

**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. They are displayed in the Program Accomplishment Report (PAR) as a deduction from Apportionments. OA is not distributed by formula or law, except that a proportional share must be made available to urban areas. It is strategically assigned to protect or optimize program and production levels. Section 3 explains the Obligating Authority Plan.

2023 Allocations and Suballocations are based on the Infrastructure Investment and Jobs Act (IIJA) signed into law on November 15, 2021 and provides obligation authority through September 30, 2023

**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, Program and Resource Allocation staff of the Office of Work Program and Budget. 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

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new formula is applied to future years only, since the current year went to public hearing under the old formula.

- 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 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 district's direct and indirect costs.

### **Section 2 - Apportionments**

The Schedule of Available Funds records estimated IIJA 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 IIJA to be deducted from the Apportionments, is performed.
- 3 Any approved IIJA transfers on the federal books, made at the state's request, are shown in federal dollars.
- 4 Releases of Obligor Authority versus Apportionments are also recorded.
- 5 The various suballocations of the Carbon Reduction, Surface Transportation Block Grant and Transportation Alternative Programs required by the IIJA 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 - Obligor Authority Constraints**

The Obligor Authority Plan, performs the following functions:

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

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- 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 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 (Annual Recon.XLSX) 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 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 Funding detail for the Commission for the Transportation Disadvantaged 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 Small County Outreach Program authorized in s. 339.2818, F.S. has been modified over the years. In 2000, when the program was created, counties were eligible if they had a population of 150,000 or less based on the most recent official population estimates. The population threshold has changed over the years. For FY 2015-16, the Implementing Bill (SB 2502A, section 62) increased the threshold to 165,000 or less. Beginning in FY 2016-17, HB 7061 (Ch. 2016-239, s. 45, Laws of Florida) increased the threshold to 170,000 or less. (The Implementing Bill also contained the change in the population threshold.) Beginning in FY 2019/20, HB 905 (Ch. 2019-153, s. 7, Laws of Florida) increased the threshold to 200,000 or less.

Funding for the program has expanded as well. There are currently five funding sources for the Small County Outreach Program. A separate fund code has been established for each revenue source:

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- Local Option Fuel Tax (Ch. 2000-257, s. 5, Laws of Florida) (Fund code SCOP);
- Documentary Stamp Tax (s. 201.15(4)(a)2., F.S.) (Fund code GRSC);
- Motor Vehicle Title Fees (s. 339.0801, F.S.) (Fund code SCED);
- Motor Vehicle Registration transactions, initial registration fee which is also known as “wheels on the road” fee (s. 320.072(4)(c), F.S.) (Fund code SCWR); or
- State Fiscal Recovery Funds have been provided for this program in FY 2023 (Chapter 2022-156, Sec. 197, LOF) (Fund code ARSC).

Allocations for this program are made to the districts based on the number of eligible counties. However, preference is given to counties impacted by hurricanes for the portion which comes from motor vehicle license taxes (s. 338.2278(8), F.S.).

The official population estimates as of April 1 each year are published by the Office of Economic and Demographic Research (EDR) late October or early November.

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 Section 320.072, F.S. was amended in 2015 to provide the STTF with a greater portion of the proceeds from motor vehicle registration fees. The statute specifies how the proceeds 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)
- 9 In 2021 SB 100 (Ch 2021-161, LOF) was signed into law which repeals s.338.2278, F.S. aka MCORES and directs the department to use motor vehicle license fees previously dedicated as MCORES for three arterial programs which are created in the bill.

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- The first area is an upgraded arterials program (s. 339.66, F.S.) which seeks to make targeted improvements to improve traffic flow by providing alternatives to signaled intersections.
- The second area is to make improvements to US 19 between the end of Suncoast Parkway north to I-10 Madison County. (s.339.67, F.S.). The intent is to make improvements to congestion points and provide grade separations- alternatives to signalized intersections.
- The third area is the Arterial Rural Highway Projects or emphasis area (s. 339.68, F.S.). This program applies to 2 lane arterial roads which have more than 15% truck traffic. The department is required to allocate at least \$20M/year to expand those roads to 4 lanes.

The bill also makes changes to the use of tag and title fees revenue which was increased in 2012. S. 339.0801, F.S. previously required the department to allocate \$35M/Year for feeder roads, structures, interchanges, appurtenances, and other rights to create or facilitate access to the existing turnpike system. The SB100 removes this requirement and redirects the \$35M/year to the Strategic Economic Corridors Program for the purpose of connecting major markets within this state and other states, which focus on job creation, and which increase the state's viability in the national and global markets.

### **Section 6 - District Dedicated Revenue (DDR)**

The DDR model is designed to show sources and uses of State Comprehensive Enhanced Transportation System (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.