

BPEADL01 LAS/PBS SYSTEM
BUDGET PERIOD: 2008-2021
STATE OF FLORIDA

EXHIBIT D-3A
EXPENDITURES BY
ISSUE AND APPROPRIATION CATEGORY

SP 01/17/2020 09:53 PAGE: 1
EXHIBIT D-3A ERROR REPORT

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

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2020-21	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	CODES
FINANCIAL SERVICES						43000000
PRG: CHIEF FIN OFFICER/ADM						43010000
<u>INFORMATION TECHNOLOGY</u>						43010300
<u>GOV OPERATIONS/SUPPORT</u>						16
<u>INFORMATION TECHNOLOGY</u>						<u>1603.00.00.00</u>
PROGRAM OR SERVICE-LEVEL						
INFORMATION TECHNOLOGY						3630000
STAFF AUGMENTATION TO SUPPORT						
FLORIDA PALM (PLANNING, ACCOUNTING,						
AND LEDGER MANAGEMENT) GO-LIVE						36310C0
SPECIAL CATEGORIES						100000
CONTRACTED SERVICES						100777
ADMINISTRATIVE TRUST FUND -STATE		437,850	229,980		437,850	2021 1

AGENCY ISSUE NARRATIVE:

2020-2021 BUDGET YEAR NARRATIVE:

IT COMPONENT? YES

Amended 2020-21 Narrative after November 22, 2019

The Office of Information Technology (OIT) requests \$437,850 in contracted services for training and two consultants to assist with migration and integration of eleven (11) Treasury software applications into the Florida PALM (Planning, Accounting, and Ledger Management) System go-live requirements.

This effort falls into two categories, 1) software and data migration into PALM, i.e. PALM module(s) will replace the functionality of nine applications and 2) PALM integration of three applications that will not be displaced by PALM, i.e. these three must be adapted to new PALM business processes and data exchanges.

To be replaced by PALM:

*Cash Management System: CMS is a system that provides transaction receipting functionality for the Division of Treasury accounts. This system is used by both Internal and External (Agency) customers and interfaces with FLAIR and Treasury's Bank Accounts system.

*Treasury Archive: Archive from INVESTMENT ACCOUNTING, WARRANTS, and STATE ACCOUNTS

*Bank Accounts: Provides asset accounting for the Treasury

*Consolidated revolving accounts: Maintains the consolidated revolving program.

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2020-21	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
FINANCIAL SERVICES						43000000
PRG: CHIEF FIN OFFICER/ADM						43010000
<u>INFORMATION TECHNOLOGY</u>						43010300
<u>GOV OPERATIONS/SUPPORT</u>						16
<u>INFORMATION TECHNOLOGY</u>						<u>1603.00.00.00</u>
PROGRAM OR SERVICE-LEVEL						
INFORMATION TECHNOLOGY						3630000
STAFF AUGMENTATION TO SUPPORT						
FLORIDA PALM (PLANNING, ACCOUNTING,						
AND LEDGER MANAGEMENT) GO-LIVE						36310C0

*Disinvestments: The liquidation of trust fund investments from the Treasury investment pool.

*State Accounts: Provides the liability accounting for the Treasury

*Trust Fund Accounting: Provides the liability accounting for the Treasury

*Warrant Processing: Processes the payments of state warrants and EFTs

The process of replacing these nine Treasury applications with PALM modules is a special challenge for two reasons:

- 1) The stakes are high for sustaining Treasury systems, thus there is little room for inaccuracies or untimeliness.
- 2) While we know much more than we did six months ago, the complete migration path is not currently settled, thus it is unlikely that all the functionality of all nine of these applications will be displaced in a "flash cut" (terminating legacy applications the instant PALM modules "go live"). This means some, or portions of legacy applications must run concurrent to PALM development, testing and (more narrowly) production. This will require constant and flexible attention to ensure handoff of the evolving functional changes and data updates in both places.

To adapt to and integrate with PALM:

*Certificate of Deposit: Administers the certificate of deposit program. Awards CDs to state banks based on bid information submitted monthly. Collects interest and maturities.

*Collateral Administration Program: Suite of applications for Treasury's Bureau of Collateral Management. Records Collateral information on Qualified Public Depositors.

*Special Purpose Investment Accounting: Processes investment transactions for the special purpose investment accounts. Allocates interest and prepares investment statements. The Florida State Treasury operates a special investment program for public entities other than the state. This program is authorized in Section 17.61(1), Florida Statutes, and is called the Special Purpose Investment Account (SPIA). Examples of entities eligible to invest in SPIA include universities, government foundations, and water management districts.

These three systems, also carrying high stakes, will not be displaced by PALM, but will require ongoing data exchanges with PALM during the above-mentioned transitions and well after go-live. Depending upon the extent of business process

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2020-21 POS	AMOUNT	AGY AMD REQ FY 2020-21 POS	AMOUNT	AGY AMD N/R FY 2020-21 POS	AMOUNT	AGY AMD ANZ FY 2020-21 POS	AMOUNT	AGY AMD REQ FY 2020-21 OVER(UNDER) AGY FIN REQ FY 2020-21 POS	AMOUNT	
FINANCIAL SERVICES										43000000
PRG: CHIEF FIN OFFICER/ADM										43010000
INFORMATION TECHNOLOGY										43010300
GOV OPERATIONS/SUPPORT										16
INFORMATION TECHNOLOGY										<u>1603.00.00.00</u>
PROGRAM OR SERVICE-LEVEL										
INFORMATION TECHNOLOGY										3630000
STAFF AUGMENTATION TO SUPPORT										
FLORIDA PALM (PLANNING, ACCOUNTING, AND LEDGER MANAGEMENT) GO-LIVE										36310C0

changes implemented by PALM on other nine Treasury applications, and Treasury functions generally, replacing some or all three of these systems might actually be cheaper and more effective than modifying them, particularly over the long term. If so, the preferred approach would be to use a software language known as "PeopleCode", the native language of PALM (a PeopleSoft derivative) which will make integration and ongoing maintenance cheaper and easier in the future. To that end, this request includes training funds in PeopleCode development (which potentially will also deliver value to other OIT system software maintenance obligations).

Staff Augmentation Request:

Fiscal Year 2020-21
 2 consultants x 1,944 hours each = 3,888 Total Hours
 3,888 total hours x \$90 hourly rate = \$349,920

Fiscal Year 2021-22
 2 consultants x 992 hours each = 1,984 Total Hours
 1,984 total hours x \$90 hourly rate = \$178,560

Training Request:

Fiscal Year 2020-21
 \$4,885 cost per 5-day course x 3 courses x 6 FTE = \$87,930

Fiscal Year 2021-22
 \$4,885 cost per 5-day course x 1 courses x 6 FTE = \$29,310

Summary: This is a new issue

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2020-21	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	CODES
FINANCIAL SERVICES						43000000
PROGRAM: FIRE MARSHAL						43300000
COMPLIANCE & ENFORCEMENT						43300200
PUBLIC PROTECTION						12
LAW ENFORCEMENT						1202.00.00.00
PROGRAM ISSUES						4000000
BOILER SAFETY INSPECTOR UPGRADES - DEDUCT						4008A10
SALARIES AND BENEFITS						010000
INSURANCE REG TF		6.00-				6.00-
-STATE			263,997-			263,997-
						2393 1

AGENCY ISSUE NARRATIVE:
 2020-2021 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Amended 2020-21 Narrative after November 22, 2019

This issue requests a pay grade change, from DMS, for the Chief Boiler Inspector and 5 Deputy Boiler Inspectors. The two titles are unique to DFS. The change from Chief Boiler Inspector, pay grade 520 to pay grade 550; and the change from Deputy Boiler Inspector, pay grade 023 to paygrade 028, will allow DFS to pay salaries that are in-line with the average starting salary as compared to other jurisdictions.

This issue will replace issue code 3005A60 that was originally submitted in the September Legislative Budget Request.

This issue corresponds with issue code 4008A20.

Summary: This is a new issue

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
						CODES
FINANCIAL SERVICES						43000000
PROGRAM: FIRE MARSHAL						43300000
COMPLIANCE & ENFORCEMENT						43300200
PUBLIC PROTECTION						12
LAW ENFORCEMENT						1202.00.00.00
PROGRAM ISSUES						4000000
BOILER SAFETY INSPECTOR UPGRADES - DEDUCT						4008A10

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A14 - AGY AMD REQ FY 2020-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
8840 DEPUTY BOILER INSPECTOR							
C1002 001	5.00-	118,316-		86,882-	205,198-	0.00	205,198-
8752 CHIEF BOILER INSPECTOR							
C1001 001	1.00-	37,953-		20,846-	58,799-	0.00	58,799-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							263,997-
	6.00-	156,269-		107,728-	263,997-		263,997-

BOILER SAFETY INSPECTOR UPGRADES - ADD							4008A20
SALARIES AND BENEFITS							010000
INSURANCE REG TF -STATE	6.00	324,423			6.00	324,423	2393 1

AGENCY ISSUE NARRATIVE:
 2020-2021 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Amended 2020-21 Narrative after November 22, 2019

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2020-21	POS	AGY AMD REQ FY 2020-21	POS	AGY AMD N/R FY 2020-21	POS	AGY AMD ANZ FY 2020-21	POS	AGY AMD REQ FY 2020-21 OVER(UNDER)	AGY FIN REQ FY 2020-21	
AMOUNT		AMOUNT		AMOUNT		AMOUNT		AMOUNT	AMOUNT	
FINANCIAL SERVICES										43000000
PROGRAM: FIRE MARSHAL										43300000
COMPLIANCE & ENFORCEMENT										43300200
PUBLIC PROTECTION										12
LAW ENFORCEMENT										1202.00.00.00
PROGRAM ISSUES										4000000
BOILER SAFETY INSPECTOR UPGRADES -										
ADD										4008A20

This issue requests a pay grade change, from DMS, for the Chief Boiler Inspector and 5 Deputy Boiler Inspectors. The two titles are unique to DFS. The change from Chief Boiler Inspector, pay grade 520 to pay grade 550; and the change from Deputy Boiler Inspector, pay grade 023 to paygrade 028, will allow DFS to pay salaries that are in-line with the average starting salary as compared to other jurisdictions.

This issue will replace issue code 3005A60 that was originally submitted in the September Legislative Budget Request.

This issue corresponds with issue code 4008A10.

Summary: This is a new issue

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A14 - AGY AMD REQ FY 2020-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
8840 DEPUTY BOILER INSPECTOR							
C1002 001	5.00	168,750		95,012	263,762	0.00	263,762
8752 CHIEF BOILER INSPECTOR							
C1000 001	1.00	39,557		21,104	60,661	0.00	60,661
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							324,423
	6.00	208,307		116,116	324,423		324,423

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2020-21 POS	AMOUNT	AGY AMD REQ FY 2020-21 POS	AMOUNT	AGY AMD N/R FY 2020-21 POS	AMOUNT	AGY AMD ANZ FY 2020-21 POS	AMOUNT	AGY AMD REQ FY 2020-21 OVER(UNDER) AGY FIN REQ FY 2020-21 POS	AMOUNT	
FINANCIAL SERVICES										43000000
PROGRAM: FIRE MARSHAL										43300000
COMPLIANCE & ENFORCEMENT										43300200
PUBLIC PROTECTION										12
LAW ENFORCEMENT										1202.00.00.00
PROGRAM ISSUES										4000000
RECLASSIFICATION OF FIRE PROTECTION										
SPECIALISTS - DEDUCT										4008A30
SALARIES AND BENEFITS										010000
INSURANCE REG TF		10.00-		584,253-		10.00-		584,253-		2393 1

AGENCY ISSUE NARRATIVE:
 2020-2021 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Amended 2020-21 Narrative after November 22, 2019

This issue requests a reclassification of ten Fire Protection Specialist positions to Government Analyst I positions in the Bureau's Inspections Section. Currently, the base salary for a Fire Protection Specialist is 34,501. The Division is requesting a starting salary of 40,114.36 for the Government Analyst I positions, which is 10% above minimum (minimum of 36,468). This reclassification will help to create a tier program within the Bureau's Inspections Section since there is currently no position between a Fire Protection Specialist and a Fire Protection Specialist Supervisor. In addition, the creation of a tiered Inspections Section could potentially reduce turnover of valuable, experienced inspectors and lead to higher productivity.

Currently, the Inspections Section employs 36 Fire Protection Specialists who conduct fire and life safety inspections of all state-owned buildings. The State is divided into six geographical regions, and each region is supervised by a Fire Protection Specialist Supervisor. There are no advancement opportunities for the Fire Protection Specialists between their current position and that of the supervisor, a position which is rarely vacated. Consequently, the Bureau continues to lose qualified and experienced Fire Protection Specialists to higher paying jobs outside of the Department. In the past two years, the Inspections Section has lost 8 qualified and experienced Fire Protection Specialists to external job offers, resulting in a turnover of over 20% of the staff.

This issue corresponds with issue code 4008A40.

Summary: This is a new issue

COL A12	COL A14	COL A15	COL A16	COL A14-A12	COL A14-A12	COL A14-A12	COL A14-A12	COL A14-A12	COL A14-A12	COL A14-A12	COL A14-A12	COL A14-A12
AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY AMD REQ	AGY FIN REQ	AGY AMD REQ	AGY FIN REQ	AGY AMD REQ	AGY FIN REQ	AGY AMD REQ	AGY FIN REQ	AGY AMD REQ
FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21	FY 2020-21
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS

FINANCIAL SERVICES 43000000
 PROGRAM: FIRE MARSHAL 43300000
 COMPLIANCE & ENFORCEMENT 43300200
 PUBLIC PROTECTION 12
 LAW ENFORCEMENT 1202.00.00.00
 PROGRAM ISSUES 4000000
 RECLASSIFICATION OF FIRE PROTECTION
 SPECIALISTS - DEDUCT 4008A30

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS	
A14 - AGY AMD REQ FY 2020-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
8804 FIRE PROTECTION SPECIALIST							
C1001 001	10.00-	386,353-		197,900-	584,253-	0.00	584,253-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							584,253-
	10.00-	386,353-		197,900-	584,253-		584,253-

RECLASSIFICATION OF FIRE PROTECTION
 SPECIALISTS - ADD 4008A40
 SALARIES AND BENEFITS 010000

INSURANCE REG TF -STATE 10.00 646,644 10.00 646,644 2393 1

AGENCY ISSUE NARRATIVE:
 2020-2021 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

Amended 2020-21 Narrative after November 22, 2019

This issue requests a reclassification of ten Fire Protection Specialist positions to Government Analyst I positions in

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2020-21	POS AMOUNT	AGY AMD REQ FY 2020-21	POS AMOUNT	AGY AMD N/R FY 2020-21	POS AMOUNT	AGY AMD ANZ FY 2020-21	POS AMOUNT	AGY AMD REQ FY 2020-21 OVER(UNDER)	AGY FIN REQ FY 2020-21	
FINANCIAL SERVICES										43000000
PROGRAM: FIRE MARSHAL										43300000
COMPLIANCE & ENFORCEMENT										43300200
PUBLIC PROTECTION										12
LAW ENFORCEMENT										1202.00.00.00
PROGRAM ISSUES										4000000
RECLASSIFICATION OF FIRE PROTECTION										
SPECIALISTS - ADD										4008A40

the Bureau's Inspections Section. Currently, the base salary for a Fire Protection Specialist is 34,501. The Division is requesting a starting salary of 40,114.36 for the Government Analyst I positions, which is 10% above minimum (minimum of 36,468). This reclassification will help to create a tier program within the Bureau's Inspections Section since there is currently no position between a Fire Protection Specialist and a Fire Protection Specialist Supervisor. In addition, the creation of a tiered Inspections Section could potentially reduce turnover of valuable, experienced inspectors and lead to higher productivity.

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This issue corresponds with issue code 4008A30.

Summary: This is a new issue

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A14 - AGY AMD REQ FY 2020-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2224 GOVERNMENT ANALYST I							
C1002 001	10.00	440,083		206,561	646,644	0.00	646,644

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2020-21	POS AMOUNT	AGY AMD REQ FY 2020-21	POS AMOUNT	AGY AMD N/R FY 2020-21	POS AMOUNT	AGY AMD ANZ FY 2020-21	POS AMOUNT	AGY AMD REQ FY 2020-21 OVER(UNDER)	AGY FIN REQ FY 2020-21	

FINANCIAL SERVICES										43000000
PROGRAM: FIRE MARSHAL										43300000
COMPLIANCE & ENFORCEMENT										43300200
PUBLIC PROTECTION										12
LAW ENFORCEMENT										<u>1202.00.00.00</u>
PROGRAM ISSUES										4000000
RECLASSIFICATION OF FIRE PROTECTION										
SPECIALISTS - ADD										4008A40

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A14 - AGY AMD REQ FY 2020-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

TOTALS FOR ISSUE BY FUND
 2393 INSURANCE REG TF

10.00	440,083		206,561	646,644		646,644
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TOTAL: LAW ENFORCEMENT						<u>1202.00.00.00</u>
BY FUND TYPE						
TRUST FUNDS.....		122,817			122,817	2000

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COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2020-21 POS	AMOUNT	AGY AMD REQ FY 2020-21 POS	AMOUNT	AGY AMD N/R FY 2020-21 POS	AMOUNT	AGY AMD ANZ FY 2020-21 POS	AMOUNT	AGY AMD REQ FY 2020-21 OVER(UNDER) AGY FIN REQ FY 2020-21 POS	AMOUNT	
FINANCIAL SERVICES										43000000
PGM: ST PROP/CASUALTY CLMS										43400000
ST SELF-INSURED CLAIMS ADJ										43400100
GOV OPERATIONS/SUPPORT										16
GOVERNMENTAL OPERATIONS										1601.00.00.00
WORKLOAD										3000000
RECLASSIFICATION OF POSITIONS										
WITHIN RISK MANAGEMENT - DEDUCT										3004A50
SALARIES AND BENEFITS										010000
		59.00-						59.00-		
STATE RISK MGMT TF		-STATE		2,125,367-				2,125,367-		2078 1

AGENCY ISSUE NARRATIVE:
 2020-2021 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Amended 2020-21 Narrative after November 22, 2019

The Division of Risk Management is responsible for the administration of the State of Florida's workers' compensation, general liability, automobile liability, federal civil rights, and property claims. There are over 15,000 claims reported annually with over \$130 million paid annually in benefits and settlements. The Division employs claims adjusters and accounting professionals to ensure that the claims benefits and settlements are timely processed and adjusted while safeguarding the state from fraud, waste, and abuse.

The Division is uniquely required to compete with private industry insurance companies to hire and retain insurance claims adjusters. Claims adjusting is a highly competitive field in the private insurance industry. The Division has, at times, experienced heavy turnover and vacancies of adjuster positions as the current position salaries are not competitive with the salaries offered by private insurance entities. In addition, several experienced liability adjusters have retired recently and several more are retiring in the next year. The Division has been unable to hire experienced liability adjusters to fill these vacancies due to salary constraints. The Division has also been unable to hire experienced workers' compensation adjusters due to noncompetitive salaries. The inability to hire experienced adjusters is a detriment to the risk management program's success. It slows the ability to promptly adjust and pay claims and does not allow the Division to have experienced and well-trained adjusters handling and negotiating claims. While not seeking to raise salaries to a level competitive with private industry, the Division is seeking to raise adjuster salaries enough to enable us to hire new adjusters with some level of experience in the adjusting field.

To support this request, the Division utilized a comprehensive study completed by the Risk and Insurance Management Society (RIMS). RIMS conducted a comprehensive survey on Risk Management Compensation nationally in 2013. This is the most recent version available to the Division free of cost. The survey included over 1,561 organizations in the United States with 237 governmental entities (15% of respondents) included in the survey. The survey reflects the average salary of a claims adjuster in the U.S. at \$64,200. The 25th percentile is at a salary of \$49,000. Additionally, Glass Door reports that the average claims adjuster salary in Tallahassee is between \$47,000 - \$51,000. The Division also surveyed other nearby governmental agencies that hire claims adjusters. The City of Tallahassee advised that experienced adjusters

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2020-21	POS AMOUNT	AGY AMD REQ FY 2020-21	POS AMOUNT	AGY AMD N/R FY 2020-21	POS AMOUNT	AGY AMD ANZ FY 2020-21	POS AMOUNT	AGY AMD REQ FY 2020-21 OVER(UNDER)	AGY FIN REQ FY 2020-21	
FINANCIAL SERVICES										43000000
PGM: ST PROP/CASUALTY CLMS										43400000
ST SELF-INSURED CLAIMS ADJ										43400100
GOV OPERATIONS/SUPPORT										16
GOVERNMENTAL OPERATIONS										<u>1601.00.00.00</u>
WORKLOAD										3000000
RECLASSIFICATION OF POSITIONS										
WITHIN RISK MANAGEMENT - DEDUCT										3004A50

are paid approximately \$46,500 and the City of Jacksonville advised adjusters are paid a minimum starting salary of \$48,622. The Division's starting salary for liability and workers' compensation adjusters is \$36,467.88 (Pay grade 22), with an average salary of \$38,857 for liability adjusters and \$39,569 for workers' compensation adjusters.

To address these recruitment and retention issues, the Division is requesting the following revisions to current position classifications:

Bureau of State Liability and Property Claims:

- 1) Reclass three Risk Management Program Administrators to Financial Administrators
- 2) Increase the pay grade on fifteen Risk Management Program Specialist positions from paygrade 022 to paygrade 024. As these positions are only utilized by the Department of Financial Services, the paygrades can be increased by the Department of Management Services, but the Division needs additional funds to cover the increased cost.

Bureau of State Employee Workers' Compensation Claims:

- 1) Reclass three Operations and Management Consultant Managers to Financial Administrators
- 2) Reclass three Workers' Compensation Administrators to Senior Management Analyst Supervisors
- 3) Increase the paygrade for twenty-six Workers' Compensation Specialists from a paygrade 022 to 024. As these positions are only utilized by the Department of Financial Services, the paygrades can be increased by the Department of Management Services, but the Division needs additional funds to cover the increased cost.
- 4) Increase the paygrade for six Senior Workers' Compensation Examiners from a paygrade 016 to 019. As these positions are only utilized by the Department of Financial Services, the paygrades can be increased by the Department of Management Services, but the Division needs additional funds to cover the increased cost.

Bureau of Risk Financing and Loss Prevention:

- 1) Reclass one Accountant III to Accountant IV-SES
- 2) Reclass two Accountant Supervisors II to Accounting Services Supervisors II

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2020-21	POS	AGY AMD REQ FY 2020-21	POS	AGY AMD N/R FY 2020-21	POS	AGY AMD ANZ FY 2020-21	POS	AGY AMD REQ FY 2020-21 OVER(UNDER)	AGY FIN REQ FY 2020-21	
AMOUNT		AMOUNT		AMOUNT		AMOUNT		AMOUNT	AMOUNT	
										43000000
										43400000
										43400100
										16
										1601.00.00.00
										3000000
										3004A50

FINANCIAL SERVICES
 PGM: ST PROP/CASUALTY CLMS
 ST SELF-INSURED CLAIMS ADJ
 GOV OPERATIONS/SUPPORT
 GOVERNMENTAL OPERATIONS
 WORKLOAD
 RECLASSIFICATION OF POSITIONS
 WITHIN RISK MANAGEMENT - DEDUCT

This issue deletes 2,125,367 in budget authority and fifty- nine positions at the current authorized class and paygrade.
 Issue code 3004A60 adds back the fifty-nine positions and 2,776,946 in budget authority to allow for the new class and
 paygrade revisions.

Summary: This is a new issue.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A14 - AGY AMD REQ FY 2020-21							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1436 ACCOUNTANT III							
N0007 001	1.00-	13,592-		15,753-	29,345-	0.00	29,345-
3313 SENIOR WORKERS' COMPENSATION EXAMINER							
N0006 001	6.00-	67,062-		92,182-	159,244-	0.00	159,244-
3322 WORKERS' COMPENSATION SPECIALIST							
N0005 001	26.00-	512,870-		435,287-	948,157-	0.00	948,157-
3545 RISK MANAGEMENT PROGRAM SPECIALIST							
N0002 001	15.00-	295,886-		251,128-	547,014-	0.00	547,014-
1439 ACCOUNTANT SUPERVISOR II - SES							
N0008 001	2.00-	30,965-		34,429-	65,394-	0.00	65,394-
2238 OPERATIONS & MGMT CONSULTANT MGR - SES							
N0003 001	3.00-	64,870-		65,653-	130,523-	0.00	130,523-
3328 WORKERS' COMPENSATION ADMIN - SES							
N0004 001	3.00-	67,759-		55,086-	122,845-	0.00	122,845-
3546 RISK MGMT PROGRAM ADMINISTRATOR - SES							
N0001 001	3.00-	67,759-		55,086-	122,845-	0.00	122,845-

COL A12	COL A14	COL A15	COL A16	COL A14-A12	
AGY FIN REQ FY 2020-21	AGY AMD REQ FY 2020-21	AGY AMD N/R FY 2020-21	AGY AMD ANZ FY 2020-21	AGY AMD REQ FY 2020-21 OVER(UNDER)	AGY FIN REQ FY 2020-21
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT

FINANCIAL SERVICES	43000000
PGM: ST PROP/CASUALTY CLMS	43400000
ST SELF-INSURED CLAIMS ADJ	43400100
GOV OPERATIONS/SUPPORT	16
GOVERNMENTAL OPERATIONS	1601.00.00.00
WORKLOAD	3000000
RECLASSIFICATION OF POSITIONS WITHIN RISK MANAGEMENT - DEDUCT	3004A50

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A14 - AGY AMD REQ FY 2020-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						2,125,367-
2078 STATE RISK MGMT TF						2,125,367-
59.00-	1,120,763-		1,004,604-	2,125,367-		2,125,367-

RECLASSIFICATION OF POSITIONS WITHIN RISK MANAGEMENT - ADD SALARIES AND BENEFITS						3004A60 010000
STATE RISK MGMT TF	-STATE	59.00	2,776,946	59.00	2,776,946	2078 1

AGENCY ISSUE NARRATIVE:
 2020-2021 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Amended 2020-21 Narrative after November 22, 2019

The Division of Risk Management is responsible for the administration of the State of Florida's workers' compensation, general liability, automobile liability, federal civil rights, and property claims. There are over 15,000 claims reported annually with over \$130 million paid annually in benefits and settlements. The Division employs claims adjusters and accounting professionals to ensure that the claims benefits and settlements are timely processed and adjusted while safeguarding the state from fraud, waste, and abuse.

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2020-21	POS	AGY AMD REQ FY 2020-21	POS	AGY AMD N/R FY 2020-21	POS	AGY AMD ANZ FY 2020-21	POS	AGY AMD REQ FY 2020-21 OVER(UNDER)	AGY FIN REQ FY 2020-21	
AMOUNT		AMOUNT		AMOUNT		AMOUNT		AMOUNT	AMOUNT	
										43000000
										43400000
										43400100
										16
										<u>1601.00.00.00</u>
										3000000
										3004A60

FINANCIAL SERVICES
 PGM: ST PROP/CASUALTY CLMS
ST SELF-INSURED CLAIMS ADJ
 GOV OPERATIONS/SUPPORT
GOVERNMENTAL OPERATIONS
 WORKLOAD
 RECLASSIFICATION OF POSITIONS
 WITHIN RISK MANAGEMENT - ADD

The Division is uniquely required to compete with private industry insurance companies to hire and retain insurance claims adjusters. Claims adjusting is a highly competitive field in the private insurance industry. The Division has, at times, experienced heavy turnover and vacancies of adjuster positions as the current position salaries are not competitive with the salaries offered by private insurance entities. In addition, several experienced liability adjusters have retired recently and several more are retiring in the next year. The Division has been unable to hire experienced liability adjusters to fill these vacancies due to salary constraints. The Division has also been unable to hire experienced workers' compensation adjusters due to noncompetitive salaries. The inability to hire experienced adjusters is a detriment to the risk management program's success. It slows the ability to promptly adjust and pay claims and does not allow the Division to have experienced and well-trained adjusters handling and negotiating claims. While not seeking to raise salaries to a level competitive with private industry, the Division is seeking to raise adjuster salaries enough to enable us to hire new adjusters with some level of experience in the adjusting field.

To support this request, the Division utilized a comprehensive study completed by the Risk and Insurance Management Society (RIMS). RIMS conducted a comprehensive survey on Risk Management Compensation nationally in 2013. This is the most recent version available to the Division free of cost. The survey included over 1,561 organizations in the United States with 237 governmental entities (15% of respondents) included in the survey. The survey reflects the average salary of a claims adjuster in the U.S. at \$64,200. The 25th percentile is at a salary of \$49,000. Additionally, Glass Door reports that the average claims adjuster salary in Tallahassee is between \$47,000 - \$51,000. The Division also surveyed other nearby governmental agencies that hire claims adjusters. The City of Tallahassee advised that experienced adjusters are paid approximately \$46,500 and the City of Jacksonville advised adjusters are paid a minimum starting salary of \$48,622. The Division's starting salary for liability and workers' compensation adjusters is \$36,467.88 (Pay grade 22), with an average salary of \$38,857 for liability adjusters and \$39,569 for workers' compensation adjusters.

To address these recruitment and retention issues, the Division is requesting the following revisions to current position classifications:

Bureau of State Liability and Property Claims:

- 1) Reclass three Risk Management Program Administrators to Financial Administrators
- 2) Increase the pay grade on fifteen Risk Management Program Specialist positions from paygrade 022 to paygrade 024. As these positions are only utilized by the Department of Financial Services, the paygrades can be increased by the Department of Management Services, but the Division needs additional funds to cover the increased cost.

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2020-21	AGY AMD REQ FY 2020-21	AGY AMD N/R FY 2020-21	AGY AMD ANZ FY 2020-21	AGY AMD REQ FY 2020-21	AGY FIN REQ FY 2020-21	OVER(UNDER)				
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES										43000000
PGM: ST PROP/CASUALTY CLMS										43400000
ST SELF-INSURED CLAIMS ADJ										43400100
GOV OPERATIONS/SUPPORT										16
GOVERNMENTAL OPERATIONS										<u>1601.00.00.00</u>
WORKLOAD										3000000
RECLASSIFICATION OF POSITIONS										
WITHIN RISK MANAGEMENT - ADD										3004A60

Bureau of State Employee Workers' Compensation Claims:

- 1) Reclass three Operations and Management Consultant Managers to Financial Administrators
- 2) Reclass three Workers' Compensation Administrators to Senior Management Analyst Supervisors
- 3) Increase the paygrade for twenty-six Workers' Compensation Specialists from a paygrade 022 to 024. As these positions are only utilized by the Department of Financial Services, the paygrades can be increased by the Department of Management Services, but the Division needs additional funds to cover the increased cost.
- 4) Increase the paygrade for six Senior Workers' Compensation Examiners from a paygrade 016 to 019. As these positions are only utilized by the Department of Financial Services, the paygrades can be increased by the Department of Management Services, but the Division needs additional funds to cover the increased cost.

Bureau of Risk Financing and Loss Prevention:

- 1) Reclass one Accountant III to an Accountant IV-SES
- 2) Reclass two Accountant Supervisors II to Accounting Services Supervisors II

This issue adds back fifty-nine positions and 2,776,946 in budget authority to allow for the new class and paygrade revisions. Issue code 3004A50 deletes 2,125,367 in budget authority and fifty-nine positions at the current authorized class and paygrade.

Summary: This is a new issue.

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2020-21	POS AMOUNT	AGY AMD REQ FY 2020-21	POS AMOUNT	AGY AMD N/R FY 2020-21	POS AMOUNT	AGY AMD ANZ FY 2020-21	POS AMOUNT	AGY AMD REQ FY 2020-21 OVER(UNDER)	AGY FIN REQ FY 2020-21	

FINANCIAL SERVICES 43000000
 PGM: ST PROP/CASUALTY CLMS 43400000
 ST SELF-INSURED CLAIMS ADJ 43400100
 GOV OPERATIONS/SUPPORT 16
 GOVERNMENTAL OPERATIONS 1601.00.00.00
 WORKLOAD 3000000
 RECLASSIFICATION OF POSITIONS
 WITHIN RISK MANAGEMENT - ADD 3004A60

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A14 - AGY AMD REQ FY 2020-21						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
3313 SENIOR WORKERS' COMPENSATION EXAMINER						
N0006 001	6.00	111,972	99,422	211,394	0.00	211,394
3545 RISK MANAGEMENT PROGRAM SPECIALIST						
N0002 001	15.00	423,467	271,693	695,160	0.00	695,160
N0005 001	26.00	734,009	470,934	1,204,943	0.00	1,204,943
1437 ACCOUNTANT IV - SES						
N0007 001	1.00	19,163	17,809	36,972	0.00	36,972
1445 ACCOUNTING SERVICES SUPERVISOR II - SES						
N0008 001	2.00	45,674	36,806	82,480	0.00	82,480
1587 FINANCIAL ADMINISTRATOR - SES						
N0001 001	3.00	129,669	65,091	194,760	0.00	194,760
N0003 001	3.00	128,666	64,929	193,595	0.00	193,595
2228 SENIOR MANAGEMENT ANALYST SUPV - SES						
N0004 001	3.00	97,715	59,927	157,642	0.00	157,642
TOTALS FOR ISSUE BY FUND						
2078 STATE RISK MGMT TF						2,776,946
59.00	1,690,335		1,086,611	2,776,946		2,776,946

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES	
AGY FIN REQ FY 2020-21	AGY AMD REQ FY 2020-21	AGY AMD REQ FY 2020-21	AGY AMD N/R FY 2020-21	AGY AMD ANZ FY 2020-21	AGY AMD ANZ FY 2020-21	AGY AMD ANZ FY 2020-21	AGY AMD ANZ FY 2020-21	AGY AMD REQ FY 2020-21 OVER(UNDER)	AGY FIN REQ FY 2020-21		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT		
FINANCIAL SERVICES										43000000	
PGM: ST PROP/CASUALTY CLMS										43400000	
ST SELF-INSURED CLAIMS ADJ										43400100	
GOV OPERATIONS/SUPPORT										16	
GOVERNMENTAL OPERATIONS										<u>1601.00.00.00</u>	
TOTAL: GOVERNMENTAL OPERATIONS										<u>1601.00.00.00</u>	
BY FUND TYPE											
TRUST FUNDS.....										651,579	2000
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* BPEADL01                                STATISTICAL INFORMATION                                01/17/2020 09:53:15 *
* BUDGET PERIOD: 2008-2021                EXHIBIT A, D AND D-3A LIST REQUEST                SDF 43      SP      *
* COMPILE DATE: 09/16/2015                COMPILE TIME: 09:40:41                                PAGE:      1      *
*****
*                                     SAVE INITIALS: SDF      SAVE DEPARTMENT: 43      SAVE ID: LAST
* -----
* 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:                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: A12                A14                A15                A16                A14-A12                CODES
* 1=EAD REPORT
* 2=SCHEDULE IV/IT ISSUES                REPORT COLUMNS WITH CALCULATION DIFFERENCE ONLY (Y/N): Y 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: N                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: A1                PRIORITY ISSUE NARRATIVE SET (1-9):
*
* INCLUDE POSITION DATA (Y/N): Y
*
* INCLUDE COLUMN CODES (Y/N): Y
*
* OUTPUT FORMAT: L                PAGE BREAKS: LBE PRC
* L=LANDSCAPE                (IOE, GRP, DEP, DIV,                REPORT HEADING:                EXHIBIT D-3A
* P=PORTRAIT                BUR, SUB, LBE, PRC,                EXPENDITURES BY
*                                     SIS, ISC)                ISSUE AND APPROPRIATION CATEGORY
* -----

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* BPEADL01                               STATISTICAL INFORMATION                               01/17/2020 09:53:15 *
* BUDGET PERIOD: 2008-2021                EXHIBIT A, D AND D-3A LIST REQUEST                SDF 43      SP      *
* COMPILE DATE: 09/16/2015                COMPILE TIME: 09:40:41                                PAGE:      2      *
*****
*
* TOTAL RECORDS READ FROM SORT:           774
* TOTAL RECORDS READ FROM CARD:           43
* TOTAL PAF RECORDS READ:                 22
* TOTAL OAF RECORDS READ:                 0
* TOTAL IEF RECORDS READ:                 0
* TOTAL BGF RECORDS READ:                 0
* TOTAL BEF RECORDS READ:                 69
* TOTAL PCF RECORDS READ:                 64
* TOTAL ICF RECORDS READ:                 427
* TOTAL INF RECORDS READ:                 314
* TOTAL ACF RECORDS READ:                 82
* TOTAL FCF RECORDS READ:                 4
* TOTAL FSF RECORDS READ:                 10
* TOTAL PCN RECORDS READ:                 0
* TOTAL BEN RECORDS READ:                 0
* TOTAL DPC RECORDS READ:                 40
* TOTAL RECORDS IN ERROR:                 0
*
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*
* BUDGET ENTITIES SELECTED:
*   1-9: 43
*  10-18:
*  19-27:
*
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