

BPEADL01 LAS/PBS SYSTEM
BUDGET PERIOD: 2007-2018
STATE OF FLORIDA

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

SP 10/14/2016 09:59 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

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) - OFFICE OF PUBLICATIONS		33V0460
SALARY RATE		000000
SALARY RATE.....	179,057-	
=====		
SALARIES AND BENEFITS		010000
	4.00-	
ADMINISTRATIVE TRUST FUND -STATE	254,980-	2021 1
=====		
TOTAL: REDUCE POSITION(S) - OFFICE OF PUBLICATIONS		33V0460
TOTAL POSITIONS.....	4.00-	
TOTAL ISSUE.....	254,980-	
TOTAL SALARY RATE.....	179,057-	
=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 005

IT COMPONENT? NO

This issue proposes a reduction of four 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.

This reduction will necessitate scaling back or eliminating nearly all of the publication services currently provided to the department, Office of Financial Regulation (OFR) and Office of Insurance Regulation (OIR).

This reduction may 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.

COL A93 SCH VIII B-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) - OFFICE OF PUBLICATIONS		33V0460

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIII B-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	4.00-	179,057-		75,923-	254,980-	0.00	254,980-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							254,980-
	4.00-	179,057-		75,923-	254,980-		254,980-

REDUCE POSITION(S) - BUREAU OF GENERAL SERVICES - ADMINISTRATION							33V2100
SALARY RATE							000000
SALARY RATE.....	54,329-						
=====							
SALARIES AND BENEFITS	3.00-						010000
ADMINISTRATIVE TRUST FUND -STATE		99,141-					2021 1
=====							
TOTAL: REDUCE POSITION(S) - BUREAU OF GENERAL SERVICES - ADMINISTRATION							33V2100
TOTAL POSITIONS.....	3.00-						
TOTAL ISSUE.....		99,141-					
TOTAL SALARY RATE.....	54,329-						
=====							

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		
GENERAL SERVICES - ADMINISTRATION		33V2100

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 006

IT COMPONENT? NO

This issue proposes a reduction of three filled positions and associated budget from the Bureau of General Services, Receptionist/Parking Section, from within the Division of Administration. The purpose of the Receptionist team is to serve as a front desk receptionist at two of the department's buildings (Fletcher and Larson Buildings). The primary responsibilities of the receptionists are to greet visitors to either building, determine the purpose of the visit, contact the appropriate individual(s) from within the Fletcher or Larson Building, and ensure that all visitors are escorted by department personnel once inside the building. A secondary responsibility of the receptionists is to answer/route incoming phone calls into the department's main phone number.

This reduction will either require the department to contract out for these services, or eliminate the service entirely. Although not placed in the buildings as a security measure, these positions provide a monitoring function, with access to law enforcement, in the event of an emergency.

If eliminated entirely, this reduction would impact the ability of the department to monitor both the Fletcher and Larson Buildings, exposing both to a greater security risk. If the department contracted for these services, it is unlikely that it could be accomplished for a cost less than the costs associated with the salary and benefits of the three positions being eliminated.

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	3.00-	54,329-	44,812-	99,141-	0.00	99,141-

COL A93 SCH VIIIIB-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 VIIIIB-2 REDUCTIONS						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						
2021 ADMINISTRATIVE TRUST FUND						99,141-
3.00-	54,329-		44,812-	99,141-		99,141-

REDUCE POSITION(S) - PRINTING SERVICES		33V2200
SALARY RATE		000000
SALARY RATE.....	37,636-	
=====		
SALARIES AND BENEFITS		010000
ADMINISTRATIVE TRUST FUND -STATE	2.00- 67,725-	2021 1
=====		
TOTAL: REDUCE POSITION(S) - PRINTING SERVICES		33V2200
TOTAL POSITIONS.....	2.00-	
TOTAL ISSUE.....	67,725-	
TOTAL SALARY RATE.....	37,636-	
=====		

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 007

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>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - PRINTING SERVICES		33V2200

This issue proposes a reduction of two filled positions and associated budget from the Bureau of General Services, Printing Services team, from within the Division of Administration. The purpose of the Printing Services team is to support the department by providing various print services, including two and three-color production, booklets/brochures, bindery, folding, high speed duplication, and in-house printing of letterhead and envelopes for department use.

These two positions represent 40 percent of the entire team. The reduction will impact the number, type, and timely completion and distribution of printing services requested by the department's divisions, as well as the Office of Financial Regulation (OIR) and Office of Insurance Regulation (OFR). It will necessitate scaling back or eliminating a large percentage of the printing services currently provided to the department, OFR and OIR.

This reduction may 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.

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-	37,636-		30,089-	67,725-	0.00	67,725-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							67,725-
	2.00-	37,636-		30,089-	67,725-		67,725-

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>
TOTAL: EXEC LEADERSHIP/SUPPRT SVC		<u>1602.00.00.00</u>
BY FUND TYPE		
	9.00-	
TRUST FUNDS.....	421,846-	2000
SALARY RATE.....	271,022-	
=====		
<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	24,000-	2021 1
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AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 014

IT COMPONENT? YES

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

Annually, OIT 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, 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 form factor and wireless components. It is common to see many participates 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.

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 REEMPLOYMENT SERVICES		
PROGRAM		33V2250
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	172,800-	2021 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 049

IT COMPONENT? YES

This issue is associated with the same issue code in the Division of Workers' Compensation (DWC). The DWC issue eliminates five positions and the Reemployment/Client Services program from the Division of Workers' Compensation, and moves these services to the private sector. This move will require legislative changes to ss. 440.491(5) and ss. 440.491(6), Florida Statutes. This issue eliminates the budget authority Information Technology received of 10,203 in expenses and 172,800 in contracted services for the purpose of continued support of the ARAMIS computer system used in the program.

During the 2012 Legislative Session, House Bill 5203 transferred the Reemployment/Client Services program to the Department of Financial Services (DFS) from the Department of Education, effective July 1, 2012. When the program transferred to DFS, the anticipated expenditures were developed by reviewing the model operated by DOE, estimating the amount of injured workers served, and expenditures of the program over the previous four years. Program budget authority was transferred via budget amendments providing Workers' Compensation 401,840 in the other personnel services (OPS) category; 112,233 in expenses; and 2,400,000 in the special category of purchased client services. Since Fiscal Year 2012-13, Workers' Compensation has received reductions of 200K in OPS, and 1.4M in the special category because of program efficiencies.

This reduction will abolish the department's responsibility to provide reemployment services to injured workers as well as maintaining this portion of the ARAMIS system. Eliminating the program results in a reduction of five full time equivalent (FTE) positions, the remaining OPS and special category funding in Workers' Compensation; and contracted services in Information Technology.

This issue corresponds with the same issue code in the Workers' Compensation budget entity.

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	180,015-	2021 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 016

IT COMPONENT? YES

This issue eliminates the Gartner subscription which provides research backed analysis and support for department-wide decision making and risk avoidance activities. The Office of Information Technology (OIT) 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 information technology (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 OIT 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, thus making the department more dependent on IT vendors should this reduction be taken. 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.

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
REDUCE COMPANIES AND RELATED		
ENTITIES NAVIGATOR (COREN) STAFF		
AUGMENTATION		33V3240
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	156,842-	2021 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 017

IT COMPONENT? YES

The Office of Information Technology (OIT) develops and maintains a large inventory of Information Systems applications to 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. OIT currently holds a staff augmentation contract for a resource who supports OIR's 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, OIT will be unable to meet obligations to its customers, and this may jeopardize OIR's statutory responsibility.

REDUCE CASHIER'S OFFICE DEPOSIT
 AUTOMATION (CODA) STAFF
 AUGMENTATION
 SPECIAL CATEGORIES
 CONTRACTED SERVICES

33V3250
 100000
 100777

ADMINISTRATIVE TRUST FUND -STATE 173,502-

2021 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 018

IT COMPONENT? YES

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
REDUCE CASHIER'S OFFICE DEPOSIT		
AUTOMATION (CODA) STAFF		
AUGMENTATION		33V3250

This issue eliminates the contract position that supports the department's new Cashier's Office Deposit Automation (CODA) system. This position spends 100 percent of its time performing ongoing enhancement and maintenance including server migration, code updates, and any changes needed due to changes associated with financial institutions.

CODA is made up of two main 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. Because all ecommerce applications connect to this system, a break in the system would result in a halt to the department's ecommerce business.

REDUCE PUBLIC ASSISTANCE		
FRAUD/AUTOMATED INVESTIGATIVE		
MANAGEMENT SYSTEM (PAF/AIM) STAFF		
AUGMENTATION		33V3260
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	373,675-	2021 1
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 019

IT COMPONENT? YES

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
REDUCE PUBLIC ASSISTANCE		
FRAUD/AUTOMATED INVESTIGATIVE		
MANAGEMENT SYSTEM (PAF/AIM) STAFF		
AUGMENTATION		33V3260

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 eight 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 section 626.989, Florida Statutes.

REDUCE TIGER TEAM STAFF		
AUGMENTATION		33V3270
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	1,262,952-	2021 1

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AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 051

IT COMPONENT? YES

The Office of Information Technology (OIT) has a large inventory of information system applications to support its core business. There are seven staff augmentation contract positions, referred to as the Tiger Team, that support application

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
REDUCE TIGER TEAM STAFF		
AUGMENTATION		33V3270

development for the Division of Insurance Agent and Agency Services (AAS) applications; the Division of Funeral, Cemetery and Consumer Services (FCCS), and State Fire Marshal (SFM) licensing applications.

Applications among these three division are ALIS (Agent and Agency Services Indexing capture); FAC (FCCS 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/FCCS 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 is a distinct group that works on licensing applications with different project activities than those associated with the staff augmented positions working on system project activities. They provide continued maintenance and enhancements to existing systems with currently over 300 requests across all three divisions.

The Tiger Team's current development activities for FCCS include developing an Online Renewal Application process, and the conversion of five critical business systems from division supported Access applications to web applications supported by OIT. For SFM development, refining ecommerce processes and planning to rewrite FCDICE; and for AAS, development and modifications to existing systems to comply with the National Association of Insurance Commissioners (NAIC) and the National Insurance Producer Registry (NIPR) regulations.

ELIMINATE BMC SOFTWARE AGREEMENT		33V3280
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777

ADMINISTRATIVE TRUST FUND -STATE	95,410-	2021 1
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AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 050

IT COMPONENT? YES

The Office of Information Technology (OIT) service contract with BMC Database Administration (BMC Software, Inc.) for Mainframe Software Maintenance is critical to the long-term performance of the mainframe operating system located in the Fletcher building as it provides support for the department's critical applications located on the mainframe associated with Database Administration, Database Performance, MainView for DB2, BMC Control-M Workload Automation Select (Task), and Recovery Management. The mainframe houses mission-critical applications such as the Florida Accounting and

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
ELIMINATE BMC SOFTWARE AGREEMENT		33V3280

Information Resource Subsystem (FLAIR), the Cash Management System (CMS Treasury), the Unclaimed Property Management Information System (UPMIS) and the Legislative appropriation tracking system (LAS/PBS).

Elimination of the software maintenance service contract for the software maintenance for BMC Database 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. Security patches to protect the mainframe environment against data breaches (Heartbleed attack) would be discontinued. BMC 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. Receiving a Subject Matter Expert (SME) 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 accessing FLAIR information, Treasury to log and post deposits and receipts and send/receive files from FLAIR, the public vendor community expecting the processing of payments, and Worker's Compensation processing claims as mainframe software systems comprise the backbone for the Florida Financial Management Information System.

The FLAIR budget entity also has a reduction for the BMC Database Administration contract: 235,577 GR; 25,023 TF

REDUCE SOFTWARE AG USA, INC.		
CONTRACT		33V3290
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	135,511-	2021 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 048

IT COMPONENT? YES

The Office of Information Technology (OIT) service contract with Software AG USA, Inc. is critical to the long-term performance of the mainframe operating system located in the Fletcher building as it provides maintenance support for the department's critical applications located on the mainframe and Workstation licenses. The mainframe houses mission-critical applications such as the Florida Accounting and Information Resource Subsystem (FLAIR), the Cash Management System (CMS Treasury), the Unclaimed Property Management Information System (UPMIS) and the Legislative appropriation tracking system (LAS/PBS).

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
REDUCE SOFTWARE AG USA, INC.		
CONTRACT		33V3290

Reducing the software maintenance service contract for the Software AG 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. Security patches to protect the mainframe environment against data breaches (Heartbleed attack) would be discontinued.

FLAIR budget entity also has a reduction for the Software AG service agreement contract: 1.1M GR

TOTAL: INFORMATION TECHNOLOGY		<u>1603.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	2,574,707-	2000
	=====	
<u>CONSUMER ADVOCATE</u>		43010400
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN CONSUMER ADVOCATE		
PROGRAM		33V5000
OTHER PERSONAL SERVICES		030000
INSURANCE REG TF	-STATE 61,000-	2393 1
	=====	
EXPENSES		040000
INSURANCE REG TF	-STATE 35,797-	2393 1
	=====	
OPERATING CAPITAL OUTLAY		060000
INSURANCE REG TF	-STATE 2,000-	2393 1
	=====	

COL A93			
SCH VIIIIB-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			1602.00.00.00
PROGRAM REDUCTIONS			33V0000
REDUCTION IN CONSUMER ADVOCATE			
PROGRAM			33V5000
SPECIAL CATEGORIES			100000
LEASE/PURCHASE/EQUIPMENT			105281
INSURANCE REG TF	-STATE	1,888-	2393 1
		=====	
TOTAL: REDUCTION IN CONSUMER ADVOCATE			33V5000
PROGRAM			
TOTAL ISSUE.....		100,685-	
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 023

IT COMPONENT? NO

This issue is an overall reduction to the daily operations of the Office of the Insurance Consumer Advocate (OICA). The Consumer Advocate is committed to finding solutions to the insurance problems facing Floridians, calling attention to questionable insurance practices, and ensuring that the market responds to the needs of Florida's diverse population. The Consumer Advocate represents Florida's citizens on insurance matters before the Department of Financial Services (DFS), the Office of Insurance Regulation (OIR), the Division of Administrative Hearings, and statutorily created Boards and Commissions.

Activities of the OICA include the examination and monitoring of insurance rate and form filings; identifying insurance company trends or business practices that affect consumers; advocate positions and make recommendations in the best interest of insurance consumers; and to serve Floridians by actively engaging with consumers and working with stakeholders to find consumer focused solutions on all insurance matters. The OICA is measured on the time it takes to respond to and/or transfer consumer cases that are referred to the office and the percentage of rate filings subject to public hearing that are reviewed by the OICA. These measurements are part of the OICA's Long Range Program Plan and play an integral part in demonstrating the efficiency and involvement the OICA has in insurance matters impacting Florida consumers.

The reduction of other personnel services (OPS) budget authority represents a 99 percent decrease in the category. This authority is used for OPS employees who serve a critical role in assisting the Consumer Advocate. OPS employees provide an invaluable level of support for helping the Consumer Advocate meet and reach out to Florida consumers to listen to their insurance concerns and discuss current insurance trends. A reduction of this magnitude will impact the level of service that can be afforded to Florida consumers.

The OICA expenses category is used for day to day office operations, supplies, postage, rent and travel. Rent represents 50 percent of the expenses category and travel represents 21 percent; the remaining 28 percent is for daily operations.

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
REDUCTION IN CONSUMER ADVOCATE		
PROGRAM		33V5000

This issue reduces the expenses category by 52 percent, which could interfere with daily operations of the OICA.

This issue also includes a reduction in operating capital outlay of 50 percent, and a 100 percent reduction in the lease or lease purchase of equipment. During Fiscal Year 2015-16, the OICA completed an analysis and determined that it was more cost effective to purchase a printer/copier to meet all office needs, rather than to continue to lease the equipment.

A reduction of 100,685 in budget authority for the OICA would hinder the Consumer Advocate in responding to consumer correspondence received and meeting with consumers and holding consumer outreach events or public forums. The Consumer Advocate would be unable to participate in insurance related committees and conferences that are vital to the OICAs statutory duties and duty to represent and protect the interests of Florida's consumers. During the past fiscal year, the OICA responded to 209 consumer cases. These cases included consumers referred to the OICA by Florida's Senators and Representatives, as well as Florida's Chief Financial Officer. During the 2016 Legislative session, the OICA followed and monitored 67 House and Senate Bills. This included attending and listening to the committees assigned to the bills, performing analysis on the bills and amendments to the bills, as well as reviewing the bills to assess the impact on Florida consumers. Along with the consumer outreach events, the OICA held two public forums during the fiscal year regarding major insurance trends in Florida: Balance Billing and Water Loss Claims.

TOTAL: EXEC LEADERSHIP/SUPPRT SVC		<u>1602.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	100,685-	2000
=====		

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
REDUCE SOFTWARE AG USA, INC.			
CONTRACT			33V3290
SPECIAL CATEGORIES			100000
CONTRACTED SERVICES			100777
GENERAL REVENUE FUND	-STATE	1,021,406-	1000 1
		=====	

AGENCY ISSUE NARRATIVE:
SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? YES
PRIORITY # 065

The Office of Information Technology (OIT) service contract with Software AG USA, Inc. is critical to the long-term performance of the mainframe operating system located in the Fletcher building as it provides maintenance support for the department's critical applications located on the mainframe and Workstation licenses. The mainframe houses mission-critical applications such as the Florida Accounting and Information Resource Subsystem (FLAIR), the Cash Management System (CMS Treasury), the Unclaimed Property Management Information System (UPMIS) and the Legislative appropriation tracking system (LAS/PBS).

Reducing the software maintenance service contract for the Software AG 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. Security patches to protect the mainframe environment against data breaches (Heartbleed attack) would be discontinued.

Information Technology budget entity also has a reduction for the Software AG service agreement contract: 135,511 TF

REDUCE COMPUTER ASSOCIATES SOFTWARE			33V3330
AGREEMENT			100000
SPECIAL CATEGORIES			100777
CONTRACTED SERVICES			

ADMINISTRATIVE TRUST FUND	-STATE	38,500-	2021 1
		=====	

AGENCY ISSUE NARRATIVE:
SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? YES
PRIORITY # 047

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
REDUCE COMPUTER ASSOCIATES SOFTWARE		
AGREEMENT		33V3330

The Office of Information Technology (OIT) service contract with Computer Associates Software (CA Software, Inc.) for Mainframe Software Maintenance is critical to the long-term performance of the mainframe operating system located in the Fletcher building as it provides support for the department's critical applications located on the mainframe associated with Database Administration, Database Performance, and Recovery Management. The mainframe houses mission-critical applications such as the Florida Accounting and Information Resource Subsystem (FLAIR), the Cash Management System (CMS Treasury), the Unclaimed Property Management Information System (UPMIS) and the Legislative appropriation tracking system (LAS/PBS).

Reducing a portion of this contract impacts all mainframe applications due to reduced support and response levels by the vendor should a problem arise. Critical applications would be unavailable until problems are resolved. Security patches to protect the mainframe environment against data breaches (Heartbleed attack) would be discontinued. CA Software 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. Receiving a Subject Matter Expert (SME) assigned to an issue may be delayed by days or weeks, impacting the Legislature, the Executive Office of the Governor's Office of Policy and Budget, all state agencies accessing FLAIR information, Treasury logging and posting deposits and receipts, and sending and receiving files from FLAIR. Also impacted are the public vendor community expecting the processing of payments, and Worker's Compensation processing claims as mainframe software systems comprise the backbone for the Florida Financial Management Information System.

TOTAL: INFORMATION TECHNOLOGY		<u>1603.00.00.00</u>
BY FUND TYPE		
GENERAL REVENUE FUND	1,021,406-	1000
TRUST FUNDS	38,500-	2000

TOTAL PROG COMP.....	1,059,906-	
	=====	

COL A93			
SCH VIIIB-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.....	193,456-		
	=====		
SALARIES AND BENEFITS			010000
	4.00-		
TREASURY ADM/INVEST TF	-STATE	271,563-	2725 1
		=====	
TOTAL: ELIMINATE THE QUALIFIED PUBLIC			33V4100
DEPOSITORIES PROGRAM			
TOTAL POSITIONS.....	4.00-		
TOTAL ISSUE.....	271,563-		
TOTAL SALARY RATE.....	193,456-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 033

IT COMPONENT? NO

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

The elimination of Florida's public deposits program would remove the protection from loss for Florida public deposits under Chapter 280, Florida Statutes. This would have a dramatic effect on Florida's public depositors which would be required to revert back to a process of protecting their bank deposits by directly negotiating collateral arrangements with each depository institution they use.

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, Florida Statutes, 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 currently four 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.

This is 100 percent of the program resources and 15 percent of the budget entities overall operating budget.

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
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

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	4.00-	193,456-		78,107-	271,563-	0.00	271,563-
TOTALS FOR ISSUE BY FUND							
2725 TREASURY ADM/INVEST TF	4.00-	193,456-		78,107-	271,563-		271,563-

TOTAL: GOVERNMENTAL OPERATIONS							<u>1601.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	4.00-			271,563-			2000
SALARY RATE.....		193,456-					
	=====						

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PROGRAM: TREASURY		
		43100000
<u>ST FUNDS MGT & 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 30,000-	2725 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 030

This issue reduces the Division of Treasury's Payee Match services contract. Treasury provides a service to match 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. Treasury is immediately notified of any discrepancies and can deny payment of the warrant. Without this process, this type of fraud may not be detected in a timely manner. This reduction would impact other divisions within the department. Costs include payee match services for approximately 2.5 million warrants at \$0.01 per warrant. This reduction will affect the department's ability to timely detect fraudulent warrants.

ELIMINATE CONSOLIDATED REVOLVING
 ACCOUNT - BANKING FEES
 SPECIAL CATEGORIES
 CONTRACTED SERVICES

33V4150
 100000
 100777

TREASURY ADM/INVEST TF -STATE 30,000- 2725 1
 =====

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 029

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 an estimated \$25,000 based on Fiscal Year 2014-15 actual costs paid. This reduction would require individual agencies to contract for their individual services which may be at higher rates due to the economy of scales received by consolidating the contract. In addition, Treasury would lose the benefit of being able to invest the funds in the Treasury Investment Pool

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PROGRAM: TREASURY		
		43100000
<u>ST FUNDS MGT & 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

resulting in a loss of investment income to the State.

REDUCE FUNDING FOR BLOOMBERG		
TERMINALS IN THE INVESTMENT SECTION		33V4170
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777

TREASURY ADM/INVEST TF	-STATE	112,519-	2725	1
		=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 027

Within the Division of Treasury, the investment staff utilize Bloomberg Terminals to perform research and electronically buy and sell investment securities. The investment staff would have to try to obtain investment information from other sources (which could be dated) and manually buy and sell securities which few broker/dealers offer.

Eliminating these machines would severely limit the division's ability to perform their investment duties. This could have a substantial negative effect on the State's investment income which is approximately \$500 million a year; affecting all state agencies and citizens. A reduction in investment income would be a reduction in available resources. Without this income agencies may have to charge higher fees for the goods/services being performed. In addition, a large amount of the investment earnings goes to General Revenue; therefore, this would have a direct negative impact to the General Revenue Fund.

This reduction represents 3.5 percent of the affected programs budget; however, the negative impact to investment income for the State could be in the millions.

TOTAL: GOVERNMENTAL OPERATIONS			<u>1601.00.00.00</u>
BY FUND TYPE			
TRUST FUNDS.....		172,519-	2000
		=====	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PROGRAM: TREASURY		43100000
<u>SUP RETIREMENT PLAN</u>		43100400
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION TO DEFERRED COMPENSATION		
MARKETING ACTIVITIES AND SUPPLIES		33V4160
SPECIAL CATEGORIES		100000
DEFERRED COMP ADM SVCS		100868
TREASURY ADM/INVEST TF	-STATE	2725 1
	235,786-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY # 008

IT COMPONENT? NO

The Deferred Compensation Plan is not funded by the state, but is funded by the contracted investment companies providing services for the program. All amounts accumulated in the Deferred Compensation Trust Fund are held in the trust fund for the exclusive benefits of participants and their beneficiaries. Due to protection of Federal Law 26 U.S.C. s.457(b)(6), no assets of the deferred compensation program are permitted to go to General Revenue. All assets are held in the Deferred Compensation Trust Fund.

A reduction in this category will decrease the level of activities the bureau is able to perform to advertise and educate state workers utilizing the Deferred Compensation Plan. The program helps state employees be better financially prepared for retirement. The better a employee is prepared the more he/she can spend in the economy during their retirement years. With less advertising and education, participation levels could decrease reducing this benefit to the employees.

Current funding level: 823,190

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 CONSOLIDATED FINANCING OF		
DEFERRED PAYMENT PURCHASES PROGRAM		
WITHIN THE DIVISION OF ACCOUNTING		
AND AUDITING		33V0060
SALARY RATE		000000
SALARY RATE.....	46,561-	
	=====	
SALARIES AND BENEFITS		010000
	1.00-	
GENERAL REVENUE FUND -STATE	65,814-	1000 1
	=====	
TOTAL: ELIMINATE CONSOLIDATED FINANCING OF		33V0060
DEFERRED PAYMENT PURCHASES PROGRAM		
WITHIN THE DIVISION OF ACCOUNTING		
AND AUDITING		
TOTAL POSITIONS.....	1.00-	
TOTAL ISSUE.....	65,814-	
TOTAL SALARY RATE.....	46,561-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 Priority #057

IT COMPONENT? NO

Pursuant to section 287.064, Florida Statutes, the Division of Bond Finance of the State Board of Administration shall negotiate, and the CFO shall execute agreements and contracts to establish master equipment financing agreements with a financial institution. These agreements enable state agencies and college and universities to use a master equipment financing agreement for consolidated financing of deferred payment (CEFP), installment sales, or lease purchases with a financial institution. The CFO's office manages this program and the cabinet approves the line of credit available for financing (currently \$50 million). In Fiscal Year 2015-2016, 10 CEFP applications were approved. The Agency for State Technology and a few state universities would be affected if this program were eliminated.

This issue would eliminate the CFO's role in executing master equipment financing agreements. This would require revisions to section 287.064, Florida Statutes. It would eliminate 1 FTE and \$65,814 in General Revenue funding.

COL A93		
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
ELIMINATE CONSOLIDATED FINANCING OF		
DEFERRED PAYMENT PURCHASES PROGRAM		
WITHIN THE DIVISION OF ACCOUNTING		
AND AUDITING		
		33V0060

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-	46,561-		19,253-	65,814-	0.00	65,814-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							65,814-
	1.00-	46,561-		19,253-	65,814-		65,814-

REDUCE POSITIONS WITHIN THE BUREAU		
OF FINANCIAL REPORTING OF THE		
DIVISION OF ACCOUNTING AND AUDITING		33V0090
SALARY RATE		000000
SALARY RATE.....	130,605-	
SALARIES AND BENEFITS		010000
GENERAL REVENUE FUND	-STATE	186,987-
		1000 1
TOTAL: REDUCE POSITIONS WITHIN THE BUREAU		33V0090
OF FINANCIAL REPORTING OF THE		
DIVISION OF ACCOUNTING AND AUDITING		
TOTAL POSITIONS.....	3.00-	
TOTAL ISSUE.....	186,987-	
TOTAL SALARY RATE.....	130,605-	

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 POSITIONS WITHIN THE BUREAU		
OF FINANCIAL REPORTING OF THE		
DIVISION OF ACCOUNTING AND AUDITING		
		33V0090

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 Priority #063

IT COMPONENT? NO

The Bureau of Financial Reporting provides timely and comprehensive information on the financial status of the state, component units, and local governments. The Bureau is comprised of 23 positions in four sections, 1) Statewide Financial Reporting which prepares the Comprehensive Annual Financial Report (CAFR) and develops enterprise accounting policies for agency use; 2) Account Control and Budgetary Transactions which posts the General Appropriations Act (GAA) and approved budget amendments, monitors General Revenue balances, General Revenue service charge, manages agency loans and repayments, and reviews/authorizes agency revolving funds; 3) Finance and Federal Reporting which prepares the Statewide Cost Allocation Plan (SWCAP) and the Schedule of Federal Awards (SEFA) and administers the Consolidated Equipment Financing Program (CEFP) and the State's debt collection contracts; and 4) Local Government which is responsible for the collection and certification of Annual Financial Reports from more than 1,400 local government entities.

This issue would delete two Government Analyst positions and one Financial Administrator position and \$186,987 in General Revenue funding by collapsing the four sections into three. This re-alignment would result in additional responsibilities with the remaining positions and Financial Administrators. This issue represents a 10% reduction in staffing for the Bureau.

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	3.00-	130,605-	56,382-	186,987-	0.00	186,987-

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		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS WITHIN THE BUREAU OF FINANCIAL REPORTING OF THE DIVISION OF ACCOUNTING AND AUDITING		33V0090

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							186,987-
	3.00-	130,605-		56,382-	186,987-		186,987-

REDUCE POSITIONS IN THE BUREAU OF STATE PAYROLLS WITHIN THE DIVISION OF ACCOUNTING AND AUDITING							33V0110
SALARY RATE							000000
SALARY RATE.....	26,645-						
SALARIES AND BENEFITS							010000
GENERAL REVENUE FUND -STATE	1.00-	42,877-					1000 1
TOTAL: REDUCE POSITIONS IN THE BUREAU OF STATE PAYROLLS WITHIN THE DIVISION OF ACCOUNTING AND AUDITING							33V0110
TOTAL POSITIONS.....	1.00-						
TOTAL ISSUE.....		42,877-					
TOTAL SALARY RATE.....	26,645-						

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 POSITIONS IN THE BUREAU OF		
STATE PAYROLLS WITHIN THE DIVISION		
OF ACCOUNTING AND AUDITING		
		33V0110

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 Priority #055

The Bureau of State Payrolls ensures the timely payment of state employees, proper reporting and remitting of tax and retirement contributions and withholdings, conducts payroll related and audits and provides customer service. Currently, this Bureau operates with 27 FTE. This issue would eliminate one of the three Accountant II positions within the Payroll Processing section. This section is responsible for processing payrolls, garnishment, levies, child support and other wage deductions. The responsibilities associated with this position could be realigned and absorbed by the remaining staff in the impacted Bureau. The reduction would likely not reduce support and customer service in the impacted Bureau.

This issue eliminates one Accountant II position and \$42,877 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							
C0001 001	1.00-	26,645-		16,232-	42,877-	0.00	42,877-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							42,877-
	1.00-	26,645-		16,232-	42,877-		42,877-

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 PAPER RETIREMENT			
ELECTRONIC FUNDS TRANSFER (EFT)			
APPLICATIONS			33V0130
SALARY RATE			000000
SALARY RATE.....	53,290-		
	=====		
SALARIES AND BENEFITS			
	2.00-		010000
GENERAL REVENUE FUND	-STATE	85,754-	1000 1
		=====	
TOTAL: ELIMINATE PAPER RETIREMENT			33V0130
ELECTRONIC FUNDS TRANSFER (EFT)			
APPLICATIONS			
TOTAL POSITIONS.....	2.00-		
TOTAL ISSUE.....		85,754-	
TOTAL SALARY RATE.....	53,290-		
	=====		

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 Priority #060

IT COMPONENT? NO

The Department of Management Services, Division of Retirement, maintains an online portal which enables retirees to electronically file requests to start new direct deposit accounts and to change or stop existing direct deposit accounts. This feature has been available since May 2013 and to date over 55,000 retirement direct deposit requests have been filed online. Approximately 50% of all retiree direct deposit requests are filed annually through this portal; the remaining 50% are filed through a paper application process.

This issue may require legislative change to update Section 17.076(4), Florida Statute, which currently states that written authorization shall be filed with the department. It would require a rule change. The direct deposit application procedures are outlined in Chapter, 69I-22, FAC and would require updating to remove references to the paper application process.

Changing law to require all retiree direct deposit requests to be filed electronically would enable the Division of Accounting and Auditing to eliminate two positions and \$85,754 in General Revenue funding from the Bureau of Vendor Relations.

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 PAPER RETIREMENT		
ELECTRONIC FUNDS TRANSFER (EFT)		
APPLICATIONS		33V0130

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-	53,290-		32,464-	85,754-	0.00	85,754-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							85,754-
	2.00-	53,290-		32,464-	85,754-		85,754-

ELIMINATE PAYROLL TRAINING AND PAYROLL POST AUDITS							33V0150
SALARY RATE							000000
SALARY RATE.....	82,215-						
=====							
SALARIES AND BENEFITS							010000
GENERAL REVENUE FUND -STATE	2.00-	119,068-					1000 1
=====							
TOTAL: ELIMINATE PAYROLL TRAINING AND PAYROLL POST AUDITS							33V0150
TOTAL POSITIONS.....	2.00-						
TOTAL ISSUE.....		119,068-					
TOTAL SALARY RATE.....	82,215-						
=====							

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
ELIMINATE PAYROLL TRAINING AND		
PAYROLL POST AUDITS		
		33V0150

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 Priority #061

IT COMPONENT? NO

Pursuant to Section 17.04, Florida Statutes, the Chief Financial Officer, is authorized to examine, audit, and settle all accounts, claims, and demands against the State. Under the authority established in 17.04 F.S., the CFO has allocated resources to perform post-audits of state agency payroll processing procedures to ensure compliance with controlling federal and state laws, statutes, regulations and rules. A reduction of these positions would eliminate the ability for the CFO to continue these post audits of state agency payroll processes.

This issue reduces 2 FTE and \$119,068 in General Revenue funding. This bureau currently has 27 positions; a reduction of 2 positions is approximately a 7.5% reduction.

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-	82,215-		36,853-	119,068-	0.00	119,068-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							119,068-
	2.00-	82,215-		36,853-	119,068-		119,068-

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
EXPENSES			040000
GENERAL REVENUE FUND	-STATE	80,000-	1000 1
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #059

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 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 \$80,000 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 \$80,000 in General Revenue funding.

REDUCE CONTRACTED SERVICES BUDGET
 AUTHORITY WITHIN THE DIVISION OF
 ACCOUNTING AND AUDITING
 SPECIAL CATEGORIES
 CONTRACTED SERVICES

33V0170
 100000
 100777

GENERAL REVENUE FUND -STATE 56,169-
 =====

1000 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #056

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 CONTRACTED SERVICES BUDGET		
AUTHORITY WITHIN THE DIVISION OF		
ACCOUNTING AND AUDITING		
		33V0170

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: EFT banking fees, shredding services, and other services as need arises. These funds have been used in the past for studies including the Uniform Chart of Accounts project, study of the State's Debt Collection Program, and to support other Division initiatives.

Reducing the Contracted Services budget would reduce the opportunity to hire consultants to support projects. Division short term and long term initiatives 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 \$56,169 in General Revenue funding.

ELIMINATE FINANCIAL ADMINISTRATOR		
POSITIONS WITHIN THE DIVISION OF		
ACCOUNTING AND AUDITING		
SALARY RATE		33V0180
SALARY RATE..... 50,036-		000000
=====		
SALARIES AND BENEFITS		010000
GENERAL REVENUE FUND -STATE 1.00-		
69,817-		1000 1
=====		
TOTAL: ELIMINATE FINANCIAL ADMINISTRATOR		33V0180
POSITIONS WITHIN THE DIVISION OF		
ACCOUNTING AND AUDITING		
TOTAL POSITIONS..... 1.00-		
TOTAL ISSUE..... 69,817-		
TOTAL SALARY RATE..... 50,036-		
=====		

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 Priority #058

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
ELIMINATE FINANCIAL ADMINISTRATOR		
POSITIONS WITHIN THE DIVISION OF		
ACCOUNTING AND AUDITING		
		33V0180

This issue eliminates one Financial Administrator position within the Division of Accounting and Auditing Director's Office. The position supports enterprise projects including the implementation of the web based P-Card solution and Florida PALM. . These functions could not be absorbed by other teams and the enterprise projects would be affected. This elimination would impact project deadlines, deliverables, and end user support.

This issue reduces 1 FTE and \$69,817 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							
C0001 001	1.00-	50,036-		19,781-	69,817-	0.00	69,817-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							69,817-
	1.00-	50,036-		19,781-	69,817-		69,817-

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 AUDIT OF FLAIR VOUCHERS AND MY FLORIDA MARKET PLACE INVOICES FOR COMMODITIES		
SALARY RATE		33V0210
		000000
SALARY RATE.....	355,496-	
	=====	
SALARIES AND BENEFITS		010000
	10.00-	
GENERAL REVENUE FUND -STATE	531,325-	1000 1
	=====	
TOTAL: ELIMINATE AUDIT OF FLAIR VOUCHERS AND MY FLORIDA MARKET PLACE INVOICES FOR COMMODITIES		33V0210
TOTAL POSITIONS.....	10.00-	
TOTAL ISSUE.....	531,325-	
TOTAL SALARY RATE.....	355,496-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
Priority #064

IT COMPONENT? NO

This issue would eliminate the audit of FLAIR vouchers and MFMP invoices for the purchase of commodities from the Bureau of Auditing. These functions could not be adsorbed by other teams and could result in inappropriate expenditure of State funds. For Fiscal Year 2015-2016, approximately 46,000 payments were audited. Of that amount, 2,300 were either deleted or returned resulting in approximately \$3.6 million dollars.

This issue reduces 10 FTE and \$531,325 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
ELIMINATE AUDIT OF FLAIR VOUCHERS AND MY FLORIDA MARKET PLACE INVOICES FOR COMMODITIES		33V0210

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	10.00-	355,496-		175,829-	531,325-	0.00	531,325-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							531,325-
	10.00-	355,496-		175,829-	531,325-		531,325-

REDUCE SALARIES AND BENEFITS
 APPROPRIATION IN DIVISION OF
 ACCOUNTING AND AUDITING
 SALARIES AND BENEFITS

33V0250
 010000

ADMINISTRATIVE TRUST FUND -STATE 101,629-
 =====

2021 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 Priority #003

IT COMPONENT? NO

Due to operational efficiencies, several positions were eliminated at the base rate of pay. This resulted in additional salary dollars. The reduction of salary dollars would not affect daily operations.

This issue reduces \$101,629 in Administrative Trust Fund appropriations.

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 SALARIES AND BENEFITS		
APPROPRIATION IN DIVISION OF		
ACCOUNTING AND AUDITING		33V0250

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						
OTHER SALARY AMOUNT						
						101,629-

						101,629-
						=====

REDUCE LEASE OR LEASE-PURCHASE OF						
EQUIPMENT CATEGORY IN THE DIVISION						
OF ACCOUNTING AND AUDITING						33V0260
SPECIAL CATEGORIES						100000
LEASE/PURCHASE/EQUIPMENT						105281
ADMINISTRATIVE TRUST FUND -STATE	3,600-					2021 1
	=====					

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #001

For convenience and efficiency, a copier is located within the locked work area of Article V and one in the Basement Transmittal area. These copiers could be eliminated and the teams could leverage a copier in an alternate work area. This would not have an adverse effect on work.

This issue reduces \$3,600 in Administrative Trust Fund appropriations

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
		43200000
		43200100
		16
		<u>1601.00.00.00</u>
		33V0000
PROGRAM REDUCTIONS		
REDUCE EXPENSES APPROPRIATION FROM		
ADMINISTRATIVE TRUST FUND WITHIN		
THE DIVISION OF ACCOUNTING AND		
AUDITING		
		33V0270
		040000
ADMINISTRATIVE TRUST FUND -STATE	8,000-	2021 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 Priority #002

Travel funds could be eliminated that were planned for the implementation of the web based P-Card solution. The web based P-Card solution is an enterprise project to modernize the P-card issuance and reconciliation of charges. This project effective every state agency, P-Card holder, and P-Card approver. This would reduce customer support and service as the enterprise wide P-Card solution is launched.

This issue reduces \$8,000 in Administrative Trust Fund appropriations.

REDUCE POSITIONS IN THE BUREAU OF		
VENDOR RELATIONS - VENDOR		
MANAGEMENT WITHIN THE DIVISION OF		
ACCOUNTING AND AUDITING		
		33V0280
SALARY RATE		000000
SALARY RATE.....	40,031-	
	=====	
SALARIES AND BENEFITS		
	1.00-	010000
ADMINISTRATIVE TRUST FUND -STATE	58,293-	2021 1
	=====	
TOTAL: REDUCE POSITIONS IN THE BUREAU OF		33V0280
VENDOR RELATIONS - VENDOR		
MANAGEMENT WITHIN THE DIVISION OF		
ACCOUNTING AND AUDITING		
TOTAL POSITIONS.....	1.00-	
TOTAL ISSUE.....	58,293-	
TOTAL SALARY RATE.....	40,031-	
	=====	

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 POSITIONS IN THE BUREAU OF		
VENDOR RELATIONS - VENDOR		
MANAGEMENT WITHIN THE DIVISION OF		
ACCOUNTING AND AUDITING		33V0280

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 Priority #046

IT COMPONENT? NO

The Bureau of Vendor Relations consists of three sections:

Electronic Funds Transfer (EFT): Processes EFT applications for employees, retirees, and vendors; coordinates the submission of the EFT payment files to the disbursement bank. During Fiscal Year 2015-2016, more than \$76.850 billion in EFT payments were made through the EFT Clearing Trust Fund.

Vendor Management: Responsible for the maintenance of the FLAIR statewide vendor file, the collection and processing of substitute form W-9 from vendors, and the issuance of IRS form 1099.

Reconciliation and Transmittal: Handles the release of warrants to agencies, processes warrant stops and cancellations, duplicate warrants, and forgeries; conducts research on paid and outstanding warrants.

This issue would eliminate one position within the Bureau of Vendor Relations Vendor Management section. This would be a significant impact and the responsibilities associated with this position would have to be realigned and absorbed by the remaining staff within the affected team. This position supports the public with Form 1099 and W9 issues and would lengthen the time for Vendors to complete their registration and submission of W-9 forms.

This issue reduces 1 FTE and \$58,293 in Administrative Trust Fund appropriations.

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 POSITIONS IN THE BUREAU OF		
VENDOR RELATIONS - VENDOR		
MANAGEMENT WITHIN THE DIVISION OF		
ACCOUNTING AND AUDITING		33V0280

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-	40,031-		18,262-	58,293-	0.00	58,293-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							
	1.00-	40,031-		18,262-	58,293-		58,293-

REDUCE VACANT POSITIONS IN THE		
PLANNING, ACCOUNTING, AND LEDGER		
MANAGEMENT (PALM) PROJECT		33V0410
SALARY RATE		000000
SALARY RATE.....	101,717-	=====
SALARIES AND BENEFITS		010000
INSURANCE REG TF	-STATE 2.00- 141,527-	2393 1
TOTAL: REDUCE VACANT POSITIONS IN THE		33V0410
PLANNING, ACCOUNTING, AND LEDGER		
MANAGEMENT (PALM) PROJECT		
TOTAL POSITIONS.....	2.00-	
TOTAL ISSUE.....	141,527-	
TOTAL SALARY RATE.....	101,717-	=====

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		1601.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE VACANT POSITIONS IN THE		
PLANNING, ACCOUNTING, AND LEDGER		
MANAGEMENT (PALM) PROJECT		33V0410

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 Priority #052

This issue would eliminate two current vacant positions within the Florida PALM Project team. The responsibilities associated with these positions could be realigned and absorbed by the remaining staff within the team. These positions support the enterprise implementation of the new ERP accounting system and would negatively impact the program. In Fiscal Year 2017-2018 the PALM Project team will be completing procurement activities and starting Phase I of design, development, an implementation activities. Based on the North Highlands FLAIR study, the projected FTE needs for the PALM Project in FY 2017-2018 increases from the current 25 FTE to 77 FTE.

This issue reduces 2 FTE and \$141,527 from the Insurance Regulatory Trust Fund.

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	2.00-	101,717-		39,810-	141,527-	0.00	141,527-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							141,527-
	2.00-	101,717-		39,810-	141,527-		141,527-

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 POSITIONS IN THE PLANNING		
ACCOUNTING, AND LEDGER MANAGEMENT		
(PALM) PROJECT		33V0440
SALARY RATE		000000
SALARY RATE.....	183,898-	
	=====	
SALARIES AND BENEFITS		010000
	4.00-	
INSURANCE REG TF	-STATE 260,555-	2393 1
	=====	
TOTAL: ELIMINATE POSITIONS IN THE PLANNING		33V0440
ACCOUNTING, AND LEDGER MANAGEMENT		
(PALM) PROJECT		
TOTAL POSITIONS.....	4.00-	
TOTAL ISSUE.....	260,555-	
TOTAL SALARY RATE.....	183,898-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 Priority #053

This issue would eliminate and additional four filled positions within the Florida PALM Project team. The responsibilities associated with these positions could be realigned and absorbed by the remaining staff within the team. These positions support the enterprise implementation of the new ERP accounting system and would negatively impact the program. In Fiscal Year 2017-2018 the PALM Project team will be completing procurement activities and starting Phase I of design, development, an implementation activities. Based on the North Highlands FLAIR study, the projected FTE needs for the PALM Project in FY 2017-2018 increases from the current 25 FTE to 77 FTE.

This issue reduces 4 FTE and \$260,555 from the Insurance Regulatory Trust 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 POSITIONS IN THE PLANNING ACCOUNTING, AND LEDGER MANAGEMENT (PALM) PROJECT		33V0440

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	4.00-	183,898-		76,657-	260,555-	0.00	260,555-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							260,555-
	4.00-	183,898-		76,657-	260,555-		260,555-

REDUCE POSITIONS WITHIN THE BUREAU OF AUDITING							33V0810
SALARY RATE							000000
SALARY RATE.....	40,031-						
SALARIES AND BENEFITS							010000
ADMINISTRATIVE TRUST FUND -STATE	1.00-	58,293-					2021 1
TOTAL: REDUCE POSITIONS WITHIN THE BUREAU OF AUDITING							33V0810
TOTAL POSITIONS.....	1.00-						
TOTAL ISSUE.....		58,293-					
TOTAL SALARY RATE.....	40,031-						

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 POSITIONS WITHIN THE BUREAU		
		33V0810
OF AUDITING		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 Priority #045

The Bureau of Auditing P-Card processing team monitors card activity and reviews questionable charges, performs audits, and verification of agency controls. Currently the state has 22,346 active P-Cards. During the FY 2015-2016, there were 605,747 P-Card transactions totaling more than \$154,039,771.

This issue would eliminate one position and 58,293 in Administrative Trust Fund appropriations. As this is currently a team of 5FTE, this issue represents a 20% reduction in FTE.

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-	40,031-		18,262-	58,293-	0.00	58,293-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							58,293-
	1.00-	40,031-		18,262-	58,293-		58,293-

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
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
TOTAL: GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
BY FUND TYPE		
GENERAL REVENUE FUND	1,237,811-	1000
TRUST FUNDS	631,897-	2000

TOTAL POSITIONS.....	28.00-	
TOTAL PROG COMP.....	1,869,708-	
TOTAL SALARY RATE.....	1,110,525-	
=====		
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE & 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.....	460,951-	
=====		
SALARIES AND BENEFITS		010000
INSURANCE REG TF	15.00-	
-STATE	716,057-	2393 1
=====		
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230
TOTAL POSITIONS.....	15.00-	
TOTAL ISSUE.....	716,057-	
TOTAL SALARY RATE.....	460,951-	
=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #039

IT COMPONENT? NO

Eliminate One Engineering Specialist II (56,714)

Possible Legislative Change in ss. 633.218(3), F.S., associated with the timeframe for reporting.

This issue will eliminate one Engineering Specialist II position located in the Plans Review Section in Tallahassee. The Engineer II position reviews construction plans of all state-owned buildings to determine compliance with the Florida Fire Prevention Code, as mandated by ss. 633.218(3), F.S. This section currently has four positions performing these

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE & ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIIB		33V3230

duties: two Engineer II's, an Engineer III, and an Engineer IV Supervisor. The construction plans for state-owned buildings must be reviewed within 30 days of receipt of the plans, and the plans for state-leased buildings must be reviewed within 10 working days of receipt of the plans. In Fiscal Year 2015-16, the Division reviewed 86 plans for new construction of state-owned and state-leased facilities. Projects included dormitories, classrooms, office buildings, hospitals, and prisons. The Division also reviewed 446 plans for renovations. All reviews were completed within the statutory time frames. The reduction of this position will extend the amount of time needed to review construction plans and may result in a delay of projects. The loss of an Engineering Specialist II results in a 25 percent loss of support for this function.

Eliminate Five Fire Protection Specialists (259,628)

Possible Legislative Change in s. 633.218, F.S., associated with the timeframe for inspections.

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 with the Florida Fire Prevention Code. High hazard occupancies are inspected annually, and all other buildings require a biennial inspection. This section also conducts statutorily mandated regulatory inspections of fire equipment facilities, explosives magazines, and construction material mines. This issue eliminates five Fire Protection Specialists representing a 16 percent loss of support for this function. This reduction in productivity may necessitate a change of the timeframes outlined in Chapter 633, F.S. During Fiscal Year 2015-16, there were 7,724 high hazards inspections, 7,415 recurring inspections, 2,015 construction inspections, and 1,325 regulatory inspections conducted.

Eliminate Five License and Registration Inspectors (190,252)

Possible Legislative Change in ss. 633.085(3)(b), F.S., associated with timeframes for inspections reviews.

This issue will eliminate the five License and Registration Inspectors in the Bureau of Fire Prevention. This reduction would remove the lone License and Registration Inspector from the Northwest, Northeast, Central, Southwest, and Southeast Regions and leave them with no administrative or public education support. These five positions provide administrative support, fire safety inspections, and public education support to the Fire Inspections Section in the regional field offices. The removal of these Inspector positions will require the remaining regional staff (Fire Protection Specialists and Supervisors) to assume the workload, therefore affecting their ability to perform fire safety inspections within the statutorily mandated timeframes.

Eliminate Two Fire Protection Specialist Supervisors (115,760)

Possible Legislative Change in s. 633.218, F.S., associated with inspections of state buildings and premises.

This issue will eliminate two of the six Fire Protection Specialist Supervisor positions in the Bureau of Fire

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE & ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIIB		33V3230

Prevention. There is one Fire Protection Specialist Supervisor in each of the State's six regions that manages and guides all regional activities, including the required high hazard inspections, recurring inspections, and construction in state-owned buildings inspections to ensure violations of the Florida Fire Prevention Code are corrected. The loss of these two supervisors would result in a 33 percent loss of support for this function. Sections 633.216 and 633.218(1)(a), F.S., mandate the inspection of all high hazard occupancies once per year and inspections of remaining buildings are required to be conducted biennially. Absent these two positions, inspections would occur less frequently than required. During Fiscal Year 2015-16, there were 7,724 high hazards inspections, 7,415 recurring inspections, 2,015 construction inspections, and 1,325 regulatory inspections conducted.

Eliminate a Deputy Boiler Inspector (56,714)

No Legislative Change.

This issue will eliminate a Deputy Boiler Inspector position in the Bureau of Fire Prevention. Deputy Boiler Inspectors conduct inspections of uninsured boilers in public locations to determine compliance with the Boiler Safety Act (Chapter 554, F.S.) and all adopted codes. Boilers that are not covered by an insurance policy are mandated to be inspected by Deputy Boiler Inspectors employed by the State Fire Marshal. The Division has six positions performing these inspections, including five Deputy Boiler Inspectors and a Chief Boiler Inspector. The elimination of this Deputy Boiler Inspector will result in a significant delay in boiler owners obtaining inspections and certificates necessary for the operation of the boilers needed to operate their businesses (a 17 percent loss of support). This reduction will also extend the amount of overdue boiler certificates, increase travel time, and potentially decrease life safety.

Eliminate a Senior Clerk (36,989)

Possible Legislative Change in s. 633.218, F.S., associated with the timeframe for inspections.

This issue eliminates a Senior Clerk position in the Regulatory Licensing Section of the Bureau of Compliance and Enforcement. This section currently has six positions that process applications for certification, licensure, permitting, or registration for one of five regulated industries, handles the oversight of renewals, and answers questions regarding statutory requirements for licensure, all within mandated statutory timeframes. 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. The Senior Clerk position is responsible for processing approximately 125 construction materials mines licensing applications and renewal applications a year, processing approximately 700 insurance certifications for fire equipment dealers, and processing approximately 1,100 fire protection system contractors. Eliminating this position may affect the section's ability to process applications within the statutorily mandated timeframe. The loss of this position would result in a 17 percent reduction in support of these functions.

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE & ENFORCEMENT</u>		43300200
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							
0004 SENIOR CLERK							
N0008 001	1.00-	21,533-		15,456-	36,989-	0.00	36,989-
4630 ENGINEERING SPECIALIST II							
N0002 001	1.00-	38,660-		18,054-	56,714-	0.00	56,714-
8804 FIRE PROTECTION SPECIALIST							
N0005 001	5.00-	172,508-		87,120-	259,628-	0.00	259,628-
8840 DEPUTY BOILER INSPECTOR							
N0007 001	1.00-	38,660-		18,054-	56,714-	0.00	56,714-
9055 LICENSE & REGISTRATION INSPECTOR							
N0001 001	5.00-	112,270-		77,982-	190,252-	0.00	190,252-
8805 FIRE PROTECTION SPECIALIST SUPV - SES							
N0006 001	2.00-	77,320-		38,440-	115,760-	0.00	115,760-

TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							716,057-
	15.00-	460,951-		255,106-	716,057-		716,057-
	=====	=====	=====	=====	=====		=====

TOTAL: LAW ENFORCEMENT		<u>1202.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	15.00-	716,057-
SALARY RATE.....	460,951-	2000
	=====	

COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PROGRAM: FIRE MARSHAL			43300000
<u>PROF TRAINING & STANDARDS</u>			43300400
PUBLIC PROTECTION			12
<u>LAW ENFORCEMENT</u>			<u>1202.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIIB			33V3230
SALARY RATE			000000
SALARY RATE.....	209,891-		
	=====		
SALARIES AND BENEFITS			010000
	8.00-		
INSURANCE REG TF	-STATE	349,997-	2393 1
		=====	
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIIB			33V3230
TOTAL POSITIONS.....	8.00-		
TOTAL ISSUE.....	349,997-		
TOTAL SALARY RATE.....	209,891-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #041

IT COMPONENT? NO

No Legislative Change.

Eliminate a Field Examiner (52,544)

This issue eliminates a Field Examiner position that administers state exams for firefighter certification. The division issues a certificate of compliance to any person satisfactorily complying with the training program established in Ch. 633, F.S., who has successfully passed an examination prescribed by the division, and who possesses the statutory qualifications for employment. Elimination of this position will directly impact the remaining Field Examiner positions with increased workload. There are 34 training centers statewide, each administering at least three firefighter certification tests annually. Some administer 10 or 12 per year. These exams 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.

Eliminate a Government Analyst I (54,190)

This issue eliminates a Government Analyst I position that is an assistant to the Training Manager. This employee processes instructor approvals and class offering approvals on a statewide basis. This position also ensures bureau compliance with accreditation standards. Losing this position would increase the workload on the Training Manager causing a backlog in class offering approvals, instructor approvals, and training updates as well as potentially hinder compliance with national accreditation standards. This reduction would also have a negative impact on the level of statewide customer service that could be afforded to providers and students.

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

Eliminate a Fire College Instructor (54,768)

This issue eliminates a Fire College Instructor position that is responsible for delivering training and education as required by Chapter 69A-37.065 F.A.C. This is one of three Fire College Instructor positions. Since 2011, the Fire College has delivered over 1,600 class offerings to over 40,000 students. Elimination of this position will negatively impact the remaining positions with increased workload. Instructors are also responsible for developing and distributing lesson plans and a curriculum that is used by over 4,000 approved educational providers and over 6,000 certified instructors in the State.

Eliminate Two Senior Clerks (73,980)

This issue eliminates two Senior Clerk positions, one who works at the front desk in the Student Services Section and the other who works in the Safety Section. The Clerk in Student Services is responsible for registrations, dormitory reservations, transcript requests, and student ID badges. The Clerk in the Safety Section is the assistant for the Safety Manager and assists with research, death investigations, and injury reporting. Eliminating these positions would have a negative impact on the level of customer service provided.

Eliminate a Secretary Specialist (36,070)

This issue eliminates a Secretary Specialist position who is the receptionist in the Standards Section. This position is the contact for questions regarding certification and renewals, the backup for the Supplemental Compensation program, and assists in processing certifications and renewals. Eliminating this position would put a potential strain on the Standards Section.

Eliminate a Staff Assistant (40,394)

This issue eliminates a Staff Assistant position who is the assistant to the Standards Section supervisor and serves as office manager of clerical and OPS staff in the Standards Section. This position interprets policy, collects application fees, and processes renewal applications for certifications. Eliminating this position would create a potential negative impact on the Standards Section.

Eliminate a Fiscal Assistant II (38,051)

This issue eliminates a Fiscal Assistant II position in the Student Services Section. This position is responsible for purchasing and accounts payable functions, serves as backup for the retail bookstore, and receptionist duties. Eliminating this position would put a potential strain on the Student Services Section.

COL A93 SCH VIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>PROF TRAINING & STANDARDS</u>		43300400
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		1202.00.00.00
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							
0004 SENIOR CLERK							
N0004 001	2.00-	43,066-		30,914-	73,980-	0.00	73,980-
0105 SECRETARY SPECIALIST							
N0005 001	1.00-	20,735-		15,335-	36,070-	0.00	36,070-
1360 FIELD REPR-FIRE FIGHTERS STDS & TRNG							
N0002 001	1.00-	30,989-		21,555-	52,544-	0.00	52,544-
1362 FIRE COLLEGE INSTRUCTOR							
N0001 001	1.00-	32,697-		22,071-	54,768-	0.00	54,768-
1418 FISCAL ASSISTANT II							
N0007 001	1.00-	22,454-		15,597-	38,051-	0.00	38,051-
2224 GOVERNMENT ANALYST I							
N0003 001	1.00-	36,468-		17,722-	54,190-	0.00	54,190-
0120 STAFF ASSISTANT - SES							
N0006 001	1.00-	23,482-		16,912-	40,394-	0.00	40,394-

TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							349,997-

	8.00-	209,891-		140,106-	349,997-		349,997-
=====							

 COL A93
 SCH VIIIIB-2
 REDUCTIONS
 POS AMOUNT CODES

FINANCIAL SERVICES			43000000
PROGRAM: FIRE MARSHAL			43300000
<u>PROF TRAINING & 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	30,000-	2393 1
		=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY #026

No Legislative Change.

This issue reduces the Other Personal Services (OPS) category by \$30,000 at the Fire College, which is appropriated \$70,942 in budget authority. The Bureau utilizes OPS employees as Safety Field Representatives, Standards Field Examiners, and Maintenance support at the Fire College. Additionally, the Training Section employs 42 OPS Instructors. Reducing OPS authority would negatively impact the Training Section by reducing the number of classes that can be offered, negatively impact testing schedules, decrease the number of exams the Bureau is able to administer potentially creating a testing backlog, and limit the investigative and research abilities of the Safety Section.

TOTAL: LAW ENFORCEMENT			<u>1202.00.00.00</u>
BY FUND TYPE			
TRUST FUNDS.....	8.00-	379,997-	2000
SALARY RATE.....	209,891-		
	=====		

COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES

FINANCIAL SERVICES			
			43000000
PROGRAM: FIRE MARSHAL			
			43300000
<u>FIRE MRSHL ADMN & 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)			
SALARY RATE			
			33V0120
			000000
	SALARY RATE.....	50,960-	
		=====	
SALARIES AND BENEFITS			
			010000
		2.00-	
INSURANCE REG TF	-STATE	83,070-	2393 1
		=====	
TOTAL: ELIMINATE FLORIDA FIRE INCIDENT			
			33V0120
REPORTING SECTION (FFIRS)			
	TOTAL POSITIONS.....	2.00-	
	TOTAL ISSUE.....	83,070-	
	TOTAL SALARY RATE.....	50,960-	
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY #032

Legislative Change Required: Section 633.136, F.S., must be amended or deleted.

This issue eliminates the Florida Fire Incident Reporting Section (FFIRS) within the Division of State Fire Marshal. Eliminating this program will also eliminate the two remaining positions it currently employs, a Statistician II and a Records Specialist. These two positions maintain computerized records of fires and other fire department incidents and collect, input, correlate, and format the Division's Annual Florida Fire Report distributed nationwide. 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 as well as 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 Senate, 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, to generate statistical reports, to assess department activity on a national scale, to summarize annual activities, to answer questions about the nature and causes of injuries, deaths, and property loss resulting from fires, to determine needed improvements regarding training and response times, to predict fire-related problems within communities, and to measure the success of fire prevention and safety programs. The FFIRS was established in 2005 by the Legislature.

If this section and positions are reduced, it will inhibit the Division from being able to provide the Annual Florida

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>FIRE MRSHL ADMN & 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

Fire Report and will require changes or the deletion of s. 633.136, F.S. This issue represents a 100 percent reduction of the FFIRS Program.

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							
N0002 001	1.00-	25,480-		16,055-	41,535-	0.00	41,535-
3112 STATISTICIAN II							
N0001 001	1.00-	25,480-		16,055-	41,535-	0.00	41,535-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							83,070-
	2.00-	50,960-		32,110-	83,070-		83,070-

ELIMINATE STAFF FOR SCHEDULE VIIIIB							33V3230
SALARY RATE							000000
SALARY RATE.....	46,382-						
=====							
SALARIES AND BENEFITS	1.00-						010000
INSURANCE REG TF	-STATE	65,608-					2393 1
=====							

COL A93			
SCH VIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
FINANCIAL SERVICES			
			43000000
PROGRAM: FIRE MARSHAL			
			43300000
<u>FIRE MRSHL ADMN & 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
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIB			
			33V3230
TOTAL POSITIONS.....	1.00-		
TOTAL ISSUE.....		65,608-	
TOTAL SALARY RATE.....	46,382-		
			=====

AGENCY ISSUE NARRATIVE:
 SCH VIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #031

IT COMPONENT? NO

No Legislative Change.

This issue eliminates a Government Analyst II position in the Director's Office. This position provides detailed legislative research analysis and guidance relative to the Division and to fire-related entities, assesses and recommends policy and procedural modifications, and performs managerial policy reviews and makes recommendations to Division management. If this position is eliminated, it will negatively impact the Division's ability to create and provide legislative analyses, detailed legislative research and guidance, policy recommendations, tracking legislation, and managerial recommendations.

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						
2225 GOVERNMENT ANALYST II						
N0001 001						
1.00-	46,382-		19,226-	65,608-	0.00	65,608-

TOTALS FOR ISSUE BY FUND						
2393 INSURANCE REG TF						
						65,608-
1.00-	46,382-		19,226-	65,608-		65,608-
						=====

COL A93			
SCH VIIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PROGRAM: FIRE MARSHAL			43300000
<u>FIRE MRSHL ADMN & SUP SRVS</u>			43300500
PUBLIC PROTECTION			12
<u>LAW ENFORCEMENT</u>			<u>1202.00.00.00</u>
TOTAL: LAW ENFORCEMENT			<u>1202.00.00.00</u>
BY FUND TYPE			
	3.00-		
TRUST FUNDS.....	148,678-		2000
SALARY RATE.....	97,342-		
	=====		
PGM: ST PROP/CASUALTY CLMS			43400000
<u>ST SELF-INSURED CLAIMS ADJ</u>			43400100
GOV OPERATIONS/SUPPORT			16
<u>GOVERNMENTAL OPERATIONS</u>			<u>1601.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE EXCESS INSURANCE AND CLAIM			
SERVICES CATEGORY			33V3000
SPECIAL CATEGORIES			100000
EXCESS INSUR. & CLAIM SER			101221
STATE RISK MGMT TF	-STATE	9,985,624-	2078 1
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #044

IT COMPONENT? NO

Possible Legislative Change in ss. 216.222(2)(b), F.S., associated with transfers from general revenue and the annual cap of \$38 million.

This issue reduces the Excess Insurance and Claim Services Category in the Division of Risk Management by approximately 92 percent, limiting the purchasing power for excess property insurance to \$879,376. The current category appropriation is \$10,865,000. Should a catastrophic event with property damage occur, the amount of damage covered by insurance will be substantially less. In Fiscal Year 2015-16, the Division spent a total of \$10,862,830 in this category, with \$10,741,580 spent on excess property insurance coverage and \$121,250 spent on license/user fees for the Division's old Risk Management Information System (RMIS). Reducing the budget authority in this category would result in an inability to purchase excess insurance for named windstorm and flood coverage; the State would have to pay more if a catastrophic event causes property damage. The excess insurance purchased provides \$85 million in coverage for named windstorms and floods and up to \$200 million in coverage for all other named perils after the deductible provisions are met.

The current deductible structure was in place during the 2004 and 2005 hurricane seasons when damage from seven named windstorms resulted in over 5,000 claims to state-owned properties. No losses were paid by the excess insurance coverage; however, it is possible that the State Risk Management Trust Fund (SRMTF) would not have sufficient cash available to pay for catastrophic losses. While there is a provision in ss. 216.222(2)(a and b), F.S., that allows funds

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
REDUCE EXCESS INSURANCE AND CLAIM SERVICES CATEGORY		

to be transferred to the SRMTF to cover the current deductibles in place for excess property coverage, this section may need to be amended to remove the annual cap of \$38 million on such transfers to the SRMTF for uninsured losses to state property. If the statute is not amended, catastrophic loss payments may be delayed until sufficient funding is appropriated to pay those losses.

PGM: LICNSNG/CNSMER PROTEC		43500000
<u>INSURANCE CO REHAB/LIQDATN</u>		43500100
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE STATE FUNDED POSITIONS IN THE DIVISION OF REHABILITATION AND LIQUIDATION		33V0020
SALARY RATE		000000
SALARY RATE.....	150,551-	
	=====	
SALARIES AND BENEFITS		010000
	4.00-	
INSURANCE REG TF	-STATE 222,149-	2393 1
	=====	
TOTAL: REDUCE STATE FUNDED POSITIONS IN THE DIVISION OF REHABILITATION AND LIQUIDATION		33V0020
TOTAL POSITIONS.....	4.00-	
TOTAL ISSUE.....	222,149-	
TOTAL SALARY RATE.....	150,551-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #004

The Florida Department of Financial Services, Division of Rehabilitation and Liquidation is the court appointed Receiver

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
INSURANCE CO REHAB/LIQDATN		43500100
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE STATE FUNDED POSITIONS IN		
THE DIVISION OF REHABILITATION AND		
LIQUIDATION		33V0020

and Liquidator for distressed insurance companies in the State of Florida. This issue would eliminate 4 vacant FTE.

This issue reduces 4 FTE and \$222,149 from the Insurance Regulatory Trust Fund.

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	4.00-	150,551-		71,598-	222,149-	0.00	222,149-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							222,149-
	4.00-	150,551-		71,598-	222,149-		222,149-

TOTAL: REGULATION AND LICENSING							<u>1204.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	4.00-				222,149-		2000
SALARY RATE.....		150,551-					
	=====						

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

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 ADMINISTRATIVE SUPPORT STAFF		33V0290
SALARY RATE		000000
SALARY RATE.....	155,924-	
	=====	
SALARIES AND BENEFITS		010000
INSURANCE REG TF	-STATE 6.00-	
	252,717-	2393 1
	=====	
TOTAL: REDUCE ADMINISTRATIVE SUPPORT STAFF		33V0290
TOTAL POSITIONS.....	6.00-	
TOTAL ISSUE.....	252,717-	
TOTAL SALARY RATE.....	155,924-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #015

IT COMPONENT? NO

The Division of Insurance Agent and Agency Services, Bureau of Investigations protects the public and insurance industry by timely and accurately licensing competent individuals and entities and fairly investigating alleged violations of Florida's insurance laws. The elimination of investigative support staff in the Bureau of Investigations could slow investigative production. Since the division must investigate all complaints the department deems justified, eliminating administrative assistants will place the burden of additional workload on the remaining investigative staff and could reduce the number of cases investigators are able to handle. The additional duties placed on investigative staff is estimated to reduce annual revenue from administrative fines by \$22,688, annual administrative actions by 24, and recoveries on behalf of consumers by \$56,502.

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 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							
P101 PROPOSED CLASS CODE							
C0001 001	6.00-	155,924-		96,793-	252,717-	0.00	252,717-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							252,717-
	6.00-	155,924-		96,793-	252,717-		252,717-

REDUCE POSITION(S) - LICENSING AND REGULATION OF BAIL BOND AGENTS AND AGENCIES							33V6120
SALARY RATE							000000
SALARY RATE.....	237,761-						
=====							
SALARIES AND BENEFITS							010000
INSURANCE REG TF -STATE	7.00-	359,160-					2393 1
=====							
TOTAL: REDUCE POSITION(S) - LICENSING AND REGULATION OF BAIL BOND AGENTS AND AGENCIES							33V6120
TOTAL POSITIONS.....	7.00-						
TOTAL ISSUE.....		359,160-					
TOTAL SALARY RATE.....	237,761-						
=====							

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) - LICENSING AND REGULATION OF BAIL BOND AGENTS AND AGENCIES		33V6120

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY #022

LAW CHANGE REQUIRED: Sections 624.501, 624.523, 626.022, 626.311, 648.27, 648.279, 648.285, 648.30, 648.31, 648.34, 648.35, 648.355, 648.36, 648.38, 648.381, 648.382, 648.383, 648.384, 648.385, 648.386, 648.387, 648.388, 648.39, 648.40, 648.41, 648.42, 648.421, 648.44, 648.441, 648.442, 648.4425, 648.45, 648.46, 648.48, 648.49, 648.50, 648.51, 648.52, 648.525, 648.53, 648.55, 648.57, 648.571, 648.58, 903.14, 903.26, 903.27, and 903.36 Florida Statutes, will need to be repealed or amended.

The elimination of the regulation of Bail Bond agents and agencies will transfer the responsibility of oversight of the actions of these individuals to the surety companies they are contracted with, the local sheriff's offices who allow them to post bail, and to the clerks of court who handle the funds related to the bail bond process.

Eliminating this program area is estimated to reduce annual revenue from licensing fees by \$166,910, administrative fines by \$68,625, annual administrative actions by 71, and recoveries on behalf of consumers by \$60,116.

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	7.00-	237,761-		121,399-	359,160-	0.00	359,160-

 COL A93
 SCH VIIIIB-2
 REDUCTIONS
 POS AMOUNT CODES

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) - LICENSING AND
 REGULATION OF BAIL BOND AGENTS AND
 AGENCIES 33V6120

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						
						359,160-
7.00-	237,761-		121,399-	359,160-		359,160-
=====	=====	=====	=====	=====		=====

REDUCE POSITION(S) IN INSURANCE
 AGENT PRE-LICENSING EDUCATION SECTION 33V6130
 SALARY RATE 000000
 SALARY RATE..... 36,610-
 =====
 SALARIES AND BENEFITS 010000
 INSURANCE REG TF -STATE 1.00- 54,354- 2393 1
 =====
 TOTAL: REDUCE POSITION(S) IN INSURANCE 33V6130
 AGENT PRE-LICENSING EDUCATION SECTION
 TOTAL POSITIONS..... 1.00-
 TOTAL ISSUE..... 54,354-
 TOTAL SALARY RATE..... 36,610-
 =====

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) IN INSURANCE		
AGENT PRE-LICENSING EDUCATION		
SECTION		33V6130

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY #012

LAW 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, Florida Statutes, will need to be repealed or amended.

This issue eliminates one full time equivalent (FTE) that currently approves or disapproves courses that applicants may wish to take prior to taking the state insurance examination. Without this position, pre-licensing courses will no longer be required of applicants prior to taking the state insurance examination. This will allow licensees to qualify by passing the required state examination without first taking pre-licensing education courses. Passage of the examination will be adequate to verify the applicants are qualified and competent to transact insurance.

In Fiscal Year 2015-16, revenue generated by pre-licensing study manual fees and royalties was \$75,853. Manuals would continue to be sold; however, the numbers would likely decrease because there would no longer be a course provider requiring the use of the current manual.

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-	36,610-		17,744-	54,354-	0.00	54,354-

COL A93
 SCH VIII B-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 VIII B-2 REDUCTIONS

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

TOTALS FOR ISSUE BY FUND
 2393 INSURANCE REG TF

						54,354-
1.00-	36,610-		17,744-	54,354-		54,354-
=====	=====	=====	=====	=====		=====

REDUCE POSITION(S) - LICENSING AND
 REGULATION OF TITLE INSURANCE
 AGENTS AND AGENCIES

33V6140
 000000

SALARY RATE
 SALARY RATE..... 179,264-
 =====

SALARIES AND BENEFITS

010000

INSURANCE REG TF -STATE 5.00- 267,409-
 =====

2393 1

TOTAL: REDUCE POSITION(S) - LICENSING AND
 REGULATION OF TITLE INSURANCE
 AGENTS AND AGENCIES

33V6140

TOTAL POSITIONS..... 5.00-
 TOTAL ISSUE..... 267,409-
 TOTAL SALARY RATE..... 179,264-
 =====

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
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) - LICENSING AND		
REGULATION OF TITLE INSURANCE		
AGENTS AND AGENCIES		33V6140

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY #011

LAW CHANGE REQUIRED: Sections 624.509, 626.0428, 626.241, 626.2815, 626.331, 626.611, 626.841-8473, 627.7711, 627.777, 627.7773, 627.7845, 627.792, and 627.797, Florida Statutes, will need to be repealed or amended.

The elimination of regulation of title insurance agents and agencies will transfer the responsibility of oversight of the actions of these individuals to the title insurance companies they are contracted with.

Eliminating this program area is estimated to reduce annual revenue from licensing fees by \$294,388, administrative fines by \$71,750, annual administrative actions by 65, and recoveries on behalf of consumers by \$11,986. In addition, \$358,000 in revenue from the title agency surcharge will be lost by the Department of Financial Services and an additional \$358,000 will be lost by the Office of Insurance Regulation.

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-	179,264-		88,145-	267,409-	0.00	267,409-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							267,409-
	5.00-	179,264-		88,145-	267,409-		267,409-

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

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 - ELIMINATE AGENTS		
CONTINUING EDUCATION SECTION		33V6160
SALARY RATE		000000
SALARY RATE.....	192,415-	
	=====	
SALARIES AND BENEFITS		010000
	6.00-	
INSURANCE REG TF	-STATE 294,745-	2393 1
	=====	
TOTAL: REDUCE POSITION(S) - AGENT AND		33V6160
AGENCY SERVICES - ELIMINATE AGENTS		
CONTINUING EDUCATION SECTION		
TOTAL POSITIONS.....	6.00-	
TOTAL ISSUE.....	294,745-	
TOTAL SALARY RATE.....	192,415-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #038

IT COMPONENT? NO

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

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. This change would likely result in loss of reciprocity with most states for Florida licensees.

In Fiscal Year 2015-16, revenue generated by course filing fees and fines from noncompliance was \$530,600. All of this revenue would be lost.

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							
P101 PROPOSED CLASS CODE							
C0001 001	6.00-	192,415-		102,330-	294,745-	0.00	294,745-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							294,745-
	6.00-	192,415-		102,330-	294,745-		294,745-

TOTAL: REGULATION AND LICENSING							<u>1204.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	25.00-						
SALARY RATE.....		1,228,385-					2000
		801,974-					
	=====						

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
TALLAHASSEE HELPLINE UNIT REDUCTION		
		33V4020
SALARY RATE		
		000000
SALARY RATE.....	317,037-	
	=====	
SALARIES AND BENEFITS		
		010000
INSURANCE REG TF	-STATE 10.00-	
	487,032-	
	=====	
TOTAL: TALLAHASSEE HELPLINE UNIT REDUCTION		33V4020
TOTAL POSITIONS.....	10.00-	
TOTAL ISSUE.....	487,032-	
TOTAL SALARY RATE.....	317,037-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #042

IT COMPONENT? NO

The Division of Consumer Services offers a toll-free Insurance Consumer Helpline to assist insurance consumers with insurance questions and inquiries or to file a complaint against their insurance company.

The Tallahassee Helpline Unit answers calls received related to insurance agent and agency licensing, unclaimed property, rehabilitation and liquidation, and insurance fraud. The Helpline Unit is comprised of 10 full time equivalent (FTE) positions; nine employees and one supervisor.

The elimination of this unit will impact the division's ability to provide assistance to Floridians that contact the department seeking information related to agent and agency licensing, obtaining unclaimed property or reporting insurance fraud. During Fiscal Year 2015-16, this unit answered nearly 81,000 calls. This level of call volume cannot be adequately absorbed by other FTE within the division. Additionally, the elimination of this unit will reduce customer service levels within the division by increasing consumer hold times, increasing abandoned calls and creating a general inability to effectively assist all callers.

There is no revenue impact associated with the proposed reduction.

COL A93 SCH VIIIIB-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
TALLAHASSEE HELPLINE UNIT REDUCTION		33V4020

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	10.00-	317,037-		169,995-	487,032-	0.00	487,032-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							487,032-
	10.00-	317,037-		169,995-	487,032-		487,032-

LARGO HELPLINE UNIT REDUCTION							33V4030
SALARY RATE							000000
SALARY RATE.....	268,094-						
=====							
SALARIES AND BENEFITS							010000
INSURANCE REG TF	8.00-						
-STATE		406,284-					2393 1
=====							
TOTAL: LARGO HELPLINE UNIT REDUCTION							33V4030
TOTAL POSITIONS.....	8.00-						
TOTAL ISSUE.....		406,284-					
TOTAL SALARY RATE.....	268,094-						
=====							

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #028

IT COMPONENT? NO

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
LARGO HELPLINE UNIT REDUCTION		33V4030

The Division of Consumer Services offers a toll-free Insurance Consumer Helpline to assist insurance consumers with insurance questions and inquiries or to file a complaint against their insurance company.

The Largo Helpline Unit answers calls received through the division's Consumer Helplines related to insurance complaints and disputes. The helplines provide Florida's insurance consumers with an option to resolve insurance disputes with their insurance companies without hiring an attorney or incurring litigation costs. The unit is comprised of eight full time equivalent (FTE) positions; seven employees and one supervisor.

The elimination of this unit will impact the division's ability to provide assistance to Floridians that contact the department seeking assistance with an insurance matter or information related to agent and agency licensing or unclaimed property. During Fiscal Year 2015-16, this unit assisted more than 28,000 insurance consumers resolve claim disputes with their insurance companies and recovered more than \$5.7 million on behalf of those consumers. The unit's workload cannot be adequately absorbed by other FTE within the division. The elimination of this unit will impact Florida insurance consumers by reducing available FTE that are knowledgeable and experienced within the insurance industry and can effectively advocate on behalf of insurance consumers. Additionally, the elimination of this unit will reduce customer service levels within the division by increasing consumer hold times, increasing abandoned calls and creating a general inability to effectively assist all callers.

There is no revenue impact associated with the proposed reduction.

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	8.00-	268,094-		138,190-	406,284-	0.00	406,284-

COL A93 SCH VIIIIB-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>		<u>1205.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
LARGO HELPLINE UNIT REDUCTION		33V4030

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							
2393 INSURANCE REG TF							406,284-
	8.00-	268,094-		138,190-	406,284-		406,284-
	=====	=====	=====	=====	=====		=====

TOTAL: CONSUMER SAFETY/PROTECTION							<u>1205.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	18.00-						2000
SALARY RATE.....		893,316-					
		585,131-					
	=====	=====					

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>
PROGRAM REDUCTIONS			33V0000
REDUCE CONTRACTED SERVICES CATEGORY			33V1240
SPECIAL CATEGORIES			100000
CONTRACTED SERVICES			100777
REGULATORY TRUST FUND	-STATE	54,222-	2573 1
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #009

IT COMPONENT? NO

This issue reduces the contracted services category by 55 percent. This category is used for the Funeral, Cemetery and Consumer Services Board's legal fees, exam testing services, legal adds, and information technology contractual obligations. 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.

Reducing one half of the contracted services may result in delays while implementing system updates, and system improvements to the current licensing system. Continued improvements to these systems allow for a more user friendly licensing system be available for use by consumers.

Current year funding level: 99,549

REDUCE POSITION(S) - DIVISION OF
 FUNERAL AND CEMETERIES AND CONSUMER
 SERVICES

SALARY RATE			33V1330
SALARY RATE.....	101,176-		000000
	=====		

SALARIES AND BENEFITS 010000

3.00-

REGULATORY TRUST FUND	-STATE	153,094-	2573 1
		=====	

TOTAL: REDUCE POSITION(S) - DIVISION OF 33V1330
 FUNERAL AND CEMETERIES AND CONSUMER
 SERVICES

TOTAL POSITIONS.....	3.00-		
TOTAL ISSUE.....		153,094-	
TOTAL SALARY RATE.....	101,176-		

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 POSITION(S) - DIVISION OF		
FUNERAL AND CEMETERIES AND CONSUMER		
SERVICES		33V1330

=====

AGENCY ISSUE NARRATIVE:
 SCH VIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #034

IT COMPONENT? NO

This issue eliminates three positions in the Division of Funeral, Cemetery and Consumer Services (FCCS). FCCS protects death care industry consumers purchasing preneed burial rights as well as those purchasing funeral and burial merchandise or services. The division oversees licensed establishments, facilities and cemetery grounds by conducting annual inspections and has established qualifications for professions and occupations in the death care industry. These professions and occupations include, but are not limited to, funeral directing, embalming, preneed sales and monument sales. The division ensures death care professionals maintain their qualifications through continuing education courses and licensure renewal; and ensures effective discipline for those licensees who have violated the law.

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 Division had 32 authorized positions on July 1, 2009 and currently has only 25 authorized positions. The elimination of three additional positions would hinder the division's ability to investigate complaints in a timely manner.

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	3.00-	101,176-		51,918-	153,094-	0.00	153,094-

COL A93
 SCH VIIIIB-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
 REDUCE POSITION(S) - DIVISION OF
 FUNERAL AND CEMETERIES AND CONSUMER
 SERVICES 33V1330

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						
						153,094-
3.00-	101,176-		51,918-	153,094-		153,094-
=====	=====	=====	=====	=====		=====

REDUCE EXPENSES CATEGORY 33V4140
 EXPENSES 040000

REGULATORY TRUST FUND -STATE 60,000- 2573 1
 =====

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY #024

This issue reduces the divisions expenses category by 21 percent. This category is used for supplies, printing and postage, daily operational needs, rent, and travel. Rent represents 37 percent of the expenses budget authority and 47 percent is for travel by the division's investigative field staff. The field staff investigate complaints; perform inspections, and financial exams of licensed death care businesses throughout the state. There have been increased travel costs that include lodging, meals, per diem, tolls, and rental car expenditures due to the addition of three full time positions last fiscal year. A reduction of this size in expenses would hinder the division's ability to meet daily operational obligations.

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>
PROGRAM REDUCTIONS			33V0000
REDUCE OTHER PERSONAL SERVICES			
CATEGORY			33V9200
OTHER PERSONAL SERVICES			030000
REGULATORY TRUST FUND	-STATE	35,000-	2573 1
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #010

IT COMPONENT? NO

This issue reduces the OPS category by 54 percent. A reduction of this size will adversely affect the core functions of the division, by undermining the department's mission to protect the health, safety and welfare of the public. This reduction would impact the division's ability to respond to consumer complaints, and to perform financial examinations and inspections. Due to the lack of qualified applicants, the division's field staff supervisor relies on other personnel services (OPS) staff to perform many of the required tasks. OPS staff schedule and perform inspections, administer exams, and investigate complaints. Since Fiscal Year 2011-12 the division has increasingly relied upon OPS in order to meet its requirements. This is reflected by the increase in OPS staff and budget authority, from 25,000 to 65,000 in Fiscal Year 2014-15.

TOTAL: REGULATION AND LICENSING			<u>1204.00.00.00</u>
BY FUND TYPE			
TRUST FUNDS.....	3.00-	302,316-	2000
SALARY RATE.....	101,176-		
	=====		

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
<u>PUBLIC ASSISTANCE FRAUD</u>		43500700
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		1205.00.00.00
PROGRAM REDUCTIONS		
ELIMINATE STAFF FOR SCHEDULE VIIIIB		33V0000
SALARY RATE		33V3230
		000000
SALARY RATE.....	46,966-	
=====		
SALARIES AND BENEFITS		
	2.00-	010000
FEDERAL GRANTS TRUST FUND -RECPNT	78,471-	2261 9
=====		
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIIB		33V3230
TOTAL POSITIONS.....	2.00-	
TOTAL ISSUE.....	78,471-	
TOTAL SALARY RATE.....	46,966-	
=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #037

IT COMPONENT? NO

No Legislative Change.

This issue will eliminate two of Public Assistance Fraud's four Staff Assistant positions, one in Miami and one in Tampa. This leaves a Staff Assistant in Broward County and one in Orlando. Each Staff Assistant provides full-time support to Investigation Managers and investigative staff. Eliminating these positions would result in the Investigation Managers taking on additional administrative duties or relying on a staff assistant assigned to another supervisor to accomplish the administrative functions in the field offices.

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							
0120 STAFF ASSISTANT							
N0001 001	2.00-	46,966-		31,505-	78,471-	0.00	78,471-

COL A93 SCH VIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
<u>PUBLIC ASSISTANCE FRAUD</u>		43500700
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		1205.00.00.00
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							
TOTALS FOR ISSUE BY FUND							
2261 FEDERAL GRANTS TRUST FUND							78,471-
	2.00-	46,966-		31,505-	78,471-		78,471-

REDUCE OTHER PERSONAL SERVICES							
CATEGORY							33V9200
OTHER PERSONAL SERVICES							030000
FEDERAL GRANTS TRUST FUND -RECPNT	288,460-						2261 9

AGENCY ISSUE NARRATIVE:
 SCH VIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY #025

No Legislative Change.

This issue will eliminate the entire Other Personal Services (OPS) category appropriation. Public Assistance Fraud currently has six full-time and two part-time OPS staff. Last fiscal year, these OPS staff provided 8,504 investigative leads to law enforcement agencies that resulted in 1,687 fleeing felons and absconders being captured by police. Eliminating this OPS funding will impact the State's efforts to combat public assistance fraud as well as eliminate a service that assists in the capture of felons fleeing prosecution, a service relied upon by law enforcement agencies statewide.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

FINANCIAL SERVICES		
		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
<u>PUBLIC ASSISTANCE FRAUD</u>		43500700
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		<u>1205.00.00.00</u>
TOTAL: CONSUMER SAFETY/PROTECTION		<u>1205.00.00.00</u>
BY FUND TYPE		
	2.00-	
TRUST FUNDS.....	366,931-	2000
SALARY RATE.....	46,966-	
	=====	
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 IN THE OFFICE OF DATA		
QUALITY AND COLLECTIONS		
SALARY RATE		33V1110
SALARY RATE.....	102,066-	000000
	=====	
SALARIES AND BENEFITS		
	3.00-	010000
WORKERS' COMP ADMIN TF -STATE	154,119-	2795 1
	=====	
TOTAL: REDUCTION IN THE OFFICE OF DATA		33V1110
QUALITY AND COLLECTIONS		
TOTAL POSITIONS.....	3.00-	
TOTAL ISSUE.....	154,119-	
TOTAL SALARY RATE.....	102,066-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #020

IT COMPONENT? NO

Eliminates three full time equivalent positions (FTE) within the Bureau of Data Quality and Collection. This bureau is responsible for collection and quality control of workers' compensation policies, claims, and medical data submitted to the division. This bureau responds to subpoenas and public records requests. Other bureaus use the data to perform their respective regulatory duties. External stakeholders also access the data through the division's website for their own business needs.

This reduction includes one Insurance Specialist I on the Records Management Team who assists with redacting of public

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 IN THE OFFICE OF DATA		
QUALITY AND COLLECTIONS		
		33V1110

records requests; one Government Analyst I position on the Electronic Data Interchange (EDI) Team who assists with the Claims, Proof of Coverage and Medical EDI; and one Government Operations Consultant II on the EDI Triage and Training Team who assists with the outreach and training of EDI trading partners.

These three positions represent approximately 11 percent of the bureau. Eliminating these positions will result in increased workloads for remaining staff, less training provided to DWC customers and a possible increase in days to respond to subpoenas and public records requests.

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							
	3.00-	102,066-		52,053-	154,119-	0.00	154,119-
TOTALS FOR ISSUE BY FUND							
	3.00-	102,066-		52,053-	154,119-		154,119-
	3.00-	102,066-		52,053-	154,119-		154,119-

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
ELIMINATE REEMPLOYMENT SERVICES			
PROGRAM			
			33V2250
SALARY RATE			
			000000
	SALARY RATE.....	185,206-	
		=====	
SALARIES AND BENEFITS			
			010000
		5.00-	
	WORKERS' COMP ADMIN TF	-STATE 274,251-	2795 1
		=====	
OTHER PERSONAL SERVICES			
			030000
	TREASURY ADM/INVEST TF	-STATE 200,000-	2725 1
		=====	
SPECIAL CATEGORIES			
			100000
PURCHASED CLIENT SERVICES			
			102933
	WORKERS' COMP ADMIN TF	-STATE 990,000-	2795 1
		=====	
TOTAL: ELIMINATE REEMPLOYMENT SERVICES			
			33V2250
PROGRAM			
	TOTAL POSITIONS.....	5.00-	
	TOTAL ISSUE.....	1,464,251-	
	TOTAL SALARY RATE.....	185,206-	
		=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY #036

This issue eliminates five full time equivalent positions (FTE) and the Reemployment/Client Services program from the Division of Workers' Compensation, and moves these services to the private sector. This move will require legislative changes to ss. 440.491(5) and ss. 440.491(6), Florida Statutes.

During the 2012 Legislative Session, HB 5203 transferred the Reemployment/Client Services program to the Department of Financial Services (DFS) from the Department of Education, effective July 1, 2012. When the program transferred to DFS, the anticipated expenditures were developed by reviewing the model operated by DOE, estimating the amount of injured

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
ELIMINATE REEMPLOYMENT SERVICES PROGRAM		33V2250

workers served, and expenditures of the program over the previous four years. Program budget authority was transferred via budget amendments providing Workers' Compensation 401,840 in the other personnel services (OPS) category; 112,233 in expenses; and 2,400,000 in the special category of purchased client services. Information Technology received budget authority of 10,203 in expenses and 172,800 in contracted services for the purpose of continued support of the ARAMIS computer system used in the program.

Since Fiscal Year 2012-13, Workers' Compensation has received reductions of 200K in OPS, and 1.4M in the special category because of program efficiencies.

This reduction will abolish the department's responsibility to provide reemployment services to injured workers as well as maintaining the reemployment portion of the ARAMIS system. Eliminating the program results in a reduction of five full time equivalent (FTE) positions, the remaining OPS and special category funding in Workers' Compensation; and contracted services in Information Technology.

This issue corresponds with the same issue code in the Information Technology budget entity.

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-	185,206-		89,045-	274,251-	0.00	274,251-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							274,251-
	5.00-	185,206-		89,045-	274,251-		274,251-

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
REDUCTION IN THE BUREAU OF		
FINANCIAL ACCOUNTABILITY		
SALARY RATE		33V2260
SALARY RATE.....	96,079-	000000
	=====	
SALARIES AND BENEFITS		010000
	3.00-	
WORKERS' COMP ADMIN TF -STATE	147,224-	2795 1
	=====	
TOTAL: REDUCTION IN THE BUREAU OF		33V2260
FINANCIAL ACCOUNTABILITY		
TOTAL POSITIONS.....	3.00-	
TOTAL ISSUE.....	147,224-	
TOTAL SALARY RATE.....	96,079-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #021

IT COMPONENT? NO

This issue eliminates three full time equivalent positions (FTE) within the Bureau of Financial Accountability. The division is required by law to collect an assessment from insurers and from self-insured employers that are deposited into the Workers' Compensation Administrative Trust Fund (WCATF) and the Special Disability Trust Fund (SDTF). These two assessments that are collected are maintained in web based systems that reconcile the transactions to the department's receipts system (CODA) and to the state accounting system (FLAIR).

The START - Carrier Assessment System is used by insurers to report premiums, generate assessment invoices and monitor their assessment payments on-line. It is the system that collects premium information, calculates assessments, and monitors the assessment payment deposit when it is received by the department. The START - Self-Insurance Assessment System allows the division to manage the entire self-insurance assessment process, including collection of key information from self-insurers such as payroll and classification data. The system then uses the information (and information from the division) to impute premiums for self-insurers, create quarterly assessment invoices for self-insurers, track self-insurer assessment payments information and reconciles the payments to CODA and FLAIR.

The Workers' Compensation Specialist position the Self-Insurance Unit conducts premium audits for self-insurers and provides education for self-insurers for premium audit purposes. The division values education and accuracy to ensure self-insured employers are correctly reporting payrolls and classifications. Because of improvements in the education initiative over the past two years, assessment and premium accuracy is currently at its highest peak in the last 7-10 years. Eliminating this position will reduce premium accuracy for assessment calculation purposes.

COL A93 SCH VIIIIB-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
REDUCTION IN THE BUREAU OF FINANCIAL ACCOUNTABILITY		33V2260

The Insurance Specialist III position within the Assessments Unit actively manages the calculation of WCATF and SDTF assessments. The process has been entirely redesigned for insurers who report their premiums and pay their assessments using the START - Carrier Assessment System. This FTE works with the insurers to make certain that premiums are reported correctly, assessments are paid accurately, and the cash receipts process correctly records the transaction. The START - Self- Insurance Assessment System will go live in the fall of 2016 providing these efficiencies to the self-insurance assessments collection process too. Eliminating this position so early in the efficiency improvement process could create risks. Even though the system has been carefully tested, there is a period of risk when a new system is implemented, especially during peak periods where the loss of staff could create delays.

The Insurance Specialist I position represents one of two positions within the SDTF that handles imaging and destruction of historic SDTF claim files. The division will begin to see a decline in SDTF reimbursement requests and could manage the file room with one person rather than two.

A reduction of these three positions represent approximately 7 percent of the Bureau of Financial Accountability.

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	3.00-	96,079-		51,145-	147,224-	0.00	147,224-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							147,224-
	3.00-	96,079-		51,145-	147,224-		147,224-

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
		43600000
		43600100
		11
		<u>1102.02.00.00</u>
		33V0000
PROGRAM REDUCTIONS		
REDUCTION IN THE BUREAU OF		
MONITORING AND AUDIT		
		33V2270
		000000
	SALARY RATE..... 153,138-	
	=====	
SALARIES AND BENEFITS		
	4.00-	010000
	WORKERS' COMP ADMIN TF -STATE 225,129-	2795 1
	=====	
TOTAL: REDUCTION IN THE BUREAU OF		
MONITORING AND AUDIT		
	TOTAL POSITIONS..... 4.00-	33V2270
	TOTAL ISSUE..... 225,129-	
	TOTAL SALARY RATE..... 153,138-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #035

IT COMPONENT? NO

This issue eliminates four full time equivalent positions (FTE) within the Bureau of Monitoring and Audit. These positions include one Medical Healthcare Program Analyst within the Medical Services Section who is responsible for analyzing medical data, assisting with medical billing and reporting issues, and health care provider violation referrals. Also included is a Government Operations Consultant II position who reports to the Bureau Chief, and is responsible for providing training to internal and external customers. And lastly, there are two Insurance Examiner II positions from the Orlando Audit Team. These two positions are responsible for conducting on-site field audits and desk audits of insurers to determine if insurers are meeting their statutory claims handling performance standards.

Eliminating these four positions represent 8 percent of the Bureau of Monitoring and Auditing. If eliminated, their duties must be absorbed by remaining personnel.

COL A93 SCH VIII B-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
REDUCTION IN THE BUREAU OF MONITORING AND AUDIT		33V2270

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A93 - SCH VIII B-2 REDUCTIONS							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	4.00-	153,138-		71,991-	225,129-	0.00	225,129-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							225,129-
	4.00-	153,138-		71,991-	225,129-		225,129-

REDUCTION IN THE BUREAU OF COMPLIANCE							33V2280
SALARY RATE							000000
SALARY RATE.....	426,710-						
=====							
SALARIES AND BENEFITS							010000
WORKERS' COMP ADMIN TF -STATE	13.00-	649,912-					2795 1
=====							
TOTAL: REDUCTION IN THE BUREAU OF COMPLIANCE							33V2280
TOTAL POSITIONS.....	13.00-						
TOTAL ISSUE.....		649,912-					
TOTAL SALARY RATE.....	426,710-						
=====							

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 IN THE BUREAU OF COMPLIANCE		33V2280

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY #040

This issue eliminates 13 full time equivalent positions (FTE) within the Bureau of Compliance: Seven Insurance Analyst II (investigators) - Investigations Team; three Insurance Specialist I - Exemption Team; one Insurance Specialist III - Audit Team; one Government Analyst I; and one Investigations Manager.

This bureau is responsible for ensuring employers in Florida are in compliance with Florida's workers' compensation laws. Bureau personnel conduct on-site investigations and issue stop-work orders and penalties to non-compliant employers, pursuant to s. 440.107, Florida Statutes. In addition, certain personnel are responsible for reviewing, processing and issuing workers' compensation exemptions in a timely manner to qualified individuals, pursuant to S. 440.05, Florida Statutes. Eliminating these positions will result in fewer employer investigations conducted, increased time to process penalties and exemptions, and the outreach and training programs provided to external and internal customers would be reduced.

This reduction represents approximately 10 percent of the Bureau of Compliance positions.

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	13.00-	426,710-		223,202-	649,912-	0.00	649,912-

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
REDUCTION IN THE BUREAU OF COMPLIANCE		33V2280

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						
2795 WORKERS' COMP ADMIN TF						649,912-
13.00-	426,710-		223,202-	649,912-		649,912-

REDUCTION IN THE DIRECTOR'S OFFICE		33V2290
SALARY RATE		000000
SALARY RATE.....	29,458-	
=====		
SALARIES AND BENEFITS		010000
WORKERS' COMP ADMIN TF -STATE	1.00- 46,117-	2795 1
=====		
OTHER PERSONAL SERVICES		030000
WORKERS' COMP ADMIN TF -STATE	50,000-	2795 1
=====		
TOTAL: REDUCTION IN THE DIRECTOR'S OFFICE		33V2290
TOTAL POSITIONS.....	1.00-	
TOTAL ISSUE.....	96,117-	
TOTAL SALARY RATE.....	29,458-	
=====		

COL A93 SCH VIIIIB-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
REDUCTION IN THE DIRECTOR'S OFFICE		33V2290

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #013

IT COMPONENT? NO

This issue reduces 50,000 in other personal services (OPS) budget authority and one filled full time equivalent (FTE) that serves as the receptionist for the division Director's Office. Duties performed by the FTE include routine administrative functions, and if eliminated, the duties and responsibilities would be absorbed by other staff members. The OPS employees are for special projects and assistance with unforeseen workload situations that may arise. If eliminated, special projects may be delayed and employees may be required to work overtime, which would be at a higher rate than OPS employees are compensated.

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-	29,458-		16,659-	46,117-	0.00	46,117-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							46,117-
	1.00-	29,458-		16,659-	46,117-		46,117-

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>
TOTAL: WORKERS' COMPENSATION		<u>1102.02.00.00</u>
BY FUND TYPE		
	29.00-	
TRUST FUNDS.....	2,736,752-	2000
SALARY RATE.....	992,657-	
	=====	
PGM: INVEST/FORENSIC SVCS		43700000
<u>FIRE/ARSON INVESTIGATIONS</u>		43700100
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		<u>1205.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230
SALARY RATE		000000
SALARY RATE.....	165,335-	
	=====	
SALARIES AND BENEFITS		010000
	5.00-	
INSURANCE REG TF	-STATE 251,366-	2393 1
	=====	
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIB		33V3230
TOTAL POSITIONS.....	5.00-	
TOTAL ISSUE.....	251,366-	
TOTAL SALARY RATE.....	165,335-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #043

IT COMPONENT? NO

No Legislative Change.

This issue will eliminate 35 positions in the Bureau of Fire and Arson Investigations. These positions include eight Administrative Secretaries, seven Crime Intelligence Analysts, an Administrative Assistant II, a Computer Systems Consultant, three Law Enforcement Captains, two Law Enforcement Majors, six Law Enforcement Lieutenants, five Law Enforcement Investigator II's, a Government Analyst II, and a Records Technician. This reduction would greatly hinder the operations and effectiveness of the Bureau. The Bureau investigates the origin, cause, and circumstances of fires and explosions for the detection and prevention of hazards and crimes against the public including, but not limited to, arson. Investigations include examinations of fire and explosion scenes, compiling all forms of evidence, documenting scenes and suspects, conducting interviews and interrogations, apprehension of offenders, and providing expert testimony

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: INVEST/FORENSIC SVCS		43700000
<u>FIRE/ARSON INVESTIGATIONS</u>		43700100
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		<u>1205.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIIB		33V3230

assistance with criminal prosecutions. The Bureau is currently appropriated 122 full-time positions; this is a 29 percent reduction of total staff.

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							
N0001 001	5.00-	165,335-		86,031-	251,366-	0.00	251,366-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							251,366-
	5.00-	165,335-		86,031-	251,366-		251,366-

TOTAL: CONSUMER SAFETY/PROTECTION							<u>1205.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	5.00-						2000
SALARY RATE.....		251,366-					
		165,335-					
	=====						

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: INVEST/FORENSIC SVCS		43700000
<u>INSURANCE FRAUD</u>		43700300
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							
2393 INSURANCE REG TF							401,271-
	7.00-	274,326-		126,945-	401,271-		401,271-

TOTAL: CONSUMER SAFETY/PROTECTION							<u>1205.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	7.00-						2000
SALARY RATE.....		401,271-					
		274,326-					

=====

COL A93			
SCH VIIIB-2			
REDUCTIONS			
POS	AMOUNT		CODES
FINANCIAL SERVICES			
			43000000
PGM: INVEST/FORENSIC SVCS			
			43700000
<u>FISCAL INTEGRITY</u>			
			43700400
PUBLIC PROTECTION			
			12
<u>CONSUMER SAFETY/PROTECTION</u>			
			<u>1205.00.00.00</u>
PROGRAM REDUCTIONS			
			33V0000
ELIMINATE STAFF FOR SCHEDULE VIIIB			
			33V3230
SALARY RATE			
			000000
	SALARY RATE.....	85,942-	
	=====		
SALARIES AND BENEFITS			
		2.00-	010000
GENERAL REVENUE FUND	-STATE	130,482-	1000 1
		=====	
TOTAL: ELIMINATE STAFF FOR SCHEDULE VIIIB			
			33V3230
	TOTAL POSITIONS.....	2.00-	
	TOTAL ISSUE.....	130,482-	
	TOTAL SALARY RATE.....	85,942-	
	=====		

AGENCY ISSUE NARRATIVE:
 SCH VIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY #062

No Legislative Change.

This issue will eliminate two positions within the Office of Fiscal Integrity, a Senior Management Analyst Supervisor - SES and a Law Enforcement Investigator II. The responsibilities associated with these positions could be realigned and absorbed by the remaining staff in the impacted team. However, the reduction will likely reduce the timeliness of investigations and negatively affect productivity.

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							
8541 LAW ENFORCEMENT INVESTIGATOR II							
N0002 001	1.00-	39,560-		24,145-	63,705-	0.00	63,705-
2228 SENIOR MANAGEMENT ANALYST SUPV - SES							
N0001 001	1.00-	46,382-		20,395-	66,777-	0.00	66,777-

COL A93 SCH VIIIIB-2 REDUCTIONS		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: INVEST/FORENSIC SVCS		43700000
<u>FISCAL INTEGRITY</u>		43700400
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						130,482-
1000 GENERAL REVENUE FUND						130,482-
2.00-	85,942-		44,540-	130,482-		130,482-
=====	=====	=====	=====	=====		=====

TOTAL: CONSUMER SAFETY/PROTECTION		<u>1205.00.00.00</u>
BY FUND TYPE		
GENERAL REVENUE FUND.....	2.00- 130,482-	1000
SALARY RATE.....	85,942-	
=====		

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
REDUCTION IN THE FLORIDA PUBLIC		
HURRICANE LOSS PROJECTION MODEL		33V0040
SPECIAL CATEGORIES		100000
FL PUBLIC HURR LOSS MODEL		100515
INSURANCE REG TF	-STATE 158,160-	2393 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #104

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."

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.

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		
REDUCTION IN THE FLORIDA PUBLIC		
HURRICANE LOSS PROJECTION MODEL		33V0040

FIU 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 Fiscal Year 2016-2017 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. A 25% reduction in this contract would have a significant impact. It would be severe and would only provide output for approximately 25 or so model runs. All work on upgrading and revising the model to meet future FCHLPM standards will be impacted and service to OIR will be curtailed as will any detailed analysis of output. The ability to maintain the hardware and software infrastructure will also diminish significantly. In all likelihood the project will not be viable. In addition, for ratemaking, the public model is required by law to be certified by the Commission on Hurricane Loss Projection Methodology which mandates periodic changes in the existing model in order to meet its standards.

REDUCE EXPENSES - COMPLIANCE AND ENFORCEMENT EXPENSES		33V0230
		040000
INSURANCE REG TF	-STATE	708,759-
		=====
		2393 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE: IT COMPONENT? NO
 PRIORITY #106

Budget Entity: Office of Insurance Regulation - 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.

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 EXPENSES - COMPLIANCE AND		
ENFORCEMENT		33V0230

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 of Insurance Regulation (Office) utilizes the Expenses appropriation for to operate the Office and meet the Office's regulatory and statutory requirements. Currently, the Office receives \$2.5 million in Expenses appropriation. Expenditures for this category include, but are not limited to, are office rent to DMS (almost \$1.1 million), computer equipment, training, travel, office supplies, and other important needs. These are important to the Office so that it may fulfill our statutory requirements.

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 regulate solvency. It is important to note that the travel expenses are paid with the Office's appropriated expense funds and then the insurance company being examined pays back the cost of the examination into the Insurance Regulatory Trust Fund. The Office does not have an appropriation to reimburse these funds back into its operating budget.

The Office's appropriated expense budget has been reduced by over \$700,000 since 2007. In an effort to comply with mission-critical travel laws and to manage these reductions, the Office has reduced travel expense utilization. A further reduction to the Office's appropriated expense allotment will result in Office staff receiving less job-specific training and may impede operations by restricting expenditures relating to postage, office supplies, records storage, equipment and pertinent legal and insurance subscriptions. A reduction would significantly impede the fulfillment of the Office's essential regulatory and statutory requirements.

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		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE BUDGET AUTHORITY BASED ON		
PREVIOUS REVERSIONS		33V0850
SPECIAL CATEGORIES		100000
LEASE/PURCHASE/EQUIPMENT		105281
INSURANCE REG TF	-STATE 1,200-	2393 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #101

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Reduction in Lease Purchase Equipment

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.

The Office of Insurance Regulation (Office) utilizes the Lease Purchase Equipment appropriation primarily for its BizHub's or copy machines. This equipment is multi-purpose and therefore is essential and important to all of the Office's business units. While the Office is making strides in going paperless, BizHub's are still needed to help fulfill the Office's mission and goals. Therefore, and based on previous year reversions, a reduction of \$1,200 would have a minimal impact on the agency.

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
REDUCTION IN THE OPERATING CAPITAL		
OUTLAY CATEGORY		33V1120
OPERATING CAPITAL OUTLAY		060000
INSURANCE REG TF	-STATE	59,540-
	=====	
		2393 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #102

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Reduction in Operating Capital Category (OCO)

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.

The Office of Insurance Regulation (Office) utilizes the OCO appropriation primarily for its maintaining and replacing of standard laptop computers and desktop computers. The laptops are critical for the Office insurance examiners especially when they are traveling for examinations of insurance entities. This funding is also important for other necessary large I.T. equipment such as network printers and scanners. Currently, the Office receives only \$98,000 in appropriation. A reduction of 61% would significantly impede the fulfillment of the Office's essential regulatory and statutory requirements. The Office then would have to use the 5% transfer authority, when needed, to provide additional OCO funding as needed.

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 CONTRACTED SERVICES		33V1300
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
INSURANCE REG TF	-STATE 401,005-	2393 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #105

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - 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.

During the Fiscal Year 2015-16 Legislative session, the legislature appropriated additional contracted services dollars to enable legislative mandated data collection for title insurers and agencies, and to make additional needed changes to keep up with volume and newer technology used by regulated entities and other regulators. The Office Contracted Services also provides funding for staff augmentation to maintain and support existing technology applications which is increasingly difficult because of aging infrastructure. The Office is still continuing the process of upgrading some aging infrastructure including its electronic data management system to process rate filings.

Therefore, cutting contracted services will significantly impede the development of new tools that would keep the Office up-to-date and provide quality customer service. These services also include other professional and technical functions

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 CONTRACTED SERVICES		33V1300

needed to provide a quality level of service to policymakers, the insurance industry and to the insurance-buying public. Reduction of the contracted services budget and resulting delay in projects would be significant and negatively impact speed-to-market of insurance products to consumers and slow job creation that results when insurers introduce new programs. Additionally, the Office, as in the past, will continue to need contracted services funding to engage economists, actuaries and other consultants to perform statutorily-required complex reporting on the insurance industry in addition to actuarial audits and studies to provide market analysis on specific issues to policymakers and the Governor and Cabinet.

REDUCE OTHER PERSONAL SERVICES		
FUNDING		33V2240
OTHER PERSONAL SERVICES		030000
INSURANCE REG TF	-STATE	115,868-
		=====
		2393 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #103

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Reduction in Other Personal Services (OPS)

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

COL A93		
SCH VIIIB-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		
		1204.00.00.00
PROGRAM REDUCTIONS		
		33V0000
REDUCE OTHER PERSONAL SERVICES		
		33V2240

treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

The Office of Insurance Regulation (Office) utilizes the Other Personal Services (OPS) category to hire temporary staff as needed to accomplish the mission of the Office. Currently, the Office only receives \$290,169 in OPS appropriation from the Insurance Regulatory Trust Fund. A reduction of \$115,868 would significantly impede the fulfillment of the Office's essential regulatory and statutory requirements. The Office then would have to use the 5% transfer authority, when needed, to provide additional OPS funding as needed.

REDUCE POSITION(S) - OFFICE OF		
INSURANCE REGULATION - OPERATIONAL		
REDUCTIONS		33V3110
SALARY RATE		000000
SALARY RATE.....	656,710-	
	=====	
SALARIES AND BENEFITS		010000
	17.00-	
INSURANCE REG TF	-STATE 963,563-	2393 1
	=====	
EXPENSES		040000
INSURANCE REG TF	-STATE 30,600-	2393 1
	=====	
SPECIAL CATEGORIES		100000
TR/DMS/HR SVCS/STW CONTRCT		107040
INSURANCE REG TF	-STATE 5,763-	2393 1
	=====	
TOTAL: REDUCE POSITION(S) - OFFICE OF		33V3110
INSURANCE REGULATION - OPERATIONAL		
REDUCTIONS		
TOTAL POSITIONS.....	17.00-	
TOTAL ISSUE.....	999,926-	
TOTAL SALARY RATE.....	656,710-	
	=====	

COL A93		
SCH VIIIB-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 POSITION(S) - OFFICE OF		
INSURANCE REGULATION - OPERATIONAL		
REDUCTIONS		33V3110

AGENCY ISSUE NARRATIVE:
 SCH VIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #107

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulations - Compliance and Enforcement

Issue Title: Reduction of Vacant Positions - 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, 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.

For Fiscal Year 2016-17, the Office has 292 FTE and is comprised of two budget entities: Compliance and Enforcement with 254 FTE and Executive Direction with 38 FTE. The Office is a small agency and has already been reduced from a high number of 315 positions in Fiscal Year 2007-08 to the current 292 positions. Any further FTE reduction will significantly impede the Office's ability to perform statutorily required functions and will decrease service to the insurance industry by slowing insurance company application reviews thereby slowing products to consumers, job creation from new products and new insurance entity licensure.

The Office makes diligent efforts to fill vacant positions quickly. Since 2007, Office personnel resources have been reduced by 23 FTE or almost 8% with no substantive reduction in regulatory responsibility. The Office now has regulatory responsibility for over 4,200 insurance entities which is a substantial increase since the Office's creation in 2003. Losing additional positions would have a significant impact on the core mission of the Office. If a reduction is required, for the implementation of this issue, the Office will identify the positions in the Compliance and Enforcement budget entity. The reductions would be based on vacant positions along with the consideration of the tenure and performance of current employees, and the functions of the positions.

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 C1000 001	17.00-	656,710-		306,853-	963,563-	0.00	963,563-
TOTALS FOR ISSUE BY FUND 2393 INSURANCE REG TF	17.00-	656,710-		306,853-	963,563-		963,563-

TOTAL: REGULATION AND LICENSING							<u>1204.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	17.00-	2,444,458-					2000
SALARY RATE.....	656,710-						
	=====						

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 & SUPORT SERVICES</u>		43900120
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSES - EXECUTIVE		
DIRECTION		33V0240
EXPENSES		040000
INSURANCE REG TF	-STATE 29,636-	2393 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #106

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Executive Direction

Issue Title: Reduction in Expenses

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.

The Office of Insurance Regulation (Office) utilizes the Expenses appropriation for to operate the Office and meet the Office's regulatory and statutory requirements. Currently, the Office receives \$2.5 million in Expenses appropriation. Expenditures for this category include, but are not limited to, are office rent to DMS (almost \$1.1 million), computer equipment, training, travel, office supplies, and other important needs. These are important to the Office so that it may fulfill our statutory requirements.

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 regulate solvency. It is important to note that the travel expenses are paid with the Office's appropriated expense funds and then the insurance company being examined pays

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
EXEC DIR & SUPORT SERVICES		43900120
PUBLIC PROTECTION		12
REGULATION AND LICENSING		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSES - EXECUTIVE		
DIRECTION		33V0240

back the cost of the examination into the Insurance Regulatory Trust Fund. The Office does not have an appropriation to reimburse these funds back into its operating budget.

The Office's appropriated expense budget has been reduced by over \$700,000 since 2007. In an effort to comply with mission-critical travel laws and to manage these reductions, the Office has reduced travel expense utilization. A further reduction to the Office's appropriated expense allotment will result in Office staff receiving less job-specific training and may impede operations by restricting expenditures relating to postage, office supplies, records storage, equipment and pertinent legal and insurance subscriptions. A reduction would significantly impede the fulfillment of the Office's essential regulatory and statutory requirements.

REDUCE CONTRACTED SERVICES		33V1300
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
INSURANCE REG TF	-STATE	37,084-
	=====	
		2393 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 PRIORITY #105

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - 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.

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

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.

During the Fiscal Year 2015-16 Legislative session, the legislature appropriated additional contracted services dollars to enable legislative mandated data collection for title insurers and agencies, and to make additional needed changes to keep up with volume and newer technology used by regulated entities and other regulators. The Office Contracted Services also provides funding for staff augmentation to maintain and support existing technology applications which is increasingly difficult because of aging infrastructure. The Office is still continuing the process of upgrading some aging infrastructure including its electronic data management system to process rate filings.

Therefore, cutting contracted services will significantly impede the development of new tools that would keep the Office up-to-date and provide quality customer service. These services also include other professional and technical functions needed to provide a quality level of service to policymakers, the insurance industry and to the insurance-buying public. Reduction of the contracted services budget and resulting delay in projects would be significant and negatively impact speed-to-market of insurance products to consumers and slow job creation that results when insurers introduce new programs. Additionally, the Office, as in the past, will continue to need contracted services funding to engage economists, actuaries and other consultants to perform statutorily-required complex reporting on the insurance industry in addition to actuarial audits and studies to provide market analysis on specific issues to policymakers and the Governor and Cabinet.

TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	66,720-	2000
	=====	

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
SALARY RATE			000000
SALARY RATE.....	457,716-		
	=====		
SALARIES AND BENEFITS			
			010000
FINANCIAL INST REG TF	-STATE	11.00- 661,242-	2275 1
		=====	
EXPENSES			
			040000
FINANCIAL INST REG TF	-STATE	19,800-	2275 1
		=====	
TOTAL: REDUCE POSITION(S) - OFFICE OF			33V0500
FINANCIAL REGULATION - FINANCIAL			
INSTITUTIONS			
TOTAL POSITIONS.....	11.00-		
TOTAL ISSUE.....	681,042-		
TOTAL SALARY RATE.....	457,716-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #217

Reference to Long-Range Program Plan:

Goal #1: Improve Taxpayer Value

Goal #2: Deliver Value to Businesses

Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need: This issue proposes a reduction of one Financial Examiner Analyst Supervisor, five Financial Specialist, two Financial Control Analyst, two Financial Examiner/Analyst II and one Financial Examiner/Analyst I positions and the associated budget from the Division of Financial Institutions. 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

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

statute or economic conditions. The Division's examination staff is a key part in meeting both conditions. The Division relies heavily on the more experienced positions for their abilities not only to conduct a full examination but also to conduct important on the job training with new examiners. The Division relies on the FEAI and FEAI positions as new hires to continue to have a constant flow of examiners being trained in order to continue a strong retention plan. In addition, according to F.S. 655.045, The Office may accept an examination of a state financial institution made by an appropriate federal regulatory agency or may conduct a joint or concurrent examination of the institution with the federal agency. However, federal counterparts have reprioritized their examination process and will not be conducting as many exams on the smaller institutions located in Florida. Therefore, more examinations will be required by the Division in order to meet the mandated 18 month time frame between examinations.

Ultimate Outcome: The loss of these positions will have a critical effect on the Division. Currently, the Division is experiencing a large turnover in examination staff. These positions are part of the Divisions experienced staff that have a larger understanding of the regulation of institutions and the new staff that continues to be needed to meet Statute requirements. The Division has sent the higher positions to all required federal training, a process that takes 2 to 3 years, and these examiners are able to conduct an examination on every level. The Division has either begun the training process for the other positions or will have them training within six months. Without these positions, the Division will not be able to meet the statutorily required time frames. In addition, losing the positions will force the Division to use the OPS Program to fill needed staff requirements and ultimately cost the citizens of Florida more money. 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 and will jeopardize regulatory accreditations.

This issue reduces 11 FTE and \$681,042 from the Financial Institutions Regulatory Trust Fund.

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							
P101 PROPOSED CLASS CODE							
N0001 001	11.00-	457,716-		203,526-	661,242-	0.00	661,242-
TOTALS FOR ISSUE BY FUND							
2275 FINANCIAL INST REG TF							661,242-
	11.00-	457,716-		203,526-	661,242-		661,242-

REDUCE OTHER PERSONAL SERVICES			
(OPS) EXAMINERS AND ASSOCIATED			
EXPENSES			33V0510
OTHER PERSONAL SERVICES			030000
FINANCIAL INST REG TF	-STATE	400,000-	2275 1
EXPENSES			040000
FINANCIAL INST REG TF	-STATE	82,055-	2275 1
TOTAL: REDUCE OTHER PERSONAL SERVICES			33V0510
(OPS) EXAMINERS AND ASSOCIATED			
EXPENSES			
TOTAL ISSUE.....		482,055-	

COL A93		
SCH VIIIB-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 OTHER PERSONAL SERVICES		
(OPS) EXAMINERS AND ASSOCIATED		
EXPENSES		33V0510

AGENCY ISSUE NARRATIVE:
 SCH VIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #202

Reference to Long-Range Program Plan:
 Goal #1: Improve Taxpayer Value
 Goal #2: Deliver Value to Businesses
 Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need: OPS Examiners - Currently within the Division, OPS Examiners provide institutional examination services on a variable and as needed basis. These provide an excellent variable workforce alternative and provide an exceptional stop-gap during times of peak work load or FTE attrition. These OPS examiners are typically tenured and retirees from various federal and state regulatory agencies and represent an experienced and well trained work force who are able to handle a diverse workload from the simplest institutional exam to the most complex and can deploy to an institutional exam quickly and with little to no lead time.

A reduction within the OPS Examiner Program will limit the Division's ability to provide institutional exams according to the statutory cycle and will critically impact the Division's ability to promote a safe and sound financial marketplace whereby placing the citizens of Florida in a position of risk and financial loss.

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 Division's financial institution regulatory program has been accredited for approximately 25 years by the Conference of State Bank Supervisors (CSBS) and 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 and inability to meet our accreditation Best Practice standards. It is imperative that this status of good standing be maintained in order to satisfy the regulatory requirements of our federal counterparts (FDIC, Federal Reserve Bank (FRB), Office of the Comptroller of the Currency (OCC) and the National Credit Union Association (NCUA).

Ultimate Outcome: A reduction within the OPS Examiner Program will limit the Division's ability to provide institutional exams according to the statutory cycle and will moderately diminish the Division's ability to promote a safe and sound

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) EXAMINERS AND ASSOCIATED		
EXPENSES		33V0510

financial marketplace whereby placing the citizens of Florida in a position of risk and financial loss. Consequently, public confidence in Florida's financial institution industry will erode, which will result in Florida's institutions losing their customer base ultimately resulting in degradation of institutional earning and capital and possibly failure.

Further, if the Division were unable to fulfill its mandate to provide institutional exams according to the statutory cycle, it will damage the regulatory reputation of the Division and place in question the credibility of the Division to our federal regulatory counterparts thus damaging the working relationship now in place and so critical to the safety and soundness of Florida's financial institutions.

This issue reduces \$400,000 from Other Personal Services category and \$82,055 from Expenses category in the Financial Institutions Regulatory Trust Fund

REDUCE EXPENSES FOR TRAINING OF EXAMINERS - OFFICE OF FINANCIAL REGULATION - BANKING EXPENSES		33V0620 040000
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FINANCIAL INST REG TF	-STATE	110,000-	2275	1
		=====		

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #211

Reference to Long-Range Program Plan:
 Goal #1: Improve Taxpayer Value
 Goal #2: Deliver Value to Businesses
 Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need: Expenses related to Training of Examiners - In order for an examiner to have a full understanding of the entire exam process, they must complete a combination of on the job training and federally sponsored

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 EXPENSES FOR TRAINING OF		
EXAMINERS - OFFICE OF FINANCIAL		
REGULATION - BANKING		33V0620

schools. This takes 2 - 3 years depending on the examiner and training schedules. The Division of Financial Institutions has always relied heavily on the NCUA and FDIC Examiners Training Programs to complete this training. These programs minimize costs by only requiring DFI to pay travel expenses related to FDIC. Also included is a hotel dedicated to examiners which drastically reduces the cost of training. These training programs are recognized by the Conference of State Bank Supervisors which DFI has been accredited by since October 1986. As well, the FDIC accepts the Divisions exams because of the accreditation with the Conference of State Bank Supervisors. The accreditation process entails yearly surveys and an in depth audit every five years. Each year the Conference of State Bank Supervisors has suggested that the Division spends 10% of the expense budget on training as the national standard. The Division has yet to reach that 10% standard.

Ultimate Outcome: Losing money designated for training has a critical impact to the Division of Financial Institutions. The Division's federal counterparts have reprioritized their examination process and will not be conducting as many exams on the smaller institutions that are located in Florida. Therefore, more examinations will be required by the Division in order to meet the mandated 18 month time frame between examinations. In addition, federal counterparts rely on the Division to examine institutions and periodically accept these exams instead of physically going into an institution. Without the funds, examiners would not be properly trained and the Division would lose the long standing accreditation with CSBS. 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 and erode general confidence in Florida's financial institution industry.

This issue reduces \$110,000 from the Expenses category in the Financial Institutions Regulatory Trust Fund.

REDUCE CONTRACTED SERVICES		
APPROPRIATION - OFFICE OF FINANCIAL		
REGULATION - BANKING		33V0630
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
FINANCIAL INST REG TF	-STATE	300,087-
	=====	
		2275 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 Priority #208

IT COMPONENT? NO

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
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES		
APPROPRIATION - OFFICE OF FINANCIAL		
REGULATION - BANKING		33V0630

Reference to Long-Range Program Plan:
 Goal #1: Improve Taxpayer Value
 Goal #2: Deliver Value to Businesses
 Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need: Contracted Services - The Division of Financial Institutions contains a Licensing and Chartering section which receives and processes licenses and charters of state-chartered financial institutions which include banks, credit unions, international bank agency offices, Trust companies and commencing in October, 2015, Family Trust companies. This licensing and chartering process requires the parties to submit an application for licensure or charter for consideration and approval by the Division. A critical component to this licensing and chartering application process is a background check of all parties who are substantially involved with the financial institution for whom the application has been received. Applications are received for (1) Changes in Control of Ownership (2) de novo institutions (3) start up Trust companies (4) charter conversions from national to state charter status (5) mergers and acquisitions of institutions (6) change of officers and directors of the institution (7) new appointment of officers and directors of the institution.

These background checks are a critical component in the application process to assure that the individuals who hold or manage state financial institution are of good moral and ethical character and without a criminal history or a history of financial loss to financial institutions. Without the funds from Contracted Services, proper background checks will not be able to be conducted and our Financial Institutions will be at risk for fraudulent activities. In the past we have seen a decline in backgrounds due to failing institutions and no De Novo activity. As the economy continues to recover from the Great Recession, we have already seen a rise in mergers and anticipate a rise in De Novo Institutions. That along with the new regulations regarding Family Trusts and the backgrounds that they will require, the amount of background checks will rise. In addition to the licensing and chartering duties, Contracted Services also includes costs associated with legal matters such as expert witnesses, court reporting and required public notifications regarding mergers and acquisitions filed with the Office. Expert witnesses are a key component when the Division is involved with litigation, with court reporting a required part of litigation. Public notifications are required by law when processing mergers and acquisitions filed with the Office. We project a minimum increased cost of \$59,000 for these services.

A reduction within the Contracted Services will limit the Division's ability to thoroughly conduct application background checks which would compromise the ability of the Division to assure that state chartered institutions are held and managed in a safe and sound manner and that individuals who have a criminal or questionable history or are of unethical, immoral, or questionable character are excluded from holding or managing a financial institution. In addition, new legislation was passed in the 2014 legislative session (SB 1238 and SB 1320) requiring state regulation and oversight of

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 CONTRACTED SERVICES		
APPROPRIATION - OFFICE OF FINANCIAL		
REGULATION - BANKING		33V0630

Family Trust companies. As a result, we are projecting an increase in applications for Family Trust Company licensure. Legal fees associated with providing a safe and sound industry are projected to grow for the Division as well. A reduction within contracted services at a time when volume is expected to increase will have a devastating effect as the Division will be unable to process the Family Trust company applications and associated background check which will limit the growth of new business opportunities in Florida and preclude the Division from delivering value to businesses.

Ultimate Outcome: The loss or reduction of regulatory resources such as background checks will result in a number of significant undesired outcomes and have a significant effect due to increased exposure to risk for State Chartered Institutions. 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 which will damage the working relationship between federal regulators and the Division. Ultimately, the regulatory reputation of the Division will be harmed by its failure to comply with the requirements of cooperative agreements with both federal regulators and regulatory agencies in other states.

This issue reduces \$300,087 from the Contracted Services category in the Financial Institutions Regulatory Trust Fund.

TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	11.00-	
SALARY RATE.....	1,573,184-	2000
	457,716-	
	=====	

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		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS(S) - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		33V0520
SALARY RATE		000000
SALARY RATE.....	152,346-	
	=====	
SALARIES AND BENEFITS		010000
	4.00-	
ADMINISTRATIVE TRUST FUND -STATE	224,217-	2021 1
	=====	
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	7,200-	2021 1
	=====	
TOTAL: REDUCE POSITIONS(S) - OFFICE OF		33V0520
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		
TOTAL POSITIONS.....	4.00-	
TOTAL ISSUE.....	231,417-	
TOTAL SALARY RATE.....	152,346-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #221

Reference to Long-Range Program Plan:

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

Goal #1: Improving tax payer value;

Goal #3: Promoting a safe and sound marketplace;

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, a reduction in four Financial Investigators would allow the Bureau to achieve a 10% reduction in recurring program costs totaling \$335,200. The Bureau currently has 39 FTEs. In the 2012 GAA, the Bureau's budget was reduced by 34% (from

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

\$4,564,720 to \$3,013,227) and its FTEs were cut by 43% (from 63 to 36). The reduction of four investigators would significantly impact the Bureau's ability to combat investment fraud due to the reduction in resources. The reduction of 4 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 con-men 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 victims and the dollar amounts involved.

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

This issue reduces 4 FTE and \$231,417 from the Administrative Trust Fund.

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							
N0001 001	4.00-	152,346-		71,871-	224,217-	0.00	224,217-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							224,217-
	4.00-	152,346-		71,871-	224,217-		224,217-

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	107,681-	2021 1

=====

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 Priority #205

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: Improving tax payer value;
- Goal #3: Promoting a safe and sound marketplace;

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 \$107,681 reduction to Expenses. While the Expenses category reverted 49% of its allocation in FY 15/16, the additional funding is necessary to allow immediate reaction to emergent issues. This reduction would allow the Bureau to achieve an overall 10% reduction in recurring program costs totaling \$334,321 while minimizing the impact to its investigations.

Ultimate Outcome: The reduction of expenses funding will moderately impact the Bureau and will lead the bureau to reduce training opportunities for its investigators, lessen the bureau's ability to equip it's 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. The bureau would also seek less expensive forms of training for its investigators.

This issue reduces \$107,681 from the Expenses category in the Administrative Trust Fund.

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		<u>1204.00.00.00</u>
TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
	4.00-	
TRUST FUNDS.....	339,098-	2000
SALARY RATE.....	152,346-	
	=====	
<u>EXEC DIR & SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
(OPS) APPROPRIATION - OFFICE OF		
FINANCIAL REGULATION - EXECUTIVE		
DIRECTION AND SUPPORT SERVICES		33V0640
OTHER PERSONAL SERVICES		030000
ADMINISTRATIVE TRUST FUND -STATE	150,000-	2021 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority # 214

Reference to Long-Range Program Plan: This request will adversely impact the Office's ability to reach the following goals:

- GOAL #1: Improving taxpayer value
- GOAL #2: Delivering value to businesses
- GOAL #3: Promoting a safe and sound financial marketplace
- GOAL #4: Improving customer service

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 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.

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>EXEC DIR & 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) APPROPRIATION - OFFICE OF		
FINANCIAL REGULATION - EXECUTIVE		
DIRECTION AND SUPPORT SERVICES		33V0640

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 (OPS) 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 \$100,000 and that will not give Executive Direction the flexibility to handle normal OPS hires, emergent personnel staffing issues as they arise, nor the capability to handle any peak period emergencies with REAL, effectively shutting down the OFR.

Ultimate Outcome: This reduction will critically impact Executive Direction. After Executive Direction's staffing reductions effective July 1, 2012, and then reducing the Other Personal Services budget allocation by \$150,000, OFR's Executive Direction will not have the budget allocation nor flexibility to handle the normal OPS workloads, 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.

This issue reduces \$150,000 in the Other Personal Services category in the Administrative Trust Fund.

REDUCE CONTRACTED SERVICES		
APPROPRIATION - OFFICE OF FINANCIAL		
REGULATION - EXECUTIVE DIRECTION		
AND SUPPORT SERVICES		33V0650
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	20,000-	2021 1
	=====	

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>EXEC DIR & SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES		
APPROPRIATION - OFFICE OF FINANCIAL		
REGULATION - EXECUTIVE DIRECTION		
AND SUPPORT SERVICES		33V0650

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #215

Reference to Long-Range Program Plan: This request will adversely impact the Office's ability to reach the following goals:

- GOAL #1: Improving taxpayer value
- GOAL #2: Delivering value to businesses
- GOAL #3: Promoting a safe and sound financial marketplace
- GOAL #4: Improving customer service

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 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 provided an additional \$50,000 in Contracted Services category in the 2013 GAA to be used to hire contractors 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, Contracted Service allocation must be available for any peak period maintenance or temporary contracted 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 Contracted Service allocation by (\$20,000) will leave Executive Direction with an annual allocation of \$41,048, which will not give Executive Direction the flexibility to handle emergent issues as they arise nor the capability to handle any peak period emergencies with REAL, effectively shutting down the OFR.

Ultimate Outcome: This reduction will critically impact Executive Direction. After Executive Direction's staffing reductions effective July 1, 2012, and then reducing the Contracted Service allocation by \$20,000, OFR's Executive

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>EXEC DIR & SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES		
APPROPRIATION - OFFICE OF FINANCIAL		
REGULATION - EXECUTIVE DIRECTION		
AND SUPPORT SERVICES		33V0650

Direction will not have the budget allocation nor flexibility to hire contractors 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.

This issue reduces \$20,000 from the Contracted Services category in the Administrative Trust Fund.

REDUCE EXPENSES APPROPRIATION		
- OFFICE OF FINANCIAL REGULATION -		
EXECUTIVE DIRECTION AND SUPPORT		
SERVICES		33V0660
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	200,000-	2021 1
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority # 216

Reference to Long-Range Program Plan: This request will adversely impact the Office's ability to reach the following goals:

- GOAL #1: Improving taxpayer value
- GOAL #2: Delivering value to businesses
- GOAL #3: Promoting a safe and sound financial marketplace
- GOAL #4: Improving customer service

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 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

COL A93		
SCH VIIIIB-2		
REDUCTIONS		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>EXEC DIR & SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSES APPROPRIATION		
- OFFICE OF FINANCIAL REGULATION -		
EXECUTIVE DIRECTION AND SUPPORT		
SERVICES		33V0660

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 has approximately \$275,000 in additional funding in the Expense category to pay for unanticipated expenses when OPS or contractors are hired during peak workloads or emergency situations 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, Expense allocation must be available for unanticipated expenses during any peak period maintenance or temporary contracted 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 Expense allocation by \$200,000 will leave Executive Direction with an annual allocation of \$218,948. This will not give Executive Direction the flexibility to handle emergent issues as they arise nor the capability to handle any peak period emergencies with REAL, effectively shutting down the OFR. It will also reduce the Office's capability to pay for normal operating expenses.

Ultimate Outcome: This reduction will critically impact Executive Direction. After Executive Direction's staffing reductions effective July 1, 2012, and then reducing the Expense allocation by \$200,000, OFR's Executive Direction will not have the budget allocation nor flexibility to pay for contractors' expenses to handle the peak workloads or emergent issues as they arise in OFR, Executive Direction, or, most importantly, the REAL System; nor will it leave the Office with the reduced capability to pay for normal operating expenses. This would leave the OFR unable to function as a regulatory or enforcement agency.

This issue reduces \$200,000 from the Expenses category in the Administrative Trust Fund.

TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	370,000-	2000
=====		

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 CONTRACTED SERVICES IN		
FINANCE REGULATION		33V0310
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
REGULATORY TRUST FUND	-STATE	
	50,000-	2573 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #201

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 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 implemented a new fee netting process that allows 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. This new program began in September 2015.

Impact: This division experienced a cost savings of approximately \$50,000 during FY 2015-16. The impact is minimal.

Ultimate Outcome: The outcome would create an annual cost savings to the division of approximately \$50,000 from the Regulatory Trust Fund. 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.

This issue reduces \$50,000 from the Contracted Services category in the Regulatory Trust Fund.

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 EXPENSES BUDGET AUTHORITY IN			
FINANCE REGULATION			33V0370
EXPENSES			040000
REGULATORY TRUST FUND	-STATE	222,429-	2573 1
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #213

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 chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance proposes to decrease its recurring program costs by reducing its Expenses allocation.

Impact: Reducing funding in this category would critically impair the Division's ability to conduct examinations of financial services companies under the Division's regulatory responsibilities. The division is required to conduct examinations of money services businesses including payday lenders under Chapter 560, Florida Statutes. This reduction could limit the division's ability to conduct the mandated examinations and handle unforeseen circumstances that could impede the division's ability to protect the consumers this division serves.

Ultimate Outcome: Reducing Expenses funds by \$222,429 from recurring program costs would critically impair the division's ability to travel and perform examinations to ensure compliance with Florida laws as well as handle any unforeseen circumstances or emergent issues. Overall, these limitations would reduce the division's ability to protect the consumers it serves and comply with statutorily mandated examinations.

This issue reduces \$222,429 from the Expenses category in the Regulatory Trust Fund.

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 APPROPRIATION IN THE		
DEFERRED PRESENTMENT PROVIDER		
DATABASE CONTRACT CATEGORY		33V0540
SPECIAL CATEGORIES		100000
DEFER PRESENTMENT CONTRACT		100513
REGULATORY TRUST FUND	-STATE 150,000-	2573 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #206

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 chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance proposes to decrease its recurring program costs by reducing its Deferred Presentment Provider (DPP) Database allocation. The division is statutorily mandated to maintain a common database with real-time access through an Internet connection for deferred presentment providers. The database is accessible to the office and the deferred presentment providers to verify a consumer's eligibility to obtain a deferred presentment transaction by determining whether or not a consumer has an outstanding deferred presentment transaction. There is a \$1.00 fee imposed per transaction for data that must be submitted by a deferred presentment provider. Payments to the vendor for use and support of DPP database are based on a contractual amount of \$0.35 per transaction.

Impact: Reducing funds in this category would limit the division's ability to properly make contractual payments to vendor, Veritec Solutions, Inc.

Ultimate Outcome: Reducing DPP Database funds by \$150,000 in this category would moderately impact the division's ability to properly make contractual payments to vendor, Veritec Solutions, Inc.

This issue reduces \$150,000 from the Deferred Presentment Provider Database Contract category in the Regulatory Trust Fund.

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 OTHER PERSONAL SERVICES		
(OPS) - OFFICE OF FINANCIAL		
REGULATION - FINANCE		33V0560
OTHER PERSONAL SERVICES		030000
REGULATORY TRUST FUND	-STATE 125,000-	2573 1

=====

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #203

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 chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance proposes to decrease its recurring program costs by reducing its Other Personal Services (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 emergent issues or unforeseen circumstances that would require hiring temporary staff.

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

Ultimate Outcome: Reducing OPS funds by \$125,000 from recurring program costs would moderately impact the division's ability to hire additional OPS staff to quickly react to emergent issues or unforeseen circumstances that may occur. Overall, this limitation could ultimately limit the division's ability to protect the consumers it serves.

This issue reduces \$125,000 from the Other Personal Services category in the Regulatory Trust Fund.

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		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS FOR ENFORCEMENT -		
OFFICE OF FINANCIAL REGULATION -		
FINANCE REGULATION		33V0670

Impact: The reduction of five (5) field examiners in Enforcement would critically impair the Division's ability to conduct examinations under Chapter 516 (Consumer Finance Companies), Chapter 537 (Title Loan Lenders) ,and Chapter 520 (Retail Installment Sellers), Florida Statutes. During FY 2015-16, the division conducted 126 examinations of these businesses. 105 of 126 examinations resulted in findings of violations of Florida law and assessed administrative fines in the amount of \$377,060.

Ultimate Outcome: Deleting five (5) field examiner positions in Enforcement would critically impact and impair the division's ability to travel and perform examinations to ensure compliance with Florida laws. Overall, these limitations would limit the division's ability to protect the consumers it serves and leave Floridians vulnerable to either unlicensed or licensed businesses that violate Florida laws.

This issue reduces 5 FTE and \$287,291 from the Regulatory Trust Fund.

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							
N0001 001	5.00-	188,713-		89,578-	278,291-	0.00	278,291-
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							278,291-
	5.00-	188,713-		89,578-	278,291-		278,291-

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
<u>PUBLIC PROTECTION</u>			12
<u>REGULATION AND LICENSING</u>			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE POSITIONS FOR COMPLAINTS -			
OFFICE OF FINANCIAL REGULATION -			
FINANCE REGULATION			33V0680
SALARY RATE			000000
SALARY RATE.....	113,227-		
	=====		
SALARIES AND BENEFITS			010000
REGULATORY TRUST FUND	-STATE 3.00-	166,974-	2573 1
	=====		
EXPENSES			040000
REGULATORY TRUST FUND	-STATE 5,400-		2573 1
	=====		
TOTAL: REDUCE POSITIONS FOR COMPLAINTS -			33V0680
OFFICE OF FINANCIAL REGULATION -			
FINANCE REGULATION			
TOTAL POSITIONS.....	3.00-		
TOTAL ISSUE.....	172,374-		
TOTAL SALARY RATE.....	113,227-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #220

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 chartered institutions, companies and individuals.

Issue Description/Need: The Division of Consumer Finance processes approximately 2,100 priority complaints. The processing of these complaints involve forwarding the consumer's complaint to the business entity and requesting a

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 FOR COMPLAINTS -		
OFFICE OF FINANCIAL REGULATION -		
FINANCE REGULATION		33V0680

response. Upon receipt, the division will forward the business entities response to the consumer. If the division identifies a potential statutory violation, the matter may be forwarded for an examination. Otherwise, the complaint is closed without further action.

By eliminating these three (3) Financial Examiner Analyst II positions, PG 023, the division would discontinue the servicing of the priority complaints. Consequently, the division would only receive, record, and categorize incoming 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 it serves. In addition, these reductions would reduce the amount of funds recovered by the Complaint Unit. During FY 2015-16, the Complaint Unit assisted consumers in obtaining in excess of \$152,000.00 in refunds based on it's handling of consumer complaints.

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

Ultimate Outcome: Deleting 3 FTEs would critically impact the division's ability to assist consumers. Consumer complaints would only be recorded for statistical purposes. The division would not attempt to resolve any consumer complaint. Overall, these limitations could ultimately limit the division's ability to protect the consumers it serves.

This issue reduces 3 FTE and \$172,374 from the Regulatory Trust Fund.

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							
N0001 001	3.00-	113,227-		53,747-	166,974-	0.00	166,974-

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		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS FOR COMPLAINTS - OFFICE OF FINANCIAL REGULATION - FINANCE REGULATION		33V0680

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						
						166,974-
2573 REGULATORY TRUST FUND						166,974-
3.00-	113,227-		53,747-	166,974-		166,974-

TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	8.00- 1,007,094-	2000
SALARY RATE.....	301,940-	
=====		

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 BUDGET		
AUTHORITY IN SECURITIES REGULATION		33V0350
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
REGULATORY TRUST FUND	-STATE	285,000-
	=====	
		2573 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #204

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 #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 moderate adverse impact on the Division's operating budget with a reduction in the amount of \$285,000. 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 \$285,000 would have a moderate 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 restitution and fines,

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 BUDGET		
AUTHORITY IN SECURITIES REGULATION		33V0350

along with consumer confidence in the Office's ability to regulate the securities industry, are certain to decrease if fewer resources are available.

This issue reduces \$285,000 from Contracted Services category in the Regulatory Trust Fund.

REDUCE EXPENSES BUDGET AUTHORITY IN		
SECURITIES REGULATION		33V0360
EXPENSES		040000
ANTI-FRAUD TRUST FUND	-STATE	25,000-
	=====	
		2038 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority # 209

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 companies and individuals.

Issue Description/Need: The Division proposes reduction of the Expense category which includes rent, travel and training. This would have a significant impact on the Division's operating budget with a reduction in the amount of \$25,000. 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

COL A93		
SCH VIIIB-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 EXPENSES BUDGET AUTHORITY IN		
SECURITIES REGULATION		33V0360

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. The Bureau of Registration processes applications of individuals, companies and branches to promote growth in the securities industry. Chapter 517, Florida Statutes require applications to be processed in a timely manner. The Bureau of Registration must have well trained examiners to process applications and ensure compliance with Chapter 517, Florida Statutes.

Ultimate Outcome: A decrease in the appropriation for expenses significantly affects the Office's enforcement ability by hindering staff training and staff travel to examine registered entities and individuals. A decrease in the appropriation for expenses significantly hinders the Bureau of Registrations ability to have the resources to have well trained examiners and ensure applications are processed in a timely manner to promote growth in the securities industry. Consumers' protections and restitution 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.

This issue reduces \$25,000 from the Expenses category in the Anti Fraud Trust Fund.

REDUCE OTHER PERSONAL SERVICES		
(OPS) - OFFICE OF FINANCIAL		
REGULATION - SECURITIES REGULATION		33V0580
OTHER PERSONAL SERVICES		030000
ANTI-FRAUD TRUST FUND	-STATE	
		10,000-
		=====
		2038 1

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority # 207

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 #3: Examine regulated companies and individuals.

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 OTHER PERSONAL SERVICES		
(OPS) - OFFICE OF FINANCIAL		
REGULATION - SECURITIES REGULATION		33V0580

Issue Description/Need: Reduction of the Division's Other Personal Services (OPS) funding that provides necessary operational resources to support the Bureau of Enforcement including reviewing financial statements and other documentation vital to securities examinations would have a significant adverse impact on the Division's ability to hire additional OPS staff. 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 utilize the OPS staff for these specialized services. Due to the large volume of data being reviewed as part of the examination review, OPS funding is vital in order to effectively and efficiently complete the required exams of both registered individuals and firms in the fiscal year as well assist in handling any unexpected events that would require hiring additional OPS staff.

Ultimate Outcome: Reducing OPS funds by \$10,000 from recurring program costs would significantly restrict the division's ability to hire additional OPS staff to handle any unforeseen circumstances that may occur. Overall, this limitation could ultimately limit the division's ability to protect the public it serves.

This issue reduces \$10,000 from the Other Personal Services category in the Anti Fraud Trust Fund.

REDUCE POSITION(S) - OFFICE OF		
FINANCIAL REGULATION - SECURITIES		33V0590
SALARY RATE		000000
SALARY RATE.....	182,436-	
	=====	
SALARIES AND BENEFITS		010000
	5.00-	
REGULATORY TRUST FUND	-STATE	271,061-
	=====	2573 1

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
<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 - SECURITIES			33V0590
EXPENSES			040000
REGULATORY TRUST FUND	-STATE	9,000-	2573 1
		=====	
TOTAL: REDUCE POSITION(S) - OFFICE OF			33V0590
FINANCIAL REGULATION - SECURITIES			
TOTAL POSITIONS.....	5.00-		
TOTAL ISSUE.....	280,061-		
TOTAL SALARY RATE.....	182,436-		
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority #218

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 #3: Examine Regulated companies and individuals.
- Goal #4: Register companies and individuals.

Issue Description/Need: The loss of five FTE in the Bureau of Enforcement would hamper the Division of Securities ability to protect the public. The public will be more vulnerable to fraudulent and unlawful conduct and schemes by unscrupulous firms and individuals. The division's Bureau of Enforcement protects Florida's citizens by handling consumer complaints, conducting examinations and investigations to detect violations before they result in investor harm, and bringing enforcement actions to stop the unlawful conduct and penalize the violators. Remedies include denial, revocation, or suspension of a registration, a civil or administrative fine or penalty, and injunctive remedies such as freezing assets or appointment of a receiver. The Bureau of Registration processes applications of individuals, companies and branches to promote growth in the securities industry. Chapter 517, Florida Statutes require applications to be processed in a timely manner. The Bureau of Registration must have well trained examiners to process applications and ensure compliance with Chapter 517, Florida Statutes.

The activities conducted by these FTEs would have to be transferred to other examiners which would lead to fewer examinations being conducted, placing investors at increased risk. In addition, the registration of individuals,

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

companies and branches would be processed at a slower rate and would hinder the growth of the securities industry.

Ultimate Outcome: Eliminating five Securities examiner positions would critically impede the division's ability to promote growth in the securities industry, conduct examinations, investigations, and to bring enforcement actions to protect investors from unlawful activity and fraudulent schemes by unscrupulous firms and individuals.

This issue reduces 5 FTE and \$280,061 from the Regulatory Trust Fund.

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							
N0001 001	5.00-	182,436-		88,625-	271,061-	0.00	271,061-
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							271,061-
	5.00-	182,436-		88,625-	271,061-		271,061-

COL A93		
SCH VIIIB-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
EXPENSES		040000
REGULATORY TRUST FUND	-STATE	
	105,000-	2573 1

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 17-18 NARRATIVE:

IT COMPONENT? NO

Priority # 212

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 companies and individuals.

Issue Description/Need: The Division proposes reduction of the Expense category which includes rent, travel and training. This would have a critical impact on the Division's operating budget with a reduction in the amount of \$105,000. 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. The Bureau of Registration processes applications of individuals, companies and branches to promote growth in the securities industry. Chapter 517, Florida Statutes require applications to be processed in a timely manner. The Bureau of Registration must have well trained examiners to process applications and ensure compliance with Chapter 517, Florida Statutes.

Ultimate Outcome: A decrease in the appropriation for expenses critically affects the Office's enforcement ability by hindering staff training and staff travel to examine registered entities and individuals. A decrease in the appropriation for expenses critically reduces the Bureau of Registration's ability to have the resources to have well trained examiners

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

and ensure applications are processed in a timely manner to promote growth in the securities industry. Consumers' protections and restitution 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.

This issue reduces \$105,000 from the Expenses category in the Regulatory Trust Fund.

REDUCE CONTRACTED SERVICES - OFFICE		
OF FINANCIAL REGULATION -		
SECURITIES		33V0610
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ANTI-FRAUD TRUST FUND	-STATE	25,000-
	=====	
		2038 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 17-18 NARRATIVE:
 Priority # 210

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 #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 \$25,000. 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

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		
		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		
		33V0000
REDUCE CONTRACTED SERVICES - OFFICE		
OF FINANCIAL REGULATION -		
SECURITIES		
		33V0610

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 \$25,000 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 restitution 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.

This issue reduces \$25,000 from the Contracted Services category in the Anti Fraud Trust Fund.

TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	5.00- 730,061-	2000
SALARY RATE.....	182,436-	
	=====	
TOTAL: FINANCIAL SERVICES		43000000
BY FUND TYPE		
GENERAL REVENUE FUND	2,389,699-	1000
TRUST FUNDS	28,610,960-	2000

TOTAL POSITIONS.....	207.00-	
TOTAL DEPARTMENT.....	31,000,659-	
TOTAL SALARY RATE.....	7,298,393-	
	=====	

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* BPEADL01                                STATISTICAL INFORMATION                                10/14/2016 09:59:26 *
* BUDGET PERIOD: 2007-2018                EXHIBIT A, D AND D-3A LIST REQUEST                TJM 43      SP      *
* COMPILE DATE: 09/16/2015                COMPILE TIME: 09:40:41                                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                10/14/2016 09:59:26 *
* BUDGET PERIOD: 2007-2018              EXHIBIT A, D AND D-3A LIST REQUEST          TJM  43      SP   *
* COMPILE DATE: 09/16/2015              COMPILE TIME: 09:40:41                      PAGE:      2   *
*****
*
* TOTAL RECORDS READ FROM SORT:          197
* TOTAL RECORDS READ FROM CARD:          43
* TOTAL PAF RECORDS READ:                57
* TOTAL OAF RECORDS READ:                1
* TOTAL IEF RECORDS READ:                0
* TOTAL BGF RECORDS READ:                0
* TOTAL BEF RECORDS READ:                61
* TOTAL PCF RECORDS READ:                56
* TOTAL ICF RECORDS READ:                123
* TOTAL INF RECORDS READ:                2,160
* TOTAL ACF RECORDS READ:                14
* TOTAL FCF RECORDS READ:                11
* TOTAL FSF RECORDS READ:                10
* TOTAL PCN RECORDS READ:                0
* TOTAL BEN RECORDS READ:                0
* TOTAL DPC RECORDS READ:                114
* TOTAL RECORDS IN ERROR:                0
*
*****

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