

BPEADL01 LAS/PBS SYSTEM  
BUDGET PERIOD: 2005-2016  
STATE OF FLORIDA

SCHEDULE VIIIB-2  
PRIORITY LISTING FOR POSSIBLE REDUCTION  
FOR REQUEST YEAR

SP 10/15/2014 10:09 PAGE: 1  
ERROR REPORT

BUDGET ENTITY	D3A ISSUE CODE	COLUMN NUMBERS	CODE	ERROR MESSAGE	PAGE
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THERE WERE 0 ERRORS DETECTED

COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
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FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		43010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE THE OFFICE OF PUBLICATIONS		33V0410
SALARY RATE		000000
SALARY RATE.....	235,834-	
	=====	
SALARIES AND BENEFITS		010000
	7.00-	
ADMINISTRATIVE TRUST FUND -STATE	350,852-	2021 1
	=====	
TOTAL: ELIMINATE THE OFFICE OF PUBLICATIONS		33V0410
TOTAL POSITIONS.....	7.00-	
TOTAL ISSUE.....	350,852-	
TOTAL SALARY RATE.....	235,834-	
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #40

This issue proposes a reduction of seven filled positions and associated budget from the Office of Publications in the Division of Administration. The purpose of the Office of Publications is to serve as a resource, facilitator and service provider for internal as well as external communications. The primary program responsibilities of the office include providing video and audio services, photography, graphic design, web design, social media, writing, editing and comprehensive media support services. The Office of Publications is dedicated to excellence in the department's internal and external communications, maintaining the highest quality standards in writing, design and production, with a clearly recognizable brand. For Fiscal Year 2013-14 the office produced 459 writing projects, 146 photography projects, 249 video projects and 289 web based projects for a total of 1,143 projects.

This reduction will have a significant impact on the department. It will necessitate scaling back or eliminating some of the publication services currently provided to the department, Office of Financial Regulation (OFR) and Office of Insurance Regulation (OIR).

This reduction will impact the timely completion and distribution of important publications to the citizens of Florida. In addition, the same adverse impact will be felt by the department's internal customers. A business case analysis revealed a significant cost increase to the department if it must obtain these services from a private vendor.

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COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		43010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		1602.00.00.00
PROGRAM REDUCTIONS		33V0000
ELIMINATE THE OFFICE OF PUBLICATIONS		33V0410

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2225 GOVERNMENT ANALYST II							
C0009 001	1.00-	46,382-		18,154-	64,536-	0.00	64,536-
3738 PUBLIC INFORMATION SPECIALIST							
C0005 001	1.00-	30,990-		15,843-	46,833-	0.00	46,833-
C0006 001	1.00-	30,990-		15,843-	46,833-	0.00	46,833-
C0008 001	1.00-	30,990-		15,843-	46,833-	0.00	46,833-
C0010 001	1.00-	30,990-		15,843-	46,833-	0.00	46,833-
C0011 001	1.00-	30,990-		15,843-	46,833-	0.00	46,833-
3742 PUBLIC INFORMATION DIRECTOR - SES							
C0007 001	1.00-	34,502-		17,649-	52,151-	0.00	52,151-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							350,852-
	7.00-	235,834-		115,018-	350,852-		350,852-

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REDUCE POSITION(S) - BUREAU OF  
 GENERAL SERVICES - ADMINISTRATION  
 SALARY RATE  
 SALARY RATE..... 21,534-  
 =====

33V2100  
000000

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
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FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		43010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - BUREAU OF		
GENERAL SERVICES - ADMINISTRATION		33V2100
SALARIES AND BENEFITS		010000
	1.00-	
ADMINISTRATIVE TRUST FUND -STATE	35,956-	2021 1
	=====	
TOTAL: REDUCE POSITION(S) - BUREAU OF		33V2100
GENERAL SERVICES - ADMINISTRATION		
TOTAL POSITIONS.....	1.00-	
TOTAL ISSUE.....	35,956-	
TOTAL SALARY RATE.....	21,534-	
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #03

This issue proposes a reduction of one filled Senior Clerk position and associated budget from the Bureau of General Services. This bureau provides the following support services to the department, Office of Financial Regulation (OFR) and Office of Insurance Regulation (OIR): property, facilities, asset tracking, mail, central office supplies, printing services, fleet management, records management, purchasing, contract management, reception services, parking services, emergency management and loss prevention.

This reduction will have a minimal impact on the Bureau of General Services, specifically in the area of parking services. Last fiscal year the bureau processed 1,254 direct orders; Mail Services processed 2,022,472 pieces of mail; Reception Services greeted over 8,976 visitors and received and routed over 18,257 telephone calls; Contract Administration conducted 238 compliance reviews; and Printing Services produced over 2,412,800 copies.

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COL A93 SCH VIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
EXECUTIVE DIR/SUPPORT SVCS		43010100
GOV OPERATIONS/SUPPORT		16
EXEC LEADERSHIP/SUPPRT SVC		1602.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - BUREAU OF GENERAL SERVICES - ADMINISTRATION		33V2100

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE C1001 001	1.00-	21,534-		14,422-	35,956-	0.00	35,956-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							35,956-
	1.00-	21,534-		14,422-	35,956-		35,956-

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REDUCE POSITION(S) - BUREAU OF FINANCIAL AND SUPPORT SERVICES - ADMINISTRATION							33V2300
SALARY RATE							000000
SALARY RATE.....	106,189-						
=====							
SALARIES AND BENEFITS							010000
ADMINISTRATIVE TRUST FUND -STATE	3.00-	155,702-					2021 1
=====							
TOTAL: REDUCE POSITION(S) - BUREAU OF FINANCIAL AND SUPPORT SERVICES - ADMINISTRATION							33V2300
TOTAL POSITIONS.....	3.00-						
TOTAL ISSUE.....		155,702-					
TOTAL SALARY RATE.....	106,189-						
=====							

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		43010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - BUREAU OF		
FINANCIAL AND SUPPORT SERVICES -		
ADMINISTRATION		33V2300

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO

PRIORITY #02

This issue proposes a reduction of three positions in the Bureau of Financial Services; Administrative Assistant II, and two Accountant III. This bureau provides receipts, disbursements and accounting services to the department, Office of Financial Regulation (OFR) and Office of Insurance Regulation (OIR).

These reductions will have a minimal impact in the accounting services provided to the department, OFR and OIR. If not reduced during the budget process, it is anticipated that they will be reclassified and assigned organizationally to different business areas. Last fiscal year the Receipts Section processed over 678,000 payments totaling over \$1.7 billion dollars; the Disbursements Section processed over 30,000 invoices totaling over \$3.3 million dollars. One Accountant III is currently vacant, the other two positions are currently filled.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	3.00-	106,189-		49,513-	155,702-	0.00	155,702-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							155,702-
	3.00-	106,189-		49,513-	155,702-		155,702-

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COL A93			
SCH VIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
-----			
FINANCIAL SERVICES			
			43000000
PRG: CHIEF FIN OFFICER/ADM			43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>			43010100
GOV OPERATIONS/SUPPORT			16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>			<u>1602.00.00.00</u>
TOTAL: EXEC LEADERSHIP/SUPPRT SVC			<u>1602.00.00.00</u>
BY FUND TYPE			
	11.00-		
TRUST FUNDS.....		542,510-	2000
SALARY RATE.....	363,557-		
=====			
<u>LEGAL SERVICES</u>			
			43010200
GOV OPERATIONS/SUPPORT			16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>			<u>1602.00.00.00</u>
PROGRAM REDUCTIONS			
REDUCE CONTRACTED SERVICES CATEGORY			33V0000
SPECIAL CATEGORIES			33V1240
CONTRACTED SERVICES			100000
			100777
ADMINISTRATIVE TRUST FUND -STATE	63,326-		2021 1
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AGENCY ISSUE NARRATIVE:  
 SCH VIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #43

This issue reduces the Contracted Services category in the Division of Legal Services. The division regulates insurance agents, licensees and other individuals and entities and is responsible for providing informal hearings to licensees and other entities and individuals facing disciplinary action by the department. In order to meet these obligations without placing an additional workload on staff attorneys, the division contracts with two outside attorneys who preside over cases involving informal hearings.

This reduction will have a significant impact on the Department. If this reduction is implemented, well seasoned attorneys will serve as hearing officers in these informal hearings rather than devoting their time to the most significant cases and issues that need to be addressed by legal staff for the Chief Financial Officer (CFO) and for the other subunits of the department. If the current contract attorneys who are familiar with the Department of Financial Services programs are no longer funded, valuable experience will be lost and it will take longer to conduct informal hearing cases.

During the last calendar year, 6,391 new cases were opened; 5,935 cases were closed or completed; and 106 informal hearings were requested. These hearings are required by law and must be provided by full time equivalent (FTE) attorneys or through a contracting arrangement.

COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>LEGAL SERVICES</u>		43010200
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES CATEGORY		33V1240

It is estimated that the cases would be assigned to the four most experienced attorneys in the office, resulting in their case load increasing by 25-30 cases during the course of a year. On average, cases requiring informal hearings use approximately 12-15 hours of an attorney's time per case. The more complex cases could require in excess of 20 hours of attorney time per case. If the average time to handle one informal hearing is 13 hours per case multiplied by 106 hearings, this represents approximately 1,400 hours of FTE attorney hours that must be devoted to conducting these proceedings.

Current year funding level: 253,306

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ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230
SALARY RATE		000000
SALARY RATE.....	172,014-	
	=====	
SALARIES AND BENEFITS		010000
	5.00-	
ADMINISTRATIVE TRUST FUND -STATE	253,790-	2021 1
	=====	
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230
TOTAL POSITIONS.....	5.00-	
TOTAL ISSUE.....	253,790-	
TOTAL SALARY RATE.....	172,014-	
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #44

This issue reduces five positions consisting of one Attorney, one Senior Attorney, two Staff Assistants, and one Management Analyst II-SES. The Attorney, Senior Attorney, and one Staff Assistant positions are currently vacant and one Staff Assistant and the Management Analyst positions are currently filled.

The normal caseload for a staff attorney is 25 to 30 cases. When there are attorney vacancies, the average caseload approaches 50 cases per attorney, excluding the managers. Vacant positions are filled to keep the attorney workload at a reasonable level. By eliminating two attorney positions, the division will be unable to keep the average number of cases



COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>LEGAL SERVICES</u>		43010200
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIIB		33V3230

at a reasonable level, even if vacant positions are filled.

Reducing current staff levels by two attorney positions, along with their support staff, would result in a severe backlog of cases and delays in handling all assignments for the remaining attorneys. Program referrals of cases for prosecution and requests for legal services, advice and representation from the division will experience extensive delays in providing legal services due to backlogs and heavy caseloads.

Additional duties that would experience large caseloads and possible backlogs include, but are not limited to, program policy development that relies on legal advice and counsel; developing and promulgating administrative rules; prosecuting cases involving harm to consumers; and promptly responding to requests for legal services from the Chief Financial Officer and programs within the Department of Financial Services. Priority consideration would be given to handling the most egregious cases where there is consumer harm, but other cases and requests for legal advice and counsel would face long delays in resolution and consumer injury would likely occur. These processes currently flow at a rate of 5 to 45 or 90 days to completion, depending on the stages of these processes. With staff reductions, these current time frames will be extended for the remaining staff with increased work loads.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	5.00-	172,014-		81,776-	253,790-	0.00	253,790-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							253,790-
	5.00-	172,014-		81,776-	253,790-		253,790-

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>LEGAL SERVICES</u>		43010200
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSES CATEGORY		33V4140
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	178,684-	2021 1
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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #41

This issue reduces the expense category by 178,684, representing 25 percent of the Division of Legal Services expense budget. Rent represents 56 percent of the division's budget, leaving only 19 percent of the budget for all other operating expenses. Other operating expenses include items such as postage (15 percent); legal transcripts (5 percent); research tools (23 percent); and travel to hearings, depositions, and trials (6 percent). These expenditures do not include items used in daily operations such as office supplies, telephones, file storage, furniture and equipment, and necessary legal subscriptions.

The division depends on the expense budget to maintain operational duties such as properly serving legal process as required by law when legal action is taken, interviewing witnesses and preparing witnesses for trial, ordering transcripts after hearings for preparing recommended orders, permitting attorneys to travel to hearings or be present at scheduled depositions, hearings and trials.

Current year funding level: 714,736

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REDUCE OTHER PERSONAL SERVICES  
 CATEGORY  
 OTHER PERSONAL SERVICES

33V9200  
 030000

ADMINISTRATIVE TRUST FUND -STATE 67,053-  
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2021 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #42

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>LEGAL SERVICES</u>		43010200
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
CATEGORY		33V9200

This issue reduces the other personal services (OPS) category in the Division of Legal Services. Currently, the division employs five to seven law clerks to handle and process cases with less egregious violations of the insurance code, thereby allowing staff attorneys to promptly handle cases with more serious statutory violations where consumers are directly harmed. These trained law clerks process and resolve several hundred cases each year that result in the collection of thousands of dollars in fines and penalties from licensees that have committed minor violations of the insurance code. Last calendar year, 985 cases were processed and \$797,450 in fines were collected.

This reduction will eliminate all OPS funding for law clerks that perform these duties and will place an additional workload on the staff attorneys, rendering them unable to timely complete their work assignments and compromise the division's ability to meet its quantitative and qualitative workload standards and goals. The additional case load for staff attorneys will increase by approximately 15 to 20 cases per month.

Eliminating the use of law clerks will prevent attorneys from giving priority attention to cases with the more egregious violations. Licensees who violate the insurance code will not be promptly disciplined and the revenue generated through this program will be drastically reduced or eliminated. The overall impact and effect of higher attorney case loads will be an overall decline in the division's response time in providing legal services to the Chief Financial Officer in carrying out his constitutional and statutory duties. This reduction will also cause an across the board reduction in the prompt resolution of legal issues in cases referred to the division for legal services and will adversely affect the division's ability to provide advice and counsel to all Department of Financial Services program areas.

Current year funding level: 279,388

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TOTAL: EXEC LEADERSHIP/SUPPRT SVC		<u>1602.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	5.00- 562,853-	2000
SALARY RATE.....	172,014-	
	=====	

COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFORMATION TECHNOLOGY</u>		43010300
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN THE OPERATING CAPITAL		
OUTLAY CATEGORY		33V1120
OPERATING CAPITAL OUTLAY		060000
ADMINISTRATIVE TRUST FUND -STATE	20,000-	2021 1
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AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? YES

PRIORITY #50

The Division of Information Systems (DIS) is responsible for maintaining and replacing the agency's standard laptop computers to ensure that the agency's mobility to perform core and mission critical services are adequately working as intended.

Annually, DIS desktop support group is tasked with determining and identifying personal computers (PCs), both laptop and desktop machines, that necessitate replacement. Computers that are identified as primary work devices and have an elapsed warranty are considered for replacement. It is important that with the complexity of PCs that they be covered under the manufacturer's warranty, in cases where equipment fails, so that the end-user of a computer will not be unproductive due to faulty or worn-down components.

This particular funding is reserved specifically to acquire mobile computers, such as laptops. Laptops are very common and popular computers, especially in the case where mobility is an advantageous criteria to remain productive. Laptops allow for the extension of a user's office due to their compact size and wireless components. It is common to see many participants of a meeting setting up their laptops to produce and retrieve information, take notes and remain in communication through email and instant messages. Laptops allow the agency's workforce to better serve the public.

Current year funding level: 844,120

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFORMATION TECHNOLOGY</u>		43010300
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE IBM SOFTWARE MAINTENANCE		33V3200
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	191,364-	2021 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? YES

PRIORITY #52

This issue eliminates the IBM Software Maintenance contract. The Division of Information Systems' (DIS) service contract for IBM Mainframe Software Maintenance is critical to the long-term performance of the mainframe operating system located in the Fletcher building. The operating system provides support for the department's critical applications located on the mainframe. The mainframe houses mission-critical applications such as the Florida Accounting and Information Resource Subsystem (FLAIR), the Unclaimed Property Management Information System (UPMIS), the Cash Management System (CMS Treasury), and the Legislative appropriation tracking system (LAS/PBS).

Elimination of the software maintenance service contract for the IBM Software suite of products will affect all mainframe applications due to reduced support and response levels from the vendor should a problem arise. Should the mainframe operating system experience a problem, these critical applications would be unavailable until the problem is resolved. Also, security patches to protect the mainframe environment against data breaches would be discontinued. IBM customers choosing to utilize time and materials for issues versus an established maintenance contract are provided software engineering support at a lower priority, which could result in days or weeks before reaching resolution. Also, receiving a Subject Matter Expert assigned to an issue may be delayed by days or weeks. This would impact the Legislature, the Executive Office of the Governor's Office of Policy and Budget, and all state agencies, and the Bureau of Unclaimed Property as these systems comprise the backbone for the Florida Financial Management Information System.

The FLAIR budget entity also has a reduction for the IBM maintenance contract: 647,988 in General Revenue and 85,062 in Administrative Trust Fund.

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFORMATION TECHNOLOGY</u>		43010300
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE GARTNER SUBSCRIPTION		33V3210
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	199,322-	2021 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? YES

PRIORITY #49

This issue eliminates the Gartner subscription which provides research backed analysis and support for department-wide decision making and risk avoidance activities. The Division of Information Systems (DIS) is at the forefront of technology initiatives and leadership in the state of Florida's government technology community in part, due to its access to Gartner IT consulting services. Gartner is a leader in the field of IT research and best practices. The Gartner subscription supports information security, compliance and disaster recovery best practice design and implementation; IT procurement best practice and strategies; and all aspects of future IT development. The department has access to Gartner's research library, analysts, and network of IT professionals. These resources are available to assist in solving issues, to provide advice based on industry research and expertise, and to review vendor agreements for technical soundness and capacity planning. Gartner provides world-class information security research, resources, and contacts.

Eliminating this funding will significantly reduce the ability for the department to create efficiencies and solve issues based on industry research, standards and best practices, and provide its current level of service to its customers. Without this subscription DIS will have to utilize alternate means for gathering authoritative guidance for IT management initiatives. Significant changes in technology drive the need to have non-vendor guidance on products and services. Strategic alignment of technology with business needs for the department and the offices is critical to cost and process efficiencies.

This issue impacts all divisions within the department as well as the Office of Insurance Regulation and the Office of Financial Regulation.

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
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FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFORMATION TECHNOLOGY</u>		43010300
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE STAFF AUGMENTATION		33V3220
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	1,121,800-	2021 1
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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? YES

PRIORITY #51

CASHIER'S OFFICE DEPOSIT AUTOMATION (CODA): (160,000)

This issue eliminates the contract position that supports the department's new Cashier's Office Deposit Automation (CODA) system. This position spends 100% of its time on transitioning the divisions from the old cash receipts system (RCP) to the new cash receipts system (CODA) and performing ongoing maintenance of those divisions already transitioned.

The CODA system is the primary revenue accounting system utilized by the Department of Financial Services (DFS) and the Office's of Financial Regulation (OFR) and Insurance Regulation (OIR). CODA, written in the software framework developed by Microsoft called '.net', is made up of 2 components; Client and Business Users Website. The Client component is accessed solely by users within the Division of Administration, Receipts Accounting Section. This is the component where business functions are performed.

The Business Users Website is accessed by users within or outside of the Receipts Accounting Section to perform searches and/or to request refunds. All searches, except one, done through the website are restricted to inquiry only. These requests cannot update the system. The exception is the requesting of refunds, which includes update capability.

Eliminating this staff augmentation position will stop the development activities associated with this application and reduce the level of support and maintenance this work currently receives. Currently, there are still two divisions that need to be converted (Funeral and Cemetery and State Fire College) from the old cash receipts system (RCP) to CODA. This will not occur if the funding is reduced for these staff augmentation resources. If funding is reduced and staff augmentation resources are eliminated there will be additional cost to the department as duplicate systems will need to be maintained.

COMPANIES AND RELATED ENTITIES NAVIGATOR (COREN): (147,000)

The Division of Information Systems (DIS) develops and maintains a large inventory of Information Systems applications to

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
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FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFORMATION TECHNOLOGY</u>		43010300
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE STAFF AUGMENTATION		33V3220

support the department's core business. As the department administratively houses the Office of Financial Regulation and the Office of Insurance Regulation (OIR), this support extends to core business applications for these offices also. DIS currently holds a staff augmentation contract for a resource who supports OIR's Companies and Related Entities Navigator (COREN) Application. This application is used to track and regulate licensed insurance brokers which appoint insurance sellers.

Eliminating this staff augmentation position will stop the development activities associated with this application and reduce the level of support and maintenance it currently receives. This situation will introduce application performance issues and functionality deficiencies such as gaps in data, system availability issues, lapse in statutory compliance, etc. Without continued funding for this contract, DIS will be unable to meet obligations to its customers, and this may jeopardize OIR's statutory responsibility.

PUBLIC ASSISTANCE FRAUD/AUTOMATED INVESTIGATIVE MANAGEMENT (PAF/AIM): (180,000)

This issue eliminates a staff augmentation contract position that supports the Public Assistance Fraud/Automated Investigative Management (PAF/AIM) application within the Division of Public Assistance Fraud. This system is utilized to enter and track all information relating to all Florida Investigative and Public Assistance Fraud cases for the State of Florida. The system is highly complicated and requires the years of knowledge and expertise provided by the augmented position. The AIM system is not only for departmental users, but this application also has a public facing portion as well as internal to the agency.

At a minimum the position spends 8 hours per day on data collection/processing including imports and exports of data to various agencies; database monitoring and enhancements to a system containing over 200 relational tables; modifications and bug fixes to the application consisting of 93 modules and over 170 screens; and new system enhancements as requested.

Eliminating this funding will affect the state's ability to modify this application and will reduce the level of support and maintenance it currently receives. This situation will introduce application performance issues and functionality deficiencies such as application downtime when something goes wrong and cannot be fixed in a timely manner; or data being incorrect when a bug cannot be fixed without staffing. Without this resource the department will jeopardize its statutory responsibility in that area. Investigations by the department or the Division of Insurance Fraud are authorized by s. 626.989, F.S.

TIGER TEAM: (354,000)

The Division of Information Systems (DIS) has a large inventory of information system applications to support its core



COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
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FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFORMATION TECHNOLOGY</u>		43010300
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE STAFF AUGMENTATION		33V3220

business. There are two staff augmentation contract positions, referred to as the Tiger Team, that support application development for the Division of Insurance Agents and Agency Services (A&AS) applications; Funeral and Cemetery Consumer Services (FCCS), and State Fire Marshal (SFM) licensing applications. Both positions divide their time equally among all three divisions.

Applications among these three division are ALIS (Agent and Agency Services Indexing capture); FAC (Funeral and Cemetery portion of ALIS); AALF (Agent and Agency Services Licensing Functions); DICE (Agent and Agency Services Continuing Education system); eAppoint (Agent and Agency Services Appointment application); NFTI (Non-resident interface for transfer of information); FCDICE (Fire College/Funeral and Cemetery Continuing Education system); and Data Warehouse. All of these applications support critical departmental operational functions of licensing, continuing education and appointment functions for insurance agents, funeral and cemetery directors/facilities, and fire personnel for the state.

The Tiger Team's current development activities are for Funeral, Cemetery and Consumer Services (FCCS) converting its financial payment (RCP) to Cashiers Office Deposit Automation System (CODA) as well as developing an Online Renewal Application process; and for State Fire Marshall development, converting its RCP to CODA, and daily supporting and maintaining the systems. The Tiger Team is a distinct group that works on licensing applications with different project activities than those associated with the staff augmented positions working on the CODA system migration.

UNCLAIMED PROPERTY MANAGEMENT INFORMATION SYSTEMS (UPMIS): (108,000)

This issue eliminates the staff augmentation position that is responsible for supporting the Unclaimed Property Management Information Systems (UPMIS). The State Unclaimed Property program uses this automated system to return \$2.5 billion of unclaimed properties to rightful owners. This position is being used to reduce the backlog of more than 300 system enhancement and fix requests for UPMIS as well as improving the customer experience with an enhanced website. This position is also focused on decreasing claim processing time by adding an eClaim service and email services.

The position is responsible for the development of new JAVA applications, enhance existing JAVA applications, work with users to gather business requirements, provide maintenance and support from JAVA applications; provide project leadership; develop and/or enhance project and technical documentation; and work with state staff to mentor them in JAVA development skills.

Eliminating this staff augmentation person would present a situation resulting in application performance issues, loss of knowledge transfer, and seriously impact the systems programming team's ability to deliver the eClaim functionality. It could also result in a 15% to 25% decrease in productivity depending on the staff augmentation duties within the application. This position spends 100% of its time on this project.

COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFORMATION TECHNOLOGY</u>		43010300
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE STAFF AUGMENTATION		33V3220

DIVISION OF WORKERS' COMPENSATION (DWC): (172,800)

This issue eliminates the staff augmentation position that supports the Division of Workers' Compensation applications and provides application development and maintenance for the Automated Rehabilitation and Medical Info System (ARAMIS) and also the Re-employment Information System (RIS) application for the Division of Workers' Compensation, Bureau of Monitoring and Audit.

The Office of Medical Services (OMS) in the Bureau of Monitoring and Audit is responsible for the regulation of medical services in the Workers' Compensation System. Its duties are almost exclusively contained in Section 440.13, F.S. These duties fall into four main areas: developing and adopting the various health care reimbursement manuals; resolving medical reimbursement disputes between providers and payers; certifying Health Care Providers and Expert Medical Advisors; and investigating reports of provider violations.

The Division's Bureau of Monitoring and Audit is responsible for ensuring that carriers meet their obligations under the law, including timely and accurate payment and filing of medical bills. The ARAMIS and RIS computer applications assist the business unit with carrying out these mandatory functions. Eliminating this staff augmentation position will stop the development activities associated with this application and reduce the level of support and maintenance it currently receives.

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TOTAL: INFORMATION TECHNOLOGY		<u>1603.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	1,532,486-	2000
	=====	

COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
CONSUMER ADVOCATE		43010400
GOV OPERATIONS/SUPPORT		16
EXEC LEADERSHIP/SUPPRT SVC		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
CATEGORY		33V9200
OTHER PERSONAL SERVICES		030000
INSURANCE REG TF	-STATE 54,129-	2393 1
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AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #04

This issue reduces the Other Personal Services (OPS) category by the amount that was once paid to an OPS Attorney employee. OPS funds are used to hire interns to assist with the mission of the Office of the Insurance Consumer Advocate (ICA). The ICA is responsible for finding solutions to insurance issues facing Floridians, calling attention to questionable insurance practices, promoting a viable insurance market responsive to the needs of Florida's diverse population, and assuring that rates are fair and justified.

The ICA is charged with the review of rate filings presented to the Office of Insurance Regulation (OIR) and representing the public at any public hearing conducted on these filings. The ICA reviews many homeowners' rate filings, the NCCI (National Council on Compensation Insurance) workers compensation rate filings, as well as the dozen or so filings by Citizens Property Insurance Corporation. The ICA has endeavored to produce white papers and reports on important insurance issues before Florida's policymakers in an effort to give accurate, unbiased information that result in sound insurance policies in our state.

The staff is active in identifying those issues, intensive research, and ultimately formulization of the ICA findings on a variety of important insurance issues. The ICA provides the one unbiased voice that consumers have with the legislature and policymakers of this state. The OPS interns are hired to assist the actuary in preparing for these filings.

Current year funding level: 115,229

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COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
-----			
FINANCIAL SERVICES			43000000
PRG: CHIEF FIN OFFICER/ADM			43010000
<u>INFO TECHNOLOGY - FLAIR</u>			43010500
GOV OPERATIONS/SUPPORT			16
<u>INFORMATION TECHNOLOGY</u>			<u>1603.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE IBM SOFTWARE MAINTENANCE			33V3200
SPECIAL CATEGORIES			100000
CONTRACTED SERVICES			100777
GENERAL REVENUE FUND -STATE	671,988-		1000 1
ADMINISTRATIVE TRUST FUND -STATE	85,062-		2021 1
	-----		
TOTAL APPRO.....	757,050-		
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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? YES

PRIORITY #56

This issue eliminates the IBM Software Maintenance contract. The Division of Information Systems' (DIS) service contract for IBM Mainframe Software Maintenance is critical to the long-term performance of the mainframe operating system located in the Fletcher building. The operating system provides support for the department's critical applications located on the mainframe. The mainframe houses mission-critical applications such as the Florida Accounting and Information Resource Subsystem (FLAIR), the Unclaimed Property Management Information System (UPMIS), the Cash Management System (CMS Treasury), and the Legislative appropriation tracking system (LAS/PBS).

Elimination of the software maintenance service contract for the IBM Software suite of products will affect all mainframe applications due to reduced support and response levels from the vendor should a problem arise. Should the mainframe operating system experience a problem, these critical applications would be unavailable until the problem is resolved. Also, security patches to protect the mainframe environment against data breaches would be discontinued. IBM customers choosing to utilize time and materials for issues versus an established maintenance contract are provided software engineering support at a lower priority, which could result in days or weeks before reaching resolution. Also, receiving a Subject Matter Expert assigned to an issue may be delayed by days or weeks. This could cause disastrous effects for the Legislature, the Executive Office of the Governor's Office of Policy and Budget, and all state agencies, and the Bureau of Unclaimed Property as these systems comprise the backbone for the Florida Financial Management Information System.

IT budget entity also has a reduction for the IBM software maintenance contract: 191K

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COL A93			
SCH VIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
-----			
FINANCIAL SERVICES			
			43000000
PRG: CHIEF FIN OFFICER/ADM			43010000
<u>INFO TECHNOLOGY - FLAIR</u>			43010500
GOV OPERATIONS/SUPPORT			16
<u>INFORMATION TECHNOLOGY</u>			<u>1603.00.00.00</u>
PROGRAM REDUCTIONS			
ELIMINATE STAFF FOR SCHEDULE VIIIB			33V0000
SALARY RATE			33V3230
			000000
SALARY RATE.....	43,508-		
	=====		
SALARIES AND BENEFITS			
			010000
GENERAL REVENUE FUND	-STATE	1.00-	
		61,231-	
		=====	
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIB			33V3230
TOTAL POSITIONS.....	1.00-		
TOTAL ISSUE.....	61,231-		
TOTAL SALARY RATE.....	43,508-		
	=====		

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AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? YES

PRIORITY #55

This issue eliminates one vacant Senior State Automated Management Accounting Systems Analyst that has been vacant since July 2014. This position is part of the ongoing daily maintenance and support of the mainframe system which includes such programs as the Florida Accounting and Information Resource Subsystem (FLAIR) and the Legislative appropriation tracking system (LAS/PBS).

The position is responsible for supporting 36 state agencies when requests are made regarding access or reporting issues involving the FLAIR system. The position is an intricate component to the Statewide Object Code Standardization Project, which involves streamlining the expenditure and revenue reporting across state agencies by making changes within FLAIR to standardize the identified object structure in departmental FLAIR. The Object Code Project involves all departmental design staff to ensure auditing requirements are made according to specifications and then thoroughly tested before accepting final changes into the production environment. In addition to the Object Code Project, this position is responsible for troubleshooting agency production problems relating to batch processing or reporting issues while performing daily functions within FLAIR.

To remove any FLAIR staff at this time when institutional knowledge is retiring quicker than management can hire adequate candidates, would be detrimental to the department's mission to move forward with the standardization project and the FLAIR Replacement project.

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COL A93 SCH VIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFO TECHNOLOGY - FLAIR</u>		43010500
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 002	1.00-	43,508-		17,723-	61,231-	0.00	61,231-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							61,231-
	1.00-	43,508-		17,723-	61,231-		61,231-

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TOTAL: INFORMATION TECHNOLOGY							<u>1603.00.00.00</u>
BY FUND TYPE							
GENERAL REVENUE FUND		733,219-					1000
TRUST FUNDS		85,062-					2000
TOTAL POSITIONS.....	1.00-						
TOTAL PROG COMP.....		818,281-					
TOTAL SALARY RATE.....	43,508-						

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COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
-----			
FINANCIAL SERVICES			43000000
PROGRAM: TREASURY			43100000
<u>DEPOSIT SECURITY</u>			43100200
GOV OPERATIONS/SUPPORT			16
<u>GOVERNMENTAL OPERATIONS</u>			<u>1601.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE THE QUALIFIED PUBLIC			
DEPOSITORIES PROGRAM			33V4100
SALARY RATE			000000
SALARY RATE.....	171,012-		
	=====		
SALARIES AND BENEFITS			010000
	4.00-		
TREASURY ADM/INVEST TF	-STATE	242,736-	2725 1
		=====	
EXPENSES			040000
TREASURY ADM/INVEST TF	-STATE	24,388-	2725 1
		=====	
SPECIAL CATEGORIES			100000
CONTRACTED SERVICES			100777
TREASURY ADM/INVEST TF	-STATE	12,065-	2725 1
		=====	
TOTAL: ELIMINATE THE QUALIFIED PUBLIC			33V4100
DEPOSITORIES PROGRAM			
TOTAL POSITIONS.....	4.00-		
TOTAL ISSUE.....		279,189-	
TOTAL SALARY RATE.....	171,012-		
	=====		

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #45

IT COMPONENT? NO

LAW CHANGE REQUIRED: Chapter 280 would have to be rescinded or the authority transferred to the Office of Financial Regulation under their state banking authority.

The Qualified Public Deposit Program was established in 1981 at the request of the banking community in Florida to provide a standardized method of protecting public monies on deposit that exceeded the Federal Deposit Insurance Corporation limits that guaranteed depositors against loss in the case of a bank failure. Chapter 280 established the administrative responsibility for the Division of Treasury to administer the program and provide for a full time staff to approve participating depositories, establish collateralization levels required to protect the deposits and for the review of the financial conditions in order to determine adequate pledge level for collateral requirements. There are

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PROGRAM: TREASURY		43100000
<u>DEPOSIT SECURITY</u>		43100200
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE THE QUALIFIED PUBLIC		
DEPOSITORIES PROGRAM		33V4100

currently 4 full time positions that administer the program that includes approving participation, review ranking changes, monitor deposit and pledge levels and act in accordance with both Chapter 280, Florida Statutes and Administrative Rule 69C-2. There are currently 157 Qualified Public Depositories in the program that hold just over \$22 billion dollars in public money protected by \$12.6 billion dollars of collateral. There is no direct revenue impact to this reduction. This program area had no reduction in the current year General Appropriations Act.

There are currently 4 FTE and 274,189 associated with this function. This is 100% of the program resources and 15% of the budget entities overall operating budget.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1554 FINANCIAL EXAMINER/ANALYST I							
N0003 002	1.00-	32,697-		16,099-	48,796-	0.00	48,796-
1564 FINANCIAL EXAMINER/ANALYST II							
N0002 002	1.00-	38,660-		16,994-	55,654-	0.00	55,654-
1566 FINANCIAL SPECIALIST							
N0004 002	1.00-	43,507-		17,722-	61,229-	0.00	61,229-
1587 FINANCIAL ADMINISTRATOR - SES							
N0001 002	1.00-	56,148-		20,909-	77,057-	0.00	77,057-
-----							
TOTALS FOR ISSUE BY FUND							
2725 TREASURY ADM/INVEST TF							242,736-
	4.00-	171,012-		71,724-	242,736-		242,736-
	=====	=====	=====	=====	=====		=====

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
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FINANCIAL SERVICES		43000000
PROGRAM: TREASURY		43100000
<u>DEPOSIT SECURITY</u>		43100200
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
TOTAL: GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
BY FUND TYPE		
	4.00-	
TRUST FUNDS.....	279,189-	2000
SALARY RATE.....	171,012-	
	=====	
<u>ST FUNDS MGT &amp; INVESTMENT</u>		43100300
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
FUNDING		33V2240
OTHER PERSONAL SERVICES		030000
TREASURY ADM/INVEST TF	-STATE 17,500-	2725 1
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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #21

IT COMPONENT? NO

No Legislative Change.

Other Personal Service (OPS) personnel perform valuable work that would not otherwise be performed or would be performed less promptly. If OPS positions were not available, it would prevent the hiring of interns from local universities in support of the Division of Funds Management and Investment. This reduction represents 100 percent of OPS funding.

Current year funding level: 17,500

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PROGRAM: TREASURY		43100000
<u>ST FUNDS MGT &amp; INVESTMENT</u>		43100300
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE FUNDING FOR THE PAYEE		
MATCH SERVICES CONTRACT		33V4130
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777

TREASURY ADM/INVEST TF -STATE 21,000- 2725 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #47

IT COMPONENT? NO

No Legislative Change.

The Bureau of Funds Management is part of the Division of Treasury. The use of payee match services began in 2007. Approximately 2 million warrants are processed per year in the amount of approximately \$82 billion. This reduction will affect the Department's ability to timely detect fraudulent warrants. This service matches the payee information from the file the Department sends to the bank to the payee information on the warrant that is presented at the bank at a cost of 1 cent per warrant. We are immediately notified of any discrepancies and we can deny payment of the warrant. Without this process, this type of fraud may not be detected in a timely manner. No other State Agencies/Entities perform this same function. There are other Private Entities that perform this function; however, we are currently under contract with Wells Fargo. There is no revenue impact to the state. This program area had no reduction in the current year General Appropriations Act.

The total budget associated with this function is 21,000; which is 0.7 percent of the affected programs budget.

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ELIMINATE CONSOLIDATED REVOLVING  
 ACCOUNT - BANKING FEES  
 SPECIAL CATEGORIES  
 CONTRACTED SERVICES

33V4150  
 100000  
 100777

TREASURY ADM/INVEST TF -STATE 20,503-

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #46

IT COMPONENT? NO

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PROGRAM: TREASURY		
		43100000
<u>ST FUNDS MGT &amp; INVESTMENT</u>		
		43100300
GOV OPERATIONS/SUPPORT		
		16
<u>GOVERNMENTAL OPERATIONS</u>		
		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
ELIMINATE CONSOLIDATED REVOLVING		
ACCOUNT - BANKING FEES		
		33V4150

No Legislative Change.

The Division of Treasury has provided a state-wide revolving account for State of Florida banking services since 1993 via a contract with a qualified financial institution. Elimination of this contract will save the Division 20,503 based on the actual cost incurred during Fiscal Year 2013-14. This reduction would require individual agencies to contract for their individual services which may be at higher rates due to the economy of scales we receive by consolidating the contract. In addition, Treasury would lose the benefit of being able to invest the funds in the Treasury Investment Pool resulting in a loss of investment income to the State.

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TOTAL: GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	59,003-	2000
	=====	
PGM: FIN ACCT/PUBLIC FUNDS		43200000
<u>ST FINAN INFO/ST AGY ACCTG</u>		43200100
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE ARTICLE V PROGRAM		
POSITIONS AND REQUIREMENTS		33V0100
SALARY RATE		000000
SALARY RATE.....	270,791-	
	=====	
SALARIES AND BENEFITS		010000
	6.00-	
ADMINISTRATIVE TRUST FUND -STATE	378,592-	2021 1
	=====	
TOTAL: ELIMINATE ARTICLE V PROGRAM		33V0100
POSITIONS AND REQUIREMENTS		
TOTAL POSITIONS.....	6.00-	
TOTAL ISSUE.....	378,592-	
TOTAL SALARY RATE.....	270,791-	
	=====	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FIN ACCT/PUBLIC FUNDS		43200000
ST FINAN INFO/ST AGY ACCTG		43200100
GOV OPERATIONS/SUPPORT		16
GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE ARTICLE V PROGRAM		
POSITIONS AND REQUIREMENTS		33V0100

AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #01

Legislative Change. This issue would require the elimination of section 28.36, Florida Statutes, and amend section 28.241, Florida Statutes.

The Article V, Audit of Clerk of Courts program was implemented in 2005. Under this program the Department of Financial Services (DFS) was responsible for the audit of Florida Clerk of Courts Corporation (CCOC) and the audit and budget review of the 67 Clerks of the Court (Clerk). The program was funded from \$1.50 of filing fees collected and remitted to the Department of Revenue for deposit into the DFS' Administrative Trust Fund. In the 2013 Legislative Session, Senate Bill 1512 (2013-44 Laws of Florida) was passed, revising DFS' responsibilities. The Department has audited the Clerks budget and expenditures since 2005 and to date, the findings have been largely insignificant. Under the new law, DFS is to execute an audit contract with the CCOC to audit the court related expenditures of individual Clerks of the Court. The Chief Financial Officer already has sufficient authority in Chapter 17, Florida Statutes for the audit of expenditures from any state funds. Under the revised law, the portion of filing fees provided to the DFS was reduced from \$1.50 to \$1.

The revised law also requires DFS to maintain a contract with CCOC for the funding of the Corporation's expenditures as allowed in section 28.35, Florida Statutes and to fund clerk education. This provision is funded by a portion of filing fees collected in section 28.241 and 34.041, Florida Statutes.

This issue proposes the elimination of the 6 FTE and \$378,592 in Administrative Trust Fund funding for the Article V audit team. The review of the Clerk's expenditures would still be performed, as needed, under the Chief Financial Officer's existing authority in Chapter 17, Florida Statutes. DFS would also continue collect the funds for transfer to the CCOC for its expenditures and clerk education. If eliminated, the \$1 fee in section 28.241 Florida Statutes could be redirected to another agency/fund.

\*\*\*\*\*

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: FIN ACCT/PUBLIC FUNDS		43200000
ST FINAN INFO/ST AGY ACCTG		43200100
GOV OPERATIONS/SUPPORT		16
GOVERNMENTAL OPERATIONS		1601.00.00.00
PROGRAM REDUCTIONS		33V0000
ELIMINATE ARTICLE V PROGRAM POSITIONS AND REQUIREMENTS		33V0100

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	6.00-	270,791-		107,801-	378,592-	0.00	378,592-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							378,592-
	6.00-	270,791-		107,801-	378,592-		378,592-

\*\*\*\*\*

REDUCE EXPENSES BUDGET AUTHORITY FROM ACCOUNTING AND AUDITING EXPENSES							33V0160 040000
GENERAL REVENUE FUND -STATE	100,000-						1000 1

\*\*\*\*\*

AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO

PRIORITY #19

The Division of Accounting and Auditing utilizes the budget authority provided in the Expenses category for various expenditures necessary for the operations of the Division and in support of meeting the Divisions' statutory and constitutional requirements. Expenditures from this category include, but are not limited to: office rent, office

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: FIN ACCT/PUBLIC FUNDS		
		43200000
ST FINAN INFO/ST AGY ACCTG		
		43200100
GOV OPERATIONS/SUPPORT		
		16
GOVERNMENTAL OPERATIONS		
		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCE EXPENSES BUDGET AUTHORITY		
FROM ACCOUNTING AND AUDITING		
		33V0160

furniture and computer equipment, office supplies, postage, warrant printing, fuel and travel, training and conference registrations, and archiving of electronic records.

A reduction in this category of \$100,000 would require reductions in non fixed expenses such as the purchasing of new and/or replacement furniture and computer equipment, office supplies, and travel. Reducing this category would also impact the ability of the Division to have flexibility in transferring budget from this category to other categories as needed or making direct expenditures from this category when unforeseen circumstances arise.

This issue reduces \$100,000 in General Revenue funding.

\*\*\*\*\*

REDUCTION OF PERSONNEL IN STATE		
FINANCIAL INFORMATION AND STATE		
AGENCY REPORTING		33V0170
SALARY RATE		000000
SALARY RATE.....	175,059-	
	=====	
SALARIES AND BENEFITS		010000
	4.00-	
GENERAL REVENUE FUND	-STATE 246,105-	1000 1
	=====	
TOTAL: REDUCTION OF PERSONNEL IN STATE		33V0170
FINANCIAL INFORMATION AND STATE		
AGENCY REPORTING		
TOTAL POSITIONS.....	4.00-	
TOTAL ISSUE.....	246,105-	
TOTAL SALARY RATE.....	175,059-	
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FIN ACCT/PUBLIC FUNDS		43200000
ST FINAN INFO/ST AGY ACCTG		43200100
GOV OPERATIONS/SUPPORT		16
GOVERNMENTAL OPERATIONS		1601.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCTION OF PERSONNEL IN STATE		
FINANCIAL INFORMATION AND STATE		
AGENCY REPORTING		33V0170

This issue would reduce four vacant positions within the Division of Accounting and Auditing Director's Office . The four positions support special projects assigned to the Division; their elimination would impact project deadlines and deliverables.

This issue would reduce 4 FTE and \$246,105 in General Revenue funding.

If not reduced, the Division could use these positions in support for the FLAIR and CMS Replacement Project as well as other projects and responsibilities.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0003 001	4.00-	175,059-		71,046-	246,105-	0.00	246,105-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							246,105-
	4.00-	175,059-		71,046-	246,105-		246,105-

\*\*\*\*\*

COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
-----			
FINANCIAL SERVICES			43000000
PGM: FIN ACCT/PUBLIC FUNDS			43200000
ST FINAN INFO/ST AGY ACCTG			43200100
GOV OPERATIONS/SUPPORT			16
GOVERNMENTAL OPERATIONS			<u>1601.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE OTHER PERSONAL SERVICES			
(OPS) IN ACCOUNTING AND AUDITING			33V0200
OTHER PERSONAL SERVICES			030000
GENERAL REVENUE FUND	-STATE	20,000-	1000 1
		=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #10

The Division of Accounting and Auditing uses the authority in the Other Personal Services (OPS) category to hire staff as needed to accomplish the mission of the Division. The Division currently has \$22,994 in recurring OPS budget authority from the General Revenue fund. Reducing \$20,000 would leave an appropriation of \$2,994 which would allow the Division to use 5% transfer authority to temporarily transfer budget from another category, if available, to provide OPS funding when needed. The risk in reducing the category is in the uncertainty of the availability of budget in another category to transfer to the OPS category if/when needed.

This issue reduces \$20,000 in General Revenue funding.

\*\*\*\*\*

REDUCE CONTRACTED SERVICES BUDGET  
 IN ACCOUNTING AND AUDITING  
 SPECIAL CATEGORIES  
 CONTRACTED SERVICES

33V0210  
 100000  
 100777

GENERAL REVENUE FUND	-STATE	262,000-	1000 1
		=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO

PRIORITY #53

The Division of Accounting and Auditing utilizes the Contracted Services category to meet its constitutional and statutory requirements. Expenditures from this category include, but are not limited to: expert witness and investigative payments for the Office of Fiscal Integrity, security monitoring, EFT banking fees, shredding services, and other services as need arises.



COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: FIN ACCT/PUBLIC FUNDS		
		43200000
ST FINAN INFO/ST AGY ACCTG		
		43200100
GOV OPERATIONS/SUPPORT		
		16
GOVERNMENTAL OPERATIONS		
		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCE CONTRACTED SERVICES BUDGET		
		33V0210
IN ACCOUNTING AND AUDITING		

Reducing the Contracted Services budget would reduce the opportunity to hire consultants to support projects. Division short term and long term initiatives include an electronic imaging application for the Bureaus of Auditing and State Payrolls, a business study into the Bureau of State Payrolls, the conversion and consolidation of internal databases in the Bureau of Financial Reporting, and the elimination of paper warrants in the Bureau of Vendor Relations, among others.

This issue reduces \$262,000 in General Revenue funding.

\*\*\*\*\*

REDUCTION OF POSITIONS IN BUREAU		
OF VENDOR RELATIONS		33V0280
SALARY RATE		000000
SALARY RATE.....	51,122-	
	=====	
SALARIES AND BENEFITS		010000
GENERAL REVENUE FUND	-STATE 2.00- 81,177-	1000 1
	=====	
TOTAL: REDUCTION OF POSITIONS IN BUREAU		33V0280
OF VENDOR RELATIONS		
TOTAL POSITIONS.....	2.00-	
TOTAL ISSUE.....	81,177-	
TOTAL SALARY RATE.....	51,122-	
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #11

This issue reduces two vacant positions within the Bureau of Vendor Relations. The two positions in the Bureau of Vendor Relations support the distribution of warrants to agency couriers. Workload impact of these two reductions would be minimal and could be absorbed by other Bureau staff.

This issues reduces 2 FTE and \$81,177 in General Revenue funding.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FIN ACCT/PUBLIC FUNDS		43200000
ST FINAN INFO/ST AGY ACCTG		43200100
GOV OPERATIONS/SUPPORT		16
GOVERNMENTAL OPERATIONS		1601.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCTION OF POSITIONS IN BUREAU		
OF VENDOR RELATIONS		33V0280

If not reduced, the Division could use these positions in support for the FLAIR and CMS Replacement Project as well as other projects and responsibilities.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0004 001	2.00-	51,122-		30,055-	81,177-	0.00	81,177-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							81,177-
	2.00-	51,122-		30,055-	81,177-		81,177-

\*\*\*\*\*

REDUCE ADMINISTRATIVE SUPPORT STAFF

SALARY RATE						33V0290
SALARY RATE.....	94,305-					000000
SALARIES AND BENEFITS						010000
GENERAL REVENUE FUND	-STATE	3.00-	142,033-			1000 1

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: FIN ACCT/PUBLIC FUNDS		
		43200000
ST FINAN INFO/ST AGY ACCTG		
		43200100
GOV OPERATIONS/SUPPORT		
		16
GOVERNMENTAL OPERATIONS		
		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCE ADMINISTRATIVE SUPPORT		
		33V0290
STAFF		
		33V0290
TOTAL: REDUCE ADMINISTRATIVE SUPPORT		
		33V0290
STAFF		
TOTAL POSITIONS.....	3.00-	
TOTAL ISSUE.....		142,033-
TOTAL SALARY RATE.....	94,305-	
=====		

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO

PRIORITY #54

This issue would effectively eliminate the administrative staff support for the Division of Accounting and Auditing. These positions are in the Division Office, the Bureau of Auditing, and the Bureau of State Payrolls. Many of the current administrative duties have already been consolidated into the Director's Office. The responsibilities associated with these positions will be realigned and absorbed by the remaining staff in the impacted office or bureau. These reductions would decrease response time to consumer inquiries, completion of personnel and IRMAG related tasks, and other general administrative tasks.

This issue would reduce 3 FTE and \$142,033 in General Revenue funding.

\*\*\*\*\*

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0002 001	3.00-	94,305-		47,728-	142,033-	0.00	142,033-

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FIN ACCT/PUBLIC FUNDS		43200000
ST FINAN INFO/ST AGY ACCTG		43200100
GOV OPERATIONS/SUPPORT		16
GOVERNMENTAL OPERATIONS		1601.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE ADMINISTRATIVE SUPPORT		
STAFF		33V0290

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							142,033-
	3.00-	94,305-		47,728-	142,033-		142,033-

\*\*\*\*\*

REDUCE OPERATING CAPITAL OUTLAY  
 (OCO) BUDGET IN ACCOUNTING AND  
 AUDITING  
 OPERATING CAPITAL OUTLAY

33V0440  
 060000

GENERAL REVENUE FUND -STATE 20,000-

1000 1

\*\*\*\*\*

AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #09

The Division of Accounting and Auditing utilizes the Operating Capital Outlay category for purchases such as furniture, computers, and other equipment with a per unit price of \$1,000 or more. Due to price reductions on computers and furniture, the Division has been able to use the Expenses category for most of its purchases. Reducing \$20,000 from the current recurring budget of \$27,000 would leave a recurring appropriation of \$7,000. This authority would be sufficient for most purchases and leaves the ability for the Division to 5% transfer from another category if additional purchases became necessary.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: FIN ACCT/PUBLIC FUNDS		
		43200000
ST FINAN INFO/ST AGY ACCTG		
		43200100
GOV OPERATIONS/SUPPORT		
		16
GOVERNMENTAL OPERATIONS		
		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCE OPERATING CAPITAL OUTLAY		
(OCO) BUDGET IN ACCOUNTING AND		
AUDITING		
		33V0440

This issue reduces \$20,000 in General Revenue funding.

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TOTAL: GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
BY FUND TYPE		
GENERAL REVENUE FUND	871,315-	1000
TRUST FUNDS	378,592-	2000
-----		
TOTAL POSITIONS.....	15.00-	
TOTAL PROG COMP.....	1,249,907-	
TOTAL SALARY RATE.....	591,277-	
=====		
<u>RECOVERY &amp; RETURN OF UP</u>		43200200
GOV OPERATIONS/SUPPORT		16
GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE THE AUDIT TEAM IN THE		
BUREAU OF UNCLAIMED PROPERTY		33V0450
SALARY RATE		000000
SALARY RATE.....	265,039-	
=====		
SALARIES AND BENEFITS		010000
	6.00-	
UNCLAIMED PROPERTY TF	-STATE 371,975-	2007 1
=====		
TOTAL: ELIMINATE THE AUDIT TEAM IN THE		33V0450
BUREAU OF UNCLAIMED PROPERTY		
TOTAL POSITIONS.....	6.00-	
TOTAL ISSUE.....	371,975-	
TOTAL SALARY RATE.....	265,039-	
=====		

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		43000000
		43200000
		43200200
		16
		<u>1601.00.00.00</u>
		33V0000
		33V0450

FINANCIAL SERVICES  
 PGM: FIN ACCT/PUBLIC FUNDS  
RECOVERY & RETURN OF UP  
 GOV OPERATIONS/SUPPORT  
GOVERNMENTAL OPERATIONS

PROGRAM REDUCTIONS  
 ELIMINATE THE AUDIT TEAM IN THE  
 BUREAU OF UNCLAIMED PROPERTY

AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #35

The Bureau of Unclaimed Property holds accounts valued at more than \$1 billion. The accounts come from various reporters such as financial institutions, insurance and utility companies, securities and trust holdings, etc. In addition, the Bureau may also hold tangible property such as watches, jewelry, coins, currency, stamps, historical items, and other miscellaneous items from abandoned safe deposit boxes.

In FY 2004/05 the Bureau established a team responsible for conducting exams/audits on holders (businesses) of unclaimed property that are not complying with applicable laws. In addition to audits, the team also provides outreach/education to holders. The team conducts approximately 200 audits and 20 educational workshops annually. Since implementation, these activities have generated more than \$20 million in additional revenue to the State School Fund. Although there is not a direct revenue (fee) collected as a result of these activities, these activities educate and ensure holders of unclaimed property are reporting as required. If this team was eliminated there could be a potential loss in revenue to the State if holders do not report as required.

This issue would reduce 6 FTE and \$371,975 in Unclaimed Property Trust Fund funding. This issue eliminates the audit team within the Bureau of Unclaimed Property

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
P101 PROPOSED CLASS CODE						
C0005 001	6.00-	265,039-		371,975-	0.00	371,975-

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: FIN ACCT/PUBLIC FUNDS		43200000
<u>RECOVERY &amp; RETURN OF UP</u>		43200200
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE THE AUDIT TEAM IN THE BUREAU OF UNCLAIMED PROPERTY		33V0450

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						371,975-
2007 UNCLAIMED PROPERTY TF						371,975-
6.00-	265,039-		106,936-	371,975-		371,975-

\*\*\*\*\*

TOTAL: GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	6.00- 371,975-	2000
SALARY RATE.....	265,039-	
	=====	

COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230
SALARY RATE		000000
SALARY RATE.....	103,506-	
	=====	
SALARIES AND BENEFITS		010000
	3.00-	
INSURANCE REG TF	-STATE 152,616-	2393 1
	=====	
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230
TOTAL POSITIONS.....	3.00-	
TOTAL ISSUE.....	152,616-	
TOTAL SALARY RATE.....	103,506-	
	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO

PRIORITY #36

There are 31 filled Fire Protection Specialists assigned to five regions within the Bureau of Fire Prevention, Inspections Section. These positions are responsible for inspecting high hazard, recurring inspections and construction of all state owned buildings to ensure compliance and correction pursuant to the Florida Fire Prevention Code. High hazard occupancies are inspected annually and all other buildings require a biennial inspection. This issue eliminates three vacant Fire Protection Specialists representing a 10 percent loss of support for this function. This reduction in productivity may necessitate a change of the time frames outlined in Chapter 633, F.S.

During Fiscal Year 2013-14, there were 7,461 annual high hazards inspections; 6,954 biennial recurring inspections; and 2,024 biennial construction inspections conducted. This section also conducts statutorily mandated regulatory inspections of fire equipment facilities, explosives magazines, and construction material mines. There were 1,202 regulatory inspections conducted in Fiscal Year 2013-14. Property loss due to fire in state buildings statistics are tracked by Risk Management; however, there is no overlap with this division in actual inspections of property. In Fiscal Year 2013-14, there was no loss of life in state owned buildings due to fire.

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COL A93 SCH VIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 002	3.00-	103,506-		49,110-	152,616-	0.00	152,616-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							152,616-
	3.00-	103,506-		49,110-	152,616-		152,616-

\*\*\*\*\*

REDUCE POSITION(S) - FIELD OFFICE							
ADMINISTRATIVE SECRETARIES - STATE							
FIRE MARSHAL - COMPLIANCE AND ENFORCEMENT							33V7110
SALARY RATE							000000
SALARY RATE.....	44,910-						
SALARIES AND BENEFITS							
INSURANCE REG TF	2.00-						010000
-STATE		74,032-					2393 1
TOTAL: REDUCE POSITION(S) - FIELD OFFICE							
ADMINISTRATIVE SECRETARIES - STATE							33V7110
FIRE MARSHAL - COMPLIANCE AND ENFORCEMENT							
TOTAL POSITIONS.....	2.00-						
TOTAL ISSUE.....		74,032-					
TOTAL SALARY RATE.....	44,910-						

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - FIELD OFFICE		
ADMINISTRATIVE SECRETARIES - STATE		
FIRE MARSHAL - COMPLIANCE AND		
ENFORCEMENT		33V7110

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #28

This issue eliminates two filled Administrative Secretary positions located in the Ft. Walton Beach and West Palm Beach field offices.

These positions provide sole administrative support to the Fire Protection Specialists and their supervisors in their respective field offices. The Fort Walton Beach position supports three Fire Protection Specialists and one Fire Protection Specialist Supervisor and is the sole support for the Bureau of Fire and Arson Investigations in this region as well. The West Palm Beach position supports six Fire Protection Specialists and one Fire Protection Specialist Supervisor.

In addition to assisting the Fire Protection Specialists, the Administrative Secretaries answer telephones, and assist citizens and state agencies as needed. The removal of these positions will require the regional Fire Protection Specialist's and their supervisors to assume the workload, thereby affecting their ability to perform fire safety inspections within the statutorily mandated time frames. Eliminating these Administrative Secretary positions could require a statutory change to the time frames for the Fire Protections Specialists to submit reports. This reduction represents 66 percent of these positions.

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 COL A93  
 SCH VIIIIB-2  
 REDUCTIONS  
 POS AMOUNT  
 -----  
 CODES

FINANCIAL SERVICES 43000000  
 PROGRAM: FIRE MARSHAL 43300000  
COMPLIANCE & ENFORCEMENT 43300200  
 PUBLIC PROTECTION 12  
LAW ENFORCEMENT 1202.00.00.00  
 PROGRAM REDUCTIONS 33V0000  
 REDUCE POSITION(S) - FIELD OFFICE  
 ADMINISTRATIVE SECRETARIES - STATE  
 FIRE MARSHAL - COMPLIANCE AND  
 ENFORCEMENT 33V7110

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	2.00-	44,910-		29,122-	74,032-	0.00	74,032-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							74,032-
	2.00-	44,910-		29,122-	74,032-		74,032-

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REDUCE POSITION(S) - FIELD OFFICE  
 ADMINISTRATIVE PERSONNEL - STATE  
 FIRE MARSHAL - COMPLIANCE AND  
 ENFORCEMENT 33V7120  
 SALARY RATE 000000  
 SALARY RATE..... 44,910-  
 =====  
 SALARIES AND BENEFITS 010000  
 INSURANCE REG TF -STATE 2.00- 74,032- 2393 1  
 =====  
 TOTAL: REDUCE POSITION(S) - FIELD OFFICE 33V7120  
 ADMINISTRATIVE PERSONNEL - STATE  
 FIRE MARSHAL - COMPLIANCE AND  
 ENFORCEMENT  
 TOTAL POSITIONS..... 2.00-  
 TOTAL ISSUE..... 74,032-

-----

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - FIELD OFFICE		
ADMINISTRATIVE PERSONNEL - STATE		
FIRE MARSHAL - COMPLIANCE AND		
ENFORCEMENT		33V7120

TOTAL SALARY RATE..... 44,910-  
=====

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #27

This issue eliminates two filled Administrative Secretary positions located in the Jacksonville and Orlando field offices.

These positions provide sole administrative support to the Fire Protection Specialists and their supervisors in their respective field offices. The Jacksonville position supports five Fire Protection Specialists and one Fire Protection Specialist Supervisor and the Orlando position supports six Fire Protection Specialists and one Fire Protection Specialist Supervisor.

In addition to assisting the Fire Protection Specialists, the Administrative Secretaries answer telephones, and assist citizens and state agencies as needed. The removal of these positions will require the regional Fire Protection Specialist's and their supervisors to assume the workload, thereby affecting their ability to perform fire safety inspections within the statutorily mandated time frames. Eliminating these Administrative Secretary positions could require a statutory change to the time frames for the Fire Protections Specialists to submit reports. This reduction represents 66 percent of these positions.

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COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - FIELD OFFICE		
ADMINISTRATIVE PERSONNEL - STATE		
FIRE MARSHAL - COMPLIANCE AND		
ENFORCEMENT		33V7120

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	2.00-	44,910-		29,122-	74,032-	0.00	74,032-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							74,032-
	2.00-	44,910-		29,122-	74,032-		74,032-

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REDUCE POSITION(S) - ADMINISTRATIVE							
STAFF - STATE FIRE MARSHAL -							
PROFESSIONAL TRAINING AND STANDARDS							33V7450
SALARY RATE							000000
SALARY RATE.....	21,534-						
=====							
SALARIES AND BENEFITS							010000
INSURANCE REG TF	1.00-						
-STATE		35,956-					2393 1
=====							
TOTAL: REDUCE POSITION(S) - ADMINISTRATIVE							33V7450
STAFF - STATE FIRE MARSHAL -							
PROFESSIONAL TRAINING AND STANDARDS							
TOTAL POSITIONS.....	1.00-						
TOTAL ISSUE.....		35,956-					
TOTAL SALARY RATE.....	21,534-						
=====							

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - ADMINISTRATIVE		
STAFF - STATE FIRE MARSHAL -		
PROFESSIONAL TRAINING AND STANDARDS		33V7450

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO

PRIORITY #26

This issue eliminates the currently filled Senior Clerk position in the Regulatory Licensing Section of the Bureau of Compliance and Enforcement. There are currently five full time equivalent positions (FTE) and one supervisor in this section who are responsible for processing applications for certification, licensure, permitting, or registration for one of five regulated industries. The Regulatory Licensing Section also handles oversight of renewals and answers questions regarding statutory requirements for licensure. Not all positions are responsible for the same industry or part of the licensure process, but all handle at least one type of licensing by themselves. Section 120.60, F.S., requires that deficient applications for licensure or registration be processed and notified of deficiencies within 30 days after receipt. Completed applications must be processed within 90 days after receipt.

Eliminating this position may affect the section's ability to process applications within their statutorily mandated time frame. This is a 17 percent reduction in FTE performing the regulatory duties of this section.

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POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
P101 PROPOSED CLASS CODE						
C0001 001	1.00-	21,534-		14,422-	35,956- 0.00	35,956-

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE &amp; ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - ADMINISTRATIVE		
STAFF - STATE FIRE MARSHAL -		
PROFESSIONAL TRAINING AND STANDARDS		33V7450

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						
						35,956-
1.00-	21,534-		14,422-	35,956-		35,956-
=====	=====	=====	=====	=====		=====

*****		
TOTAL: LAW ENFORCEMENT		<u>1202.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	8.00- 336,636-	2000
SALARY RATE.....	214,860-	
	=====	

COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PROGRAM: FIRE MARSHAL		
		43300000
<u>FIRE &amp; ARSON INVESTIGATION</u>		
		43300300
PUBLIC PROTECTION		
		12
<u>LAW ENFORCEMENT</u>		
		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIB		
		33V3230
SALARY RATE		
		000000
SALARY RATE.....	36,469-	
	=====	
SALARIES AND BENEFITS		
	1.00-	010000
INSURANCE REG TF	-STATE 53,135-	2393 1
	=====	
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIB		
		33V3230
TOTAL POSITIONS.....	1.00-	
TOTAL ISSUE.....	53,135-	
TOTAL SALARY RATE.....	36,469-	
	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO

PRIORITY #30

This issue eliminates one filled Government Analyst I position in Leon County headquarters that is a member of the Director's Administrative Team consisting of four full time employees and a supervisor. This position serves as the human resource liaison and is responsible for the hiring and classification packets, training verification of law enforcement personnel, psychological appointments, background screening assessments and polygraphs and drug screening appointments for law enforcement officer candidates. This position handles leave and attendance, organizational charts, questions as they pertain to benefits, performance plans/evaluations, payroll issues, telecommuting, and public record requests as necessary. If this position is eliminated, this will require the reassignment of the human resources function to another position as an added responsibility. Without an individual specifically responsible for these requests, the ability to process human resources requests and documents in a timely manner will be impacted.

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COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>FIRE &amp; ARSON INVESTIGATION</u>		43300300
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIIB		33V3230

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	1.00-	36,469-		16,666-	53,135-	0.00	53,135-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							53,135-
	1.00-	36,469-		16,666-	53,135-		53,135-

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REDUCE POSITION(S)-ADMINISTRATIVE							
SECRETARY							33V7210
SALARY RATE							000000
SALARY RATE.....	89,821-						
=====							
SALARIES AND BENEFITS							010000
INSURANCE REG TF	4.00-						
-STATE		148,064-					2393 1
=====							
TOTAL: REDUCE POSITION(S)-ADMINISTRATIVE							33V7210
SECRETARY							
TOTAL POSITIONS.....	4.00-						
TOTAL ISSUE.....		148,064-					
TOTAL SALARY RATE.....	89,821-						
=====							

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>FIRE &amp; ARSON INVESTIGATION</u>		43300300
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S)-ADMINISTRATIVE		
SECRETARY		33V7210

AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #29

There are nine filled Administrative Secretary positions assigned to field offices throughout the state that provide clerical support for law enforcement personnel. This issue eliminates four Administrative Secretary positions located in the field offices of Volusia, Lee, Leon, and Duval Counties. These positions serve as a point of contact for inquiries from the public in the area served by the respective field offices. The loss of these positions will result in administrative duties (case file construction/filing, answering phone inquiries, mail intake and distribution, etc.) being absorbed by detectives, supervisors and remaining staff. The loss of these positions will result in slower response times to correspondence and a reduction in customer service, ultimately leading to dissatisfaction and increased complaints from customers. The reduction will increase the need for sworn personnel to complete office functions impeding the timely completion of investigations.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	4.00-	89,821-		58,243-	148,064-	0.00	148,064-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							148,064-
	4.00-	89,821-		58,243-	148,064-		148,064-

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>FIRE &amp; ARSON INVESTIGATION</u>		43300300
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - CRIME		
INTELLIGENCE ANALYSTS FIELD		
PERSONNEL - STATE FIRE MARSHAL -		
FIRE AND ARSON INVESTIGATIONS		33V7220
SALARY RATE		000000
SALARY RATE.....	196,187-	
	=====	
SALARIES AND BENEFITS		010000
INSURANCE REG TF	-STATE 6.00- 292,782-	2393 1
	=====	
TOTAL: REDUCE POSITION(S) - CRIME		33V7220
INTELLIGENCE ANALYSTS FIELD		
PERSONNEL - STATE FIRE MARSHAL -		
FIRE AND ARSON INVESTIGATIONS		
TOTAL POSITIONS.....	6.00-	
TOTAL ISSUE.....	292,782-	
TOTAL SALARY RATE.....	196,187-	
	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #37

This issue will eliminate six Crime Intelligence Analyst (CIA) full time equivalent positions (FTE's) from the Crime Intelligence Unit (CIU). The CIU is comprised of a CIA Supervisor and seven CIA positions in the Bureau of Fire and Arson Investigations (BFAI). Analysts are located statewide with one analyst serving in each of the six regions and one analyst assigned to headquarters.

The CIA's are trained to provide intelligence and investigative analysis that support law enforcement operations and assists detectives with arson investigations. These analysts provide timely and reliable intelligence that is critical for officer safety and to support the identification of arson related criminal activities and expeditious apprehension of identified arson related criminals. CIA's also assist with obtaining detailed information for BFAI employment background investigations.

If these positions are eliminated, the bureau will have to reassign responsibility for the Terminal Access Control (TAC) and DAVID Certificate Coordinator (DCC) to remaining personnel. The Terminal Access Control is required by FDLE rules and the DAVID Certificate Coordinator is required by DHSMV rules. Five of these FTE are filled in Leon (2), Duval,

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>FIRE &amp; ARSON INVESTIGATION</u>		43300300
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - CRIME		
INTELLIGENCE ANALYSTS FIELD		
PERSONNEL - STATE FIRE MARSHAL -		
FIRE AND ARSON INVESTIGATIONS		33V7220

Escambia, and Broward Counties. One FTE is vacant in Orange County.

The bureau will maintain one CIA supervisor in Tampa and one CIA in Ft. Myers to provide analytical support for significant investigations and statistical compilation. The CIA's worked 1,935 cases in the past year; averaging approximately 322 cases each.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	6.00-	196,187-		96,595-	292,782-	0.00	292,782-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							292,782-
	6.00-	196,187-		96,595-	292,782-		292,782-

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TOTAL: LAW ENFORCEMENT							<u>1202.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	11.00-	493,981-					2000
SALARY RATE.....	322,477-						
	=====						

COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
-----			
FINANCIAL SERVICES			43000000
PROGRAM: FIRE MARSHAL			43300000
<u>PROF TRAINING &amp; STANDARDS</u>			43300400
PUBLIC PROTECTION			12
<u>LAW ENFORCEMENT</u>			<u>1202.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE EXPENSES CATEGORY -			
PROFESSIONAL TRAINING AND STANDARDS			33V0150
EXPENSES			040000
INSURANCE REG TF	-STATE	22,419-	2393 1
		=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #17

This issue reduces the expenses category in the Bureau of Standards and Training, State Fire College. The Fire College is a unique entity in that the buildings on the Fire College campus are owned by the Department of Financial Services and not the Department of Management Services. Therefore, the facility and its components are maintained by Fire College personnel. Purchases for tools, parts and equipment to make repairs and improvements are made throughout the fiscal year via PCard as the need arises. The division has identified \$28,000 in the bureau's spending plan in anticipation of such charges. This issue represents an 80 percent reduction in the amount set aside on the spending plan. A reduction in the expenses budget will reduce the bureau's ability to make repairs to plumbing and electrical systems; repair trucks and the other tools used for training; and equipment used to maintain the facility. A reduction of this sort will limit the ability of employees to maintain the campus without outside vendors thus increasing the amount of contracted services required to keep the facility operational.

Current year funding level: 512,895

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ELIMINATE STAFF FOR SCHEDULE VIIIIB			33V3230
SALARY RATE			000000
SALARY RATE.....	34,345-		
	=====		
SALARIES AND BENEFITS			010000
INSURANCE REG TF	-STATE	50,691-	2393 1
		=====	
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIIB			33V3230
TOTAL POSITIONS.....	1.00-		
TOTAL ISSUE.....	50,691-		
TOTAL SALARY RATE.....	34,345-		
	=====		

COL A93 SCH VIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>PROF TRAINING &amp; STANDARDS</u>		43300400
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO

PRIORITY #32

This issue reduces one Field Examiner position. This position administers state exams for firefighter certification. The division issues a certificate of compliance to any person satisfactorily complying with the training program established in s. 633.35(1), F.S., who has successfully passed an examination as prescribed by the division, and who possesses the qualifications for employment in s. 633.35, F.S. Elimination of this position will directly impact remaining field examiner positions with increased work load and testing. There are 34 training centers in the state. Each of the training centers administers not less than three firefighter certification tests annually. Some administer as many as 10 or 12 per year. These tests typically take more than one day to complete and often more than one field examiner based on the number of students. If a field examiner position is lost it will directly impact the state testing schedule by potentially creating a testing backlog. The number of state tests administered will be lessened and the work load of remaining field examiners will increase. Because these tests are administered all over the state there is also significant travel time involved to get to the locations.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	1.00-	34,345-		16,346-	50,691-	0.00	50,691-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							50,691-
	1.00-	34,345-		16,346-	50,691-		50,691-

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PROGRAM: FIRE MARSHAL		
		43300000
<u>PROF TRAINING &amp; STANDARDS</u>		
		43300400
PUBLIC PROTECTION		
		12
<u>LAW ENFORCEMENT</u>		
		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCE POSITION(S) - ADMINISTRATIVE		
STAFF - STATE FIRE MARSHAL -		
PROFESSIONAL TRAINING AND STANDARDS		
		33V7450
SALARY RATE		
		000000
SALARY RATE.....	21,534-	
	=====	
SALARIES AND BENEFITS		
		010000
INSURANCE REG TF	-STATE 1.00- 35,956-	
	=====	2393 1
TOTAL: REDUCE POSITION(S) - ADMINISTRATIVE		
		33V7450
STAFF - STATE FIRE MARSHAL -		
PROFESSIONAL TRAINING AND STANDARDS		
TOTAL POSITIONS.....	1.00-	
TOTAL ISSUE.....	35,956-	
TOTAL SALARY RATE.....	21,534-	
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #31

This issue will eliminate the currently filled Senior Clerk position in the Bureau of Fire Standards and Training. This unit is responsible for the state-wide firefighter health and safety program as established in s. 633.508, F.S., concerning workplace safety. The Division of State Fire Marshal is required to assist and encourage firefighter employers to maintain safe working standards and conditions and to provide education and training in the field of safety. There are approximately 50,000 career and volunteer firefighters in the State of Florida. The firefighting occupation has a significant number of occupational injuries and diseases that warrant careful review and proactive measures to manage. The unit is staffed by one Safety Programs Manager and three OPS Field Safety Representatives. Elimination of this position may create a backlog for remaining staff and impact the safety program in consideration of the safety and health of Florida's firefighters.

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COL A93  
 SCH VIIIIB-2  
 REDUCTIONS  
 POS AMOUNT  
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CODES

FINANCIAL SERVICES 43000000  
 PROGRAM: FIRE MARSHAL 43300000  
PROF TRAINING & STANDARDS 43300400  
 PUBLIC PROTECTION 12  
LAW ENFORCEMENT 1202.00.00.00  
 PROGRAM REDUCTIONS 33V0000  
 REDUCE POSITION(S) - ADMINISTRATIVE  
 STAFF - STATE FIRE MARSHAL -  
 PROFESSIONAL TRAINING AND STANDARDS 33V7450

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	1.00-	21,534-		14,422-	35,956-	0.00	35,956-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							35,956-
	1.00-	21,534-		14,422-	35,956-		35,956-

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REDUCE POSITION(S) - SECURITY STAFF  
 - STATE FIRE MARSHAL - PROFESSIONAL TRAINING AND STANDARDS 33V7470  
 SALARY RATE 000000  
 SALARY RATE..... 17,328-  
 =====  
 SALARIES AND BENEFITS 010000  
 INSURANCE REG TF -STATE 1.00- 31,119- 2393 1  
 =====  
 TOTAL: REDUCE POSITION(S) - SECURITY STAFF 33V7470  
 - STATE FIRE MARSHAL - PROFESSIONAL TRAINING AND STANDARDS  
 TOTAL POSITIONS..... 1.00-  
 TOTAL ISSUE..... 31,119-  
 TOTAL SALARY RATE..... 17,328-  
 =====



COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>PROF TRAINING &amp; STANDARDS</u>		43300400
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - SECURITY STAFF		
- STATE FIRE MARSHAL - PROFESSIONAL		
TRAINING AND STANDARDS		33V7470

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO

PRIORITY #25

The Fire College contracts with a security company for their security guard services on campus at all times, except the night shift. The night shift security guard is a full time employee of the State Fire Marshal; providing services on campus and to approximately 110 students who are housed in the dormitory. Eliminating the currently filled Security Guard position will result in the use of contracted security guards, who may vary from night to night, rather than a knowledgeable and tenured employee who knows the facility and its operations. This is important to the Fire College because many of the issues reported to the security guard at night, such as fire alarm malfunctions, minor water leaks, noisy motors, etc., are monitored and reported by their full-time employee. This allows for a more proactive approach to making repairs that otherwise may not be identified. During the night shift, the full-time guard is the only staff present at the Fire College. This reduction would increase payment to the outside security vendor for an additional 40 hours per week at the rate of \$11.78 per hour, for a total of \$25,000 annually.

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POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
P101 PROPOSED CLASS CODE						
C1001 001						
1.00-	17,328-		13,791-	31,119-	0.00	31,119-
TOTALS FOR ISSUE BY FUND						
2393 INSURANCE REG TF						
1.00-	17,328-		13,791-	31,119-		31,119-

\*\*\*\*\*

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>PROF TRAINING &amp; STANDARDS</u>		43300400
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
CATEGORY		33V9200
OTHER PERSONAL SERVICES		030000
INSURANCE REG TF	-STATE 39,733-	2393 1
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #23

This issue reduces the Other Personal Services (OPS) category in the Bureau of Fire Standards and Training. The bureau utilizes three OPS employees as Safety Field Representatives, six as Standards Field Examiners, one as clerical support in the Standards Section and one position in Maintenance and Housekeeping at the Fire College. Additionally, the Training Section employees 50 OPS Instructors. Safety Field Representatives are responsible for investigating firefighter injuries and deaths throughout the state. The Standards Section is the regulatory arm of the bureau and handles all firefighter testing and certification.

Reduced funding for the filled senior clerk position in the Standards Section will have a direct impact on the level of customer service afforded to the firefighters throughout the state with questions pertaining to their certifications, test applications and a venue of other issues. Reduced funding for the filled housekeeping custodial position will directly impact the level of cleanliness of the dormitory and classrooms as well as the campus overall.

\*\*\*\*\*

TOTAL: LAW ENFORCEMENT		<u>1202.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	3.00- 179,918-	2000
SALARY RATE.....	73,207-	
	=====	

COL A93			
SCH VIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
-----			
FINANCIAL SERVICES			43000000
PROGRAM: FIRE MARSHAL			43300000
<u>FIRE MRSHL ADMN &amp; SUP SRVS</u>			43300500
PUBLIC PROTECTION			12
<u>LAW ENFORCEMENT</u>			<u>1202.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE FLORIDA FIRE INCIDENT			
REPORTING SECTION (FFIRS)			33V0120
SALARY RATE			000000
SALARY RATE.....	50,958-		
	=====		
SALARIES AND BENEFITS			010000
	2.00-		
INSURANCE REG TF	-STATE	80,988-	2393 1
		=====	
TOTAL: ELIMINATE FLORIDA FIRE INCIDENT			33V0120
REPORTING SECTION (FFIRS)			
TOTAL POSITIONS.....	2.00-		
TOTAL ISSUE.....	80,988-		
TOTAL SALARY RATE.....	50,958-		
	=====		

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AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #33

This issue eliminates the Florida Fire Incident Reporting Section (FFIRS) within the Division of State Fire Marshal. Eliminating this program will reduce two currently filled full time equivalent (FTE) positions; a Statistician and a Records Specialist. Section 633.136, F.S., requires the division to create the Fire and Emergency Incident Information Reporting Program to establish and maintain an electronic communication system capable of transmitting fire and emergency incident information to and between fire protection agencies; and to adopt rules to administer and maintain the program. The division is required to initiate a reporting system that is responsible for preparing and disseminating annual reports to the Governor, the President of the Senate, the Speaker of the House of Representatives, fire protection agencies, and upon request, the public.

FFIRS reports over 2.6 million individual fire and Emergency Medical Service (EMS) incident reports annually. Fire protection agencies use the information from FFIRS to assist with justification of budget requests and to provide a basis for resource allocation; to generate statistical reports, to assess department activity on a national scale including EMS, department apparatus, wild land fires and personnel activities; to summarize annual activities; answer questions about the nature and causes of injuries, deaths and property loss resulting from fires; determine needed improvements within the department regarding training and response times; to predict fire-related problems within communities; and to measure the success of fire prevention and safety programs.

\*\*\*\*\*

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>FIRE MRSHL ADMN &amp; SUP SRVS</u>		43300500
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE FLORIDA FIRE INCIDENT REPORTING SECTION (FFIRS)		33V0120

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0130 RECORDS SPECIALIST C0002 001	1.00-	25,479-		15,015-	40,494-	0.00	40,494-
3112 STATISTICIAN II C0001 001	1.00-	25,479-		15,015-	40,494-	0.00	40,494-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							80,988-
	2.00-	50,958-		30,030-	80,988-		80,988-

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ELIMINATE STAFF FOR SCHEDULE VIIIIB SALARY RATE							33V3230 000000
SALARY RATE.....	43,508-						
SALARIES AND BENEFITS							
INSURANCE REG TF	1.00-						010000
-STATE		61,231-					2393 1
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIIB							33V3230
TOTAL POSITIONS.....	1.00-						
TOTAL ISSUE.....		61,231-					
TOTAL SALARY RATE.....	43,508-						

COL A93 SCH VIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>FIRE MRSHL ADMN &amp; SUP SRVS</u>		43300500
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230

AGENCY ISSUE NARRATIVE:  
 SCH VIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #38

The Senior Crime Laboratory Analyst identified for this reduction has multiple duties including, analyzing fire debris evidence for the presence and identity of ignitable liquids used as accelerants in arson fires (85 percent of duties), consultation with other analysts, detectives, attorneys and testimony at deposition or court (10 percent of duties), and assigned administrative duties such as acting as the bureau's health and safety coordinator (5 percent of duties).

For Fiscal Year 2013-14, this analyst completed approximately one-fourth of the 2,027 fire debris cases submitted by law enforcement and fire service detectives and investigators from across the State of Florida. This position performed the analyses on approximately one-fourth of the 3,381 associated quality assurance analyses that are necessary to show the accuracy of the analyses; provided testimony at four separate trials and five separate depositions.

Administrative duties require monthly, quarterly, and annual health and safety checks of the facility, providing health and safety training to personnel, executing fire alarm drills, checking chemical inventories, etc. If this position is eliminated, all workload will be shifted to three remaining analysts and a bureau chief who are the only staff qualified and proficiency tested to perform fire debris analysis. This increase in duties and workload on the remaining bureau personnel may require the bureau to halt all explosives and unknown chemical processing (2,192 analyses in Fiscal Year 2013-14).

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
P101 PROPOSED CLASS CODE						
C0001 001	1.00-	43,508-	17,723-	61,231-	0.00	61,231-

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>FIRE MRSHL ADMN &amp; SUP SRVS</u>		43300500
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIIB		33V3230

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						61,231-
2393 INSURANCE REG TF						61,231-
1.00-	43,508-		17,723-	61,231-		61,231-
=====	=====	=====	=====	=====		=====

\*\*\*\*\*

TOTAL: LAW ENFORCEMENT		<u>1202.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	3.00- 142,219-	2000
SALARY RATE.....	94,466-	
=====		

COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
FINANCIAL SERVICES			
			43000000
			43400000
			43400100
			16
			<u>1601.00.00.00</u>
			33V0000
PROGRAM REDUCTIONS			
			33V3000
			100000
			101221
STATE RISK MGMT TF	-STATE	4,161,122-	2078 1
		=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

PRIORITY #48

This issue reduces the Excess Insurance and Claim Services Category in the Division of Risk Management. In Fiscal Year 2013-2014, the division spent a total of \$14,221,000 in this category for multiple services. The Division of Risk Management spent \$3,883,576 on the Division of Workers' Compensation (DWC) assessments; \$9,710,605 on excess property insurance coverage; \$315,250 in broker fees; and \$311,569 spent on license and user fees for the division's current risk management information system.

This issue will eliminate the payment of the DWC assessments that are required by sections 440.49(9) and 440.51, Florida Statutes. The DWC assessment is placed upon carriers, self-insurers, and self-insured employers for the anticipated expenses of Chapter 440, Florida Statutes, administration and maintenance of the Special Disability Trust Fund in the Division of Workers' Compensation. The Division of Risk Management maintains the self-insurance fund for the state of Florida as mandated by Chapter 284, F.S. and is therefore required to pay the DWC assessment each year.

Current year funding level: 13,700,000

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
<u>LICENSURE, SALES/APPT/OVST</u>		43500200
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) IN INSURANCE		
AGENT PRE-LICENSING EDUCATION		
SECTION		33V6130
SALARY RATE		000000
SALARY RATE.....	32,697-	
	=====	
SALARIES AND BENEFITS		010000
	1.00-	
INSURANCE REG TF	-STATE 48,796-	2393 1
	=====	
TOTAL: REDUCE POSITION(S) IN INSURANCE		33V6130
AGENT PRE-LICENSING EDUCATION		
SECTION		
TOTAL POSITIONS.....	1.00-	
TOTAL ISSUE.....	48,796-	
TOTAL SALARY RATE.....	32,697-	
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #7

LEGISLATIVE CHANGE REQUIRED: Sections 626.171, 626.221, 626.231, 626.2817, 626.292, 626.681, 626.731, 626.7351, 626.785, 626.7851, 626.831, 626.8311, 626.8417, 626.865, 626.927, 648.385, and 648.386, F.S. will need to be repealed or amended.

This issue eliminates the pre-licensing education requirements currently required of applicants prior to taking the state examination. Elimination of Pre-licensing Education will allow licensees to qualify by passing the required state examination without first taking pre-licensing education courses. Passage of the examination is adequate to verify the applicants are qualified and competent to transact insurance. The FTE will no longer approve or disapprove courses applicants may wish to take prior to taking the state examination. The position is currently filled; however, other needs within the division should allow the displaced employee to transfer to another critical function. In Fiscal Year 2013-2014, revenue generated by pre-licensing study manual fees and royalties was \$132,193. Manuals would continue to be sold, however, the numbers would likely decrease as there would no longer be a course provider requiring the use of the manual.

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COL A93  
 SCH VIIIIB-2  
 REDUCTIONS  
 POS AMOUNT  
 -----

CODES

FINANCIAL SERVICES  
 PGM: LICNSNG/CNSMER PROTEC  
LICENSURE, SALES/APPT/OVST  
 PUBLIC PROTECTION  
REGULATION AND LICENSING

43000000  
 43500000  
 43500200  
 12  
1204.00.00.00  
 33V0000

PROGRAM REDUCTIONS  
 REDUCE POSITION(S) IN INSURANCE  
 AGENT PRE-LICENSING EDUCATION  
 SECTION

33V6130

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
3518 INSURANCE ANALYST II N0005 002	1.00-	32,697-		16,099-	48,796-	0.00	48,796-
-----							
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							48,796-
	1.00-	32,697-		16,099-	48,796-		48,796-
	=====	=====	=====	=====	=====		=====

\*\*\*\*\*

REDUCE POSITION(S) - AGENT AND  
 AGENCY SERVICES INVESTIGATORS  
 SALARY RATE

33V6150  
 000000

SALARY RATE..... 192,711-  
 =====

SALARIES AND BENEFITS

010000

INSURANCE REG TF -STATE 6.00- 288,785-  
 =====

2393 1

TOTAL: REDUCE POSITION(S) - AGENT AND

33V6150

AGENCY SERVICES INVESTIGATORS  
 TOTAL POSITIONS..... 6.00-  
 TOTAL ISSUE..... 288,785-  
 TOTAL SALARY RATE..... 192,711-  
 =====

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
LICENSURE, SALES/APPT/OVST		43500200
PUBLIC PROTECTION		12
REGULATION AND LICENSING		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - AGENT AND		
AGENCY SERVICES INVESTIGATORS		33V6150

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #34

The reduction in the number of investigators will slow investigative production. Since the Division must investigate all complaints the Department deems necessary, reducing five investigative positions and one administrative assistant will place the burden of additional investigations on the remaining investigative staff and will limit the amount of cases investigators will be able to handle. The cut of investigative positions will result in an estimated average annual revenue loss of \$82,513, a reduction of 115 administrative actions against licensees annually, and an average annual reduction in recoveries on behalf of consumers of \$378,755.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0709 ADMINISTRATIVE ASSISTANT I							
N0003 002	1.00-	25,479-		15,015-	40,494-	0.00	40,494-
3518 INSURANCE ANALYST II							
N0001 002	2.00-	65,394-		32,199-	97,593-	0.00	97,593-
N0020 002	3.00-	98,091-	3,747-	48,860-	150,698-	0.00	150,698-
-----							
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							288,785-
-----							
	6.00-	188,964-	3,747-	96,074-	288,785-		288,785-
=====							

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: LICNSNG/CNSMER PROTEC		
		43500000
<u>LICENSURE, SALES/APPT/OVST</u>		
		43500200
PUBLIC PROTECTION		
		12
<u>REGULATION AND LICENSING</u>		
		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCE POSITION(S) - AGENT AND		
AGENCY SERVICES - ELIMINATE AGENTS		
CONTINUING EDUCATION SECTION		
		33V6160
SALARY RATE		
		000000
SALARY RATE.....	240,178-	
	=====	
SALARIES AND BENEFITS		
	7.00-	010000
INSURANCE REG TF	-STATE 355,852-	2393 1
	=====	
TOTAL: REDUCE POSITION(S) - AGENT AND		33V6160
AGENCY SERVICES - ELIMINATE AGENTS		
CONTINUING EDUCATION SECTION		
TOTAL POSITIONS.....	7.00-	
TOTAL ISSUE.....	355,852-	
TOTAL SALARY RATE.....	240,178-	
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #8

IT COMPONENT? NO

LAW CHANGE REQUIRED: Sections 626.2815, 626.2816, 626.2817, 626.681, 626.869, 648.385, and 648.386, F.S., will need to be repealed or amended.

This issue will eliminate the Continuing Education Section and seven positions from the Division of Agency and Agency Services.

In 1998, legislation was passed requiring insurance licensees, who were required to pass an examination for licensure, to complete continuing education courses in order to continue their licensure. If appointing entities feel continuing education is essential to having knowledgeable agents, the appointing entities could still require licensees to take continuing education; however, Florida law would not require it. Eliminating continuing education requirements would mean the department would no longer be required to approve or disapprove continuing education providers, instructors, or courses. Licensees would no longer be required to meet continuing education requirements in order to maintain their licensure with the department unless required by the appointing entity(s). The department would not be required to maintain records of the continuing education hours completed by licensees or discipline/fine individuals who failed to comply.

\*\*\*\*\*

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
<u>LICENSURE, SALES/APPT/OVST</u>		43500200
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - AGENT AND		
AGENCY SERVICES - ELIMINATE AGENTS		
CONTINUING EDUCATION SECTION		33V6160

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2224 GOVERNMENT ANALYST I							
N0011 002	1.00-	36,468-		16,666-	53,134-	0.00	53,134-
3508 INSURANCE SPECIALIST I							
N0009 002	1.00-	26,541-		15,174-	41,715-	0.00	41,715-
3518 INSURANCE ANALYST II							
N0008 002	4.00-	130,788-		64,396-	195,184-	0.00	195,184-
2228 SENIOR MANAGEMENT ANALYST SUPV - SES							
N0010 002	1.00-	46,381-		19,438-	65,819-	0.00	65,819-
-----							
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							355,852-
	7.00-	240,178-		115,674-	355,852-		355,852-
	=====	=====	=====	=====	=====		=====

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 TOTAL: REGULATION AND LICENSING 1204.00.00.00  
 BY FUND TYPE

TRUST FUNDS.....	14.00-	693,433-	2000
SALARY RATE.....	465,586-		
	=====		

COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
FINANCIAL SERVICES			
			43000000
PGM: LICNSNG/CNSMER PROTEC			
			43500000
<u>INSURANCE FRAUD</u>			
			43500300
PUBLIC PROTECTION			
			12
<u>CONSUMER SAFETY/PROTECTION</u>			
			1205.00.00.00
PROGRAM REDUCTIONS			
			33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIIB			
			33V3230
SALARY RATE			
			000000
SALARY RATE.....	87,863-		
	=====		
SALARIES AND BENEFITS			
			010000
INSURANCE REG TF	-STATE	3.00- 137,180-	
		=====	2393 1
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIIB			
			33V3230
TOTAL POSITIONS.....	3.00-		
TOTAL ISSUE.....	137,180-		
TOTAL SALARY RATE.....	87,863-		
	=====		

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #16

The proposed staffing reductions are filled positions throughout the Division of Insurance Fraud. The reduction of these positions will have a moderate to significant impact on the Division's ability to perform mission critical functions and will have a similar adverse impact on Floridians.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0108 ADMINISTRATIVE SECRETARY							
N0005 002	1.00-	22,454-	1,270-	14,751-	38,475-	0.00	38,475-
0115 EXECUTIVE SECRETARY - SES							
N0004 002	1.00-	25,479-		16,291-	41,770-	0.00	41,770-
8439 CRIME INTELLIGENCE ANALYST SUPV - SES							
N0006 002	1.00-	38,660-		18,275-	56,935-	0.00	56,935-

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
<u>INSURANCE FRAUD</u>		43500300
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		<u>1205.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIIB		33V3230

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						137,180-
2393 INSURANCE REG TF						137,180-
3.00-	86,593-	1,270-	49,317-	137,180-		137,180-
=====	=====	=====	=====	=====		=====

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TOTAL: CONSUMER SAFETY/PROTECTION		<u>1205.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	3.00-	137,180-
SALARY RATE.....	87,863-	2000
=====		

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: LICNSNG/CNSMER PROTEC		
		43500000
<u>CONSUMER ASSISTANCE</u>		
		43500400
PUBLIC PROTECTION		
		12
<u>CONSUMER SAFETY/PROTECTION</u>		
		<u>1205.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCE CONTRACTED SERVICES		
		33V1300
SPECIAL CATEGORIES		
		100000
CONTRACTED SERVICES		
		100777

INSURANCE REG TF                    -STATE                    10,000-  
 =====

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:                    IT COMPONENT? NO  
 PRIORITY #12

The proposed reduction will reduce Contracted Services appropriations by \$10,000 in the Division of Consumer Services.  
 \$635,374 will remain in the Division's Contracted Services category.

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ELIMINATE STAFF FOR SCHEDULE VIIIIB		33V3230
SALARY RATE		000000
SALARY RATE.....	360,479-	
	=====	
SALARIES AND BENEFITS		010000
	11.00-	
INSURANCE REG TF                    -STATE                    540,256-		2393 1
	=====	
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIIB		33V3230
TOTAL POSITIONS.....	11.00-	
TOTAL ISSUE.....	540,256-	
TOTAL SALARY RATE.....	360,479-	
	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:                    IT COMPONENT? NO  
 PRIORITY #24

The proposed staffing reductions are filled positions throughout the Division of Consumer Services. The reduction of these positions will have a moderate to significant impact on the Division's ability to perform mission critical functions and will have a similar adverse impact on Floridians.

The proposed positions perform consumer protection and advocacy functions on behalf of Floridians, administrative duties,

COL A93 SCH VIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
<u>CONSUMER ASSISTANCE</u>		43500400
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		1205.00.00.00
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230

data review, program monitoring and project management duties.

There is no revenue impact associated with the proposed reductions.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0045 RECORDS TECHNICIAN							
N0002 002	1.00-	23,483-		14,715-	38,198-	0.00	38,198-
0120 STAFF ASSISTANT							
N0001 002	3.00-	70,449-		44,145-	114,594-	0.00	114,594-
2209 OPERATIONS ANALYST I							
N0007 002	1.00-	27,926-		15,382-	43,308-	0.00	43,308-
2224 GOVERNMENT ANALYST I							
N0005 002	2.00-	72,936-		33,331-	106,267-	0.00	106,267-
2225 GOVERNMENT ANALYST II							
N0004 002	1.00-	46,381-		18,154-	64,535-	0.00	64,535-
3508 INSURANCE SPECIALIST I							
N0003 002	1.00-	26,541-		15,174-	41,715-	0.00	41,715-
2225 SENIOR MANAGEMENT ANALYST II - SES							
N0009 002	1.00-	46,382-		19,438-	65,820-	0.00	65,820-
2228 SENIOR MANAGEMENT ANALYST SUPV - SES							
N0010 002	1.00-	46,381-		19,438-	65,819-	0.00	65,819-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							540,256-
	11.00-	360,479-		179,777-	540,256-		540,256-

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
		43500000
		43500400
		12
		<u>1205.00.00.00</u>
TOTAL: CONSUMER SAFETY/PROTECTION		<u>1205.00.00.00</u>
BY FUND TYPE		
	11.00-	
TRUST FUNDS.....	550,256-	2000
SALARY RATE.....	360,479-	
	=====	
FUNERAL/CEMETERY SERVICES		
		43500500
		12
		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN THE OPERATING CAPITAL		
OUTLAY CATEGORY		33V1120
OPERATING CAPITAL OUTLAY		060000
REGULATORY TRUST FUND	-STATE 8,000-	2573 1
	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #14

The Division of Funeral and Cemetery Services has cut costs, which has resulted in unused appropriation in this category. The Division does not expect any significant Operating Capital Outlay expenditures in the coming fiscal year but desires to maintain minimal authority to cover any unexpected purchases. \$1,500 would remain in the Operating Capital Outlay category if this reduction is implemented.

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REDUCE CONTRACTED SERVICES		33V1300
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
REGULATORY TRUST FUND	-STATE 4,519-	2573 1
	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #15

COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
<u>FUNERAL/CEMETERY SERVICES</u>		43500500
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES		33V1300

The Division of Funeral and Cemetery Services has reduced costs in the Contracted Services category resulting in unused appropriation. The Division has minimized payments to vendors, including IT vendors, resulting in a cost savings. The Division currently contracts for staff augmentation to provide enhancements, correct errors, make data changes and to provide maintenance and technical support for the Agent Licensing System and eAPPOINT systems. A reduction in system improvements may result if the Department is not able to make changes to the licensing systems that will make the systems easier for consumers to use. A reduction may also cause delays in implementing system updates. \$95,030 would remain in the Contracted Services category if this reduction is implemented.

\*\*\*\*\*

REDUCE EXPENSES		33V1310
EXPENSES		040000
REGULATORY TRUST FUND	-STATE	2573 1
	9,500-	
	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #13

The Division of Funeral and Cemetery Services has reduced costs in the Expense category, resulting in unused appropriation. One example is the Division continues to decrease expenses by requiring field staff use state fleet vehicles rather than their personal vehicles. \$264,510 would remain in the Expense category following this reduction.

\*\*\*\*\*

ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230
SALARY RATE		000000
SALARY RATE.....	79,078-	
	=====	
SALARIES AND BENEFITS		010000
REGULATORY TRUST FUND	-STATE	2573 1
	2.00-	
	114,615-	
	=====	
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230
TOTAL POSITIONS.....	2.00-	
TOTAL ISSUE.....	114,615-	
TOTAL SALARY RATE.....	79,078-	
	=====	

-----  
 COL A93  
 SCH VIIIB-2  
 REDUCTIONS  
 POS AMOUNT CODES  
 -----

FINANCIAL SERVICES 43000000  
 PGM: LICNSNG/CNSMER PROTEC 43500000  
FUNERAL/CEMETERY SERVICES 43500500  
 PUBLIC PROTECTION 12  
REGULATION AND LICENSING 1204.00.00.00  
 PROGRAM REDUCTIONS 33V0000  
 ELIMINATE STAFF FOR SCHEDULE VIIIB 33V3230

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AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #39

This proposal would reduce two positions from the Division of Funeral and Cemetery Services. The Division protects the health, safety, and welfare of the public by licensing, inspecting, and auditing, for profit cemeteries, preneed funeral sales, funeral establishments and funeral directors and embalmers. The Division has seen it's staff reduced from 32 positions in Fiscal Year 2009-10 to 22 positions in Fiscal Year 2014-15. The Division regulates approximately 9,400 individuals and establishments, including 170 cemeteries, 168 cinerator facilities, 2,253 funeral directors and embalmers, 863 funeral establishments, and over 4,200 preneed sales agents. The elimination of these two positions would result in a reduction of complaints investigated.

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1554 FINANCIAL EXAMINER/ANALYST I							
N0001 002	1.00-	32,697-		16,099-	48,796-	0.00	48,796-
8357 INVESTIGATION MANAGER - SES							
N0002 002	1.00-	46,381-		19,438-	65,819-	0.00	65,819-
-----							
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							114,615-
-----							
	2.00-	79,078-		35,537-	114,615-		114,615-
=====							

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
<u>FUNERAL/CEMETERY SERVICES</u>		43500500
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
	2.00-	
TRUST FUNDS.....	136,634-	2000
SALARY RATE.....	79,078-	
	=====	
<u>PUBLIC ASSISTANCE FRAUD</u>		43500700
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		<u>1205.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
PUBLIC ASSISTANCE FRAUD - ELIMINATE		
ELECTRONIC BENEFIT TRANSACTIONS		
INVESTIGATIONS UNIT		33V0980
OTHER PERSONAL SERVICES		030000
FEDERAL GRANTS TRUST FUND -RECPNT	245,856-	2261 9
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #22

IT COMPONENT? NO

The Electronic Benefits Transactions (EBT) investigations unit is a Fiscal Year 2013-14 project to improve the overall Division return on investment as a result of employing lower cost Other Personal Service employees to pursue administrative disqualification from participation in the Supplemental Nutrition Assistance Program (SNAP) against recipients displaying characteristics of SNAP benefit trafficking in stores disqualified by the USDA for trafficking. In Fiscal Year 2013-14, the unit identified 1,758 recipients that trafficked over \$1.8 million of SNAP benefits for disqualification, resulting in over \$2.7 million in SNAP withheld. The unit generated a total of \$4,518,118 in restitution requested and benefits withheld at a cost to taxpayers of \$223,763.

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: WORKERS' COMPENSATION		
		43600000
<u>WORKERS' COMPENSATION</u>		
		43600100
ECONOMIC OPPORTUNITIES		
		11
<u>WORKERS' COMPENSATION</u>		
		<u>1102.02.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCTION OF CLIENT SERVICES		
FUNDING		
		33V2230
SPECIAL CATEGORIES		
		100000
PURCHASED CLIENT SERVICES		
		102933
WORKERS' COMP ADMIN TF	-STATE 400,000-	2795 1
	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #5

IT COMPONENT? NO

Client services was transferred to the Division of Workers' Compensation from the Department of Education effective July 1, 2012. After two years with the program, the Division believes it can reduce the previously estimated budget and still have room to grow the program with the remaining funds of \$990,000.

\*\*\*\*\*

REDUCE OTHER PERSONAL SERVICES  
 FUNDING

33V2240  
 030000

OTHER PERSONAL SERVICES

WORKERS' COMP ADMIN TF -STATE 100,000-  
 =====

2795 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #6

IT COMPONENT? NO

The Division of Workers' Compensation can reduce Other Personal Services funding with minimal impact to the Division. \$383,775 would remain after this reduction.

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COL A93			
SCH VIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
-----			
FINANCIAL SERVICES			
			43000000
PGM: WORKERS' COMPENSATION			
			43600000
<u>WORKERS' COMPENSATION</u>			
			43600100
ECONOMIC OPPORTUNITIES			
			11
<u>WORKERS' COMPENSATION</u>			
			<u>1102.02.00.00</u>
PROGRAM REDUCTIONS			
			33V0000
ELIMINATION OF THE OFFICE OF			
MEDICAL SERVICES			
SALARY RATE			
			33V2400
			000000
	SALARY RATE.....	424,590-	
		=====	
SALARIES AND BENEFITS			
			010000
		11.00-	
	WORKERS' COMP ADMIN TF	-STATE 613,997-	2795 1
		=====	
EXPENSES			
			040000
	WORKERS' COMP ADMIN TF	-STATE 64,320-	2795 1
		=====	
TOTAL: ELIMINATION OF THE OFFICE OF			
			33V2400
MEDICAL SERVICES			
	TOTAL POSITIONS.....	11.00-	
	TOTAL ISSUE.....	678,317-	
	TOTAL SALARY RATE.....	424,590-	
		=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #18

Legislative Change Required: Section 440.13(7)(a) will need to be amended.

Section 440.13(7)(a), F.S., allows health care providers, carriers, or employers to petition the Department to resolve disputes relating to the disallowance or adjustment of bills to the Department within 45 days after receipt of notice of disallowance or adjustment of payment. The Department must make a determination within 120 days after receipt of all documentation. The number of petitions received by the Department has increased over the past four years. The Division has recognized that a significant amount of petitions received involve a contract dispute between the provider of services and the carrier (payer) which was not contemplated by the statute. As a result of the Department's regulatory review, a number of recommendations and options were suggested, including the Department seeking a statutory change to remove regulation of reimbursement disputes from the Department's duties.

The Medical Services Unit currently consists of 11 FTE including \$613,997 in Salaries and Benefits and \$64,320 in the Expense category.

\*\*\*\*\*

COL A93 SCH VIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: WORKERS' COMPENSATION		43600000
<u>WORKERS' COMPENSATION</u>		43600100
ECONOMIC OPPORTUNITIES		11
<u>WORKERS' COMPENSATION</u>		<u>1102.02.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATION OF THE OFFICE OF MEDICAL SERVICES		33V2400

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0108 ADMINISTRATIVE SECRETARY							
N0001 002	1.00-	22,454-		14,561-	37,015-	0.00	37,015-
2224 GOVERNMENT ANALYST I							
N0002 002	1.00-	36,468-		16,666-	53,134-	0.00	53,134-
3508 INSURANCE SPECIALIST I							
N0003 002	1.00-	26,541-		15,174-	41,715-	0.00	41,715-
5312 REGISTERED NURSING CONSULTANT							
N0007 002	3.00-	133,434-		53,606-	187,040-	0.00	187,040-
5875 MEDICAL/HEALTH CARE PROGRAM ANALYST							
N0006 002	3.00-	122,844-		52,016-	174,860-	0.00	174,860-
2224 SENIOR MANAGEMENT ANALYST I - SES							
N0004 002	1.00-	36,468-		17,946-	54,414-	0.00	54,414-
2228 SENIOR MANAGEMENT ANALYST SUPV - SES							
N0005 002	1.00-	46,381-		19,438-	65,819-	0.00	65,819-
-----							
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							613,997-
	11.00-	424,590-		189,407-	613,997-		613,997-
	=====	=====	=====	=====	=====		=====

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 TOTAL: WORKERS' COMPENSATION 1102.02.00.00  
 BY FUND TYPE  
 TRUST FUNDS..... 11.00- 1,178,317- 2000  
 SALARY RATE..... 424,590-  
 =====

COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
<u>COMP &amp; ENFORCE- INSURANCE</u>		43900110
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN THE FLORIDA PUBLIC		
HURRICANE LOSS PROJECTION MODEL		33V0040
SPECIAL CATEGORIES		100000
FL PUBLIC HURR LOSS MODEL		100515
INSURANCE REG TF	-STATE 506,000-	2393 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #103

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance & Enforcement

Issue Title: Florida Public Hurricane Loss Projection Model (Public Model) - Maintenance and Support

Reference to Long-Range Program Plan: Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Public Model, housed at Florida International University (FIU), was created in 2001 to be the first public, transparent model of its kind in the United States. It is the work product of the state university system including large contributions of resources from FIU, the University of Florida, and the Florida State University.

The Office runs most residential rate filings through the Public Model. Every assumption and method of the Public Model is open to public inspection. This gives greater transparency to the rate review process. Private models are proprietary and therefore the calculations and methodologies they use are trade secret or what the industry calls, inside a "black box."

In fact, the Legislature pursued the creation of a Public Model in order to bring the rate making process into the sunshine and create consumer confidence by making the process transparent. Without the Public Model, the sole objective basis for rate determinations would be the insurer's own selected private model. The Public Model gives the Office the ability to determine the propriety of the reinsurance factors independent of the model used in rate filings in many instances. Without it, rate filings may need to be litigated, insurance companies may not be able to get needed rate increases and policyholders may not receive deserved rate reductions.

Additionally, Section 627.351(6(n), Florida Statutes as enacted in 2009 requires that the Public Model serve as the minimum benchmark for determining the windstorm portion of the rates for Citizens Property Insurance Corporation. Should the Office not change the rates currently in effect for Citizens as a result of the lack of a benchmark, the intent of the legislature to have Citizens rates increase each year with the goal of being actuarially sound (subject to a maximum



COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		43000000
FINANCIAL SERVICES		43900000
PGM: FINANCIAL SVCS COMM		43900100
OFFICE OF INSURANCE REG		43900110
COMP & ENFORCE- INSURANCE		12
PUBLIC PROTECTION		<u>1204.00.00.00</u>
REGULATION AND LICENSING		33V0000
PROGRAM REDUCTIONS		
REDUCTION IN THE FLORIDA PUBLIC		
HURRICANE LOSS PROJECTION MODEL		33V0040

annual increase of 10 percent for any single policy) would be frustrated.

FIU recently renewed and is under contract with the Office to continue to develop, maintain and support the Public Model and to provide model related services to the Office, including, but not limited to: running insurance policy file data through the Model, generating annual average loss cost estimates, and providing output reports to the Office.

The Florida Legislature provides the Office with \$632,639 in recurring funds for the 2014-2015 Fiscal Year in order to pay for rate filing runs and to support and maintain the Public Model. Maintenance and support services may include, but is not limited to: the retention of graduate students working on the Public Model; payment of invoices for necessary subcontractors concerning the Public Model; computer science center services related to the Public Model; conducting routine upgrade of the Public Model to incorporate new input data (for example, new meteorological data, and new data on insured losses); and the continued license of necessary software to operate and maintain the Public Model.

In 2012, the Florida Legislature passed legislation that allows fees charged for private sector access and use of the model to be reasonable regarding the costs associated with the operation and maintenance of the model by the Office. (Section 627.06281(3)(b), Florida Statutes).

An 80% reduction in this contract would have a significant impact. It would be severe and likely force the shutdown of the Hurricane Loss Model Project at Florida International University. A dramatic cut in the contract would only provide output for 20 or so model runs. All work on upgrading and revising the model to meet future FCHLPM standards will have to cease and service to OIR will be curtailed as will any detailed analysis of output. This reduction would affect getting certified. The ability to maintain the hardware and software infrastructure will also diminish significantly. In all likelihood the project will not be viable. However, a significant budget reduction would be problematic and have a severe impact if the Commission on Hurricane Loss Projection Methodology requires extensive changes in the existing model in order to meet its standards.

Detail of Costs:

Special Categories:  
 Florida Public Hurricane Loss Model:

Quantity	Description	Amount
SCH VIIIB-2	NARR 15-16 ISSUE NARRATIVE:	
-----	-----	-----
	Maintenance and Support	(\$506,000)
	Issue Total	(\$506,000)

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
COMP & ENFORCE- INSURANCE		43900110
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE BUSINESS UNIT EXPENSES		33V0050
EXPENSES		040000
INSURANCE REG TF	-STATE 100,000-	2393 1
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #101

IT COMPONENT? NO

Budget Entity: Compliance & Enforcement

Issue Title: Reduction in Expense - Business Units

Reference to Long-Range Program Plan: Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: Pursuant to Section 624.316, Florida Statutes, the Office of Insurance Regulation (Office) is required to conduct financial examinations of life and health and property and casualty insurance companies in order to provide early detection of weakening financial conditions and protect consumers.

In 2007, Section 624.316, F.S., was amended to permit the office to engage outside experts to conduct financial examinations. However, in order to maintain accreditation by the National Association of Insurance Commissioners (NAIC) the Office employs and utilizes its own examiners to manage examinations and to perform some examinations; specifically, examinations of small companies to minimize the cost of the examination on the company. NAIC accreditation is imperative to insurers because examinations performed by an unaccredited state insurance department are unacceptable in other states. This means an insurer would be subject to multiple examinations by different states. Outsourced exam firms augment Office resources.

A significant portion of the Office's appropriated expense funding is used for examiner travel to property, casualty, life and health insurance companies to examine books and records to ensure solvency. It is important to note that the travel expenses are paid with the Office's appropriated expense funds and then the company being examined pays back the cost of the examination into the Insurance Regulatory Trust Fund. The Office does not receive the reimbursement back into its operating budget.

The Office's appropriated expense budget has been reduced by over \$800,000 since 2007. In an effort to comply with mission critical travel laws and to manage these reductions, the Office has achieved a reduction in travel expense utilization of over 50%. A further reduction to the Office's appropriated expense allotment will result in Office staff receiving less job-specific training and may impede the purchases of expenditures relating to postage, office supplies,

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
COMP & ENFORCE- INSURANCE		43900110
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE BUSINESS UNIT EXPENSES		33V0050

records storage and warehouse rent, equipment and pertinent legal and insurance subscriptions.

Detail of Costs:

Expense	Description	Amount
Quantity	-----	-----
	Reduce overall expense	(\$100,000)
	Issue Total	(\$100,000)

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REDUCE EXPENSES - COMPLIANCE AND ENFORCEMENT EXPENSES		33V0230
		040000
INSURANCE REG TF	-STATE 320,000-	2393 1
	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 PRIORITY #102

Budget Entity: Compliance & Enforcement

Issue Title: Reduction in Expense - Compliance and Enforcement

Reference to Long-Range Program Plan: Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
COMP & ENFORCE- INSURANCE		43900110
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSES - COMPLIANCE AND ENFORCEMENT		33V0230

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

Currently, the Compliance and Enforcement budget entity receives only \$2,400,429 annually in expense recurring appropriation. Almost \$1 million of this is used for rent of the Larson Building. The remaining appropriation is used for mission critical travel and for day to day Office operations. A reduction of \$320,000 or 13.5% would significantly and dramatically impede the purchases of expenditures relating to postage, office supplies, job-related training, records storage and warehouse rent, information technology equipment, and pertinent insurance subscriptions. Therefore, these reductions would significantly impact the fulfillment of the Office's essential regulatory and statutory requirements as outlined above.

Detail of Costs:

Expense	Description	Amount
Quantity	-----	-----
	Reduce overall expense	(\$320,000)

Issue Total (\$320,000)

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REDUCE CONTRACTED SERVICES		33V1300
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
INSURANCE REG TF	-STATE 75,000-	2393 1
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

PRIORITY #104

IT COMPONENT? NO

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		43000000
FINANCIAL SERVICES		43900000
PGM: FINANCIAL SVCS COMM		43900100
OFFICE OF INSURANCE REG		43900110
COMP & ENFORCE- INSURANCE		12
PUBLIC PROTECTION		<u>1204.00.00.00</u>
REGULATION AND LICENSING		33V0000
PROGRAM REDUCTIONS		33V1300
REDUCE CONTRACTED SERVICES		

Budget Entity: Compliance and Enforcement

Issue Title: Reduction in Contracted Services

Reference to Long-Range Program Plan: Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

Contracted Services provides funding for staff augmentation to maintain and support existing technology applications, and consultants to perform legal services, economic evaluations, as well as actuarial exams, audits and studies. These services also include other professional and technical functions needed to provide a quality level of service to the insurance industry and to the insurance-buying public.

A reduction in contracted services will severely impede the Office's ability to maintain and enhance current mission critical technology systems and data collection tools. Services to the industry will be impacted with a significant reduction to contracted services. Specifically, the I-File system, the I-Apply system and industry portal may be impacted, which may create issues with timely review of insurance company form, rate, and application filings. This would negatively impact speed to market of new insurance products and job creation. Additionally, the Office may be unable to contract with consultants to perform actuarial exams, audits and studies to provide market analysis to policymakers and the Governor and Cabinet.

Detail of Costs:

Special Categories

Contracted Services:

Quantity	Description	Amount
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	Reduce Contracted Services	(\$75,000)

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COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
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FINANCIAL SERVICES			43000000
PGM: FINANCIAL SVCS COMM			43900000
OFFICE OF INSURANCE REG			43900100
COMP & ENFORCE- INSURANCE			43900110
PUBLIC PROTECTION			12
REGULATION AND LICENSING			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE POSITION(S) - OFFICE OF			
INSURANCE REGULATION - OPERATIONAL			
REDUCTIONS			33V3110
SALARY RATE			000000
SALARY RATE.....	105,904-		
	=====		
SALARIES AND BENEFITS			010000
INSURANCE REG TF	-STATE 3.00- 155,375-		2393 1
	=====		
EXPENSES			040000
INSURANCE REG TF	-STATE 5,400-		2393 1
	=====		
SPECIAL CATEGORIES			100000
TR/DMS/HR SVCS/STW CONTRCT			107040
INSURANCE REG TF	-STATE 1,032-		2393 1
	=====		
TOTAL: REDUCE POSITION(S) - OFFICE OF			33V3110
INSURANCE REGULATION - OPERATIONAL			
REDUCTIONS			
TOTAL POSITIONS.....	3.00-		
TOTAL ISSUE.....	161,807-		
TOTAL SALARY RATE.....	105,904-		
	=====		

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #105

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulations - Compliance and Enforcement

Issue Title: Reduction of (3) Positions - Operation Efficiencies

Reference to Long-Range Program Plan: Goal 2: Protect the public from illegal, unethical insurance products and

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
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FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
COMP & ENFORCE- INSURANCE		43900110
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF		
INSURANCE REGULATION - OPERATIONAL		
REDUCTIONS		33V3110

practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

The Office is comprised of two budget entities: Compliance and Enforcement with 254 FTE and Executive Direction with 34 FTE. Any FTE reduction will significantly impede the Office's ability to perform statutorily required functions and will decrease service to the insurance industry and would slow insurance company application reviews thereby slowing job creation from new insurance entity licensure.

The Office strives to fill vacant positions quickly and a typical vacancy ratio is 4-5%. Since 2007, Office personnel resources have been reduced by 27 FTE or almost 10% with no substantive reduction in regulatory responsibility. In fact, the Office now has regulatory responsibility for over 4,100 insurance entities which is an increase of more than 600 since the Office's creation in 2003. Losing three additional positions would have a significant impact on the core mission of the Office. For the implementation of this issue, the Office will identify 3 positions in the Compliance and Enforcement budget entity. The reductions would be based on vacant positions along with the tenure and performance of current employees. The Office would retain other positions that are mission critical.

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COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
COMP & ENFORCE- INSURANCE		43900110
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF INSURANCE REGULATION - OPERATIONAL REDUCTIONS		33V3110

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
NEW POSITIONS							
P101 PROPOSED CLASS CODE C0003 001	3.00-	105,904-		49,471-	155,375-	0.00	155,375-
TOTALS FOR ISSUE BY FUND 2393 INSURANCE REG TF	3.00-	105,904-		49,471-	155,375-		155,375-

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TOTAL: REGULATION AND LICENSING							<u>1204.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	3.00-	1,162,807-					2000
SALARY RATE.....	105,904-						

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
<u>EXEC DIR &amp; SUPORT SERVICES</u>		43900120
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES		33V1300
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
INSURANCE REG TF	-STATE 25,000-	2393 1
	=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 PRIORITY #104

IT COMPONENT? NO

Budget Entity: Executive Direction

Issue Title: Reduction in Contracted Services

Reference to Long-Range Program Plan: Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

Contracted Services provides funding for staff augmentation to maintain and support existing technology applications, and consultants to perform legal services, economic evaluations, as well as actuarial exams, audits and studies. These services also include other professional and technical functions needed to provide a quality level of service to the insurance industry and to the insurance-buying public.

A reduction in contracted will severely impede the Office's ability to maintain and enhance current mission critical technology systems and data collection tools. Services to the industry will be impacted with a significant reduction to contracted services. Specifically, the I-File system, the I-Apply system and other critical industry portal would be impacted, which may create issues with timely review of insurance company form, rate, and application filings. This would

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: FINANCIAL SVCS COMM		
		43900000
OFFICE OF INSURANCE REG		
		43900100
<u>EXEC DIR &amp; SUPORT SERVICES</u>		
		43900120
PUBLIC PROTECTION		
		12
<u>REGULATION AND LICENSING</u>		
		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCE CONTRACTED SERVICES		
		33V1300

negatively impact speed to market of new insurance products and job creation. Additionally, the Office may be unable to contract with consultants to perform actuarial exams, audits and studies to provide market analysis to policymakers and the Governor and Cabinet.

Detail of Costs:

Special Categories

Contracted Services:

Quantity	Description	Amount
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	Reduce Contracted Services	(\$25,000)

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OFFICE OF FINANCIAL REG			43900500
<u>SFTY &amp; SOUND ST BKG SYST</u>			43900530
PUBLIC PROTECTION			12
<u>REGULATION AND LICENSING</u>			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE POSITION(S) - OFFICE OF			
FINANCIAL REGULATION - FINANCIAL			
INSTITUTIONS			33V0500
SALARY RATE			000000
	SALARY RATE..... 29,188-		
	=====		
SALARIES AND BENEFITS			010000
	1.00-		
FINANCIAL INST REG TF	-STATE 44,760-		2275 1
	=====		
EXPENSES			040000
FINANCIAL INST REG TF	-STATE 1,800-		2275 1
	=====		

COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
-----			
FINANCIAL SERVICES			43000000
PGM: FINANCIAL SVCS COMM			43900000
OFFICE OF FINANCIAL REG			43900500
SFTY & SOUND ST BKG SYST			43900530
<u>PUBLIC PROTECTION</u>			
			12
<u>REGULATION AND LICENSING</u>			
			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE POSITION(S) - OFFICE OF			
FINANCIAL REGULATION - FINANCIAL			
INSTITUTIONS			33V0500
SPECIAL CATEGORIES			100000
TR/DMS/HR SVCS/STW CONTRCT			107040
FINANCIAL INST REG TF	-STATE	344-	2275 1
=====			
TOTAL: REDUCE POSITION(S) - OFFICE OF			33V0500
FINANCIAL REGULATION - FINANCIAL			
INSTITUTIONS			
TOTAL POSITIONS.....	1.00-		
TOTAL ISSUE.....		46,904-	
TOTAL SALARY RATE.....	29,188-		
=====			

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 Priority # 202

- Reference to Long-Range Program Plan:  
 Goal #1: Excellence in all OFR does  
 Goal #2: Enforce compliance with State laws related to the financial industry  
 Goal #3: Examine regulate companies and individuals

Issue Description/Need: This issue proposes a reduction of one vacant Administrative Assistant I position and the associated budget from the Division of Financial Institution. The division is responsible for examining all state financial institutions to ensure they are operating in a safe and sound manner as mandated either by statute or economic conditions.

Ultimate Outcome: This reduction will have a minimal impact on the division, specifically in the section of Application and Licensing, where the position was assigned. This position has remained vacant due to the development of process efficiencies. Additionally, the division has experienced a reduction in applications for state chartered financial institutions during the last several years, due to the economy.

Detail of Costs: 2014-2015

SALARIES AND BENEFITS:

Quantity	Description	Amount	Non-Recurring
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COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SFTY & SOUND ST BKG SYST		43900530
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF FINANCIAL REGULATION - FINANCIAL INSTITUTIONS		33V0500

(1) Deletion of Administrative (\$44,760) \$-0-  
 Assistant I, PG 018,  
 Pos # 4331 (Includes Benefits)

EXPENSES:  
 Quantity Description Amount Non-Recurring  
 (1) Deletion of Position (\$ 1,800) \$-0-

TR/HR/DMS SERV:  
 Quantity Description Amount Non-Recurring  
 (1) Deletion of Position (\$ 344) \$-0-

Issue Total (\$46,904) \$-0-

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1001 001	1.00-	29,188-		15,572-	44,760-	0.00	44,760-

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SFTY & SOUND ST BKG SYST		43900530
PUBLIC PROTECTION		12
REGULATION AND LICENSING		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INSTITUTIONS		33V0500

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
TOTALS FOR ISSUE BY FUND							
2275 FINANCIAL INST REG TF							44,760-
	1.00-	29,188-		15,572-	44,760-		44,760-

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REDUCE OTHER PERSONAL SERVICES							
(OPS) - OFFICE OF FINANCIAL							
REGULATION FINANCIAL INSTITUTIONS							33V0510
OTHER PERSONAL SERVICES							030000
FINANCIAL INST REG TF	-STATE	430,023-					2275 1
EXPENSES							040000
FINANCIAL INST REG TF	-STATE	115,388-					2275 1
TOTAL: REDUCE OTHER PERSONAL SERVICES							33V0510
(OPS) - OFFICE OF FINANCIAL							
REGULATION FINANCIAL INSTITUTIONS							
TOTAL ISSUE.....		545,411-					

COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		43000000
FINANCIAL SERVICES		43900000
PGM: FINANCIAL SVCS COMM		43900500
OFFICE OF FINANCIAL REG		43900530
SFTY & SOUND ST BKG SYST		12
PUBLIC PROTECTION		<u>1204.00.00.00</u>
REGULATION AND LICENSING		33V0000
PROGRAM REDUCTIONS		
REDUCE OTHER PERSONAL SERVICES		
(OPS) - OFFICE OF FINANCIAL		
REGULATION FINANCIAL INSTITUTIONS		33V0510

AGENCY ISSUE NARRATIVE:  
 SCH VIIIB-2 NARR 15-16 NARRATIVE:  
 Priority # 212

IT COMPONENT? NO

Reference to Long-Range Program Plan:

- Goal #1: Excellence in all OFR does
- Goal #2: Enforce compliance with State laws related to the financial industry
- Goal #3: Examine regulate companies and individuals

Issue Description/Need: A reduction of the Contract Examiner Program will place the citizens of Florida and Florida's financial institutions in a critical position to experience a significant risk to loss. As a direct result of this reduction, the Division will be unable to examine state financial institutions to ensure they are operating in a safe and sound manner as mandated either by statute or economic conditions. The proposed reduction will significantly impact the Division's ability to carry out its primary goal of examining state-chartered financial institutions; thus placing the financial institution industry at greater risk. Further, public confidence in Florida's financial institution industry will be significantly eroded, which will have a direct impact on Florida's ability to assist the private sector to create jobs and attract new industry. The reduction will result in the elimination of a large group of examiners that augment staffing needs because there are currently not enough FTE's (examiners) to meet safety and soundness examination requirements. The Division's financial institution regulatory program has been accredited for approximately 25 years by the Conference of State Bank Supervisors (CSBS) and, more recently, by the National Association of State Credit Union Supervisors (NASCUS). The status of both the CSBS and NASCUS accreditations will be at risk due to the reductions in regulatory resources. In addition, the Federal Deposit Insurance Corporation (FDIC) and Federal Reserve (FRB) currently accept state reports of examination in lieu of their own in certain circumstances. The Division's ability to regulate financial institutions will be adversely impacted and the regulatory relationship the Division has maintained with both federal regulatory agencies will be damaged. Finally, the Division has entered into cooperative agreements with agencies from several states to provide regulatory services that will not be met due to the reduction in examiner resources. These agreements were established to create a streamlined regulatory environment for state-chartered banks that operate across state lines. Both the Nationwide Cooperative Agreement and Nationwide State-Federal Agreement have been signed by every state banking department in the country.

Ultimate Outcome: The loss of regulatory resources will result in a number of undesired outcomes. Inadequate regulatory oversight of Florida's financial institution industry will significantly impact the citizens of Florida and the industry as a whole; increase the likelihood of failed institutions; erode general confidence in Florida's financial institution industry; jeopardize regulatory accreditations; damage the working relationship between federal regulators and the Division; and, the regulatory reputation of the Division will be harmed by its failure to comply with the requirements of cooperative agreements with both federal regulators or regulatory agencies in other states. This issue results in a

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SFTY & SOUND ST BKG SYST		43900530
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
(OPS) - OFFICE OF FINANCIAL		
REGULATION FINANCIAL INSTITUTIONS		33V0510

reduction of \$430,023 in OPS Salaries and \$115,388 in Expenses (totaling \$545,411), which will eliminate OPS positions and their associated expenses for traveling to examine state financial institutions.

Detail of Costs: 2015-2016

OPS:			
Quantity	Description	Amount	Non-Recurring
	Reduction in the OPS examiner program	(\$430,023)	\$0

Expenses:			
Quantity	Description	Amount	Non-Recurring
	Reduction in the OPS examiner expenses	(\$115,388)	\$0

Issue Total (\$545,411) \$0

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TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	1.00- 592,315-	2000
SALARY RATE.....	29,188-	
	=====	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
FINANCIAL INVESTIGATIONS		43900540
PUBLIC PROTECTION		12
REGULATION AND LICENSING		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS(S) - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		33V0520
SALARY RATE		000000
SALARY RATE.....	75,339-	
	=====	
SALARIES AND BENEFITS		010000
	2.00-	
ADMINISTRATIVE TRUST FUND -STATE	109,031-	2021 1
	=====	
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	3,600-	2021 1
	=====	
SPECIAL CATEGORIES		100000
TR/DMS/HR SVCS/STW CONTRCT		107040
ADMINISTRATIVE TRUST FUND -STATE	688-	2021 1
	=====	
TOTAL: REDUCE POSITIONS(S) - OFFICE OF		33V0520
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		
TOTAL POSITIONS.....	2.00-	
TOTAL ISSUE.....	113,319-	
TOTAL SALARY RATE.....	75,339-	
	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 Priority # 211

IT COMPONENT? NO

Reference to Long-Range Program Plan: This request will improve the Office's ability to reach the following goals:  
 Goal #1: Excellence in all OFR does;  
 Goal #2: Enforce compliance with state laws related to the financial industry;

Issue Description/Need: The Bureau of Financial Investigations (Bureau) conducts criminal investigations into allegations of fraudulent and unlicensed activity under the jurisdiction of the OFR. In the event of a budget shortfall,



COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		43000000
FINANCIAL SERVICES		43900000
PGM: FINANCIAL SVCS COMM		43900500
OFFICE OF FINANCIAL REG		43900540
FINANCIAL INVESTIGATIONS		12
PUBLIC PROTECTION		<u>1204.00.00.00</u>
REGULATION AND LICENSING		33V0000
PROGRAM REDUCTIONS		
REDUCE POSITIONS(S) - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		33V0520

a reduction in two Financial Investigators would allow the Bureau to achieve a 5% reduction in recurring program costs totaling \$167,549. The Bureau currently has 39 FTEs. In the 2012 GAA, the Bureau's budget was reduced by 34% (from \$4,564,720 to \$3,013,227) and its FTEs were cut by 43% (from 63 to 36). The reduction of two Financial Investigators would significantly impact the Bureau's ability to combat investment fraud due to the reduction in resources. The reduction of 2 FTEs could decrease the number of investigations completed and the number of perpetrators sent to prison. Most of the Bureau's resources are used to combat investment fraud. Retirees and senior citizen are commonly targeted by financial comen because they have large nest eggs. It is estimated that over 45% of Florida citizens are over age 65. However, the Bureau would continue to prioritize its resources such that it focuses on cases that pose the highest risks to Florida citizens including cases involving egregious conduct, on-going harm and/or those cases that are broader in scope in terms of the number of vicitms and the dollar amounts involved.

Ultimate Outcome: The reduction of two Financial Investigators would significantly impact and reduce the Bureau's ability to combat investment fraud and unlicensed activity due to the reduction in resources.

Salaries and Benefits:

Position	Title	Amount	Non-Recurring
(1)	Financial Investigator Criminal Enforcement PG 025	(\$61,420)	\$ -0-
(1)	Financial Investigators PG 021	(\$47,612)	\$ -0-
	Total Salaries and Benefits	(\$109,031)	\$ -0-

Quantity	Description	Amount	Non-Recurring
(2)	Standard Expense @\$1,800	(\$ 3,600)	\$ -0-
	Total Expense	(\$ 3,600)	\$ -0-

TR/DMS/HR	Description	Amount	Non-Recurring
(2)	Standard TR/DMS/HR SVCS @ \$344	(\$688)	\$ -0-

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
FINANCIAL INVESTIGATIONS		43900540
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS(S) - OFFICE OF FINANCIAL REGULATION - FINANCIAL INVESTIGATIONS		33V0520

Total TR/DMS/HR (\$688) \$ -0-

Issue Total (\$113,319)

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1002 001	2.00-	75,339-		33,692-	109,031-	0.00	109,031-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							109,031-
	2.00-	75,339-		33,692-	109,031-		109,031-

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
FINANCIAL INVESTIGATIONS		43900540
PUBLIC PROTECTION		12
REGULATION AND LICENSING		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSE - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		33V0530
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	54,229-	2021 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

Priority # 203

Reference to Long-Range Program Plan:

This request will improve the Office's ability to reach the following goals:

Goal #1: Excellence in all OFR does;

Goal #2: Enforce compliance with state laws related to the financial industry;

Issue Description/Need: The Bureau of Financial Investigations (Bureau) conducts investigations into allegations of fraudulent and unlicensed activity under the jurisdiction of the OFR. In the event of a budget shortfall, the Bureau proposes a \$54,229 reduction to Expenses. While the Expense category reverted 45% of its allocation, the additional funding is necessary to allow immediate reaction to emergent issues. This moderate reduction would allow the Bureau to achieve an overall 5% reduction in recurring program costs totaling \$167,549 while minimizing the impact to its investigations.

Ultimate Outcome: Achieve a \$54,229 cost savings while limiting the negative impact to the Bureau and its investigations. The reduction of expense money on a recurring basis could lead the bureau to reduce training opportunities for its investigators, lessen the bureau's ability to equip its computer forensics lab and hinder the bureau's ability to pay for subpoenaed records and investigator travel. However, the Bureau would continue to prioritize its resources and apply them to areas that pose the highest risks to Florida citizens including cases involving egregious conduct, on-going harm and/or those cases that are broader in scope in terms of the number of victims and the dollar amounts involved. The bureau would also seek less expensive forms of training for its investigators.

Expenses:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Expense	(\$ 54,229)	\$ -0-
	Total Expense	(\$ 54,229)	\$ -0-

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
-----		
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>FINANCIAL INVESTIGATIONS</u>		43900540
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSE - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		33V0530

Issue Total (\$ 54,229)

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TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	2.00- 167,548-	2000
SALARY RATE.....	75,339-	
	=====	

<u>EXEC DIR &amp; SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
(OPS) - OFFICE OF FINANCIAL		
REGULATION - FINANCIAL		
INVESTIGATIONS		33V0540
OTHER PERSONAL SERVICES		030000
ADMINISTRATIVE TRUST FUND -STATE	198,426-	2021 1
	=====	

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 Priority # 208

Reference to Long-Range Program Plan:  
 This request will adversely impact the Office's ability to reach the following goals:  
 Goal #1: Excellence in all OFR does;  
 Goal #2: Enforce compliance with state laws related to the financial industry;  
 Goal #3: Examine regulated companies and individuals; and  
 Goal #4: Register or charter institutions, companies and individuals.

Issue Description/Need: As part of OFR's Executive Direction budget allocation in the 2012 General Appropriations Act, the Legislature moved 9 attorneys and support positions from Executive Direction to the Divisions, eliminated 3 attorneys

COL A93		
SCH VIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		43000000
FINANCIAL SERVICES		43900000
PGM: FINANCIAL SVCS COMM		43900500
OFFICE OF FINANCIAL REG		43900550
<u>EXEC DIR &amp; SUPPORT SERVICE</u>		12
PUBLIC PROTECTION		<u>1204.00.00.00</u>
<u>REGULATION AND LICENSING</u>		33V0000
PROGRAM REDUCTIONS		
REDUCE OTHER PERSONAL SERVICES		
(OPS) - OFFICE OF FINANCIAL		
REGULATION - FINANCIAL		
INVESTIGATIONS		33V0540

due to streamlining the legal processes, eliminated 3 regional office support staff due to the area office consolidations, and eliminated 1 position in the Office of the Inspector General. OFR is now staffing for normal workloads versus staffing for peak workloads as it is a more cost effective approach to obtaining resources than staffing for peak workloads with full time employees.

To allow flexibility for unforeseen circumstances arising in Executive Direction and throughout the OFR, Executive Direction was given in FY 2012-13 \$150,000 in Other Personal Services and, in FY 2013-14, an additional \$100,000 was moved from Safety and Soundness of State Banking System to Executive Direction's OPS to be used when peak workloads are encountered in OFR that the new staffing levels will not be able to handle. In the FY 2013-14 Legislative Budget Request, the REAL System was reduced by \$800,000; leaving the REAL system with a bare-bones maintenance schedule. When an issue arises with REAL, OPS must be available for any peak period maintenance or temporary workers to bring the REAL system back online. Almost all data related to the OFR's licensees and their examinations is stored in the REAL System. Should REAL not work, the OFR will not be able to perform its statutorily mandated regulatory and enforcement duties without access to this data. Reducing the Executive Direction's OPS budget allocation by \$150,000 will leave Executive Direction with an annual allocation of \$51,574 and that will not give Executive Direction the full flexibility to handle emergent personnel staffing issues as they arise nor the full capability to handle any peak period emergencies with REAL, effectively shutting down the OFR.

Ultimate Outcome: This reduction will significantly impact Executive Direction. After Executive Direction's staffing reductions effective July 1, 2012, and then reducing the Other Personal Services budget allocation by \$198,426, OFR's Executive Direction will not have the full budget allocation or flexibility to handle the peak workloads or emergent issues as they arise in OFR, Executive Direction, or, most importantly, the REAL System which will leave the OFR unable to function as a regulatory or enforcement agency.

Detail of Costs:

Quantity	Description	Amount	Non-Recurring
1	Reduce OPS Allocation	(\$198,426)	\$-0-
	Total	(\$198,426)	\$-0-

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COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
FINANCIAL SERVICES			
			43000000
PGM: FINANCIAL SVCS COMM			
			43900000
OFFICE OF FINANCIAL REG			
			43900500
FINANCE REGULATION			
			43900560
PUBLIC PROTECTION			
			12
REGULATION AND LICENSING			
			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			
			33V0000
REDUCE POSITIONS(S) - OFFICE OF			
FINANCIAL REGULATION - FINANCE			
			33V0550
SALARY RATE			
			000000
	SALARY RATE.....	112,775-	
		=====	
SALARIES AND BENEFITS			
			010000
		3.00-	
REGULATORY TRUST FUND	-STATE	163,278-	2573 1
		=====	
EXPENSES			
			040000
REGULATORY TRUST FUND	-STATE	5,400-	2573 1
		=====	
SPECIAL CATEGORIES			
			100000
TR/DMS/HR SVCS/STW CONTRCT			
			107040
REGULATORY TRUST FUND	-STATE	1,068-	2573 1
		=====	
TOTAL: REDUCE POSITIONS(S) - OFFICE OF			
			33V0550
FINANCIAL REGULATION - FINANCE			
	TOTAL POSITIONS.....	3.00-	
	TOTAL ISSUE.....	169,746-	
	TOTAL SALARY RATE.....	112,775-	
		=====	

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 Priority # 209

IT COMPONENT? NO

Reference to Long-Range Program Plan:

- This request will improve the Office's ability to reach the following goals:
- Goal #1: Excellence in all OFR does;
  - Goal #2: Enforce compliance with state laws related to the financial industry;
  - Goal #3: Examine regulated companies and individuals; and
  - Goal #4: Register or chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance processes approximately 2,500 priority complaints. The

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>FINANCE REGULATION</u>		43900560
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS(S) - OFFICE OF		
FINANCIAL REGULATION - FINANCE		33V0550

processing of these complaints involve forwarding the consumer's complaint to the business entity and requesting a response. Upon receipt the division will forward the business entities response to the consumer. Unless a statutory violation is detected during the processing of the complaint the matter is then closed upon receipt of a response.

By eliminating these three (3) Financial Examiner Analyst II, PG 023, the division would discontinue the servicing of the priority complaints. The remaining two (2) positions in the Consumer Assistance group would only receive, record and categorize complaints for statistical purposes.

Impact: The division would no longer provide individual assistance to consumers. Consumers would only receive an acknowledgement of their complaint and OFR would not attempt to resolve their concerns. This could impair the division's ability to protect the consumers this division serves.

In addition, the office would need to seek changes to Part VI of Chapter 559, Florida Statutes, to repeal a mandate to process consumer complaints.

Ultimate Outcome: Reducing Salaries and Benefits funds by \$169,746 from recurring program costs would significantly impact the division's ability to process and resolve consumer complaints. Consumer complaints would only be recorded for statistical purposes. OFR would not attempt to resolve any complaint issues. Overall, these limitations could ultimately limit the division's ability to protect the consumers it serves.

Detail of Costs:

Quantity	Description	Amount	Non-Recurring
(3)	Reduce FEA II, PG 023 Salaries and Benefits	(\$163,278)	\$0
	Total Salaries and Benefits	(\$163,278)	\$0
(3)	Reduce Expenses @ \$1,800	(\$5,400)	\$0
	Total Expenses	(\$5,400)	\$0
(3)	Reduce TR/HR/DMS @ \$344	(\$1,068)	\$0
	Total TR/HR/DMS	(\$1,068)	\$0

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
FINANCE REGULATION		43900560
PUBLIC PROTECTION		12
REGULATION AND LICENSING		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS(S) - OFFICE OF FINANCIAL REGULATION - FINANCE		33V0550

Issue Total (\$169,746) \$0

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POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIIB-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1003 001	3.00-	112,775-		50,503-	163,278-	0.00	163,278-
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							163,278-
	3.00-	112,775-		50,503-	163,278-		163,278-

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REDUCE OTHER PERSONAL SERVICES  
 (OPS) - OFFICE OF FINANCIAL  
 REGULATION - FINANCE  
 OTHER PERSONAL SERVICES

33V0560  
 030000

REGULATORY TRUST FUND -STATE 130,000-  
 =====

2573 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 Priority # 205

IT COMPONENT? NO



COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
		43000000
FINANCIAL SERVICES		43900000
PGM: FINANCIAL SVCS COMM		43900500
OFFICE OF FINANCIAL REG		43900560
<u>FINANCE REGULATION</u>		
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
(OPS) - OFFICE OF FINANCIAL		
REGULATION - FINANCE		33V0560

Reference to Long-Range Program Plan:

This request will improve the Office's ability to reach the following goals:

- Goal #1: Excellence in all OFR does;
- Goal #2: Enforce compliance with state laws related to the financial industry;
- Goal #3: Examine regulated companies and individuals; and
- Goal #4: Register or chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance proposes to decrease its recurring program costs by reducing its OPS allocation. On July 1, 2012 the division's total FTE's were reduced from 120 to 87. OPS funding was increased to assist in handling any unexpected events that would require hiring additional OPS examiners.

Impact: Reducing funding in this category would significantly limit the division's ability to hire additional OPS staff to quickly react to emergent or unforeseen circumstances and impair the division's ability to protect the consumers this division serves.

Ultimate Outcome: Reducing OPS funds by \$130,000 from recurring program costs would significantly restrict the division's ability to hire additional OPS staff to quickly react to emergent or unforeseen circumstances that may occur. Overall, this limitation could ultimately limit the division's ability to protect the consumers it serves.

Detail of Costs:

Quantity	Description	Amount	Non-Recurring
	Reduce OPS	(\$130,000)	
	Total OPS	(\$130,000)	

Issue Total (\$130,000)

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COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
			43000000
			43900000
			43900500
			43900560
			12
			<u>1204.00.00.00</u>
			33V0000
			33V0570
			040000
REGULATORY TRUST FUND	-STATE	228,000-	2573 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 Priority # 210

IT COMPONENT? NO

Reference to Long-Range Program Plan:

This request will improve the Office's ability to reach the following goals:

- Goal #1: Excellence in all OFR does;
- Goal #2: Enforce compliance with state laws related to the financial industry;
- Goal #3: Examine regulated companies and individuals; and
- Goal #4: Register or chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance proposes to decrease its recurring program costs by reducing its Expense allocation. This reduction would significantly impair the Division's ability to expand its enforcement footprint into other regulated industries under the Division's prevue. On July 1, 2012 the division's total FTE's were reduced from 120 to 87. Expense funding was increased to assist with additional travel related costs for statutorily mandated Money Service Business (MSB) examinations and other costs due to any unexpected events.

Impact: Reducing funding in this category would limit the division's ability to conduct required MSB examinations and handle unforeseen circumstances that could impede the division's ability to protect the consumers this division serves.

Ultimate Outcome: Reducing Expense funds by \$228,000 from recurring program costs would significantly impair the division's ability to travel and perform MSB examinations mandated by Florida Statute as well as handle any unforeseen circumstances or emergent issues. Overall, these limitations could ultimately limit the division's ability to protect the consumers it serves.

Detail of Costs:

Expenses:

Quantity	Description	Amount	Non-Recurring
	Reduce Expenses	(\$228,000)	
	Total Expenses	(\$228,000)	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
FINANCE REGULATION		43900560
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSE - OFFICE OF		
FINANCIAL REGULATION - FINANCE		33V0570

Issue Total (\$228,000)

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REDUCE CONTRACTED SERVICES - OFFICE		
OF FINANCIAL REGULATION - FINANCE		33V0580
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
REGULATORY TRUST FUND	-STATE	35,000-
		2573 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:

IT COMPONENT? NO

Priority # 204

Reference to Long-Range Program Plan:

This request will improve the Office's ability to reach the following goals:

- Goal #1: Excellence in all OFR does;
- Goal #2: Enforce compliance with state laws related to the financial industry;
- Goal #3: Examine regulated companies and individuals; and
- Goal #4: Register or chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance proposes to decrease its recurring program costs by reducing its Contracted Services allocation. The division is working with the Department of Financial Services Division of Treasury and current bank vendor (Bank of America) on implementing a new fee netting process that would allow Bank of America to collect credit card service fees on behalf of the division and use them to offset costs for accepting credit card payments online. It is anticipated that this new procedure will go-live in March or April, 2015. However, there have been delays and should the new process not go live until Fall, 2015, then the division would need the appropriation to cover continued expenditures for the credit card service fees.

Impact: This division estimates this new process would create a cost savings of approximately \$35,000. In order to provide a more accurate estimate, the division will need to review a full year of historical data. This potential reduction has a moderate impact to the division's operations due to the indeterminate go-live date that has been previously delayed.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: FINANCIAL SVCS COMM		
		43900000
OFFICE OF FINANCIAL REG		
		43900500
FINANCE REGULATION		
		43900560
PUBLIC PROTECTION		
		12
REGULATION AND LICENSING		
		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCE CONTRACTED SERVICES - OFFICE		
OF FINANCIAL REGULATION - FINANCE		
		33V0580

Ultimate Outcome: The outcome would create a cost savings to the division of approximately \$35,000. The Contracted Service Funds normally used to cover the costs for credit card services fees, would not be required. This cost savings would allow a portion of Contracted Services funding to be reduced from recurring program costs. However, if there is a delay in implementation that goes into the fiscal year 2015-16, there will be a need for the funding to pay credit card service fees.

Detail of Costs:

Contracted Services:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Contracted Services	(\$35,000)	
	Total Contracted Services	(\$35,000)	
	Issue Total	(\$35,000)	

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TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	3.00-	562,746-
SALARY RATE.....	112,775-	2000
	=====	

COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
FINANCIAL SERVICES			
			43000000
PGM: FINANCIAL SVCS COMM			
			43900000
OFFICE OF FINANCIAL REG			
			43900500
SECURITIES REGULATION			
			43900570
PUBLIC PROTECTION			
			12
REGULATION AND LICENSING			
			1204.00.00.00
PROGRAM REDUCTIONS			
			33V0000
REDUCE POSITION(S) - OFFICE OF			
FINANCIAL REGULATION - SECURITIES			
			33V0590
SALARY RATE			
			000000
	SALARY RATE..... 20,612-		
	=====		
SALARIES AND BENEFITS			
			010000
	1.00-		
REGULATORY TRUST FUND	-STATE 34,896-		2573 1
	=====		
EXPENSES			
			040000
REGULATORY TRUST FUND	-STATE 1,800-		2573 1
	=====		
SPECIAL CATEGORIES			
			100000
TR/DMS/HR SVCS/STW CONTRCT			
			107040
REGULATORY TRUST FUND	-STATE 344-		2573 1
	=====		
TOTAL: REDUCE POSITION(S) - OFFICE OF			
			33V0590
FINANCIAL REGULATION - SECURITIES			
	TOTAL POSITIONS..... 1.00-		
	TOTAL ISSUE..... 37,040-		
	TOTAL SALARY RATE..... 20,612-		
	=====		

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 Priority # 201

IT COMPONENT? NO

Reference to Long-Range Program Plan:

This request will adversely impact the Office's ability to reach the following goals:

Goal #1: Excellence in all OFR does;

Goal #2: Enforce compliance with state laws related to the financial industry; and

Goal #4: Register or charter institutions, companies and individuals.

Issue Description/Need: OFR is focusing on measurement and outcomes as means to become a more effective financial services regulatory agency. As such, the Division of Securities has completed an overall evaluation of its program and

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>SECURITIES REGULATION</u>		43900570
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF		
FINANCIAL REGULATION - SECURITIES		33V0590

has determined that through more efficient use of its resources, including process improvements, more focus on measures and reporting and enhanced use of technology, it can reduce its staffing by one (1) full-time employee, Fiscal Assistant 1, PG 010, without adversely impacting the program.

Ultimate Outcome: The Division is focusing on performance, effectiveness and outcomes. The elimination of this vacant Fiscal Assistant position furthers OFR's efforts to reduce recurring costs without harming consumers and will have a minimal impact to the operations of the Division.

Detail of Costs:

Salaries and Benefits:

Position	Title and Pay Grade	Amount	Non-Recurring
1	Fiscal Assistant I (PG 010)	(\$34,896)	
Expense		(\$ 1,800)	
TR/HR/DMS SERV		(\$ 344)	
Total		(\$37,040)	

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POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A93 - SCH VIIIIB-2 REDUCTIONS

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

P101 PROPOSED CLASS CODE						
C1004 001	1.00-	20,612-	14,284-	34,896-	0.00	34,896-

COL A93 SCH VIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SECURITIES REGULATION		43900570
PUBLIC PROTECTION		12
REGULATION AND LICENSING		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF FINANCIAL REGULATION - SECURITIES		33V0590

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						
						34,896-
2573	REGULATORY TRUST FUND					34,896-
1.00-	20,612-		14,284-	34,896-		34,896-

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REDUCE EXPENSE - OFFICE OF FINANCIAL REGULATION - SECURITIES EXPENSES						33V0600 040000
REGULATORY TRUST FUND -STATE	100,000-					2573 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIB-2 NARR 15-16 NARRATIVE: IT COMPONENT? NO  
 Priority # 207

Reference to Long-Range Program Plan:  
 This request will improve the Office's ability to reach the following goals:  
 Goal #1: Excellence in all OFR does;  
 Goal #2: Enforce compliance with state laws related to the financial industry;  
 Goal #3: Examine regulated companies and individuals; and  
 Goal #4: Register or chartered institutions, companies and individuals.

Issue Description/Need: The Division proposes reduction of the Expense category which includes rent, travel and

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>SECURITIES REGULATION</u>		43900570
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSE - OFFICE OF		
FINANCIAL REGULATION - SECURITIES		33V0600

training. This would have a significant impact on the Division's operating budget with a reduction in the amount of \$100,000. Chapter 517, Florida Statutes requires that the Division of Securities examine the books and records of each registered entity and individual to determine compliance with this act. Adequate resources to provide for staff training and travel are essential to the Division fulfilling this responsibility. As the sole regulator of state registered investment advisory firms with up to \$100 million in assets under management, the Bureau of Enforcement ( Enforcement ) has undertaken an initiative to examine all registered investment advisory firms on a five year cycle while still conducting regular examinations of registered broker dealer firms, their branch office locations and associated persons. During the preceding two fiscal years, the Bureau of Enforcement has experienced significant staff turnover. Enforcement must have well trained examiners that can identify and assess matters involving significant complexity. The Bureau of Enforcement has a need to compress the amount of time it takes to fully train an examiner and must continue to have the resources to provide for staff training and development.

Ultimate Outcome: A decrease in the appropriation for expenses significantly lessens the Office's enforcement ability by hindering staff training and staff travel to examine registered entities and individuals. Consumers' protections and restitutions and fines, along with consumer confidence in the Office's ability to regulate the securities industry, are certain to decrease if fewer resources are available.

Detail of Costs:

Expenses:

Quantity	Description	Amount	Non-Recurring
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1	Expense	(\$100,000)	
	Total	(\$100,000)	

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COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>SECURITIES REGULATION</u>		43900570
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES - OFFICE		
OF FINANCIAL REGULATION -		
SECURITIES		33V0610
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
REGULATORY TRUST FUND	-STATE	259,018-
		=====
		2573 1

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AGENCY ISSUE NARRATIVE:  
 SCH VIIIIB-2 NARR 15-16 NARRATIVE:  
 Priority # 206

IT COMPONENT? NO

This request will adversely impact the Office's ability to reach the following goals:  
 Goal #1: Excellence in all OFR does;  
 Goal #2: Enforce compliance with state laws related to the financial industry; and  
 Goal #3: Examine regulated companies and individuals.

Issue Description/Need: Reduction of the Division's contracted services fund that provides necessary operational resources to support items including but not limited to, court reporters, subpoena and research services, and legal contract services, would have a significant adverse impact on the Division's operating budget with a reduction in the amount of \$259,018. The Bureau of Enforcement is responsible for ensuring compliance with Chapter 517, Florida Statutes, the Florida Securities and Investor Protection Act (Act). Securities examinations are commonly broad in scope, complex and time-consuming. To address the complexity of these examinations, the Bureau of Enforcement may utilize the Regulatory Trust fund to pay for these specialized services. The Division of Securities generally goes first to the Anti-Fraud Trust fund to cover these services but due to limited budget in this area finds it necessary to maintain sufficient budget in the Regulatory Trust fund to ensure that adequate resources are available to support the complexity of these examinations. Contractors utilized in these cases provide assistance during the examination process by providing technical assistance and investigative guidance. This assistance has become particularly valuable in a world of increasingly complex financial products. The use of outside experts and contracted services strengthens the ability of the Bureau of Enforcement by providing expertise, knowledge and experience that are beyond the skill set of the examiner. Having adequate funding in contracted services is critical to the operations of the Division of Securities and its ability to bring enforcement action against those who violate the law. A reduction in the amount of \$259,018 would have a significant adverse impact on the Division's operations.

Ultimate Outcome: A decrease in the appropriation for contracted services significantly lessens the Office's enforcement ability to handle unforeseen circumstances and emergent situations. Consumers' protections and restitutions and fines, along with consumer confidence in the Office's ability to regulate the securities industry, are certain to decrease if fewer resources are available.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: FINANCIAL SVCS COMM		
		43900000
OFFICE OF FINANCIAL REG		
		43900500
<u>SECURITIES REGULATION</u>		
		43900570
PUBLIC PROTECTION		
		12
<u>REGULATION AND LICENSING</u>		
		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCE CONTRACTED SERVICES - OFFICE		
OF FINANCIAL REGULATION -		
SECURITIES		
		33V0610

Detail of Costs:

Contracted Services:

Quantity	Description	Amount	Non-Recurring
1	Contracted Services	(\$259,018)	

Total (\$259,018)

\*\*\*\*\*

TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	1.00- 396,058-	2000
SALARY RATE.....	20,612-	
	=====	
TOTAL: FINANCIAL SERVICES		43000000
BY FUND TYPE		
GENERAL REVENUE FUND	1,604,534-	1000
TRUST FUNDS	15,226,251-	2000
	-----	
TOTAL POSITIONS.....	118.00-	
TOTAL DEPARTMENT.....	16,830,785-	
TOTAL SALARY RATE.....	4,072,831-	
	=====	

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* BPEADL01                               STATISTICAL INFORMATION                10/15/2014 10:09:56 *
* BUDGET PERIOD: 2005-2016                EXHIBIT A, D AND D-3A LIST REQUEST          TJM 43      SP      *
* COMPILE DATE: 02/26/2014                COMPILE TIME: 16:28:51                        PAGE:      1      *
*****
*                                     SAVE INITIALS:          SAVE DEPARTMENT: 07      SAVE ID: S8B2
* -----
* SELECT CODES AND ACCUMULATION LEVELS WHERE ALLOWED.  WHEN NO CODE IS SELECTED, ALL CODES WILL BE REPORTED.
* ITEMIZATION OF EXPENDITURE:                IOE ACCUMULATION LEVEL: 0 (1=OPER/FCO, 2=IOE, 0=MERGED)
* MERGE GROUPS (Y/N): Y
* BUDGET ENTITY OR GROUP/ACCUMULATION LEVEL (DEP, DIV, BUR, SUB, LBE, MRG):
*   1-7: 43      LBE
*   8-14:
*   15-21:
*   22-27:
* EXCLUDE:
*
* PROGRAM COMPONENT/ACCUMULATION LEVEL (1, 2, 3, 4 OR 5 FOR 2, 4, 6, 8 OR 10 DIGITS, 6=MERGE POLICY, 0=MERGED):
*   5
*
* APPROPRIATION CATEGORY OR GROUP/ACCUMULATION LEVEL (1=MAJOR, 2=MINOR, 0=MERGED):
*   2
*
* FUND GROUPS SET:          OR FUND:                FUNDING SOURCE IDENTIFIER:          MERGE FSI (Y/N): N
* FCO (Y/N): Y      FTE (Y/N): Y                SALARY RATE (Y/N): Y
* -----
* ISSUE CODE OR GROUP/ACCUMULATION LEVEL (1, 2 OR 3 FOR 1, 3 OR 7 CHARACTERS, 0=MERGED):
*   3
*
* REPORT OPTION: 1          COLUMN SELECTION: A93                CODES
* 1=EAD REPORT
* 2=SCHEDULE IV/IT ISSUES          REPORT COLUMNS WITH CALCULATION DIFFERENCE ONLY (Y/N): N  THAT EXCEED:
* 3=STATEWIDE ISSUES
* 4=SCHEDULE VIIIA ISSUES
* SCHEDULE VIIIA ISSUES SPREADSHEET (Y/N): N
*
* LEVELS OF TOTALS:  (N=NO TOTAL, L=LINE TOTAL, T=BY FUND TYPE, D=BY DETAIL FUND, B=BY DETAIL FUND AND FUND TYPE,
* G=FUND GROUP LINE TOTALS, E=BY DETAIL FUND AND FUND GROUP)
* RUN: N          ITEM OF EXP: N          GROUP: N          DEPARTMENT: T          DIVISION: N          BUREAU: N
* SUB-BUREAU: N          LBE: T          POLICY AREA: N          PROG COMP: T          D3A SUM ISSUE: N          D3A DETAIL ISSUE: L
* MAJOR APP CAT: N          MINOR APP CAT: D
*
* APPROPRIATION CATEGORY TITLES: S (S=SHORT, L=LONG)          REPORT SEQUENCE: DEPT/BUDGET ENTITY: N  A=ALPHABETICAL
*                                     PROGRAM COMPONENT: N  N=NUMERICAL
* -----
* DEPARTMENT NARRATIVE SET:
* BUDGET ENTITY NARRATIVE SET:          PROGRAM COMPONENT NARRATIVE (Y/N): N
*
* ISSUE/ACTIVITY NARRATIVE SET: A5          PRIORITY ISSUE NARRATIVE SET (1-9):
*
* INCLUDE POSITION DATA (Y/N): Y
*
* INCLUDE COLUMN CODES (Y/N): Y
*
* OUTPUT FORMAT: L          PAGE BREAKS:
* L=LANDSCAPE          (IOE, GRP, DEP, DIV,          REPORT HEADING:          SCHEDULE VIIIB-2
* P=PORTRAIT          BUR, SUB, LBE, PRC,          PRIORITY LISTING FOR POSSIBLE REDUCTION
*                                     SIS, ISC)          FOR REQUEST YEAR
* -----

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* BPEADL01                               STATISTICAL INFORMATION                10/15/2014 10:09:56 *
* BUDGET PERIOD: 2005-2016              EXHIBIT A, D AND D-3A LIST REQUEST          TJM  43      SP   *
* COMPILE DATE: 02/26/2014              COMPILE TIME: 16:28:51                      PAGE:      2   *
*****
*
* TOTAL RECORDS READ FROM SORT:          159
* TOTAL RECORDS READ FROM CARD:          43
* TOTAL PAF RECORDS READ:                66
* TOTAL OAF RECORDS READ:                0
* TOTAL IEF RECORDS READ:                0
* TOTAL BGF RECORDS READ:                0
* TOTAL BEF RECORDS READ:                58
* TOTAL PCF RECORDS READ:                54
* TOTAL ICF RECORDS READ:                101
* TOTAL INF RECORDS READ:                1,716
* TOTAL ACF RECORDS READ:                11
* TOTAL FCF RECORDS READ:                11
* TOTAL FSF RECORDS READ:                10
* TOTAL PCN RECORDS READ:                0
* TOTAL BEN RECORDS READ:                0
* TOTAL DPC RECORDS READ:                122
* TOTAL RECORDS IN ERROR:                0
*
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