A -- State Fund Allocations reflects the district amounts, whereas the DDR Report shown in Section 6 provides the county detail. Beginning in 2012, the department made a policy decision to soft match the SU Federal Funds. Since SU Funds will be soft matched, the need to use DDR to match SU was eliminated.
- 6 100% State Funds for the Districts (DS) are comprised of needs-distributed or adjustment components (Resurfacing, Non-Formula DS and Rental car fees) and a remainder, known as Regular DS distributed by Statutory Formula.
- 7 All other program levels are developed by the Office of Work Program and Budget. Once these levels have been represented as supported in the Finance Plan of the Office of Work Program and Budget and the Comptroller's Cash Forecast they are distributed in Schedule A - State Fund Allocations, in accordance with law and policy.
- 8 FS 320.072 takes some of the motor vehicle registration fees which are going to General Revenue and redirects them to the STTF. The statute specifies how all of the initial registration fees received are to be used:
 - \$25 Million is to go for a non-motorized trail network (TLWR)
 - 3.4% for New Starts Transit (NSWR)
 - 5% for the Small County Outreach Program (SCWR)
 - 20.6% for the Strategic Intermodal System (SIWR)
 - 6.9 % for the Transportation Regional Incentive Program (TRWR)

Section 6 - District Dedicated Revenue (DDR)

The DDR model is designed to show sources and uses of SCETS tax revenues by county

- 1 The model is also data-linked to a "Use" file downloaded from the WPA data base on the mainframe.
- 2 DDR data is dependent upon receipt of final year-end data from the Department of Revenue, but is usually available on, or about, August 15 of each year.

Section 7 - Schedule A - Work Program Fund Allocations

Contains basic explanations of the legal and policy basis for fund allocations and distributions used in Schedule A.

Exhibits - Fund Matrices and Logic

Current allocated funds are listed and described in the exhibits to the procedures.