

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

SCHEDULE VIIIIC
PRIORITY LISTING FOR POSSIBLE
REPRIORITIZATION FOR REQUEST YEAR

SP 10/15/2014 10:10 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 A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
REPRIORITIZATION OF REEMPLOYMENT							
SERVICES - DEDUCT							3D00160
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
ADMINISTRATIVE TRUST FUND -STATE				129,411-			2021 1

AGENCY ISSUE NARRATIVE:

SCHED VIIIC REPRIORTIZN NARRATIVE:
 PRIORITY # 1

IT COMPONENT? YES

This budget is used by the Information Technology budget entity to support the computer program associated with the Reemployment Services transferred to the Department of Financial Services (DFS) from the Department of Education two years ago. This budget will no longer be needed if the Reemployment Services program is no longer in DFS. The majority of this budget is located in the Workers' Compensation budget entity - 43600100.

<u>INFO TECHNOLOGY - FLAIR</u>							43010500
GOV OPERATIONS/SUPPORT							16
<u>INFORMATION TECHNOLOGY</u>							<u>1603.00.00.00</u>
FUNDING REPRIORITIZATIONS							3D00000
FLAIR SUPPORT - ADD							3D00190
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
ADMINISTRATIVE TRUST FUND -STATE				2,000,000			2021 1

AGENCY ISSUE NARRATIVE:

SCHED VIIIC REPRIORTIZN NARRATIVE:
 PRIORITY # 1

IT COMPONENT? YES

The Division of Information Systems (DIS) requests contracted services budget authority to hire staff augmentation positions to provide support for the Florida Accounting Information System (FLAIR) while the new replacement system is being developed. The function of FLAIR application development and support is currently maintained by full time employees. FLAIR was developed in the 1970's and implemented in the 1980's. The coding language for FLAIR is outdated and the resources needed to support the application are becoming more limited. Although the department has advertised vacant positions and attended job recruitment fairs, it is still difficult to attract full time employees with accounting

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
FLAIR SUPPORT - ADD							3D00190

knowledge and experience with Natural/ADABAS since that technology isn't widely used.

The state is in the beginning stages of replacing the FLAIR system with a modern Enterprise Resource Planning (ERP) solution. During this transition, additional contracted services are needed to augment application development and support models for FLAIR sub-systems (Central Accounting, Departmental Accounting, Payroll, and the Information Warehouse) to minimize the operational risk of support for this critical application while gradually phasing out the legacy system with the FLAIR replacement initiative.

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>
FUNDING REPRIORITIZATIONS							3D00000
FLAIR SYSTEM REPLACEMENT FUNDING -							
ADD							3D00090
SPECIAL CATEGORIES							100000
FLAIR SYSTEM REPLACEMENT							100781
INSURANCE REG TF							
-STATE				678,317			2393 1

=====

AGENCY ISSUE NARRATIVE:

SCHED VIIIIC REPRIORTIZN NARRATIVE:
 PRIORITY #2

IT COMPONENT? YES

ELIMINATING THE OFFICE OF MEDICAL SERVICES WOULD PROVIDE FOR THE REPRIORITIZATION OF THE BUDGET AUTHORITY FOR THE FLAIR REPLACEMENT SYSTEM. THIS AMOUNT OF BUDGET WOULD NOT FULLY FUND THE FLAIR REPLACEMENT SYSTEM, BUT COULD PROVIDE THE AUTHORITY NEEDED FOR PART OF THE SALARY SHORTFALL.

	COL A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
REPRIORITIZATION OF ARTICLE V							
FUNDING - DEDUCT							3D00170
SALARY RATE							000000
SALARY RATE.....	378,592-						
=====							
SALARIES AND BENEFITS							010000
	6.00-						
ADMINISTRATIVE TRUST FUND -STATE		378,592-					2021 1
=====							
TOTAL: REPRIORITIZATION OF ARTICLE V							3D00170
FUNDING - DEDUCT							
TOTAL POSITIONS.....	6.00-						
TOTAL ISSUE.....		378,592-					
TOTAL SALARY RATE.....	378,592-						
=====							

AGENCY ISSUE NARRATIVE:

SCHED VIIIC REPRIORTIZN NARRATIVE: IT COMPONENT? NO
 PRIORITY # 1

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 reprioritization 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

COL A23		COL A24		COL A25		CODES
SCH VIIIC		SCH VIIIC		SCH VIIIC		
REPRIORTIZN	AMOUNT	N/R 2015-16	AMOUNT	ANZ 2015-16	AMOUNT	
POS		POS		POS		
FINANCIAL SERVICES						
PGM: FIN ACCT/PUBLIC FUNDS						43000000
ST FINAN INFO/ST AGY ACCTG						43200000
GOV OPERATIONS/SUPPORT						43200100
GOVERNMENTAL OPERATIONS						16
FUNDING REPRIORITIZATIONS						<u>1601.00.00.00</u>
REPRIORITIZATION OF ARTICLE V						3D00000
FUNDING - DEDUCT						3D00170

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.

These funds can be used to support the FLAIR System replacement (3D00090). The department has received the first year of the funding required for the new system.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A23 - SCH VIIIC REPRIORTIZN							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0005 000	6.00-					0.00	
RA00 RATE AND SALARY ADJ - NO FTE/BENEFITS							
C0010 000	0.00	378,592-			378,592-	0.00	378,592-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							378,592-
	6.00-	378,592-			378,592-		378,592-

TOTAL: GOVERNMENTAL OPERATIONS							<u>1601.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	6.00-	299,725					2000
SALARY RATE.....		378,592-					
=====							

	COL A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
REPRIORITIZATION OF REEMPLOYMENT							
SERVICES - DEDUCT							3D00160
SALARY RATE							000000
SALARY RATE.....	350,000-						
=====							
SALARIES AND BENEFITS							010000
WORKERS' COMP ADMIN TF -STATE	5.00-			350,000-			2795 1
=====							
OTHER PERSONAL SERVICES							030000
WORKERS' COMP ADMIN TF -STATE				38,466-			2795 1
=====							
EXPENSES							040000
WORKERS' COMP ADMIN TF -STATE				112,233-			2795 1
=====							
SPECIAL CATEGORIES							100000
PURCHASED CLIENT SERVICES							102933
WORKERS' COMP ADMIN TF -STATE				990,000-			2795 1
=====							
TR/DMS/HR SVCS/STW CONTRCT							107040
WORKERS' COMP ADMIN TF -STATE				1,298-			2795 1
=====							
TOTAL: REPRIORITIZATION OF REEMPLOYMENT							3D00160
SERVICES - DEDUCT							
TOTAL POSITIONS.....	5.00-						
TOTAL ISSUE.....	1,491,997-						
TOTAL SALARY RATE.....	350,000-						
=====							

AGENCY ISSUE NARRATIVE:

SCHED VIIIC REPRIORTIZN NARRATIVE:

IT COMPONENT? YES

PRIORITY # 1

	COL A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
REPRIORITIZATION OF REEMPLOYMENT							
SERVICES - DEDUCT							3D00160

Prior to the passage of CS/HB 5203 during the 2012 Legislative Session that transferred the Reemployment Services Program from the Department of Education to the Department of Financial Services, it is reported that consideration was given to potentially abolishing state government responsibility in regard to reemployment activities, and granting the authority to workers' compensation carriers.

The workers' compensation team guides injured employees in submitting requests for screening for services through the Division's web portal and informs them of documentation that should be provided to support their request. They also educate carriers on the requirements of Florida's Workers' Compensation law relating to reemployment services. To accomplish this transfer of authority, amendments to s.440.491(5)(6) and s. 440.491(6) would have to occur.

This service could be provided by a private entity in a cost effective manner. This would allow the department to reprioritize this budget into the FLAIR support issue (3D00190).

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A23 - SCH VIIIC REPRIORTIZN							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0003 000	5.00-					0.00	
RA00 RATE AND SALARY ADJ - NO FTE/BENEFITS							
C0004 000	0.00	350,000-			350,000-	0.00	350,000-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							350,000-
	5.00-	350,000-			350,000-		350,000-

	COL A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
ELIMINATION OF THE OFFICE OF MEDICAL SERVICES							3D00260
SALARY RATE							000000
SALARY RATE.....	424,590-						
=====							
SALARIES AND BENEFITS							010000
WORKERS' COMP ADMIN TF -STATE	11.00-	613,997-					2795 1
=====							
EXPENSES							040000
WORKERS' COMP ADMIN TF -STATE		64,320-					2795 1
=====							
TOTAL: ELIMINATION OF THE OFFICE OF MEDICAL SERVICES							3D00260
TOTAL POSITIONS.....	11.00-						
TOTAL ISSUE.....		678,317-					
TOTAL SALARY RATE.....	424,590-						
=====							

AGENCY ISSUE NARRATIVE:

SCHED VIIIC REPRIORTIZN NARRATIVE:
 PRIORITY # 2

IT COMPONENT? NO

Section 440.13(7)(a), F.S. would 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 department should not be involved between contract disputes between providers and carriers.

These funds could be used to continue the process of replacing the existing FLAIR system. The department did receive the first year's funding for the replacement. This budget could offset the \$15 million the department will be requesting for FY 2015-16 in issue code 3D00090.

COL A23		COL A24		COL A25		CODES
SCH VIIIIC		SCH VIIIIC		SCH VIIIIC		
REPRIORTIZN	AMOUNT	N/R 2015-16	AMOUNT	ANZ 2015-16	AMOUNT	
POS		POS		POS		

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>
FUNDING REPRIORITIZATIONS						3D00000
ELIMINATION OF THE OFFICE OF						
MEDICAL SERVICES						3D00260

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A23 - SCH VIIIIC REPRIORTIZN

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

P101 PROPOSED CLASS CODE						
C0001 001	11.00-	424,590-		186,841-	611,431-	0.00
						611,431-

TOTALS FOR ISSUE BY FUND

2795 WORKERS' COMP ADMIN TF						611,431-
	11.00-	424,590-		186,841-	611,431-	611,431-

OTHER SALARY AMOUNT

2795 WORKERS' COMP ADMIN TF						2,566-
						613,997-

TOTAL: WORKERS' COMPENSATION

BY FUND TYPE						<u>1102.02.00.00</u>
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TRUST FUNDS.....	16.00-	2,170,314-				2000
SALARY RATE.....	774,590-					

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
ESTIMATED EXPENDITURES REALIGNMENT							2000000
REALIGN BUDGET AUTHORITY FROM							
LEASE/LEASE PURCHASE OF EQUIPMENT							
TO OTHER PERSONAL SERVICES - DEDUCT							2005500
SPECIAL CATEGORIES							100000
LEASE/PURCHASE/EQUIPMENT							105281
INSURANCE REG TF							2393 1
	-STATE			1,040-			

AGENCY ISSUE NARRATIVE:
 SCHED VIIIIC REPRIORTIZN NARRATIVE: IT COMPONENT? NO
 PRIORITY #102

Budget Entity: Office of Insurance Regulations - Compliance and Enforcement

Issue Title: Reprioritization of Lease/Lease Purchase Efficiencies (DEDUCT)

Reference to Long-Range Program Plan: Goal 4: Operate in an efficient, effective and transparent manner.

Issue Description: The Office of Insurance Regulation (Office) proposes a reprioritization of the Lease/Purchase/Equipment budget category (105281) to the Other Personal Services (OPS) budget category (030000). The Lease/Purchase/Equipment budget category has had reversions the past couple of years and therefore can make a permanent transfer of appropriation to the OPS category. This transfer is due to that this was a newly created budget category starting with the 2012-2013 Fiscal Year and the original transfer from Expenses to Lease/Purchase/Equipment was over-estimated.

Projected Outcome: Due to the original over-estimation of the Lease/Purchase/Equipment budget category, the Office will add to the Other Personal Services (OPS) category to assist with the increased workload that the Office has incurred over the past couple of years.

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
ESTIMATED EXPENDITURES REALIGNMENT							2000000
REALIGN BUDGET AUTHORITY FROM							
LEASE/LEASE PURCHASE OF EQUIPMENT							
TO OTHER PERSONAL SERVICES - ADD							2005510
OTHER PERSONAL SERVICES							030000
INSURANCE REG TF							2393 1
	-STATE			1,040			

AGENCY ISSUE NARRATIVE:

SCHED VIIIIC REPRIORTIZN NARRATIVE:
 PRIORITY #102

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulations - Compliance and Enforcement

Issue Title: Reprioritization of Lease/Lease Purchase Efficiencies (ADD)

Reference to Long-Range Program Plan: Goal 4: Operate in an efficient, effective and transparent manner.

Issue Description: The Office of Insurance Regulation (Office) proposes a reprioritization of the Lease/Purchase/Equipment budget category (105281) to the Other Personal Services (OPS) budget category (030000). The Lease/Purchase/Equipment budget category has had reversions the past couple of years and therefore can make a permanent transfer of appropriation to the OPS category. This transfer is due to that this was a newly created budget category starting with the 2012-2013 Fiscal Year and the original transfer from Expenses to Lease/Purchase/Equipment was over-estimated.

Projected Outcome: Due to the original over-estimation of the Lease/Purchase/Equipment budget category, the Office will add to the Other Personal Services (OPS) category to assist with the increased workload that the Office has incurred over the past couple of years.

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
ESTIMATED EXPENDITURES REALIGNMENT							2000000
REALIGN BUDGET AUTHORITY FROM							
CONTRACTED SERVICES TO OTHER							
PERSONAL SERVICES - DEDUCT							2006500
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
INSURANCE REG TF							
-STATE				2,080-			2393 1

AGENCY ISSUE NARRATIVE:
 SCHED VIIIIC REPRIORTIZN NARRATIVE: IT COMPONENT? NO
 PRIORITY #103

Budget Entity: Office of Insurance Regulations - Compliance and Enforcement

Issue Title: Reprioritization of Office Efficiencies (DEDUCT)

Reference to Long-Range Program Plan: Goal 4: Operate in an efficient, effective and transparent manner.

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.

Due to the Office's statutorily required duties and responsibilities, the Office receives an enormous amount of documents from insurance entities. Because of the highly sensitive and confidential nature of the majority of documents that the Office receives, shredding and the disposing of documents is an important and integral part to protecting the information. The documents contain confidential information such as Taxpayer I.D. #s, personal Social Security Numbers, personal information, sensitive insurance data, and much more. After all of the documents are scanned, the documents are then ready to be shredded.

Currently, the Office is spending approximately \$3,400 annually in shredding costs. The Office believes that a reduction of \$2,080 can be realized.

Projected Outcome: With this specific savings, the Office will reprioritize and add these savings to the Other Personal Services (OPS) category to assist with the increased workload that the Office has incurred over the past couple of years.

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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							1204.00.00.00
ESTIMATED EXPENDITURES REALIGNMENT							2000000
REALIGN BUDGET AUTHORITY FROM							
CONTRACTED SERVICES TO OTHER							
PERSONAL SERVICES - ADD							2006510
OTHER PERSONAL SERVICES							030000
INSURANCE REG TF							
-STATE				2,080			2393 1

AGENCY ISSUE NARRATIVE:

SCHED VIIIIC REPRIORTIZN NARRATIVE: IT COMPONENT? NO
 PRIORITY #103

Budget Entity: Office of Insurance Regulations - Compliance and Enforcement

Issue Title: Reprioritization of Office Efficiencies (ADD)

Reference to Long-Range Program Plan: Goal 4: Operate in an efficient, effective and transparent manner.

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.

Due to the Office's statutorily required duties and responsibilities, the Office receives an enormous amount of documents from insurance entities. Because of the highly sensitive and confidential nature of the majority of documents that the Office receives, shredding and the disposing of documents is an important and integral part to protecting the information. The documents contain confidential information such as Taxpayer I.D. #s, personal Social Security Numbers, personal information, sensitive insurance data, and much more. After all of the documents are scanned, the documents are then ready to be shredded.

Currently, the Office is spending approximately \$3,400 annually in shredding costs. The Office believes that a reduction of \$2,080 can be realized.

Projected Outcome: With this specific savings, the Office will reprioritize and add these savings to the Other Personal Services (OPS) category to assist with the increased workload that the Office has incurred over the past couple of years.

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
REPRIORITIZATION OF OUTSOURCED							
EXAMINATION APPROPRIATION - DEDUCT							3D00200
SPECIAL CATEGORIES							100000
PROPERTY/CASUALTY EXAMS							100523
INSURANCE REG TF							
-STATE				300,000-			2393 1

AGENCY ISSUE NARRATIVE:

SCHED VIIIIC REPRIORTIZN NARRATIVE:

IT COMPONENT? NO

PRIORITY #101

Budget Entity: Office of Insurance Regulations - Compliance and Enforcement

Issue Title: Reprioritization of Outsourced Examination Appropriation (DEDUCT)

Reference to Long-Range Program Plan: Goal 4: Operate in an efficient, effective and transparent manner.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition The primary mission of the Office is to ensure that insurance companies licensed to do business in Florida are financially viable and are operating within the laws and regulations governing the insurance industry. The Office regulates the insurance industry and maintains expertise related to life and health, property and casualty, specialty lines, and other regulated insurance entities. It protects the public through oversight of insurance company solvency and market conduct performance. To facilitate this mission, part of the Office responsibility is to conduct financial examinations and ongoing analysis of insurance entities. The financial oversight is primarily done in two business units. The units are the Property and Casualty Financial Oversight Unit and the Life and Health Financial Oversight Unit.

The Property and Casualty Financial Oversight Unit is responsible for monitoring the financial condition of property and casualty, title insurers and self-insurance funds by conducting financial examinations and ongoing financial analysis. The Unit is primarily responsible for enforcing the provisions of Chapters 624 and 625, Florida Statutes, and applicable rules, as they relate to the review of Property and Casualty insurer solvency.

The Life and Health Financial Oversight unit monitors the financial condition of all regulated Life and Health entities through the use of internal financial analysis and on-site examinations. Entities subject to the units regulatory oversight include Life and Health insurers, fraternal benefit societies, health maintenance organizations, pre-paid limited health service organizations, pre-paid health clinics, multiple employer welfare arrangements, fiscal intermediary service organizations, discount medical plan organizations, as well as Healthflex entities that are either

	COL A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
REPRIORITIZATION OF OUTSOURCED							
EXAMINATION APPROPRIATION - DEDUCT							3D00200

licensed, authorized or otherwise approved to operate in the State of Florida.

Due to staff and budget reductions over the past several years, the Office does not have enough in-house examiner positions and therefore, has to outsource some of the financial analysis and examinations of insurance entities. This outsourcing allows the Office to use contracted examiners that have extensive investment and information technology expertise, which are desirable in our current economy. The Office has two separate appropriation budget categories for the outsourcing of the exams. The Property and Casualty Financial Oversight Unit has \$4.27 million in budget authority and the Life and Health Financial Oversight Unit has \$650,000 in budget authority. During the 2014 Legislative Session, \$375,000 was moved from the Property and Casualty Financial Oversight Unit to the Life and Health Financial Oversight Unit.

The number of examinations of Property and Casualty insurance entities have held steady over the past several years. However, the examinations of Life and Health insurance entities in Florida have increased over the past several years. Also, the number of examinations is anticipated to increase dramatically more over the next few years. Therefore, the Office is proposing the reprioritization of the current budget authority by realigning \$300,000 from the Property and Casualty Financial Oversight Outsourcing Examination appropriation to the Life and Health Financial Oversight Outsourcing Examination appropriation.

Potential Outcome: With the redirection of a portion of this budget, it will allow the Office to be prepared for the increase in examinations of the Life and Health insurance entities along with fulfilling its statutory responsibility.

REPRIORITIZATION OF OUTSOURCED							
EXAMINATION APPROPRIATION - ADD							3D00210
SPECIAL CATEGORIES							100000
LIFE AND HEALTH EXAMS							100524

INSURANCE REG TF	-STATE	300,000					2393 1
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AGENCY ISSUE NARRATIVE:

SCHED VIIIC REPRIORTIZN NARRATIVE:
 PRIORITY #101

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulations - Compliance and Enforcement

	COL A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
REPRIORITIZATION OF OUTSOURCED							
EXAMINATION APPROPRIATION - ADD							3D00210

Issue Title: Reprioritization of Outsourced Examination Appropriation (ADD)

Reference to Long-Range Program Plan: Goal 4: Operate in an efficient, effective and transparent manner.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of insurance companies licensed to do business in Florida. The primary mission of the Office is to ensure that insurance companies licensed to do business in Florida are financially viable and are operating within the laws and regulations governing the insurance industry. The Office regulates the insurance industry and maintains expertise related to life and health, property and casualty, specialty lines, and other regulated insurance entities. It protects the public through oversight of insurance company solvency and market conduct performance. To facilitate this mission, part of the Office responsibility is to conduct financial examinations and ongoing analysis of insurance entities. The financial oversight is primarily done in two business units. The units are the Property and Casualty Financial Oversight Unit and the Life and Health Financial Oversight Unit.

The Property and Casualty Financial Oversight Unit is responsible for monitoring the financial condition of property and casualty, title insurers and self-insurance funds by conducting financial examinations and ongoing financial analysis. The Unit is primarily responsible for enforcing the provisions of Chapters 624 and 625, Florida Statutes, and applicable rules, as they relate to the review of Property and Casualty insurer solvency.

The Life and Health Financial Oversight unit monitors the financial condition of all regulated Life and Health entities through the use of internal financial analysis and on-site examinations. Entities subject to the units regulatory oversight include Life and Health insurers, fraternal benefit societies, health maintenance organizations, pre-paid limited health service organizations, pre-paid health clinics, multiple employer welfare arrangements, fiscal intermediary service organizations, discount medical plan organizations, as well as Healthflex entities that are either licensed, authorized or otherwise approved to operate in the State of Florida.

Due to staff and budget reductions over the past several years, the Office does not have enough in-house examiner positions and therefore, has to outsource some of the financial analysis and examinations of insurance entities. This outsourcing allows the Office to use contracted examiners that have extensive investment and information technology expertise, which are desirable in our current economy. The Office has two separate appropriation budget categories for the outsourcing of the exams. The Property and Casualty Financial Oversight Unit has \$4.27 million in budget authority and the Life and Health Financial Oversight Unit has \$650,000 in budget authority. During the 2014 Legislative Session, \$375,000 was moved from the Property and Casualty Financial Oversight Unit to the Life and Health Financial Oversight Unit.

The number of examinations of Property and Casualty insurance entities have held steady over the past several years. However, the examinations of Life and Health insurance entities in Florida have increased over the past several years.

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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							1204.00.00.00
FUNDING REPRIORITIZATIONS							3D00000
REPRIORITIZATION OF OUTSOURCED							
EXAMINATION APPROPRIATION - ADD							3D00210

Also, the number of examinations is anticipated to increase dramatically more over the next few years. Therefore, the Office is proposing the reprioritization of the current budget authority by realigning \$300,000 from the Property and Casualty Financial Oversight Outsourcing Examination appropriation to the Life and Health Financial Oversight Outsourcing Examination appropriation.

Potential Outcome: With the redirection of a portion of this budget, it will allow the Office to be prepared for the increase in examinations of the Life and Health insurance entities along with fulfilling its statutory responsibility.

OFFICE OF FINANCIAL REG							43900500
SFTY & SOUND ST BKG SYST							43900530
PUBLIC PROTECTION							12
REGULATION AND LICENSING							1204.00.00.00
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES IN SAFETY AND							
SOUNDNESS STATE BANKING SYSTEM							
BUDGET ENTITY - DEDUCT							3D00100
SALARY RATE							000000
SALARY RATE.....	56,180-						
	=====	=====	=====				
SALARIES AND BENEFITS							010000
FINANCIAL INST REG TF	-STATE	1.00-	75,806-				2275 1
		=====	=====	=====			
EXPENSES							040000
FINANCIAL INST REG TF	-STATE		1,800-				2275 1
		=====	=====	=====			
SPECIAL CATEGORIES							100000
TR/DMS/HR SVCS/STW CONTRCT							107040
FINANCIAL INST REG TF	-STATE		344-				2275 1
		=====	=====	=====			

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES IN SAFETY AND SOUNDNESS STATE BANKING SYSTEM BUDGET ENTITY - DEDUCT							3D00100
TOTAL: REDIRECT RESOURCES IN SAFETY AND SOUNDNESS STATE BANKING SYSTEM BUDGET ENTITY - DEDUCT							3D00100
TOTAL POSITIONS.....	1.00-						
TOTAL ISSUE.....		77,950-					
TOTAL SALARY RATE.....	56,180-						

AGENCY ISSUE NARRATIVE:

SCHED VIIIIC REPRIORTIZN NARRATIVE:
 Priority #203

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: Senior Division management will reprioritize the consumer complaint program/activity by transferring responsibility for this program to the Consumer Financial Protection Bureau (CFPB). The CFPB was created in 2011 and is an independent federal agency that is responsible for regulating consumer protection with regard to financial products and services in the United States. The CFPB developed a website in February 2011 to accept complaints and promote fairness and transparency for mortgages, credit cards, and other consumer financial products and services. The Division currently has one FTE (a Financial Specialist) who responds to consumer complaints and related inquiries (for state-chartered financial institutions) via written contact with the institutions to determine if any Florida Financial Institutions Laws were violated in association with the complaint.

The CFPB has a \$447.7 million annual budget with 945 employees dedicated to protecting citizens by monitoring financial complaints. A significant benefit of using the CFPB is that complaint data will be collected and shared with state and federal law enforcement agencies to protect citizens from fraud or unfair practices in the financial industry. The Division's Financial Specialist position will be better utilized as field examiner, conducting examinations of state-chartered financial institutions as required by Florida Statutes.

Ultimate Outcome: The Division will reprioritize the one FTE Financial Specialist, PG025, (Salary and Benefits of \$75,806), currently responding to consumer complaints to a field examiner position. By transferring the position to the field, the Division will dedicate its resources to examining financial institutions to ensure they are operating in a safe and sound manner.

COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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
FUNDING REPRIORITIZATIONS						3D00000
REDIRECT RESOURCES IN SAFETY AND SOUNDNESS STATE BANKING SYSTEM						3D00100
BUDGET ENTITY - DEDUCT						

Issue code 3D00110 includes the "add back" portion of this proposal.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A23 - SCH VIIIIC REPRIORTIZN							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C2006 001	1.00-	56,180-		19,626-	75,806-	0.00	75,806-
TOTALS FOR ISSUE BY FUND							
2275 FINANCIAL INST REG TF							75,806-
	1.00-	56,180-		19,626-	75,806-		75,806-

REDIRECT RESOURCES IN SAFETY AND
 SOUNDNESS STATE BANKING SYSTEM
 BUDGET ENTITY - ADD
 SALARY RATE

3D00110
 000000

SALARY RATE..... 56,180

=====

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES IN SAFETY AND SOUNDNESS STATE BANKING SYSTEM							
BUDGET ENTITY - ADD							3D00110
SALARIES AND BENEFITS							010000
FINANCIAL INST REG TF -STATE	1.00			75,806			2275 1
EXPENSES							040000
FINANCIAL INST REG TF -STATE				1,800			2275 1
SPECIAL CATEGORIES							100000
TR/DMS/HR SVCS/STW CONTRCT							107040
FINANCIAL INST REG TF -STATE				344			2275 1
TOTAL: REDIRECT RESOURCES IN SAFETY AND SOUNDNESS STATE BANKING SYSTEM							3D00110
BUDGET ENTITY - ADD							
TOTAL POSITIONS.....	1.00						
TOTAL ISSUE.....				77,950			
TOTAL SALARY RATE.....	56,180						

AGENCY ISSUE NARRATIVE:

SCHED VIIIIC REPRIORTIZN NARRATIVE:

IT COMPONENT? NO

Priority #203

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: Senior Division management will reprioritize the consumer complaint program/activity by transferring responsibility for this program to the Consumer Financial Protection Bureau (CFPB). The CFPB was created in 2011 and is an independent federal agency that is responsible for regulating consumer protection with regard to financial products and services in the United States. The CFPB developed a website in February 2011 to accept complaints and promote fairness and transparency for mortgages, credit cards, and other consumer financial products and services. The

	COL A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES IN SAFETY AND SOUNDNESS STATE BANKING SYSTEM							
BUDGET ENTITY - ADD							3D00110

Division currently has one FTE (a Financial Specialist) who responds to consumer complaints and related inquiries (for state-chartered financial institutions) via written contact with the institutions to determine if any Florida Financial Institutions Laws were violated in association with the complaint.

The CFPB has a \$447.7 million annual budget with 945 employees dedicated to protecting citizens by monitoring financial complaints. A significant benefit of using the CFPB is that complaint data will be collected and shared with state and federal law enforcement agencies to protect citizens from fraud or unfair practices in the financial industry. The Division's Financial Specialist position will be better utilized as field examiner, conducting examinations of state-chartered financial institutions as required by Florida Statutes.

Ultimate Outcome: The Division will reprioritize the one FTE Financial Specialist, PG025, (Salary and Benefits of \$75,806), currently responding to consumer complaints to a field examiner position. By transferring the position to the field, the Division will dedicate its resources to examining financial institutions to ensure they are operating in a safe and sound manner.

Issue code 3D00100 includes the "deduct" portion of this proposal.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A23 - SCH VIIIC REPRIORTIZN							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C2005 001	1.00	56,180		19,626	75,806	0.00	75,806
TOTALS FOR ISSUE BY FUND							
2275 FINANCIAL INST REG TF							75,806
	1.00	56,180		19,626	75,806		75,806

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES FROM SECURITIES							
REGULATION TO FINANCIAL							
INVESTIGATIONS - ADD							3D00150
SALARY RATE							000000
SALARY RATE.....	112,775						
=====							
SALARIES AND BENEFITS							010000
ADMINISTRATIVE TRUST FUND -STATE	3.00			163,278			2021 1
=====							
EXPENSES							040000
ADMINISTRATIVE TRUST FUND -STATE				5,400			2021 1
=====							
SPECIAL CATEGORIES							100000
TR/DMS/HR SVCS/STW CONTRCT							107040
ADMINISTRATIVE TRUST FUND -STATE				1,032			2021 1
=====							
TOTAL: REDIRECT RESOURCES FROM SECURITIES							3D00150
REGULATION TO FINANCIAL							
INVESTIGATIONS - ADD							
TOTAL POSITIONS.....	3.00						
TOTAL ISSUE.....				169,710			
TOTAL SALARY RATE.....	112,775						
=====							

AGENCY ISSUE NARRATIVE:
 SCHED VIIIIC REPRIORTIZN NARRATIVE:
 Priority #201

IT COMPONENT? NO

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 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 three (3) full-time employees without adversely impacting the program. The Office has determined that a proactive approach to regulation will better serve the agency and recommends the creation of an intelligence unit within the Bureau of Financial Investigations. This newly

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	AMOUNT	CODES
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>
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES FROM SECURITIES							
REGULATION TO FINANCIAL							
INVESTIGATIONS - ADD							3D00150

formed unit would be used to conduct research and collect and analyze data and information in an attempt to proactively identify risks and pinpoint misconduct. The job of separating vital data from useless information has grown harder as the volume of information available to OFR has grown throughout the years and as the industries regulated by OFR rapidly evolve and bring new products to the marketplace. In addition, information that could inform OFR's regulatory efforts is dispersed through many different datasets including publicly available sources.

Ultimate Outcome: Transfers 3 FTEs from the 43900570 Division of Securities Regulation to the 43900540 - Bureau of Financial Investigations for creation of an intelligence unit to conduct research and collect and analyze data and information in an attempt to proactively identify risks and pinpoint misconduct.

Issue code 3D00140 is the "deduct" portion of this proposal.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A23 - SCH VIIIIC REPRIORTIZN							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C2001 001	3.00	112,775		50,503	163,278	0.00	163,278
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							163,278
	3.00	112,775		50,503	163,278		163,278

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	AMOUNT	CODES
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>
TOTAL: REGULATION AND LICENSING							<u>1204.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	3.00			169,710			2000
SALARY RATE.....				112,775			
=====							
FINANCE REGULATION							43900560
PUBLIC PROTECTION							12
REGULATION AND LICENSING							<u>1204.00.00.00</u>
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES WITHIN THE							
FINANCE REGULATION BUDGET ENTITY -							
DEDUCT							3D00120
SALARY RATE							000000
SALARY RATE.....				112,775-			
=====							
SALARIES AND BENEFITS							010000
REGULATORY TRUST FUND	3.00-			163,278-			2573 1
-STATE							
=====							
EXPENSES							040000
REGULATORY TRUST FUND				5,400-			2573 1
-STATE							
=====							
SPECIAL CATEGORIES							100000
TR/DMS/HR SVCS/STW CONTRCT							107040
REGULATORY TRUST FUND				1,032-			2573 1
-STATE							
=====							
TOTAL: REDIRECT RESOURCES WITHIN THE							3D00120
FINANCE REGULATION BUDGET ENTITY -							
DEDUCT							
TOTAL POSITIONS.....	3.00-						
TOTAL ISSUE.....				169,710-			
TOTAL SALARY RATE.....				112,775-			
=====							

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	AMOUNT	CODES
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
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES WITHIN THE							
FINANCE REGULATION BUDGET ENTITY -							
DEDUCT							3D00120

AGENCY ISSUE NARRATIVE:

SCHED VIIIIC REPRIORTIZN NARRATIVE: IT COMPONENT? NO
 Priority #202

- 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 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 reprioritizing program activities the division would discontinue the servicing of the priority complaints and redirecting staffing resources for this activity to field examinations. The redirection of staff would yield an estimated 150 additional field examinations. This will allow the office to direct more focus towards activities that yield greater consumer protection and detection of fraudulent activities.

The office would need to seek changes to Part VI of Chapter 559, Florida Statues, to repeal a mandate to process consumer complaints.

Ultimate Outcome: Discontinue servicing priority complaints and redirect three (3) FTE's to field examinations. This would be accomplished by moving three (3) Financial Examiner/Analyst II positions within the Bureau of Enforcement.

Issue code 3D00130 is "add back" portion of this proposal.

	COL A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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>
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES WITHIN THE							
FINANCE REGULATION BUDGET ENTITY -							
DEDUCT							3D00120

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A23 - SCH VIIIC REPRIORTIZN							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C2004 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-

REDIRECT RESOURCES WITHIN THE							
FINANCE REGULATION BUDGET ENTITY -							
ADD							3D00130
SALARY RATE							000000
SALARY RATE.....	112,775						
SALARIES AND BENEFITS							010000
REGULATORY TRUST FUND	3.00						
-STATE		163,278					2573 1

	COL A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	AMOUNT	CODES
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
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES WITHIN THE							
FINANCE REGULATION BUDGET ENTITY -							
ADD							3D00130
EXPENSES							040000
REGULATORY TRUST FUND -STATE				5,400			2573 1
=====							
SPECIAL CATEGORIES							100000
TR/DMS/HR SVCS/STW CONTRCT							107040
REGULATORY TRUST FUND -STATE				1,032			2573 1
=====							
TOTAL: REDIRECT RESOURCES WITHIN THE							3D00130
FINANCE REGULATION BUDGET ENTITY -							
ADD							
TOTAL POSITIONS.....	3.00						
TOTAL ISSUE.....		169,710					
TOTAL SALARY RATE.....	112,775						
=====							

AGENCY ISSUE NARRATIVE:

SCHED VIIIC REPRIORTIZN NARRATIVE:
 Priority #202

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 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 reprioritizing program activities the division would discontinue the servicing of the priority complaints and redirecting staffing resources for this activity to field examinations. The redirection of staff would yield an estimated 150 additional field examinations. This will allow the office to direct more focus towards activities that

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	AMOUNT	CODES
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
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES WITHIN THE							
FINANCE REGULATION BUDGET ENTITY -							
ADD							3D00130

yield greater consumer protection and detection of fraudulent activities.

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: Discontinue servicing priority complaints and redirect three (3) FTE's to field examinations. This would be accomplished by moving three (3) Financial Examiner/Analyst II positions within the Bureau of Enforcement.

Issue code 3D00120 is "deduct" portion of this proposal.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A23 - SCH VIIIIC REPRIORTIZN							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C2003 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

	COL A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES FROM SECURITIES							
REGULATION TO FINANCIAL							
INVESTIGATIONS - DEDUCT							3D00140
SALARY RATE							000000
SALARY RATE.....				112,775-			
=====							
SALARIES AND BENEFITS							010000
REGULATORY TRUST FUND	-STATE			3.00-	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			1,032-			2573 1
=====							
TOTAL: REDIRECT RESOURCES FROM SECURITIES							3D00140
REGULATION TO FINANCIAL							
INVESTIGATIONS - DEDUCT							
TOTAL POSITIONS.....				3.00-			
TOTAL ISSUE.....					169,710-		
TOTAL SALARY RATE.....				112,775-			
=====							

AGENCY ISSUE NARRATIVE:
 SCHED VIIIC REPRIORTIZN NARRATIVE:
 Priority #201

IT COMPONENT? NO

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 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 three (3) full-time employees without adversely impacting the program. The Office has determined that a proactive approach to regulation will better serve the agency and recommends the creation of an intelligence unit within the Bureau of Financial Investigations. This newly

	COL A23 SCH VIIIC REPRIORTIZN POS	COL A24 SCH VIIIC N/R 2015-16 POS	COL A25 SCH VIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	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
FUNDING REPRIORITIZATIONS							3D00000
REDIRECT RESOURCES FROM SECURITIES							
REGULATION TO FINANCIAL							
INVESTIGATIONS - DEDUCT							3D00140

formed unit would be used to conduct research and collect and analyze data and information in an attempt to proactively identify risks and pinpoint misconduct. The job of separating vital data from useless information has grown harder as the volume of information available to OFR has grown throughout the years and as the industries regulated by OFR rapidly evolve and bring new products to the marketplace. In addition, information that could inform OFR's regulatory efforts is dispersed through many different datasets including publicly available sources.

Ultimate Outcome: Transfers 3 FTEs from the 43900570 Division of Securities Regulation to the 43900540 - Bureau of Financial Investigations for creation of an intelligence unit to conduct research and collect and analyze data and information in an attempt to proactively identify risks and pinpoint misconduct.

Issue code 3D00150 is the "add back" portion of this proposal.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A23 - SCH VIIIC REPRIORTIZN							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C2002 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-

	COL A23 SCH VIIIIC REPRIORTIZN POS	COL A24 SCH VIIIIC N/R 2015-16 POS	COL A25 SCH VIIIIC ANZ 2015-16 POS	AMOUNT	AMOUNT	AMOUNT	CODES
FINANCIAL SERVICES							43000000
PGM: FINANCIAL SVCS COMM							43900000
OFFICE OF FINANCIAL REG							43900500
<u>SECURITIES REGULATION</u>							43900570
<u>PUBLIC PROTECTION</u>							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							
TRUST FUNDS.....	3.00-				169,710-		2000
SALARY RATE.....	112,775-						
TOTAL: FINANCIAL SERVICES							43000000
BY FUND TYPE							
SALARY RATE.....	22.00-				1,153,182-		

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* BPEADL01                               STATISTICAL INFORMATION                               10/15/2014 10:10:07 *
* 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: S8C
* -----
* 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: A23      A24      A25      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: A6                PRIORITY ISSUE NARRATIVE SET (1-9):
*
* INCLUDE POSITION DATA (Y/N): Y
*
* INCLUDE COLUMN CODES (Y/N): Y
*
* OUTPUT FORMAT: L                PAGE BREAKS:                REPORT HEADING:                SCHEDULE VIIIC
* L=LANDSCAPE                (IOE, GRP, DEP, DIV,                BUR, SUB, LBE, PRC,                PRIORITY LISTING FOR POSSIBLE
* P=PORTRAIT                SIS, ISC)                REPRIORITIZATION FOR REQUEST YEAR
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* BPEADL01                               STATISTICAL INFORMATION                10/15/2014 10:10:07 *
* 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:          53
* TOTAL RECORDS READ FROM CARD:          43
* TOTAL PAF RECORDS READ:                11
* TOTAL OAF RECORDS READ:                1
* TOTAL IEF RECORDS READ:                0
* TOTAL BGF RECORDS READ:                0
* TOTAL BEF RECORDS READ:                20
* TOTAL PCF RECORDS READ:                18
* TOTAL ICF RECORDS READ:                28
* TOTAL INF RECORDS READ:                417
* TOTAL ACF RECORDS READ:                12
* TOTAL FCF RECORDS READ:                6
* TOTAL FSF RECORDS READ:                10
* TOTAL PCN RECORDS READ:                0
* TOTAL BEN RECORDS READ:                0
* TOTAL DPC RECORDS READ:                22
* TOTAL RECORDS IN ERROR:                0
*
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