

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
EXECUTIVE DIR/SUPPORT SVCS				43010100
PUBLIC PROTECTION				12
LAW ENFORCEMENT				1202.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	928-			
	=====	=====	=====	
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
TRANSFER RATE TO CORRECT PROGRAM				
COMPONENT - ADD				160A420
SALARY RATE				000000
SALARY RATE.....	928			
	=====	=====	=====	

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 This issue is a technical issue which corrects incorrect program component in Executive Direction and Support Services in which rate only has been placed.

Executive Direction and Support Services

Current Program Component	Amount	
1202.00.00.00	(928)	
1204.00.00.00	3,926	
To Correct		
Issue Code	Program Component	Amount
160A420 (Add)	1202.00.00.00	928
160A410 (Deduct)	1602.00.00.00	928
160A410 (Deduct)	1204.00.00.00	(3,926)
160A420 (Add)	1602.00.00.00	3,926

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
			AMOUNT	CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>				43010100
<u>PUBLIC PROTECTION</u>				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
TRANSFER RATE TO CORRECT PROGRAM				
COMPONENT - ADD				160A420

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
RA06 RATE ADJ - NO FTE - NO SALARY - NO BENEFITS							
00000 001			928				
TOTAL SALARY RATE			928				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
EXECUTIVE DIR/SUPPORT SVCS				43010100
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....		3,926		
		=====		
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
TRANSFER RATE TO CORRECT PROGRAM				
COMPONENT - DEDUCT				160A410
SALARY RATE				000000
SALARY RATE.....		3,926-		
		=====		

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

This issue is a technical issue which corrects incorrect program component in Executive Direction and Support Services in which rate only has been placed.

Executive Direction and Support Services

Current Program Component	Amount
1202.00.00.00	(928)
1204.00.00.00	3,926

To Correct	Program Component	Amount
160A420 (Add)	1202.00.00.00	928
160A410 (Deduct)	1602.00.00.00	928
160A410 (Deduct)	1204.00.00.00	(3,926)
160A420 (Add)	1602.00.00.00	3,926

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
			AMOUNT	CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>				43010100
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
TRANSFER RATE TO CORRECT PROGRAM				
COMPONENT - DEDUCT				160A410

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
RA06 RATE ADJ - NO FTE - NO SALARY - NO BENEFITS							
00000 001			3,926-				
TOTAL SALARY RATE			3,926-				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
EXECUTIVE DIR/SUPPORT SVCS				43010100
GOV OPERATIONS/SUPPORT				16
EXEC LEADERSHIP/SUPPRT SVC				<u>1602.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	7,616,779			
=====				
SALARIES AND BENEFITS				010000
	174.50			
ADMINISTRATIVE TRUST FUND -STATE	10,940,692			2021 1
=====				
OTHER PERSONAL SERVICES				030000
ADMINISTRATIVE TRUST FUND -STATE	111,201			2021 1
=====				
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE	1,801,734			2021 1
=====				
OPERATING CAPITAL OUTLAY				060000
ADMINISTRATIVE TRUST FUND -STATE	30,066			2021 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE	458,497			2021 1
ANTI-FRAUD TRUST FUND -STATE	19,100			2038 1

TOTAL APPRO.....	477,597			
=====				
RISK MANAGEMENT INSURANCE				103241
ADMINISTRATIVE TRUST FUND -STATE	86,412			2021 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
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
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
ADMINISTRATIVE TRUST FUND -STATE	67,819			2021 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	174.50			
TOTAL ISSUE.....	13,515,521			
TOTAL SALARY RATE.....	7,616,779			
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
ADMINISTRATIVE TRUST FUND -STATE	6,923			2021 1
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE	13,397			2021 1
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
TRANSFER RATE TO CORRECT PROGRAM				
COMPONENT - DEDUCT				160A410
SALARY RATE				000000
SALARY RATE.....	928-			

AGENCY ISSUE NARRATIVE:
 2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 This issue is a technical issue which corrects incorrect program component in Executive Direction and Support Services in which rate only has been placed.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
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
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
TRANSFER RATE TO CORRECT PROGRAM				
COMPONENT - DEDUCT				160A410

Executive Direction and Support Services

Current Program Component	Amount
1202.00.00.00	(928)
1204.00.00.00	3,926
To Correct	
Issue Code	Program Component
160A420 (Add)	1202.00.00.00
160A410 (Deduct)	1602.00.00.00
160A410 (Deduct)	1204.00.00.00
160A420 (Add)	1602.00.00.00
	Amount
	928
	928
	(3,926)
	3,926

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
RA06 RATE ADJ - NO FTE - NO SALARY - NO BENEFITS							
00000 001		928-					
TOTAL SALARY RATE		928-					

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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>
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
TRANSFER RATE TO CORRECT PROGRAM				
COMPONENT - ADD				160A420
SALARY RATE				000000
SALARY RATE.....	3,926			

=====

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

This issue is a technical issue which corrects incorrect program component in Executive Direction and Support Services in which rate only has been placed.

Executive Direction and Support Services

Current Program Component	Amount
1202.00.00.00	(928)
1204.00.00.00	3,926

To Correct	Program Component	Amount
Issue Code		
160A420 (Add)	1202.00.00.00	928
160A410 (Deduct)	1602.00.00.00	928
160A410 (Deduct)	1204.00.00.00	(3,926)
160A420 (Add)	1602.00.00.00	3,926

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
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
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
TRANSFER RATE TO CORRECT PROGRAM				
COMPONENT - ADD				160A420

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
RA06 RATE ADJ - NO FTE - NO SALARY - NO BENEFITS							
00000 001			3,926				
TOTAL SALARY RATE			3,926				

REAPPROVAL OF BUDGET AMENDMENT							
TRANSFERRING POSITIONS AND FUNDING							
WITHIN A PROGRAM - DEDUCT							160FA50
SALARY RATE							000000
SALARY RATE.....	57,916-						
SALARIES AND BENEFITS							010000
ADMINISTRATIVE TRUST FUND -STATE	1.00-	77,045-					2021 1
TOTAL: REAPPROVAL OF BUDGET AMENDMENT							160FA50
TRANSFERRING POSITIONS AND FUNDING							
WITHIN A PROGRAM - DEDUCT							
TOTAL POSITIONS.....	1.00-						
TOTAL ISSUE.....		77,045-					
TOTAL SALARY RATE.....	57,916-						

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
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
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGRAM - DEDUCT				160FA50

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: REAPPROVAL OF BUDGET AMENDMENT TRANSFERRING POSITIONS AND FUNDING WITHIN A PROGRAM - DEDUCT

This issue requests the re-approval of budget amendment Executive Office of the Governor number Q0022 (Agency 10-03) which transfers a Telecommunications Specialist I (Class Code 2034, position number 00142) from Executive Direction and Support Service - Chief Financial Officer (43010100 program component 1602000000) to Information Technology (43010300 program component 1603000000). This amendment also transfers an Administrative Secretary (Class Code 0108, position number 00566) from Fire Marshal - Compliance and Enforcement (43300200) to Fire Marshal - Professional Training and Standards (43300400). A Government Analyst II (Class Code 2225, position number 00528) from Fire Marshal - Administrative and Support Services (43300500) to Fire Marshal - Compliance and Enforcement (43300200).

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
-----	-----	-----	-----
43010100			
(1)	Telecommunications Specialist (Pos Num 00142 CC 2034)	(\$ 77,045)	
43300200			
(1)	Administrative Secretary (Pos Num 00566 CC 0108)	(\$ 38,520)	
43300500			
(1)	Government Analyst II (Pos 00528 CC 2225)	(\$ 62,858)	
	Issue Total	(\$172,423)	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
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
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGRAM - DEDUCT				160FA50

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2034 TELECOMMUNICATIONS SPECIALIST II							
00142 001	1.00-	57,916-		19,129-	77,045-	0.00	77,045-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							77,045-
	1.00-	57,916-		19,129-	77,045-		77,045-

CORRECT CURRENT YEAR PROGRAM							
COMPONENT - ADD							160P140
SPECIAL CATEGORIES							100000
TR/DMS/HR SVCS/STW CONTRCT							107040
ADMINISTRATIVE TRUST FUND -STATE	4,411						2021 1

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

Issue Title: CORRECT CURRENT YEAR PROGRAM COMPONENT - ADD

This issue corrects a program component that is not specific to Executive Direction and Support Services. The correct program component is 1602000000.

Detail of Costs:

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
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
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
CORRECT CURRENT YEAR PROGRAM				
COMPONENT - ADD				160P140

Special Category
 HR Outsourcing (107040)
 Quantity Description

Amount

 \$4,411

ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE	66,985			2021 1
TOTAL: EXEC LEADERSHIP/SUPPRT SVC				1602.00.00.00
BY FUND TYPE				
TRUST FUNDS.....	173.50			
SALARY RATE.....	7,561,861			2000

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>				43010100
GOV OPERATIONS/SUPPORT				16
<u>INFORMATION TECHNOLOGY</u>				<u>1603.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
ADMINISTRATIVE TRUST FUND -STATE		4,411		2021 1
	=====	=====	=====	
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
CORRECT CURRENT YEAR PROGRAM				
COMPONENT - DEDUCT				160P130
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
ADMINISTRATIVE TRUST FUND -STATE		4,411-		2021 1
	=====	=====	=====	

AGENCY ISSUE NARRATIVE:				
2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO				
Issue Title: CORRECT CURRENT YEAR PROGRAM COMPONENT - DEDUCT				
This issue corrects a program component that is not specific to Executive Direction and Support Services. The correct program component is 1602000000.				
Detail of Costs:				
Special Category				
HR Outsourcing (107040)				
Quantity	Description	Amount		
-----	-----	-----		
		(\$4,411)		

TOTAL: EXECUTIVE DIR/SUPPORT SVCS				43010100
BY FUND TYPE				
	173.50			
TRUST FUNDS.....	13,530,192			2000
SALARY RATE.....	7,561,861			
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
LEGAL SERVICES				43010200
GOV OPERATIONS/SUPPORT				16
EXEC LEADERSHIP/SUPPRT SVC				<u>1602.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....		4,385,614		
		=====		
SALARIES AND BENEFITS				010000
		87.50		
ADMINISTRATIVE TRUST FUND -STATE		5,809,313		2021 1
		=====		
OTHER PERSONAL SERVICES				030000
ADMINISTRATIVE TRUST FUND -STATE		169,388		2021 1
		=====		
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE		944,433		2021 1
		=====		
OPERATING CAPITAL OUTLAY				060000
ADMINISTRATIVE TRUST FUND -STATE		3,639		2021 1
		=====		
SPECIAL CATEGORIES				100000
TRANS TO DIV ADM HEARINGS				100565
ADMINISTRATIVE TRUST FUND -STATE		410,537		2021 1
		=====		
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE		163,306		2021 1
		=====		
HOLOCAUST VICTIMS ASST ADM				101085
ADMINISTRATIVE TRUST FUND -STATE		308,007		2021 1
		=====		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
LEGAL SERVICES				43010200
GOV OPERATIONS/SUPPORT				16
EXEC LEADERSHIP/SUPPRT SVC				1602.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
ADMINISTRATIVE TRUST FUND -STATE	13,379			2021 1
TR/DMS/HR SVCS/STW CONTRCT				107040
ADMINISTRATIVE TRUST FUND -STATE	36,317			2021 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	87.50			
TOTAL ISSUE.....	7,858,319			
TOTAL SALARY RATE.....	4,385,614			
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
ADMINISTRATIVE TRUST FUND -STATE	5,437			2021 1
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE	7,016			2021 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
LEGAL SERVICES				43010200
GOV OPERATIONS/SUPPORT				16
EXEC LEADERSHIP/SUPPRT SVC				1602.00.00.00
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE		35,080		2021 1
=====				
WORKLOAD				3000000
EXPERT WITNESS AND COURT REPORTER				
FEEES FOR CASES IN LITIGATION				3001210
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE		300,000		2021 1
=====				

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 Issue Title: Expert Witness Fees and Court Reporter Fees for Cases in Litigation

Reference to Long Range Program Plan: This issue supports the mission, goals and objectives of the Department of Financial Services

Issue Description/Need:

The Division of Legal Services is requesting additional funds for Contracted Services in order to pay expert witness fees and court reporters fees for cases in litigation. The division continues to receive increasing numbers of investigation files for prosecution from all regulatory units of the Department, including agent cases involving annuity sales, improper handling of funds, funeral and cemetery cases, cases from the State Fire Marshal's Office and general cases filed against the Department. The Department has also experienced an increase in the number of cases and circumstances where outside counsel is retained to represent the Department. These cases involve litigation which requires a special legal expertise not available within the Department, especially in the area of advising the Division of Treasury on financial matters. The number of cases referred to Legal for prosecution has increased from 2,630 in 2006 to 3,267 in 2007 to 4,642 in 2008. Based on the number of cases referred to Legal in the first eight months of this calendar year, the number of cases for 2009 is projected to be 6,915.

Ultimate Outcome:

Funding this request will enable the Department to promptly and effectively respond to cases of improper licensee conduct where consumer harm is evident. With the increasing number of cases referred to Legal which requires litigation, there

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
LEGAL SERVICES				43010200
GOV OPERATIONS/SUPPORT				16
EXEC LEADERSHIP/SUPPRT SVC				<u>1602.00.00.00</u>
WORKLOAD				3000000
EXPERT WITNESS AND COURT REPORTER				
FEEES FOR CASES IN LITIGATION				3001210

will be a corresponding increase in the cost for expert witness fees and court reporter fees. Ultimately, funding this request will enable the Department to protect the public from harm by prosecuting licensees who violate the laws of this state. If the request is not funded the Department will be forced to selectively prosecute cases and forego prosecuting cases where consumer harm is evident and disciplining the licensee is appropriate.

Detail of Costs:

Contracted Services:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Expert Witness Fees, Court Reporter	\$300,000	
	Issue Total	\$300,000	

TOTAL: EXEC LEADERSHIP/SUPPRT SVC				<u>1602.00.00.00</u>
BY FUND TYPE				
	87.50			
TRUST FUNDS.....	8,205,852			2000
SALARY RATE.....	4,385,614			
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	6,027,257			
	=====	=====	=====	
SALARIES AND BENEFITS				010000
	126.00			
ADMINISTRATIVE TRUST FUND -STATE	8,149,688			2021 1
	=====	=====	=====	
OTHER PERSONAL SERVICES				030000
ADMINISTRATIVE TRUST FUND -STATE	98,834			2021 1
	=====	=====	=====	
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE	3,354,972			2021 1
	=====	=====	=====	
OPERATING CAPITAL OUTLAY				060000
ADMINISTRATIVE TRUST FUND -STATE	1,028,196			2021 1
	=====	=====	=====	
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE	4,625,514			2021 1
	=====	=====	=====	
RISK MANAGEMENT INSURANCE				103241
ADMINISTRATIVE TRUST FUND -STATE	29,244			2021 1
	=====	=====	=====	
TR/DMS/HR SVCS/STW CONTRCT				107040
ADMINISTRATIVE TRUST FUND -STATE	53,672			2021 1
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	126.00			
TOTAL ISSUE.....		17,340,120		
TOTAL SALARY RATE.....		6,027,257		
	=====	=====	=====	
CASUALTY INSURANCE PREMIUM				1001090
ADJUSTMENT				100000
SPECIAL CATEGORIES				103241
RISK MANAGEMENT INSURANCE				
ADMINISTRATIVE TRUST FUND -STATE		5,406		2021 1
	=====	=====	=====	
ADJUSTMENT TO STATE HEALTH				1002000
INSURANCE PREMIUM CONTRIBUTION -				010000
FISCAL YEAR 2009-10				
SALARIES AND BENEFITS				
ADMINISTRATIVE TRUST FUND -STATE		8,791		2021 1
	=====	=====	=====	
ADJUSTMENTS TO CURRENT YEAR				1600000
ESTIMATED EXPENDITURES				
REAPPROVAL OF BUDGET AMENDMENT				160FA40
TRANSFERRING POSITIONS AND FUNDING				000000
WITHIN A PROGAM - ADD				
SALARY RATE				
SALARY RATE.....		57,916		
	=====	=====	=====	
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE	1.00	77,045		2021 1
	=====	=====	=====	
TOTAL: REAPPROVAL OF BUDGET AMENDMENT				160FA40
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGAM - ADD				
TOTAL POSITIONS.....	1.00			
TOTAL ISSUE.....		77,045		
TOTAL SALARY RATE.....		57,916		
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGAM - ADD				160FA40

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: REAPPROVAL OF BUDGET AMENDMENT TRANSFERRING POSITIONS AND FUNDING WITHIN A PROGRAM - ADD

This issue requests the re-approval of budget amendment Executive Office of the Governor number Q0022 (Agency 10-03) which transfers a Telecommunications Specialist I (Class Code 2034, position number 00142) from Executive Direction and Support Service - Chief Financial Officer (43010100 program component 1602000000) to Information Technology (43010300 program component 1603000000). This amendment also transfers an Administrative Secretary (Class Code 0108, position number 00566) from Fire Marshal - Compliance and Enforcement (43300200) to Fire Marshal - Professional Training and Standards (43300400) and a Government Analyst II (Class Code 2225, position number 00528) from Fire Marshal - Administrative and Support Services (43300500) to Fire Marshal - Compliance and Enforcement (43300200).

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
-----	-----	-----	-----
43010300			
1	Telecommunications Specialist (Pos Num 00142 CC 2034)	\$ 77,045	
43300400			
1	Administrative Secretary (Pos Num 00566 CC 0108)	\$ 38,520	
43300200			
1	Government Analyst II (Pos 00528 CC 2225)	\$ 62,858	
	Issue Total	\$178,423	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGAM - ADD				160FA40

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2034 TELECOMMUNICATIONS SPECIALIST II							
00142 001	1.00	57,916		19,129	77,045	0.00	77,045
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							77,045
	1.00	57,916		19,129	77,045		77,045

ANNUALIZATION OF ADMINISTERED FUNDS APPROPRIATIONS							26A0000
ADJUSTMENT TO STATE HEALTH							
INSURANCE FOR FY 2009-10 - 10 MONTH							
ANNUALIZATION							26A1200
SALARIES AND BENEFITS							010000
ADMINISTRATIVE TRUST FUND -STATE	43,955						2021 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
WORKLOAD				3000000
TRANSFER A POSTION FROM CONSUMER				
SERVICES TO INFORMATION TECHNOLOGY				
- ADD				3000460
SALARY RATE				000000
SALARY RATE.....	28,200			
	=====	=====	=====	
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE	1.00	42,063		2021 1
	=====	=====	=====	
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE		1,800		2021 1
	=====	=====	=====	
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
ADMINISTRATIVE TRUST FUND -STATE		399		2021 1
	=====	=====	=====	
TOTAL: TRANSFER A POSTION FROM CONSUMER				3000460
SERVICES TO INFORMATION TECHNOLOGY				
- ADD				
TOTAL POSITIONS.....	1.00			
TOTAL ISSUE.....		44,262		
TOTAL SALARY RATE.....	28,200			
	=====	=====	=====	

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: TRANSFER A POSTION FROM CONSUMER SERVICES TO INFORMATION TECHNOLOGY - ADD

This is a technical issue that requests the transfer of position number 001758 from the Division of Consumer Services to Information Technology. This is being done as the result of an internal reorganization.

Detail of Costs:

Salaries and Benefits (010000):

COL A03		COL A04		COL A05		CODES
AGY REQUEST		AGY REQ N/R		AG REQ ANZ		
FY 2010-11		FY 2010-11		FY 2010-11		
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>
WORKLOAD						3000000
TRANSFER A POSTION FROM CONSUMER						
SERVICES TO INFORMATION TECHNOLOGY						
- ADD						3000460

Position	Title & Pay Grade	Amount	Non-Recurring
1	Operations Analyst I (position 01758/CC2209)	\$42,063	

Expenses (040000)			
Quantity	Description	Amount	Non-Recurring
1	Base Recurring Expense	\$ 1,800	

Special Category:			
HR Outsourcing (107040):			
Quantity	Description	Amount	Non-Recurring
1	Standard Charge	\$ 399	

Issue Total \$44,262

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2209 OPERATIONS ANALYST I							
01758 001	1.00	28,200		13,863	42,063	0.00	42,063

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	735,761			
=====				
SALARIES AND BENEFITS				010000
INSURANCE REG TF	10.00			
-STATE	858,381			2393 1
=====				
OTHER PERSONAL SERVICES				030000
INSURANCE REG TF				
-STATE	95,229			2393 1
=====				
EXPENSES				040000
INSURANCE REG TF				
-STATE	76,765			2393 1
=====				
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF				
-STATE	5,000			2393 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF				
-STATE	112,971			2393 1
=====				
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF				
-STATE	1,285			2393 1
=====				
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF				
-STATE	3,980			2393 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	10.00			
TOTAL ISSUE.....		1,153,611		
TOTAL SALARY RATE.....		735,761		
=====				
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF	-STATE	141-		2393 1
=====				
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	777		2393 1
=====				
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	3,885		2393 1
=====				
TOTAL: EXEC LEADERSHIP/SUPPRT SVC				<u>1602.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	10.00			2000
SALARY RATE.....		1,158,132		
SALARY RATE.....		735,761		
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
INFO TECHNOLOGY - FLAIR				43010500
GOV OPERATIONS/SUPPORT				16
INFORMATION TECHNOLOGY				<u>1603.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....		4,828,201		
=====				
SALARIES AND BENEFITS				010000
		108.00		
GENERAL REVENUE FUND	-STATE	6,584,120		1000 1
=====				
OTHER PERSONAL SERVICES				030000
GENERAL REVENUE FUND	-STATE	5,000		1000 1
=====				
EXPENSES				040000
GENERAL REVENUE FUND	-STATE	1,988,613		1000 1
=====				
OPERATING CAPITAL OUTLAY				060000
GENERAL REVENUE FUND	-STATE	215,794		1000 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
GENERAL REVENUE FUND	-STATE	3,100,316		1000 1
=====				
RISK MANAGEMENT INSURANCE				103241
GENERAL REVENUE FUND	-STATE	15,319		1000 1
=====				
TR/DMS/HR SVCS/STW CONTRCT				107040
GENERAL REVENUE FUND	-STATE	43,179		1000 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
INFO TECHNOLOGY - FLAIR				43010500
GOV OPERATIONS/SUPPORT				16
INFORMATION TECHNOLOGY				1603.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
STATE OPERATIONS-ARRA 2009				109910
ADMINISTRATIVE TRUST FUND -STATE	154,692			2021 1
=====				
SALARIES/BENEFIT-ARRA 2009				109995
ADMINISTRATIVE TRUST FUND -STATE	90,002			2021 1
=====				
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	108.00			
TOTAL ISSUE.....	12,197,035			
TOTAL SALARY RATE.....	4,828,201			
=====				
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				1002000
FISCAL YEAR 2009-10				010000
SALARIES AND BENEFITS				
GENERAL REVENUE FUND -STATE	7,651			1000 1
=====				
NONRECURRING EXPENDITURES				2100000
FEDERAL STIMULUS UNEMPLOYMENT				
COMPENSATION PAYMENTS				2103092
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE	90,002-			2021 1
=====				
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE	149,292-			2021 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>INFO TECHNOLOGY - FLAIR</u>				43010500
<u>GOV OPERATIONS/SUPPORT</u>				16
<u>INFORMATION TECHNOLOGY</u>				<u>1603.00.00.00</u>
NONRECURRING EXPENDITURES				2100000
FEDERAL STIMULUS UNEMPLOYMENT				
COMPENSATION PAYMENTS				2103092
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE		5,400-		2021 1
TOTAL: FEDERAL STIMULUS UNEMPLOYMENT				2103092
COMPENSATION PAYMENTS				
TOTAL ISSUE.....		244,694-		
REALIGNMENT OF APPROPRIATION				
CATEGORIES FOR THE AMERICAN				
RECOVERY AND REINVESTMENT ACT OF				
2009 - DEDUCT				2103093
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE		90,002		2021 1
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE		149,292		2021 1
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE		5,400		2021 1
TOTAL: REALIGNMENT OF APPROPRIATION				2103093
CATEGORIES FOR THE AMERICAN				
RECOVERY AND REINVESTMENT ACT OF				
2009 - DEDUCT				
TOTAL ISSUE.....		244,694		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
INFO TECHNOLOGY - FLAIR				43010500
GOV OPERATIONS/SUPPORT				16
INFORMATION TECHNOLOGY				1603.00.00.00
NONRECURRING EXPENDITURES				2100000
REALIGNMENT OF APPROPRIATION				
CATEGORIES FOR THE AMERICAN				
RECOVERY AND REINVESTMENT ACT OF				
2009 - ADD				2103094
SPECIAL CATEGORIES				100000
STATE OPERATIONS-ARRA 2009				109910
ADMINISTRATIVE TRUST FUND -STATE		154,692-		2021 1
SALARIES/BENEFIT-ARRA 2009				109995
ADMINISTRATIVE TRUST FUND -STATE		90,002-		2021 1
TOTAL: REALIGNMENT OF APPROPRIATION				2103094
CATEGORIES FOR THE AMERICAN				
RECOVERY AND REINVESTMENT ACT OF				
2009 - ADD				
TOTAL ISSUE.....		244,694-		
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
GENERAL REVENUE FUND -STATE		38,255		1000 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>INFO TECHNOLOGY - FLAIR</u>				43010500
<u>GOV OPERATIONS/SUPPORT</u>				16
<u>INFORMATION TECHNOLOGY</u>				<u>1603.00.00.00</u>
STATE ENTERPRISE INFORMATION TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO INTERNAL REVENUE CODE 3402 MANDATE OF THREE PERCENT WITHHOLDING ON PAYMENTS FOR SERVICE AND PROPERTY SALARY RATE				3612AC0
SALARY RATE.....	272,016			000000
	=====	=====	=====	
SALARIES AND BENEFITS				010000
GENERAL REVENUE FUND -STATE	6.00	374,888		1000 1
	=====	=====	=====	
OTHER PERSONAL SERVICES				030000
GENERAL REVENUE FUND -STATE	215,002			1000 1
	=====	=====	=====	
EXPENSES				040000
GENERAL REVENUE FUND -STATE	103,850	38,770		1000 1
	=====	=====	=====	
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
GENERAL REVENUE FUND -STATE	2,918			1000 1
	=====	=====	=====	
TOTAL: REQUIRED FLAIR MODIFICATION DUE TO INTERNAL REVENUE CODE 3402 MANDATE OF THREE PERCENT WITHHOLDING ON PAYMENTS FOR SERVICE AND PROPERTY				3612AC0
TOTAL POSITIONS.....	6.00			
TOTAL ISSUE.....	696,658	38,770		
TOTAL SALARY RATE.....	272,016			
	=====	=====	=====	

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? YES

Issue Title: Required FLAIR Modification due to Internal Revenue Code 3402 Mandate for Three Percent Withholding on

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>INFO TECHNOLOGY - FLAIR</u>				43010500
<u>GOV OPERATIONS/SUPPORT</u>				16
<u>INFORMATION TECHNOLOGY</u>				<u>1603.00.00.00</u>
STATE ENTERPRISE INFORMATION TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO INTERNAL REVENUE CODE 3402 MANDATE OF THREE PERCENT WITHHOLDING ON PAYMENTS FOR SERVICE AND PROPERTY				3612AC0

Payments for Service and Property After December 2011

Issue Description/Need:

Effective January 1, 2012, the federal government has mandated (Public Law 109-222) that governmental agencies withhold 3% from vendor payments for goods and services. This deadline was extended by the federal stimulus package, "American Recovery and Reinvestment Act of 2009," from the original effective date of January 1, 2011. The draft IRS rules for this new law require governments to withhold 3% of payments of \$10,000 or more. During the last fiscal year, the state issued 166,196 vendor payments through FLAIR in excess of \$10,000 to 19,113 vendors. In order to implement this federal mandate, the Department of Financial Services (DFS) will be required to withhold 3% from each payment (i.e., identify the applicable payments, calculate the withholding, and disburse the net amount to the vendor), build a system to report the amount and periodically remit funds to the IRS. This process will be similar to the current process for withholding and remitting payroll funds. All governmental entities which make \$100 million or more in vendor payments a year must implement this requirement. Therefore, state and local governments all over the country are being impacted by this requirement.

Division of Accounting & Auditing Impact:

During the 2009-2010 fiscal year, DFS is analyzing, researching and developing requirements for modifications to FLAIR to comply with this federal mandate.

For the 2010-2011 fiscal year, two FTEs are needed to work with the Division of Information Systems on issues related to technical designs and testing; monitoring and assessing impacts of final IRS rules; developing new vendor payment policies; and preparing training and communication materials. Additionally, two OPS positions are needed for improving data integrity in the current FLAIR vendor files and obtaining IRS Form W-9s on all vendors in preparation for the 3% withholding implementation. It is important to note that the OPS employees will work on a full-time recurring basis and the Division will need to obtain funding to create workstations for these employees. A critical component of this implementation is the cleanup of vendor information from the State's multiple vendor files with consolidation of data where possible. The new FTEs will also be the State of Florida's direct interface with the federal government for compliance and ongoing modifications to this new program. It is envisioned that an outreach program with State of Florida vendors will also be necessary to answer questions and work with individual vendors on compliance issues. Once implemented, the additional FTEs will supervise the day-to-day operations of this new requirement. Once the 3 percent withholding requirement has been implemented and the vendor files have been sufficiently cleaned up, the two OPS positions can be eliminated.

From an operational standpoint (once the law is implemented), this new requirement will significantly increase the

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>INFO TECHNOLOGY - FLAIR</u>				43010500
<u>GOV OPERATIONS/SUPPORT</u>				16
<u>INFORMATION TECHNOLOGY</u>				<u>1603.00.00.00</u>
STATE ENTERPRISE INFORMATION TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO INTERNAL REVENUE CODE 3402 MANDATE OF THREE PERCENT WITHHOLDING ON PAYMENTS FOR SERVICE AND PROPERTY				3612AC0

workload for DFS. For example, the number of 1099s produced by DFS will greatly increase and the questions arising due to withholding reported on the new 1099 form will increase the volume of vendor calls to the 1099 Section. In addition, the complexity of vendor calls will increase significantly as the process changes from a year-end reporting process to a daily vendor payment withholding process. A significant number of vendor calls is anticipated upon implementation because payments will not match invoices. There will also be confusion over which payments are subject to the new law.

For the 2011-2012 fiscal year, it is anticipated that 11 additional FTEs will be necessary to handle all areas of this withholding requirement including the following: withholding tax deposits and reconciliations, corrections/resolutions, agency/vendor liaisons, Form W-9/1099 reporting, and training. It is estimated that the total costs for these FTEs will be \$692,199 which includes \$649,552 for recurring costs and \$42,647 for non-recurring costs.

Due to the complexity of this federal mandate, it is necessary for the Division to hire staff at 10% above the minimum salary base for the requested FTEs in order to acquire and retain experienced professionals. The Division plans to hire OPS employees at the minimum hourly rate for the requested positions.

The requirements forecast above are modeled on current 1099 and Bureau of State Payrolls processes which demonstrates the workload associated with these types of business functions.

Division of Information Systems (DIS) Impact:

In order to comply with Public Law 109-222, the Bureaus of Accounting Systems Design and Programming Design estimate that 3,185 complex FLAIR computer programs must be modified and tested to address the reconciliation of withholdings and subsequent payments to the federal government, preparation of tax deposits, monitoring of agency payments, and increased compliance monitoring. For the 2010-2011 fiscal year, the calculation of costs for initial FLAIR changes is \$696,658, which includes \$657,888 for recurring costs and \$38,770 for non-recurring costs to cover the 6 FTEs and 4 OPS positions requested. This cost is to analyze, design and code modifications to FLAIR for vendor data consolidation and the 3% withholding requirements, as well as IRS reporting requirements.

The complexity of the mandate will require modifications to FLAIR's basic functionality. Designers, testers and programmers in the two FLAIR application support bureaus must understand the existing functionality in order to make these modifications. Recruiting candidates with the appropriate level of knowledge and experience is extremely difficult making it necessary for the Division to hire staff at 10% above the minimum salary base for the requested FTEs and OPS positions. It is important to note that the OPS employees will work on a full-time recurring basis and the Division will need to obtain funding to create workstations for these employees.

Potential Agency Impact:

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>INFO TECHNOLOGY - FLAIR</u>				43010500
<u>GOV OPERATIONS/SUPPORT</u>				16
<u>INFORMATION TECHNOLOGY</u>				<u>1603.00.00.00</u>
STATE ENTERPRISE INFORMATION TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO INTERNAL REVENUE CODE 3402 MANDATE OF THREE PERCENT WITHHOLDING ON PAYMENTS FOR SERVICE AND PROPERTY				3612AC0

This law will also apply to state disbursements not made currently through FLAIR, such as agency revolving funds. DFS will be required to work with all state agencies to identify non-FLAIR disbursements and devise a method for implementing the 3% withholding requirement.

Ultimate Outcome:

There are two sets of customers for this project. The first is the federal government. The second is the 200,000 plus vendors doing business with the State of Florida on an annual basis. The mandate to begin the 3% withholding is January 1, 2012. This LBR will create 14 positions as of July 1, 2010, to develop technical specifications, perform programming, perform testing, develop new policies, continue upgrading the FLAIR vendor files and obtain taxpayer information on all vendors needed for 3% withholding. Failure to fund these positions will prevent the State from making the technical modifications to FLAIR necessary for successful implementation of 3% withholding by the federally mandated deadline and from making sufficient progress in the clean-up and consolidation of vendor information necessary for the 3% withholding. If this LBR is not funded and the State cannot implement by January 1, 2012, potential penalties could be assessed. Governments that fail to withhold the tax imposed by this law are generally liable for the payment of the tax owed to the IRS unless it can prove that the payee has paid its income tax liability independently of the State. The dollar amount of 3 percent withholdings in a calendar year for the State of Florida is estimated to be over \$500 million a year when considering the amount of vendor payments made each year. Second, payers that fail to withhold the tax are liable for interest and will incur additional penalties depending on the time period taken to eventually remit the withholding amount. Third, annual 1099 forms to the IRS would not be correct, which could result in additional penalties of \$100 per Form 1099 with no cap. The fines under this scenario could run into millions of dollars per year.

From a technical, functional or operational standpoint, if positions are not funded, resources will have to be shifted from other statutory responsibilities which will significantly impact the agency's ability to meet its obligations resulting in extreme impacts to the citizens of Florida. In addition, when a FLAIR production problem occurs, it becomes a critical situation requiring involvement of numerous FLAIR staff members that will be working on the 3% withholding project. These resources could be pulled away from the 3% withholding project for days or weeks to correct the problem in order to provide the same level of service that customers are currently receiving. With the addition of these new resources, DFS would be able to resolve production problems and continue current levels of support without impacting the 3% project schedule. If this LBR is not funded and DFS is required to shift resources for the development, implementation and operations of the 3% withholding requirement, the following impacts will be seen:

1. Inability to support changes to MyFloridaMarketPlace processes and interfaces that also require FLAIR to make system modifications. Inadequate support of these processes could impact the accuracy and timeliness of payment processing to vendors.

COL A03		COL A04		COL A05		CODES
AGY REQUEST	AGY REQ N/R	AGY REQ N/R	AGY REQ ANZ	AGY REQUEST	AGY REQ ANZ	
FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
FINANCIAL SERVICES						43000000
PRG: CHIEF FIN OFFICER/ADM						43010000
<u>INFO TECHNOLOGY - FLAIR</u>						43010500
GOV OPERATIONS/SUPPORT						16
<u>INFORMATION TECHNOLOGY</u>						<u>1603.00.00.00</u>
STATE ENTERPRISE INFORMATION TECHNOLOGY						3610000
REQUIRED FLAIR MODIFICATION DUE TO INTERNAL REVENUE CODE 3402 MANDATE OF THREE PERCENT WITHHOLDING ON PAYMENTS FOR SERVICE AND PROPERTY						3612AC0

2. Inability to support changes to PeopleFirst processes and interfaces that also require FLAIR to make system modifications. Inadequate support of these processes could negatively affect employee payrolls and the accounting for the payroll.
3. Currently DIS responds to over 850 Help Desk tickets each year. These tickets cover issues as simple as how to use the FLAIR accounting system to helping a user work through a complex accounting scenario. If staff is pulled from this functionality, they will be unavailable to work through Help Desk tickets which will not allow DIS to respond to critical agency needs involving FLAIR programs.
4. Currently, DIS provides over 160 files to the Auditor General (AG) monthly. The AG requests specific historical accounting data from prior years for each agency being audited. This requires resources with an understanding of the accounting transactions as well as the technical knowledge to extract and send the data to the AG. If staff is pulled from support of data requests to the AG, DIS will be unable to provide assistance to the AG for their audits of other agencies.
5. Currently, FLAIR staff spends 35-40% of their work time performing maintenance and resolving production problems. If staff is unavailable for this type of activity, FLAIR production problems could result in significant FLAIR downtime and data corruption.
6. Each year several members of the FLAIR Central Accounting staff spend approximately three months (over 1100 hours) preparing for the fiscal year-end process. The year-end process includes closing cash balances from the prior year, opening cash balances for the current year and loading budgets to FLAIR from LAS/PBS in order to control agency spending. If staff is unavailable for this type of activity, the Department will not be able to meet the CFO's constitutional duty for the settlement of claims against the State.
7. Inability to provide timely support for FLAIR data requests, including transparency initiatives for DFS as well as from the Legislature and the Governor's Office. The most recent example is associated with a request from the Governor's Office to provide financial data for their transparency website. To date, DIS has spent over 1,700 hours in support of this effort.
8. FLAIR staff responds to over 250 requests for public information each year. These are the same staff members who will be working on parts of the 3% project. Without additional staff DIS will not be able to respond to public information requests from citizens, which could put the Department in violation of the Sunshine Law.
9. Data integrity in FLAIR will suffer, which could result in statewide financial statement audit qualifications. This

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
<u>INFO TECHNOLOGY - FLAIR</u>				43010500
<u>GOV OPERATIONS/SUPPORT</u>				16
<u>INFORMATION TECHNOLOGY</u>				<u>1603.00.00.00</u>
STATE ENTERPRISE INFORMATION TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO INTERNAL REVENUE CODE 3402 MANDATE OF THREE PERCENT WITHHOLDING ON PAYMENTS FOR SERVICE AND PROPERTY				3612AC0

could result in a lower bond rating, affecting the State's ability to issue new bonds and increase the cost of borrowing. As stated above, the current FLAIR staff spends 35-40% of their time working through maintenance issues and solving production issues. This is the same staff that will need to spend their time doing the work for the 3% project. If DIS does not get additional staff to help with the project, the current staff will spend fewer hours on maintenance.

10. System modifications required for federal reporting could be affected, such as payroll withholdings, resulting in significant fines by the federal government. Because personnel in the payroll programming and design sections have experience with withholding requirements, DIS will have to pull from their expertise. If DIS does not get additional staff, the staff currently supporting payroll will be re-assigned to 3% withholding and not available for support to the payroll system.

11. FLAIR report modifications for production of the State's Comprehensive Annual Financial Report (CAFR) could be affected, resulting in issuing the CAFR after the statutory deadline.

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
-----	-----	-----	-----
Division of Accounting & Auditing:			
2	Professional Accountant Specialists (424)	\$117,112	
Division of Information Systems:			
1	Senior SAMAS Analyst (1452)	\$ 62,215	
1	SAMAS Analyst (1450)	\$ 58,556	
2	Systems Project Analyst (2107)	\$117,112	
1	Senior Information Technology Business Consultant	\$ 66,325	
1	Systems Programming Consultant	\$ 70,680	
	Total for DIS positions	\$374,888	

OPS:

 COL A03 COL A04 COL A05
 AGY REQUEST AGY REQ N/R AG REQ ANZ
 FY 2010-11 FY 2010-11 FY 2010-11
 POS AMOUNT POS AMOUNT POS AMOUNT

 CODES

FINANCIAL SERVICES 43000000
 PRG: CHIEF FIN OFFICER/ADM 43010000
 INFO TECHNOLOGY - FLAIR 43010500
 GOV OPERATIONS/SUPPORT 16
 INFORMATION TECHNOLOGY 1603.00.00.00
 STATE ENTERPRISE INFORMATION
 TECHNOLOGY 3610000
 REQUIRED FLAIR MODIFICATION DUE TO
 INTERNAL REVENUE CODE 3402 MANDATE
 OF THREE PERCENT WITHHOLDING ON
 PAYMENTS FOR SERVICE AND PROPERTY 3612AC0

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
Division of Accounting & Auditing:			
1	Accountant II	\$ 28,571	
1	Accountant IV	\$ 35,198	
Total for A&A positions		\$ 63,769	

Division of Information Systems:			
1	Governmental Analyst I (2224)	\$ 52,149	
1	SAMAS Analyst (1450)	\$ 58,556	
2	Computer Programmer Analyst II (2103)	\$104,297	
Total for DIS positions		\$215,002	

Expenses:			
Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
Division of Accounting & Auditing:			
2	Standard Assessment Package (Professional)	\$ 20,770	\$ 7,754
2	Standard Assessment Package (Professional OPS Staff)	\$ 20,770	\$ 7,754
Total		\$ 41,540	\$15,508
Division of Information Systems:			
6	Standard Assessment Package (Professional)	\$ 62,310	\$23,262
4	Standard Assessment Package (Professional OPS Staff)	\$ 41,540	\$15,508
Total		\$103,850	\$38,770

Special Category			
HR Outsourcing:			
Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
Division of Accounting & Auditing			
2	Human Resource Services (Professional)	\$ 798	
2	Human Resource Services (Professional OPS Staff)	\$ 262	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PRG: CHIEF FIN OFFICER/ADM				43010000
INFO TECHNOLOGY - FLAIR				43010500
GOV OPERATIONS/SUPPORT				16
INFORMATION TECHNOLOGY				1603.00.00.00
STATE ENTERPRISE INFORMATION TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO INTERNAL REVENUE CODE 3402 MANDATE OF THREE PERCENT WITHHOLDING ON PAYMENTS FOR SERVICE AND PROPERTY				3612AC0
Total				\$ 1,060
Division of Information Systems:				
6	Human Resource Services (Professional)			\$ 2,394
4	Human Resource Services (Professional OPS Staff)			\$ 524
	Total			\$ 2,918
Issue Total				\$920,139 \$54,278
Division of Accounting & Auditing Total				\$223,481 \$15,508
Division of Information Systems Total				\$696,658 \$38,770

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
1450 STATE AUTOMATE MGMNT ACCOUNT SYS ANALYST							
N0002 001	1.00	42,210		16,346	58,556	0.00	58,556
1452 SR STATE AUTOMATE MGT ACCT SYSTM ANALYST							
N0001 001	1.00	45,318		16,897	62,215	0.00	62,215
2107 SYSTEMS PROJECT ANALYST							
N0004 001	2.00	84,421		32,691	117,112	0.00	117,112
2117 SYSTEMS PROGRAMMING CONSULTANT							
N0007 001	1.00	52,510		18,170	70,680	0.00	70,680
2112 INFORMATION TECH BUSINESS CONSULT - SES							
N0006 001	1.00	47,557		18,768	66,325	0.00	66,325

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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>
STATE ENTERPRISE INFORMATION TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO INTERNAL REVENUE CODE 3402 MANDATE OF THREE PERCENT WITHHOLDING ON PAYMENTS FOR SERVICE AND PROPERTY				3612AC0

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							374,888
	6.00	272,016		102,872	374,888		374,888

TOTAL: INFORMATION TECHNOLOGY							<u>1603.00.00.00</u>
BY FUND TYPE							
GENERAL REVENUE FUND.....	114.00	12,694,905	38,770				1000
SALARY RATE.....	5,100,217						

=====

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: TREASURY				43100000
DEPOSIT SECURITY				43100200
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	1,043,608			
=====				
SALARIES AND BENEFITS				010000
TREASURY ADM/INVEST TF -STATE	26.50	1,534,683		2725 1
=====				
OTHER PERSONAL SERVICES				030000
TREASURY ADM/INVEST TF -STATE	1,500			2725 1
=====				
EXPENSES				040000
TREASURY ADM/INVEST TF -STATE	275,081			2725 1
=====				
OPERATING CAPITAL OUTLAY				060000
TREASURY ADM/INVEST TF -STATE	1,783			2725 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
TREASURY ADM/INVEST TF -STATE	80,205			2725 1
=====				
RISK MANAGEMENT INSURANCE				103241
TREASURY ADM/INVEST TF -STATE	68,548			2725 1
=====				
TR/DMS/HR SVCS/STW CONTRCT				107040
TREASURY ADM/INVEST TF -STATE	10,687			2725 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: TREASURY				43100000
DEPOSIT SECURITY				43100200
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	26.50			
TOTAL ISSUE.....		1,972,487		
TOTAL SALARY RATE.....		1,043,608		
=====				
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
TREASURY ADM/INVEST TF -STATE		4,444-		2725 1
=====				
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
TREASURY ADM/INVEST TF -STATE		2,141		2725 1
=====				
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
TREASURY ADM/INVEST TF -STATE		10,705		2725 1
=====				
TOTAL: GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	26.50			
SALARY RATE.....		1,980,889		2000
SALARY RATE.....		1,043,608		
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: TREASURY				43100000
ST FUNDS MGT & INVESTMENT				43100300
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	1,183,429			
SALARIES AND BENEFITS				010000
TREASURY ADM/INVEST TF -STATE	28.50	1,693,347		2725 1
OTHER PERSONAL SERVICES				030000
TREASURY ADM/INVEST TF -STATE	17,500			2725 1
EXPENSES				040000
TREASURY ADM/INVEST TF -STATE	370,619			2725 1
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
TREASURY ADM/INVEST TF -STATE	848,785			2725 1
TR/DMS/HR SVCS/STW CONTRCT				107040
TREASURY ADM/INVEST TF -STATE	11,516			2725 1
STATE OPERATIONS-ARRA 2009				109910
ADMINISTRATIVE TRUST FUND -STATE	495,179			2021 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	28.50			
TOTAL ISSUE.....	3,436,946			
TOTAL SALARY RATE.....	1,183,429			

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ESTIMATED EXPENDITURES				1000000
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
TREASURY ADM/INVEST TF -STATE		2,204		2725 1
=====				
NONRECURRING EXPENDITURES				2100000
FEDERAL STIMULUS UNEMPLOYMENT				
COMPENSATION PAYMENTS				2103092
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE		495,179-		2021 1
=====				
REALIGNMENT OF APPROPRIATION				
CATEGORIES FOR THE AMERICAN				
RECOVERY AND REINVESTMENT ACT OF				
2009 - DEDUCT				2103093
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE		495,179		2021 1
=====				
REALIGNMENT OF APPROPRIATION				
CATEGORIES FOR THE AMERICAN				
RECOVERY AND REINVESTMENT ACT OF				
2009 - ADD				2103094
SPECIAL CATEGORIES				100000
STATE OPERATIONS-ARRA 2009				109910
ADMINISTRATIVE TRUST FUND -STATE		495,179-		2021 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: TREASURY				43100000
<u>ST FUNDS MGT & INVESTMENT</u>				43100300
<u>GOV OPERATIONS/SUPPORT</u>				16
<u>GOVERNMENTAL OPERATIONS</u>				<u>1601.00.00.00</u>
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
TREASURY ADM/INVEST TF -STATE		11,020		2725 1
	=====	=====	=====	
TOTAL: GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	28.50			
SALARY RATE.....		2,954,991		2000
		1,183,429		
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: TREASURY				43100000
SUP RETIREMENT PLAN				43100400
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	437,759			
=====				
SALARIES AND BENEFITS				010000
TREASURY ADM/INVEST TF -STATE	12.50	642,207		2725 1
=====				
OTHER PERSONAL SERVICES				030000
TREASURY ADM/INVEST TF -STATE		100		2725 1
=====				
EXPENSES				040000
TREASURY ADM/INVEST TF -STATE		120,786		2725 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
TREASURY ADM/INVEST TF -STATE		252		2725 1
=====				
TR/DMS/HR SVCS/STW CONTRCT				107040
TREASURY ADM/INVEST TF -STATE		4,689		2725 1
=====				
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	12.50			
TOTAL ISSUE.....		768,034		
TOTAL SALARY RATE.....	437,759			
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: TREASURY				43100000
SUP RETIREMENT PLAN				43100400
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
TREASURY ADM/INVEST TF -STATE		1,109		2725 1
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
TREASURY ADM/INVEST TF -STATE		5,545		2725 1
TOTAL: GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	12.50			
SALARY RATE.....		774,688		2000
		437,759		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	7,730,622			
=====				
SALARIES AND BENEFITS				010000
GENERAL REVENUE FUND -STATE	9,336,146			1000 1
ADMINISTRATIVE TRUST FUND -STATE	968,650			2021 1
TOTAL POSITIONS.....	164.00			
TOTAL APPRO.....	10,304,796			
=====				
OTHER PERSONAL SERVICES				030000
GENERAL REVENUE FUND -STATE	22,994			1000 1
=====				
EXPENSES				040000
GENERAL REVENUE FUND -STATE	1,222,587			1000 1
ADMINISTRATIVE TRUST FUND -STATE	278,129			2021 1
TOTAL APPRO.....	1,500,716			
=====				
OPERATING CAPITAL OUTLAY				060000
GENERAL REVENUE FUND -STATE	10,000			1000 1
ADMINISTRATIVE TRUST FUND -STATE	3,000			2021 1
TOTAL APPRO.....	13,000			
=====				
SPECIAL CATEGORIES				100000
REGISTRY ATTORNEYS				100650
ADMINISTRATIVE TRUST FUND -STATE	2,075,388			2021 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
GENERAL REVENUE FUND -STATE		405,949		1000 1
DEBT SERVICE - FLAIR/CMS				100873
INSURANCE REG TF -STATE		5,257,840		2393 1
RISK MANAGEMENT INSURANCE				103241
GENERAL REVENUE FUND -STATE		40,796		1000 1
SALARY INCENTIVE PAYMENTS				103290
GENERAL REVENUE FUND -STATE		700		1000 1
TR/DMS/HR SVCS/STW CONTRCT				107040
GENERAL REVENUE FUND -STATE		61,586		1000 1
ADMINISTRATIVE TRUST FUND -STATE		5,595		2021 1
TOTAL APPRO.....		67,181		
TR/PRISON INDUSTRY ENH PRG				108005
PRISON INDUSTRIES TF -STATE		750,000		2385 1
STATE OPERATIONS-ARRA 2009				109910
ADMINISTRATIVE TRUST FUND -STATE		259,275		2021 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	164.00			
TOTAL ISSUE.....	20,698,635			
TOTAL SALARY RATE.....	7,730,622			
=====				
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
GENERAL REVENUE FUND -STATE		792-		1000 1
ADMINISTRATIVE TRUST FUND -STATE		792		2021 1
TOTAL APPRO.....				
=====				
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
GENERAL REVENUE FUND -STATE		12,374		1000 1
ADMINISTRATIVE TRUST FUND -STATE		1,284		2021 1
TOTAL APPRO.....		13,658		
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
INTER-AGENCY REORGANIZATIONS				1700000
TRANSFER POSITION FROM DEPARTMENT OF MANAGEMENT SERVICES TO DEPARTMENT OF FINANCIAL SERVICES				1703500
SALARY RATE				000000
SALARY RATE.....	36,521			
=====				
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE	1.00	51,858		2021 1
=====				
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE		6,508		2021 1
=====				
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
ADMINISTRATIVE TRUST FUND -STATE		399		2021 1
=====				
TOTAL: TRANSFER POSITION FROM DEPARTMENT OF MANAGEMENT SERVICES TO DEPARTMENT OF FINANCIAL SERVICES				1703500
TOTAL POSITIONS.....	1.00			
TOTAL ISSUE.....		58,765		
TOTAL SALARY RATE.....	36,521			
=====				

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Transfer Position from the Department of Management Services to the Department of Financial Services

Issue Description/Need:

Currently one position in the Department of Management Services (DMS) is working at the Department of Financial Services (DFS) and is being supported by a Memorandum of Understanding between the two departments. DFS has developed policies, procedures and software applications that permit agencies to add vendor (mostly payees rather than commercial vendors) to the DFS Statewide Vendor File, that enable the sunset of the State Purchasing System (SPURS) (the "Project"). DMS provided an employee that possessed the requisite skills, knowledge, qualifications and experience to assist in the Project.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
INTER-AGENCY REORGANIZATIONS				1700000
TRANSFER POSITION FROM DEPARTMENT OF MANAGEMENT SERVICES TO DEPARTMENT OF FINANCIAL SERVICES				1703500

This position's primary responsibility is to maintain the data integrity of the Statewide Vendor File (SWVF) that is successor to State Purchasing System (SPURS), which was sunset 06/01/09. Duties: assist agencies when adding new vendors or new vendor sequences to the SWVF; analyze requests to update current vendor information based on requests from agencies or vendors; oversee and recommend responses to emails received via the SWVF site; primary responder to calls on the SWVF phone line; review Form W-9s forwarded from the 1099 Section to determine the appropriate actions to update the SWVF; provide technical assistance/training to state agencies regarding the SWVF; analyze and respond to requests regarding P-card only vendors; participate in meeting with agencies regarding process within the SWVF; work with Electronic Funds Transfer (EFT) Section to determine correct vendor naming conventions to promote EFT transactions; participate in internal meetings regarding the SWVF and recommends improvements in system processes and efficiencies; and acts as liaison with MFMP regarding MFMP vendor issues.

DMS is requesting a reduction of 1 FTE and DFS is requesting an increase of 1 FTE. This position will still be supported by a Memorandum of Understanding (MOU) between DMS and DFS,

Ultimate Outcome:

State Purchasing is requesting to delete 1 FTE and associated costs of \$58,765. DFS is requesting an increase of 1 FTE and associated costs of the same amount. A MOU will provide for a cash transfer from DMS to DFS to support a position dedicated to the Project. An increase to non-operating transfer category will be addressed during Fiscal Year 2010-11 Start up exercises.

Detail of Costs

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Salary & Benefits
1	P101 (Rate 36,521)	\$51,858

Expenses (040000):

Quantity	Description	Recurring
1		\$ 6,508

HR Outsourcing (107040):

Quantity	Description	Recurring

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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
INTER-AGENCY REORGANIZATIONS				1700000
TRANSFER POSITION FROM DEPARTMENT OF MANAGEMENT SERVICES TO DEPARTMENT OF FINANCIAL SERVICES				1703500
1				\$ 399
Issue Total				\$58,765

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0065 001	1.00	36,521		15,337	51,858	0.00	51,858
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							51,858
	1.00	36,521		15,337	51,858		51,858

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
INTRA-AGENCY REORGANIZATIONS				1800000
TRANSFER THE OFFICE OF FISCAL				
INTEGRITY FROM ACCOUNTING AND				
AUDITING TO DIVISION OF INSURANCE				
FRAUD - DEDUCT				1801A10
SALARY RATE				000000
SALARY RATE.....	494,886-			
=====				
SALARIES AND BENEFITS				010000
GENERAL REVENUE FUND	-STATE	10.00-		
		686,384-		1000 1
=====				
EXPENSES				040000
GENERAL REVENUE FUND	-STATE	25,990-		1000 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
GENERAL REVENUE FUND	-STATE	382-		1000 1
=====				
SALARY INCENTIVE PAYMENTS				103290
GENERAL REVENUE FUND	-STATE	386-		1000 1
=====				
TR/DMS/HR SVCS/STW CONTRCT				107040
GENERAL REVENUE FUND	-STATE	3,990-		1000 1
=====				
TOTAL: TRANSFER THE OFFICE OF FISCAL				1801A10
INTEGRITY FROM ACCOUNTING AND				
AUDITING TO DIVISION OF INSURANCE				
FRAUD - DEDUCT				
TOTAL POSITIONS.....	10.00-			
TOTAL ISSUE.....		717,132-		
TOTAL SALARY RATE.....	494,886-			
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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
INTRA-AGENCY REORGANIZATIONS				1800000
TRANSFER THE OFFICE OF FISCAL				
INTEGRITY FROM ACCOUNTING AND				
AUDITING TO DIVISION OF INSURANCE				
FRAUD - DEDUCT				1801A10

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: TRANSFER THE OFFICE OF FISCAL INTEGRITY FROM ACCOUNTING AND AUDITING TO DIVISION OF INSURANCE FRAUD - DEDUCT

This issue requests the transfer of the Office of Fiscal Integrity from the Division of Accounting and Auditing to Division of Insurance Fraud. This move will allow the department to move this small law enforcement activity to the larger law enforcement office. It will allow the department to facilitate the effective investigation of complex financial crimes. This issue will require a change in Chapter 20, Florida Statutes. Several positions are not filled. The rate for these positions is calculated based on the competitive amount needed to fill these positions. This program is General Revenue funded.

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Rate	Salary & Benefits
1	Financial Investigator - CE (CC 8325, pos 4893)	(\$44,623)	(\$ 61,396)
1	Sr. Management Analyst Supv.(CC 2228, pos 4173)	(\$54,932)	(\$ 75,021)
1	Law Enforcement Investigator II (CC 8541, pos 4636)	(\$58,689)	(\$ 84,452)
1	Fiscal Integrity Program Manger (CC 8131, pos 4063)	(\$70,384)	(\$ 93,242)
1	Government Analyst I (CC 2224, pos 4689)	(\$40,235)	(\$ 56,230)
1	Financial Investigator - CE (CC 8325, pos 4708)	(\$47,111)	(\$ 64,324)
1	Professional Accountant Specialist (CC 1469, pos 4631)	(\$40,948)	(\$ 57,070)
1	Law Enforcement Investigator II (CC 8541, pos 4165)	(\$50,950)	(\$ 74,485)
1	Financial Investigator - CE (CC 8325, pos 4258)	(\$43,507)	(\$ 60,082)
1	Financial Investigator - CE (CC 8325, pos 4690)	(\$43,507)	(\$ 60,082)
10	Total	(\$494,886)	(\$686,384)

Expenses (040000)

Quantity	Description	Amount
	General Expenses at \$1,249 per position	(\$ 12,490)
	Travel	(\$ 13,500)

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
INTRA-AGENCY REORGANIZATIONS				1800000
TRANSFER THE OFFICE OF FISCAL				
INTEGRITY FROM ACCOUNTING AND				
AUDITING TO DIVISION OF INSURANCE				
FRAUD - DEDUCT				1801A10

Total (\$ 25,990)

Special Category
 Contracted Services (100777)
 Quantity Description Amount

 1 Contract with Accurint (\$ 382)

Special Category:
 Salary Incentive Payment (103290):
 Quantity Description Amount

 Salary Incentive Payment (\$ 386)

Special Category:
 HR Outsourcing (107040):
 Quantity Description Amount

 10 Standard HR Package at \$399 per position (\$ 3,990)

Issue Total (\$717,132)

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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
INTRA-AGENCY REORGANIZATIONS				1800000
TRANSFER THE OFFICE OF FISCAL				
INTEGRITY FROM ACCOUNTING AND				
AUDITING TO DIVISION OF INSURANCE				
FRAUD - DEDUCT				1801A10

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1469 PROFESSIONAL ACCOUNTANT SPECIALIST							
04631 001	1.00-	40,948-		16,122-	57,070-	0.00	57,070-
2224 GOVERNMENT ANALYST I							
04689 001	1.00-	40,235-		15,995-	56,230-	0.00	56,230-
8325 FINANCIAL INVESTIGATOR-CRIMINAL ENFORCE							
04258 001	1.00-	43,507-		16,575-	60,082-	0.00	60,082-
04690 001	1.00-	43,507-		16,575-	60,082-	0.00	60,082-
04708 001	1.00-	47,111-		17,213-	64,324-	0.00	64,324-
04893 001	1.00-	44,623-		16,773-	61,396-	0.00	61,396-
8541 LAW ENFORCEMENT INVESTIGATOR II							
04165 001	1.00-	50,950-		23,535-	74,485-	0.00	74,485-
04636 001	1.00-	58,689-		25,763-	84,452-	0.00	84,452-
2228 SENIOR MANAGEMENT ANALYST SUPV - SES							
04173 001	1.00-	54,932-		20,089-	75,021-	0.00	75,021-
8131 FISCAL INTEGRITY PROGRAM MANAGER							
04063 001	1.00-	70,384-		22,858-	93,242-	0.00	93,242-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							686,384-
	10.00-	494,886-		191,498-	686,384-		686,384-

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
NONRECURRING EXPENDITURES				2100000
FEDERAL STIMULUS UNEMPLOYMENT				
COMPENSATION PAYMENTS				2103092
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE	143,171-			2021 1
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE	116,104-			2021 1
TOTAL: FEDERAL STIMULUS UNEMPLOYMENT				2103092
COMPENSATION PAYMENTS				
TOTAL ISSUE.....	259,275-			
REALIGNMENT OF APPROPRIATION				
CATEGORIES FOR THE AMERICAN				
RECOVERY AND REINVESTMENT ACT OF				
2009 - DEDUCT				2103093
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE	143,171			2021 1
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE	116,104			2021 1
TOTAL: REALIGNMENT OF APPROPRIATION				2103093
CATEGORIES FOR THE AMERICAN				
RECOVERY AND REINVESTMENT ACT OF				
2009 - DEDUCT				
TOTAL ISSUE.....	259,275			

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
NONRECURRING EXPENDITURES				2100000
REALIGNMENT OF APPROPRIATION				
CATEGORIES FOR THE AMERICAN				
RECOVERY AND REINVESTMENT ACT OF				
2009 - ADD				2103094
SPECIAL CATEGORIES				100000
STATE OPERATIONS-ARRA 2009				109910
ADMINISTRATIVE TRUST FUND -STATE		259,275-		2021 1
=====				
REQUIRED FLAIR MODIFICATION DUE TO				
INTERNAL REVENUE CODE 3402 MANDATE				
OF THREE PERCENT WITHHOLDING ON				
PAYMENTS FOR SERVICE AND PROPERTY				2103095
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE		10,236-		2021 1
=====				
OPERATING CAPITAL OUTLAY				060000
ADMINISTRATIVE TRUST FUND -STATE		3,000-		2021 1
=====				
TOTAL: REQUIRED FLAIR MODIFICATION DUE TO				2103095
INTERNAL REVENUE CODE 3402 MANDATE				
OF THREE PERCENT WITHHOLDING ON				
PAYMENTS FOR SERVICE AND PROPERTY				
TOTAL ISSUE.....		13,236-		
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
GENERAL REVENUE FUND -STATE		61,870		1000 1
ADMINISTRATIVE TRUST FUND -STATE		6,420		2021 1
TOTAL APPRO.....		68,290		
STATE ENTERPRISE INFORMATION				
TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO				
INTERNAL REVENUE CODE 3402 MANDATE				
OF THREE PERCENT WITHHOLDING ON				
PAYMENTS FOR SERVICE AND PROPERTY				3612AC0
SALARY RATE				000000
SALARY RATE.....		81,937		
SALARIES AND BENEFITS				010000
GENERAL REVENUE FUND -STATE		2.00		
GENERAL REVENUE FUND -STATE		117,112		1000 1
OTHER PERSONAL SERVICES				030000
GENERAL REVENUE FUND -STATE		63,769		1000 1
EXPENSES				040000
GENERAL REVENUE FUND -STATE		41,540	15,508	1000 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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
STATE ENTERPRISE INFORMATION				
TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO				
INTERNAL REVENUE CODE 3402 MANDATE				
OF THREE PERCENT WITHHOLDING ON				
PAYMENTS FOR SERVICE AND PROPERTY				3612AC0
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
GENERAL REVENUE FUND -STATE	1,060			1000 1
=====				
TOTAL: REQUIRED FLAIR MODIFICATION DUE TO				3612AC0
INTERNAL REVENUE CODE 3402 MANDATE				
OF THREE PERCENT WITHHOLDING ON				
PAYMENTS FOR SERVICE AND PROPERTY				
TOTAL POSITIONS.....	2.00			
TOTAL ISSUE.....	223,481	15,508		
TOTAL SALARY RATE.....	81,937			
=====				

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? YES

Issue Title: Required FLAIR Modification due to Internal Revenue Code 3402 Mandate for Three Percent Withholding on Payments for Service and Property After December 2011

Issue Description/Need:

Effective January 1, 2012, the federal government has mandated (Public Law 109-222) that governmental agencies withhold 3% from vendor payments for goods and services. This deadline was extended by the federal stimulus package, "American Recovery and Reinvestment Act of 2009," from the original effective date of January 1, 2011. The draft IRS rules for this new law require governments to withhold 3% of payments of \$10,000 or more. During the last fiscal year, the state issued 166,196 vendor payments through FLAIR in excess of \$10,000 to 19,113 vendors. In order to implement this federal mandate, the Department of Financial Services (DFS) will be required to withhold 3% from each payment (i.e., identify the applicable payments, calculate the withholding, and disburse the net amount to the vendor), build a system to report the amount and periodically remit funds to the IRS. This process will be similar to the current process for withholding and remitting payroll funds. All governmental entities which make \$100 million or more in vendor payments a year must implement this requirement. Therefore, state and local governments all over the country are being impacted by this requirement.

Division of Accounting & Auditing Impact:

During the 2009-2010 fiscal year, DFS is analyzing, researching and developing requirements for modifications to FLAIR to

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	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>
STATE ENTERPRISE INFORMATION				
TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO				
INTERNAL REVENUE CODE 3402 MANDATE				
OF THREE PERCENT WITHHOLDING ON				
PAYMENTS FOR SERVICE AND PROPERTY				3612AC0

comply with this federal mandate.

For the 2010-2011 fiscal year, two FTEs are needed to work with the Division of Information Systems on issues related to technical designs and testing; monitoring and assessing impacts of final IRS rules; developing new vendor payment policies; and preparing training and communication materials. Additionally, two OPS positions are needed for improving data integrity in the current FLAIR vendor files and obtaining IRS Form W-9s on all vendors in preparation for the 3% withholding implementation. It is important to note that the OPS employees will work on a full-time recurring basis and the Division will need to obtain funding to create workstations for these employees. A critical component of this implementation is the cleanup of vendor information from the State's multiple vendor files with consolidation of data where possible. The new FTEs will also be the State of Florida's direct interface with the federal government for compliance and ongoing modifications to this new program. It is envisioned that an outreach program with State of Florida vendors will also be necessary to answer questions and work with individual vendors on compliance issues. Once implemented, the additional FTEs will supervise the day-to-day operations of this new requirement. Once the 3 percent withholding requirement has been implemented and the vendor files have been sufficiently cleaned up, the two OPS positions can be eliminated.

From an operational standpoint (once the law is implemented), this new requirement will significantly increase the workload for DFS. For example, the number of 1099s produced by DFS will greatly increase and the questions arising due to withholding reported on the new 1099 form will increase the volume of vendor calls to the 1099 Section. In addition, the complexity of vendor calls will increase significantly as the process changes from a year-end reporting process to a daily vendor payment withholding process. A significant number of vendor calls is anticipated upon implementation because payments will not match invoices. There will also be confusion over which payments are subject to the new law.

For the 2011-2012 fiscal year, it is anticipated that 11 additional FTEs will be necessary to handle all areas of this withholding requirement including the following: withholding tax deposits and reconciliations, corrections/resolutions, agency/vendor liaisons, Form W-9/1099 reporting, and training. It is estimated that the total costs for these FTEs will be \$692,199 which includes \$649,552 for recurring costs and \$42,647 for non-recurring costs.

Due to the complexity of this federal mandate, it is necessary for the Division to hire staff at 10% above the minimum salary base for the requested FTEs in order to acquire and retain experienced professionals. The Division plans to hire OPS employees at the minimum hourly rate for the requested positions.

The requirements forecast above is modeled on current 1099 and Bureau of State Payrolls processes which demonstrates the workload associated with these types of business functions.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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>
STATE ENTERPRISE INFORMATION				
TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO				
INTERNAL REVENUE CODE 3402 MANDATE				
OF THREE PERCENT WITHHOLDING ON				
PAYMENTS FOR SERVICE AND PROPERTY				3612AC0

Division of Information Systems (DIS) Impact:

In order to comply with Public Law 109-222, the Bureaus of Accounting Systems Design and Programming Design estimate that 3,185 complex FLAIR computer programs must be modified and tested to address the reconciliation of withholdings and subsequent payments to the federal government, preparation of tax deposits, monitoring of agency payments, and increased compliance monitoring. For the 2010-2011 fiscal year, the calculation of costs for initial FLAIR changes is \$696,658, which includes \$657,888 for recurring costs and \$38,770 for non-recurring costs to cover the 6 FTEs and 4 OPS positions requested. This cost is to analyze, design and code modifications to FLAIR for vendor data consolidation and the 3% withholding requirements, as well as IRS reporting requirements.

The complexity of the mandate will require modifications to FLAIR's basic functionality. Designers, testers and programmers in the two FLAIR application support bureaus must understand the existing functionality in order to make these modifications. Recruiting candidates with the appropriate level of knowledge and experience is extremely difficult making it necessary for the Division to hire staff at 10% above the minimum salary base for the requested FTEs and OPS positions. It is important to note that the OPS employees will work on a full-time recurring basis and the Division will need to obtain funding to create workstations for these employees.

Potential Agency Impact:

This law will also apply to state disbursements not made currently through FLAIR, such as agency revolving funds. DFS will be required to work with all state agencies to identify non-FLAIR disbursements and devise a method for implementing the 3% withholding requirement.

Ultimate Outcome:

There are two sets of customers for this project. The first is the federal government. The second is the 200,000 plus vendors doing business with the State of Florida on an annual basis. The mandate to begin the 3% withholding is January 1, 2012. This LBR will create 14 positions as of July 1, 2010, to develop technical specifications, perform programming, perform testing, develop new policies, continue upgrading the FLAIR vendor files and obtain taxpayer information on all vendors needed for 3% withholding. Failure to fund these positions will prevent the State from making the technical modifications to FLAIR necessary for successful implementation of 3% withholding by the federally mandated deadline and from making sufficient progress in the clean-up and consolidation of vendor information necessary for the 3% withholding. If this LBR is not funded and the State cannot implement by January 1, 2012, potential penalties could be assessed. Governments that fail to withhold the tax imposed by this law are generally liable for the payment of the tax owed to the IRS unless it can prove that the payee has paid its income tax liability independently of the State. The dollar amount of 3 percent withholdings in a calendar year for the State of Florida is estimated to be over \$500 million a year when considering the amount of vendor payments made each year. Second, payers that fail to withhold the tax are liable for interest and will incur additional penalties depending on the time period taken to eventually remit the withholding

COL A03		COL A04		COL A05		CODES
AGY REQUEST	AGY REQ N/R	AGY REQ N/R	AGY REQ N/R	AG REQ ANZ	AG REQ ANZ	
FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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>
STATE ENTERPRISE INFORMATION						
TECHNOLOGY						3610000
REQUIRED FLAIR MODIFICATION DUE TO						
INTERNAL REVENUE CODE 3402 MANDATE						
OF THREE PERCENT WITHHOLDING ON						
PAYMENTS FOR SERVICE AND PROPERTY						3612AC0

amount. Third, annual 1099 forms to the IRS would not be correct, which could result in additional penalties of \$100 per Form 1099 with no cap. The fines under this scenario could run into millions of dollars per year.

From a technical, functional or operational standpoint, if positions are not funded, resources will have to be shifted from other statutory responsibilities which will significantly impact the agency's ability to meet its obligations resulting in extreme impacts to the citizens of Florida. In addition, when a FLAIR production problem occurs, it becomes a critical situation requiring involvement of numerous FLAIR staff members that will be working on the 3% withholding project. These resources could be pulled away from the 3% withholding project for days or weeks to correct the problem in order to provide the same level of service that customers are currently receiving. With the addition of these new resources, DFS would be able to resolve production problems and continue current levels of support without impacting the 3% project schedule. If this LBR is not funded and DFS is required to shift resources for the development, implementation and operations of the 3% withholding requirement, the following impacts will be seen:

1. Inability to support changes to MyFloridaMarketPlace processes and interfaces that also require FLAIR to make system modifications. Inadequate support of these processes could impact the accuracy and timeliness of payment processing to vendors.
2. Inability to support changes to PeopleFirst processes and interfaces that also require FLAIR to make system modifications. Inadequate support of these processes could negatively affect employee payrolls and the accounting for the payroll.
- 3 Currently DIS responds to over 850 Help Desk tickets each year. These tickets cover issues as simple as how to use the FLAIR accounting system to helping a user work through a complex accounting scenario. If staff is pulled from this functionality, they will be unavailable to work through Help Desk tickets which will not allow DIS to respond to critical agency needs involving FLAIR programs.
4. Currently, DIS provides over 160 files to the Auditor General (AG) monthly. The AG requests specific historical accounting data from prior years for each agency being audited. This requires resources with an understanding of the accounting transactions as well as the technical knowledge to extract and send the data to the AG. If staff is pulled from support of data requests to the AG, DIS will be unable to provide assistance to the AG for their audits of other agencies.
5. Currently, FLAIR staff spends 35-40% of their work time performing maintenance and resolving production problems. If staff is unavailable for this type of activity, FLAIR production problems could result in significant FLAIR downtime and data corruption.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
ST FINAN INFO/ST AGY ACCTG				43200100
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
STATE ENTERPRISE INFORMATION				
TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO				
INTERNAL REVENUE CODE 3402 MANDATE				
OF THREE PERCENT WITHHOLDING ON				
PAYMENTS FOR SERVICE AND PROPERTY				3612AC0

6. Each year several members of the FLAIR Central Accounting staff spend approximately three months (over 1100 hours) preparing for the fiscal year-end process. The year-end process includes closing cash balances from the prior year, opening cash balances for the current year and loading budgets to FLAIR from LAS/PBS in order to control agency spending. If staff is unavailable for this type of activity, the Department will not be able to meet the CFO's constitutional duty for the settlement of claims against the State.

7. Inability to provide timely support for FLAIR data requests, including transparency initiatives for DFS as well as from the Legislature and the Governor's Office. The most recent example is associated with a request from the Governor's Office to provide financial data for their transparency website. To date, DIS has spent over 1,700 hours in support of this effort.

8. FLAIR staff responds to over 250 requests for public information each year. These are the same staff members who will be working on parts of the 3% project. Without additional staff DIS will not be able to respond to public information requests from citizens, which could put the Department in violation of the Sunshine Law.

9. Data integrity in FLAIR will suffer, which could result in statewide financial statement audit qualifications. This could result in a lower bond rating, affecting the State's ability to issue new bonds and increase the cost of borrowing. As stated above, the current FLAIR staff spends 35-40% of their time working through maintenance issues and solving production issues. This is the same staff that will need to spend their time doing the work for the 3% project. If DIS does not get additional staff to help with the project, the current staff will spend fewer hours on maintenance.

10. System modifications required for federal reporting could be affected, such as payroll withholdings, resulting in significant fines by the federal government. Because personnel in the payroll programming and design sections have experience with withholding requirements, DIS will have to pull from their expertise. If DIS does not get additional staff, the staff currently supporting payroll will be re-assigned to 3% withholding and not available for support to the payroll system.

11. FLAIR report modifications for production of the State's Comprehensive Annual Financial Report (CAFR) could be affected, resulting in issuing the CAFR after the statutory deadline.

Detail of Costs:

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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
STATE ENTERPRISE INFORMATION				
TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO				
INTERNAL REVENUE CODE 3402 MANDATE				
OF THREE PERCENT WITHHOLDING ON				
PAYMENTS FOR SERVICE AND PROPERTY				3612AC0

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
Division of Accounting & Auditing:			
2	Professional Accountant Specialists (424)	\$117,112	
Division of Information Systems:			
1	Senior SAMAS Analyst (1452)	\$ 62,215	
1	SAMAS Analyst (1450)	\$ 58,556	
2	Systems Project Analyst (2107)	\$117,112	
1	Senior Information Technology Business Consultant	\$ 66,325	
1	Systems Programming Consultant	\$ 70,680	
	Total for DIS positions	\$374,888	

OPS:

Quantity	Description	Amount	Non-Recurring
Division of Accounting & Auditing:			
1	Accountant II	\$ 28,571	
1	Accountant IV	\$ 35,198	
	Total for A&A positions	\$ 63,769	

Division of Information Systems:

1	Governmental Analyst I (2224)	\$ 52,149	
1	SAMAS Analyst (1450)	\$ 58,556	
2	Computer Programmer Analyst II (2103)	\$104,297	
	Total for DIS positions	\$215,002	

Expenses:

Quantity	Description	Amount	Non-Recurring
----------	-------------	--------	---------------

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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
STATE ENTERPRISE INFORMATION				
TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO				
INTERNAL REVENUE CODE 3402 MANDATE				
OF THREE PERCENT WITHHOLDING ON				
PAYMENTS FOR SERVICE AND PROPERTY				3612AC0
Division of Accounting & Auditing:				
2 Standard Assessment Package (Professional)	\$ 20,770		\$ 7,754	
2 Standard Assessment Package (Professional OPS Staff)	\$ 20,770		\$ 7,754	
Total	\$ 41,540		\$15,508	
Division of Information Systems:				
6 Standard Assessment Package (Professional)	\$ 62,310		\$23,262	
4 Standard Assessment Package (Professional OPS Staff)	\$ 41,540		\$15,508	
Total	\$103,850		\$38,770	
Special Category				
HR Outsourcing:				
Quantity Description	Amount		Non-Recurring	
-----	-----		-----	
Division of Accounting & Auditing				
2 Human Resource Services (Professional)	\$ 798			
2 Human Resource Services (Professional OPS Staff)	\$ 262			
Total	\$ 1,060			
Division of Information Systems:				
6 Human Resource Services (Professional)	\$ 2,394			
4 Human Resource Services (Professional OPS Staff)	\$ 524			
Total	\$ 2,918			
Issue Total	\$920,139		\$54,278	
Division of Accounting & Auditing Total	\$223,481		\$15,508	
Division of Information Systems Total	\$696,658		\$38,770	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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
STATE ENTERPRISE INFORMATION				
TECHNOLOGY				3610000
REQUIRED FLAIR MODIFICATION DUE TO				
INTERNAL REVENUE CODE 3402 MANDATE				
OF THREE PERCENT WITHHOLDING ON				
PAYMENTS FOR SERVICE AND PROPERTY				3612AC0

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
1469 PROFESSIONAL ACCOUNTANT SPECIALIST - SES							
N0001 001	2.00	81,937		35,175	117,112	0.00	117,112
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							117,112
	2.00	81,937		35,175	117,112		117,112

PROGRAM ISSUES							4000000
FLAIR/CASH MANAGEMENT REPLACEMENT							
DEBT SERVICE							4002010
SPECIAL CATEGORIES							100000
DEBT SERVICE - FLAIR/CMS							100873
INSURANCE REG TF	-STATE	3,744,555-					2393 1

AGENCY ISSUE NARRATIVE:
 2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 Issue Title: FLAIR/CASH MANAGEMENT REPLACEMENT DEBT SERVICE
 Issue Description/Need:

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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 ISSUES				4000000
FLAIR/CASH MANAGEMENT REPLACEMENT				
DEBT SERVICE				4002010

This issue reduces the debt service by \$3,744,559 leaving a balance of \$1,513,281 for Fiscal Year 2010 - 2011. The remaining balance will be paid in January 2011.

Detail of Costs:

Special Category	Quantity	Description	Amount
Debt Service - FLAIR Replacement (100873)			
	-----	-----	-----
			(\$3,744,559)

TOTAL: GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
BY FUND TYPE				
GENERAL REVENUE FUND	10,680,559	15,508		1000
TRUST FUNDS	5,648,072			2000
TOTAL POSITIONS.....	157.00			
TOTAL PROG COMP.....	16,328,631	15,508		
TOTAL SALARY RATE.....	7,354,194			
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
RECOVERY & RETURN OF UP				43200200
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				1601.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	2,333,950			
SALARIES AND BENEFITS				010000
UNCLAIMED PROPERTY TF -STATE	60.00	2,893,777		2007 1
OTHER PERSONAL SERVICES				030000
UNCLAIMED PROPERTY TF -STATE	180,000			2007 1
EXPENSES				040000
UNCLAIMED PROPERTY TF -STATE	766,657			2007 1
OPERATING CAPITAL OUTLAY				060000
UNCLAIMED PROPERTY TF -STATE	7,500			2007 1
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
UNCLAIMED PROPERTY TF -STATE	176,794			2007 1
RISK MANAGEMENT INSURANCE				103241
UNCLAIMED PROPERTY TF -STATE	7,711			2007 1
TR/DMS/HR SVCS/STW CONTRCT				107040
UNCLAIMED PROPERTY TF -STATE	24,823			2007 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FIN ACCT/PUBLIC FUNDS				43200000
RECOVERY & RETURN OF UP				43200200
GOV OPERATIONS/SUPPORT				16
GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	60.00			
TOTAL ISSUE.....		4,057,262		
TOTAL SALARY RATE.....		2,333,950		
=====				
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
UNCLAIMED PROPERTY TF -STATE		1,131		2007 1
=====				
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
UNCLAIMED PROPERTY TF -STATE		4,332		2007 1
=====				
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
UNCLAIMED PROPERTY TF -STATE		21,660		2007 1
=====				
TOTAL: GOVERNMENTAL OPERATIONS				<u>1601.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	60.00			
SALARY RATE.....		4,084,385		2000
		2,333,950		
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
COMPLIANCE & ENFORCEMENT				43300200
PUBLIC PROTECTION				12
LAW ENFORCEMENT				1202.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	2,690,628			
=====				
SALARIES AND BENEFITS				010000
INSURANCE REG TF	69.50			
-STATE	3,590,734			2393 1
=====				
OTHER PERSONAL SERVICES				030000
INSURANCE REG TF		15,339		
-STATE				2393 1
=====				
EXPENSES				040000
INSURANCE REG TF		601,711		
-STATE				2393 1
=====				
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF		9,144		
-STATE				2393 1
=====				
SPECIAL CATEGORIES				100000
ACQUISITION/MOTOR VEHICLES				100021
INSURANCE REG TF		68,000		
-STATE				2393 1
=====				
CONTRACTED SERVICES				100777
INSURANCE REG TF		18,405		
-STATE				2393 1
=====				
SUPP FIREFIGHTERS COMP				103725
INSURANCE REG TF		8,000		
-STATE				2393 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
COMPLIANCE & ENFORCEMENT				43300200
PUBLIC PROTECTION				12
LAW ENFORCEMENT				1202.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF	-STATE	27,973		2393 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....		69.50		
TOTAL ISSUE.....		4,339,306		
TOTAL SALARY RATE.....		2,690,628		
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				1002000
FISCAL YEAR 2009-10				010000
SALARIES AND BENEFITS				
INSURANCE REG TF	-STATE	4,522		2393 1
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGAM - ADD				160FA40
SALARY RATE				000000
SALARY RATE.....		45,864		
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	1.00	62,858	2393 1
TOTAL: REAPPROVAL OF BUDGET AMENDMENT				160FA40
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGAM - ADD				
TOTAL POSITIONS.....		1.00		
TOTAL ISSUE.....		62,858		
TOTAL SALARY RATE.....		45,864		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	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>
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGAM - ADD				160FA40

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 Issue Title: REAPPROVAL OF BUDGET AMENDMENT TRANSFERRING POSITIONS AND FUNDING WITHIN A PROGRAM - ADD

This issue requests the re-approval of budget amendment Executive Office of the Governor number Q0022 (Agency 10-03) which transfers a Telecommunications Specialist I (Class Code 2034, position number 00142) from Executive Direction and Support Service - Chief Financial Officer (43010100 program component 1602000000) to Information Technology (43010300 program component 1603000000). This amendment also transfers an Administrative Secretary (Class Code 0108, position number 00566) from Fire Marshal - Compliance and Enforcement (43300200) to Fire Marshal - Professional Training and Standards (43300400) and a Government Analyst II (Class Code 2225, position number 00528) from Fire Marshal - Administrative and Support Services (43300500) to Fire Marshal - Compliance and Enforcement (43300200).

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
-----	-----	-----	-----
43010300			
1	Telecommunications Specialist (Pos Num 00142 CC 2034)	\$ 77,045	
43300400			
1	Administrative Secretary (Pos Num 00566 CC 0108)	\$ 38,520	
43300200			
1	Government Analyst II (Pos 00528 CC 2225)	\$ 62,858	
	Issue Total	\$178,423	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
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
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGAM - ADD				160FA40

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2225 GOVERNMENT ANALYST II							
00528 001	1.00	45,864		16,994	62,858	0.00	62,858
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							62,858
	1.00	45,864		16,994	62,858		62,858

REAPPROVAL OF BUDGET AMENDMENT							
TRANSFERRING POSITIONS AND FUNDING							
WITHIN A PROGRAM - DEDUCT							160FA50
SALARY RATE							000000
SALARY RATE.....	25,190-						
SALARIES AND BENEFITS							010000
INSURANCE REG TF	1.00-						
-STATE		38,520-					2393 1
TOTAL: REAPPROVAL OF BUDGET AMENDMENT							160FA50
TRANSFERRING POSITIONS AND FUNDING							
WITHIN A PROGRAM - DEDUCT							
TOTAL POSITIONS.....	1.00-						
TOTAL ISSUE.....		38,520-					
TOTAL SALARY RATE.....	25,190-						

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGRAM - DEDUCT				160FA50

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: REAPPROVAL OF BUDGET AMENDMENT TRANSFERRING POSITIONS AND FUNDING WITHIN A PROGRAM - DEDUCT

This issue requests the re-approval of budget amendment Executive Office of the Governor number Q0022 (Agency 10-03) which transfers a Telecommunications Specialist I (Class Code 2034, position number 00142) from Executive Direction and Support Service - Chief Financial Officer (43010100 program component 1602000000) to Information Technology (43010300 program component 1603000000). This amendment also transfers an Administrative Secretary (Class Code 0108, position number 00566) from Fire Marshal - Compliance and Enforcement (43300200) to Fire Marshal - Professional Training and Standards (43300400) and a Government Analyst II (Class Code 2225, position number 00528) from Fire Marshal - Administrative and Support Services (43300500) to Fire Marshal - Compliance and Enforcement (43300200).

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
-----	-----	-----	-----
43010100			
(1)	Telecommunications Specialist (Pos Num 00142 CC 2034)	(\$ 77,045)	
43300200			
(1)	Administrative Secretary (Pos Num 00566 CC 0108)	(\$ 38,520)	
43300500			
(1)	Government Analyst II (Pos 00528 CC 2225)	(\$ 62,858)	
	Issue Total	(\$178,423)	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
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
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGRAM - DEDUCT				160FA50

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0108 ADMINISTRATIVE SECRETARY							
00566 001	1.00-	25,190-		13,330-	38,520-	0.00	38,520-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							38,520-
	1.00-	25,190-		13,330-	38,520-		38,520-

EQUIPMENT NEEDS					2400000
REPLACEMENT OF MOTOR VEHICLES					2401500
SPECIAL CATEGORIES					100000
ACQUISITION/MOTOR VEHICLES					100021
INSURANCE REG TF	-STATE	124,200	124,200		2393 1

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

Issue Title: Replacement of High Mileage Vehicles Used For Safety Inspections

Reference to Long-Range Program Plan: This issue will provide efficiencies for the Sections inspecting state-owned and certain state-leased buildings; and inspecting boilers in places of public assembly.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
EQUIPMENT NEEDS				2400000
REPLACEMENT OF MOTOR VEHICLES				2401500

Issue Description/Need:

This issue seeks additional funding for the replacement of high mileage vehicles consistent with the State's Minimum Equipment Replacement Criteria in the Compliance and Enforcement Budget Entity with the State Fire Marshal Program. Most of the work by staff involves travels in the most remote areas of the state inspecting correction facilities and explosive storage magazines and construction mining sites; locations typically sited in rural and off-road areas. The additional replacement vehicles are necessary to provide an effective method of fleet replacement based on a blended mix of considerations including vehicle size, cargo capacity, fuel economy and the typical geography of the area assigned to each person. The vehicles are used to transport personnel and the equipment required to conduct annual, recurring and new construction fire safety inspections of state owned facilities and, to conduct investigations of explosive mining operations and explosive magazines. Our employees operate alone and along barren stretches of highway. High mileage vehicles tend to suffer more frequent breakdowns which could put staff at risk, while also reducing efficiency. Lost staff time attributed to major repairs resulting in down time and shared vehicle usage, reduces ability to meet the deadlines established by statute for annual inspections and consequently the performance measures established by the Department. By the end of Fiscal Year 2010-11, Compliance and Enforcement Budget Entity will have approximately 18 vehicles exceeding the Department of Management Services replacement guidelines. The recurring vehicle replacement funding allows for the replacement of 4 to 5 vehicles. The budget entity is requesting funds to replace 9 additional vehicles.

Vehicle	Make/Model	Mileage
2003	Buick	137,208
2006	Chevrolet P/U	123,310
2002	Buick	116,629
2005	Buick	118,083
2003	Buick	118,912
2000	Ford	115,229
2003	Buick	112,782
2002	Buick	115,758
2005	Chevrolet	115,660

Ultimate Outcome:

The appropriation of these funds will permit the division to replace two (2) vehicles that have already exceeded the minimum equipment replacement criteria and seven (7) vehicles that will exceed the drop dead mileage limits within the first quarter of the current fiscal year. Vehicles average 15,000 to 20,000 miles annually due to the extensive multicounty area that must be covered by each regional office. If these vehicles are not replaced then the budget entity will not be in compliance with the Department of Management Services vehicle replacement guide lines and may see an increase in cost due to maintenance. In addition if the vehicles are not running the division will not be able to accomplish its mandatory inspection requirement which will affect safety inspections.

Detail of Costs:

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
EQUIPMENT NEEDS				2400000
REPLACEMENT OF MOTOR VEHICLES				2401500

Special Category
 Acquisition of Vehicles (10021):

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
9	Motor Vehicles	\$124,200	\$124,200
	Issue Total	\$124,200	\$124,200

ANNUALIZATION OF ADMINISTERED FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH INSURANCE FOR FY 2009-10 - 10 MONTH ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
INSURANCE REG TF -STATE	22,610			2393 1
TOTAL: LAW ENFORCEMENT BY FUND TYPE				<u>1202.00.00.00</u>
TRUST FUNDS.....	69.50	4,514,976	124,200	2000
SALARY RATE.....	2,711,302			

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>FIRE & ARSON INVESTIGATION</u>				43300300
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	6,021,022			
=====				
SALARIES AND BENEFITS				010000
	128.00			
INSURANCE REG TF	-STATE	8,400,355		2393 1
=====				
OTHER PERSONAL SERVICES				030000
INSURANCE REG TF	-STATE	33,391		2393 1
=====				
EXPENSES				040000
INSURANCE REG TF	-STATE	1,607,720		2393 1
=====				
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF	-STATE	82,409		2393 1
=====				
SPECIAL CATEGORIES				100000
ACQUISITION/MOTOR VEHICLES				100021
INSURANCE REG TF	-STATE	405,000		2393 1
=====				
CONTRACTED SERVICES				100777
INSURANCE REG TF	-STATE	155,374		2393 1
=====				
DOMESTIC SECURITY				100851
INSURANCE REG TF	-STATE	679,365		2393 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>FIRE & ARSON INVESTIGATION</u>				43300300
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
ON-CALL FEES				102261
INSURANCE REG TF	-STATE	250,000		2393 1
=====				
SALARY INCENTIVE PAYMENTS				103290
INSURANCE REG TF	-STATE	144,174		2393 1
=====				
SUPP FIREFIGHTERS COMP				103725
INSURANCE REG TF	-STATE	5,000		2393 1
=====				
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF	-STATE	51,722		2393 1
=====				
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....		128.00		
TOTAL ISSUE.....		11,814,510		
TOTAL SALARY RATE.....		6,021,022		
=====				
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				1002000
FISCAL YEAR 2009-10				010000
SALARIES AND BENEFITS				
INSURANCE REG TF	-STATE	10,278		2393 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>FIRE & ARSON INVESTIGATION</u>				43300300
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
NONRECURRING EXPENDITURES				2100000
HOMELAND SECURITY FEDERAL GRANTS				
PROGRAM FOR EXPLOSIVE ORDINANCE				
DISPOSAL				2103096
SPECIAL CATEGORIES				100000
DOMESTIC SECURITY				100851
INSURANCE REG TF	-STATE	679,365-		2393 1
=====				
EQUIPMENT NEEDS				2400000
REPLACEMENT OF MOTOR VEHICLES				2401500
SPECIAL CATEGORIES				100000
ACQUISITION/MOTOR VEHICLES				100021
INSURANCE REG TF	-STATE	506,000	506,000	2393 1
=====				

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Replacement of Vehicles - Law Enforcement

Reference to Long-Range Program Plan:

Goal 3; The Bureau of Fire and Arson Investigations within the Division of State Fire Marshal is responsible for initial investigation of the origin and cause of fires and explosions, criminal investigative duties associated with fires and/or explosions, and the reports relative to explosions or explosive devices and other law enforcement activities, as required by law (633.03, F.S.), and for providing state assistance to the seven Regional Domestic Security Task Forces.

Issue Description/Need:

The Department of Management Services has established replacement criteria for vehicles needing replacement during FY 10/11. The bureau has 40 vehicles that meet these new replacement criteria. Current baseline vehicle replacement funds will replace 18 vehicles. Additional funds are requested to replace the 22 additional vehicles in the bureau's fleet to bring our fleet within the established DMS vehicle replacement criteria.

YEAR	MAKE/MODEL	MILEAGE
-----	-----	-----
1990	Ford F800 (Truck)	63,235
1990	Ford F800 (Truck)	31,927
1999	Ford CV (Truck)	107,893
1995	Chevrolet C3500 (Truck)	43,537

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
FIRE & ARSON INVESTIGATION				43300300
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
EQUIPMENT NEEDS				2400000
REPLACEMENT OF MOTOR VEHICLES				2401500
1995		Chevrolet C3500 (Truck)		68,872
1995		Chevrolet C3500 (Truck)		72,789
1995		Chevrolet C3500 (Truck)		52,397
1999		GMC C3500 (Truck)		94,366
1998		Ford Crown Vic.		122,936
1998		Ford Crown Vic.		117,806
1999		Ford Crown Vic.		121,445
1999		Ford Crown Vic.		109,615
1999		Ford Crown Vic.		114,332
1999		Ford Crown Vic.		120,953
1999		Ford Crown Vic.		112,888
1999		Ford Crown Vic.		116,113
1999		Ford Crown Vic.		98,751
2000		Ford Crown Vic.		110,755
2001		Ford Crown Vic.		123,227
2001		Ford Crown Vic.		114,761
2004		Ford Crown Vic.		117,521
2000		Chevrolet Blazer		118,228

Law Enforcement Members of the State Fire Marshal require a durable investigative vehicle with the capability of continuously carrying the weight and size of daily equipment needs plus carrying the equipment needs of our law enforcement officers with extraordinary special purpose duties such as our Explosive Ordnance Disposal (EOD) Detectives and K-9 Detectives. Investigative vehicles must be suitable in design to transport witnesses, victims, informants, suspects, arrestees, and investigative equipment in a safe and secure manner. Typical investigation equipment includes; Digital Camera and accessories, Tape Recorders and accessories, Trunk Mount Two-Way Radios, Nextel, Tool Box with miscellaneous tools for disassembly of fire scene debris; Camcorder/Case, First Aid Kit, Fire Extinguisher, Jumper Cables, personal protective equipment, jacket/coat, rain coat, coveralls, fireman rubber boots, safety leather boots, hard hat, soft hat, gloves, safety glasses, breathing filters, bullet proof vest, and Blood Borne Pathogen protective clothing; Weapons/related equipment, Rifle and 40 Caliber semiautomatic pistol with holster, belt, clips, spare ammo, and handcuffs; Flashlight/charger, Evidence Collection Containers such as metal gallon paint cans, glass vials, plastic bags, evidence tags, evidence tape; Once containers are filled with evidence debris, they must be secured to assure custody for admission in court; The number of containers transported will vary depending upon space; Laptop Computer, 56" Square Point Shovel, rake, large Pry Bar, and Bolt Cutters; Safety equipment including some type of respiratory protection, safety shoes, eye & ear protection, and Domestic Security Personal Protection Equipment Kit (PPE); Additional personal equipment is authorized at personal expense of investigator; fire bunker gear, hand towels, hand soap, hydrocarbon detectors, and small Honda generator, extension cord with drop light.

Full-size investigative packaged vehicles will be utilized, and are necessary to provide an efficient method for transporting bureau detectives and equipment to fire/crime scenes. The vehicles will enhance investigative productivity

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>FIRE & ARSON INVESTIGATION</u>				43300300
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
EQUIPMENT NEEDS				2400000
REPLACEMENT OF MOTOR VEHICLES				2401500

and cost efficiency by reducing vehicle down time and allowing for efficient transportation of personnel and equipment to crime scenes. In the majority of investigation requests, the detective is working alone, in a remote area between 6:00 pm and 6:00 am in various environmental conditions. Officer safety is jeopardized without the availability of properly functioning and equipped vehicles. The law enforcement vehicle must also be in suitable condition to transport the detective to disaster scenes as part of the State Emergency Response Team. A properly maintained vehicle will further ensure expedient response time, and result in the timely performance of the investigation. The bureau has a replacement plan and an assignment plan, which determines the specific needs of the detective in his area, meets his responsibilities, and complies with the issues above to optimize efficiency and economy. It is essential that a fire and explosion detective perform the investigation within a reasonable time to collect and secure any and all evidence before a scene is left unattended.

Ultimate Outcome:

Funding this issue will result in safer and more reliable travel for Investigators in the performance of their duties around the state. In addition it is likely to improve gas mileage and maintenance costs as older vehicles are phased out. Failure to fund may well result in significant investments for vehicle maintenance as vehicles near the age/mileage that result in large item failures.

Detail of costs:

Special Category

Acquisition of Motor Vehicles (100021):

Quantity	Description	Amount	Non Recurring
22	Law Enforcement vehicles, large size, 4dr sedan or full-size crew cab pickup truck @ \$23,000	\$ 506,000	\$506,000
	Issue Total	\$ 506,000	\$506,000

NOTE: Vehicle prices are fleet dealership estimates for FY 10/11

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>FIRE & ARSON INVESTIGATION</u>				43300300
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	51,390		2393 1
		=====		
WORKLOAD				3000000
ON-CALL FEES FOR LAW ENFORCEMENT				
PERSONNEL				3009A00
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	100,000		2393 1
		=====		

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: On Call Fees for Law Enforcement Personnel

Reference to Long Range Program Plan: Goal 3 - Enforcement - In the execution of its constitutional and statutory mandates, the department will protect the health, safety and welfare of the public.

Issue Description/Need:

Additional on-call funding is required to compensate detectives required to be available to return to work and properly perform assigned duties at times other than during normal work hours. The bureau of Fire and Arson Investigations within the Division of State Fire Marshal typically operates with a 10% vacancy rate. This leaves only 70 detectives for on-call rotation for the entire state. This does not take into account annual, sick, or other leave required due to extra hours worked, court, training or other agency obligations. The bureau is a 24 hours a day - 7 days a week operation. bureau detectives are required to work 8AM to 5 PM due to latent follow-up needs, such as witness availability, court appearances, courthouse record checks, evidence processing, and report writing, which are best accomplished during daylight hours, however, an assessment of the average calls for service for the past three years revealed that 40% of the requests occurred on weeknights and 30% of activations took place on weekends. On-call funding ensures minimal available personnel and a timely response to fire and explosion investigations for the purpose of identifying, securing, and preserving evidence, which cannot be accomplished during normal working hours, and to compensate the detectives when their liberties are substantially restricted in accordance with the Fair Labor Standards Act.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>FIRE & ARSON INVESTIGATION</u>				43300300
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
WORKLOAD				3000000
ON-CALL FEES FOR LAW ENFORCEMENT				
PERSONNEL				3009A00

An employee designated for on-call duty assignment shall be compensated by payment of a fee not less than specified by the law enforcement collective bargaining unit. This fee equates to \$1.00 per hour for weekday evenings. On weekends and holidays, the rate fee is in an amount equal to one-fourth (1/4) of the statewide minimum for the employee's class for each eight (8) hour period. Since allocations were first authorized, the appropriation for On-Call was reduced by \$50,000 and no adjustments have occurred to account for the salary and benefit base, upon which the On-Call fee is based. The bureau has compensated by reducing the number of FTE placed on On-Call and the adjustment of On-Call Hours regardless of customer demand and expectation. Even with this retrenchment, it resulted in having to make 5% transfers from other categories into On-Call to make up the deficit. The requested increase will adjust this shortfall in the base increases and return to full FTE coverage.

The provision of sufficient On-Call funding will allow the Bureau to more efficiently and expeditiously respond to fire/explosion investigation requests statewide providing adequate after-hour coverage of Florida's 67 counties. This increase in On-Call monies will ensure a decreased response time to fire and explosion scenes and counter the potential loss of short-lived evidence.

Ultimate Outcome:

With appropriate funding, the bureau can achieve its mission to effectively prevent, discourage, investigate, and prosecute arson and arson-related crimes for the protection of Florida citizens and their property.

Detail of Costs:

Special Category
 On Call Fees (102261):

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	On Call Fees	\$100,000	
	Issue Total	\$100,000	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>FIRE & ARSON INVESTIGATION</u>				43300300
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
WORKLOAD				3000000
ON-CALL FEES FOR LAW ENFORCEMENT				
PERSONNEL				3009A00

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
2393 INSURANCE REG TF							100,000
							100,000
							=====

PROGRAM ISSUES							4000000
OVERTIME PAY DUE TO JUDICIAL RULING							
REQUIRING MORE TIME ON CRIME SCENE							4009A00
SALARIES AND BENEFITS							010000
INSURANCE REG TF	-STATE	100,000					2393 1
		=====	=====	=====			

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Overtime Pay Due to Judicial Ruling Requiring More Time on Crime Scene

Issue Description/Need:

The Bureau of Fire and Arson Investigations within the Division of State Fire Marshal, responds to fire department, law enforcement and citizen requests to conduct a highly technical and specialized science based investigation into the cause and origin of fires and explosions. Supreme Court Rulings and a higher standard of testifying in a court of law drive the nature of these investigations. This has caused more time consuming requirements on our investigators to expend more hours in training, preparing documentation, upholding the Incident Command Structure (ICS), conducting scientific tests, and complying with OSHA, ANSI and NFPA guidelines and rules.

Conducting an origin and cause investigation of a fire and/or explosion is increasingly complex and difficult. During the

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>FIRE & ARSON INVESTIGATION</u>				43300300
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
PROGRAM ISSUES				4000000
OVERTIME PAY DUE TO JUDICIAL RULING				
REQUIRING MORE TIME ON CRIME SCENE				4009A00

last few years of State government retrenchment, wherein the bureau experienced the loss of 4 sworn and 2 non-sworn support positions, the bureau's overall workload has not commensurately diminished. This extra workload has been created by an increased expectation of response caused by heightened awareness of post September 11, 2001 and additional laws and court decisions (case law) impacting the manner, scope, and detail of investigations. Reductions in support personnel have also added extra time to supervisory and line level employees making them responsible for longer times spent in the office doing case-related paperwork, administrative paperwork, and responding to citizen, witness, and victim requests. Customer expectations have increased while the bureau's ability to respond has been decreased. Other workloads have been placed upon investigative personnel through public and constituent expectations. Line investigators also function as Public Information Officers, Forensic Investigative Response Team members, Accelerant Detection K-9 Handlers, Hazardous Device Technicians, Computer Voice Stress Analyzers, and Field Training Officers.

The initial annual cost for this agency to hire and equip 1 new detective FTE would be over \$ 100,000. If just this amount were put in an overtime expenditure category it would provide 10 Lieutenant and 40 detective positions with 5 hours of overtime per month for 1 year.

Additional detectives are needed to handle new responsibilities under 633.808, which require the State Fire Marshal to investigate and report on firefighter injuries and deaths. Bureau assets have also become involved with assistance projects to aid the Citizens Property Insurance Corporation. Conservative estimates of leveling out this workload would include the addition of 8 Law Enforcement Detective II positions. This year the State of Florida (represented by the Department of Management Services) negotiated a new labor contract with the state's police union (IUPA) wherein the state now has limited abilities to require the employee to adjust overtime hours downward or nullify excess work hours (those hours exceeding 160 in a 28 day period). Absent this funding, an unfunded overtime liability is likely.

The bureau is requesting \$100,000 in overtime spending authority in order to provide line personnel and their supervisors with 5 hours of overtime per month. This amount factors in the annual on-call deficit, restoration of investigative time and backfill to negate the "lost" time spent on general training, field training of new employees (prior to being assigned cases to work on by themselves) to relieve the workload, EOD training, K-9 training, and specialty duties. By adding this amount of extra time to our personnel, it will at minimum, maintain our current performance standards.

In 2007 the bureau closed 4,616 cases (1432 Accidental, 2296 Incendiary, 559 Undetermined, and 329 Other).

The average number of days from request to arrest = 17.4 days.
 Approximately 63.4 arrests occurred within 72 hours of request.

On Incendiary cases closed - an average of 2.5 hours drive time, 3 hours were spent on the scene, and 116 days until case closure.

Other statistics as compared to the previous year are:

	Average for Year 2006	Average for Year 2007
% Closed Successfully	82.1%	79.1%

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>FIRE & ARSON INVESTIGATION</u>				43300300
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
PROGRAM ISSUES				4000000
OVERTIME PAY DUE TO JUDICIAL RULING				
REQUIRING MORE TIME ON CRIME SCENE				4009A00

% Cases Cleared (arrest)	29.5%	% Cases Cleared (arrest)	30.7%
% Cases Conviction	86.4%	% Cases Conviction	86.6%
% New Case Closed	25.3%	% New Case Closed	14.2%
Total Closed Cases	4,131	Total Closed Cases	4,731
Total New Request	3,918	Total New Request	4,004
Average Case Load	49	Average Case Load	51.3

The average turnover of manpower per year is approximately 10% and by subtracting investigators with double duty such as EOD & K-9, the real case average is over 65 cases per investigator. This is approximately 10 cases above the National average case load of 56 per investigator.

Ultimate Outcome:

Funding this issue will provide relief to factor in the annual on-call deficit, restoration of investigative time and backfill to negate the "lost" time spent on general training, EOD training, K-9 training, specialty duties, etc.

Detail of Costs:

Salaries and Benefits (010000):

Position	Title & Pay Grade	Amount	Non-Recurring
5	Hours of Overtime per month for 40 Detectives & 10 Lieutenants	\$100,000	
	Issue Total	\$100,000	

 POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
2393 INSURANCE REG TF							100,000

							100,000
							=====

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>FIRE & ARSON INVESTIGATION</u>				43300300
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				
	128.00			
TRUST FUNDS.....	11,902,813	506,000		2000
SALARY RATE.....	6,021,022			
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
PROF TRAINING & STANDARDS				43300400
PUBLIC PROTECTION				12
LAW ENFORCEMENT				1202.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....		1,186,241		
=====				
SALARIES AND BENEFITS				010000
		31.00		
INSURANCE REG TF	-STATE	1,724,376		2393 1
=====				
OTHER PERSONAL SERVICES				030000
INSURANCE REG TF	-STATE	240,000		2393 1
=====				
EXPENSES				040000
INSURANCE REG TF	-STATE	634,868		2393 1
=====				
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF	-STATE	23,294		2393 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF	-STATE	133,697		2393 1
=====				
DOMESTIC SECURITY				100851
INSURANCE REG TF	-STATE	400,000		2393 1
=====				
SUPP FIREFIGHTERS COMP				103725
INSURANCE REG TF	-STATE	17,500		2393 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
PROF TRAINING & STANDARDS				43300400
PUBLIC PROTECTION				12
LAW ENFORCEMENT				1202.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF -STATE		16,146		2393 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	31.00			
TOTAL ISSUE.....		3,189,881		
TOTAL SALARY RATE.....		1,186,241		
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				1002000
FISCAL YEAR 2009-10				010000
SALARIES AND BENEFITS				
INSURANCE REG TF -STATE		2,613		2393 1
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGAM - ADD				160FA40
SALARY RATE				000000
SALARY RATE.....	25,190			
SALARIES AND BENEFITS				010000
INSURANCE REG TF -STATE	1.00	38,520		2393 1
TOTAL: REAPPROVAL OF BUDGET AMENDMENT				160FA40
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGAM - ADD				
TOTAL POSITIONS.....	1.00			
TOTAL ISSUE.....		38,520		
TOTAL SALARY RATE.....	25,190			

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
<u>PROF TRAINING & STANDARDS</u>				43300400
<u>PUBLIC PROTECTION</u>				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGAM - ADD				160FA40

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: REAPPROVAL OF BUDGET AMENDMENT TRANSFERRING POSITIONS AND FUNDING WITHIN A PROGRAM - ADD

This issue requests the re-approval of budget amendment Executive Office of the Governor number Q0022 (Agency 10-03) which transfers a Telecommunications Specialist I (Class Code 2034, position number 00142) from Executive Direction and Support Service - Chief Financial Officer (43010100 program component 1602000000) to Information Technology (43010300 program component 1603000000). This amendment also transfers an Administrative Secretary (Class Code 0108, position number 00566) from Fire Marshal - Compliance and Enforcement (43300200) to Fire Marshal - Professional Training and Standards (43300400) and a Government Analyst II (Class Code 2225, position number 00528) from Fire Marshal - Administrative and Support Services (43300500) to Fire Marshal - Compliance and Enforcement (43300200).

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
-----	-----	-----	-----
43010300			
1	Telecommunications Specialist (Pos Num 00142 CC 2034)	\$ 77,045	
43300400			
1	Administrative Secretary (Pos Num 00566 CC 0108)	\$ 38,520	
43300200			
1	Government Analyst II (Pos 00528 CC 2225)	\$ 62,858	
	Issue Total	\$178,423	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
PROF TRAINING & STANDARDS				43300400
PUBLIC PROTECTION				12
LAW ENFORCEMENT				1202.00.00.00
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGAM - ADD				160FA40

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0108 ADMINISTRATIVE SECRETARY							
00528 001	1.00	25,190		13,330	38,520	0.00	38,520
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							38,520
	1.00	25,190		13,330	38,520		38,520

EQUIPMENT NEEDS							2400000
REPLACEMENT OF MOTOR VEHICLES							2401500
SPECIAL CATEGORIES							100000
ACQUISITION/MOTOR VEHICLES							100021
INSURANCE REG TF	-STATE	114,000		114,000			2393 1

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Vehicle Replacement Exceeding the Department of Management Services Guidelines

Reference to Long-Range Program Plan:

The Florida State Fire College located near Ocala, provides extensive training for paid and volunteer firefighters

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
EQUIPMENT NEEDS				2400000
REPLACEMENT OF MOTOR VEHICLES				2401500

Issue Description/Need:

The Fire College utilizes 8 pool vehicles for the travel of field representatives conducting testing and instructors conducting training. These vehicles are maintained at the Bureau but six of the eight exceed the mileage threshold of 120,000 as set by Department of Management Services for replacement as issued in August 2009, one of those six exceed both the mileage and age threshold. The Fire College does not have any current budget authority for the replacement of vehicles.

Make/Model	Miles
1995 Ford Taurus	143,371
2000 Ford Taurus	150,278
2000 Chevy Lumina	142,431
2000 Ford Taurus	129,517
2000 Ford Taurus	123,568
2002 Buick Century	120,683

Ultimate Outcome:

Funding this issue will result in safer and more reliable travel for Field Reps and Instructors in the accomplishment of their duties around the state. In addition it is likely to improve gas mileage and maintenance costs as older vehicles are phased out. Failure to fund may well result in significant investments for vehicle maintenance as vehicles near the age/mileage that result in large item failures.

Detail of Costs:

Acquisition of Motor Vehicles (100021):

Quantity	Description	Amount	Non-Recurring
6	Mid size Sedans	\$114,000	\$114,000
	Issue Total	\$114,000	\$114,000

	COL A03		COL A04		COL A05		CODES
	AGY REQUEST FY 2010-11	POS	AGY REQ N/R FY 2010-11	POS	AG REQ ANZ FY 2010-11	POS	
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>
ANNUALIZATION OF ADMINISTERED FUNDS APPROPRIATIONS							26A0000
ADJUSTMENT TO STATE HEALTH INSURANCE FOR FY 2009-10 - 10 MONTH ANNUALIZATION							26A1200 010000
SALARIES AND BENEFITS							2393 1
INSURANCE REG TF							
		-STATE	13,065				
		=====	=====	=====			
TOTAL: LAW ENFORCEMENT BY FUND TYPE							<u>1202.00.00.00</u>
	32.00						
TRUST FUNDS.....	3,358,079		114,000				2000
SALARY RATE.....	1,211,431						
	=====	=====	=====	=====			

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
FIRE MRSHL ADMN & SUP SRVS				43300500
PUBLIC PROTECTION				12
LAW ENFORCEMENT				1202.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	897,529			
=====				
SALARIES AND BENEFITS				010000
INSURANCE REG TF	21.00			
-STATE	1,403,699			2393 1
=====				
OTHER PERSONAL SERVICES				030000
INSURANCE REG TF	9,102			
-STATE				2393 1
=====				
EXPENSES				040000
INSURANCE REG TF	414,860			
-STATE				2393 1
=====				
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF	12,000			
-STATE				2393 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF	126,189			
-STATE				2393 1
=====				
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF	171,084			
-STATE				2393 1
=====				
SUPP FIREFIGHTERS COMP				103725
INSURANCE REG TF	7,500			
-STATE				2393 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
FIRE MRSHL ADMN & SUP SRVS				43300500
PUBLIC PROTECTION				12
LAW ENFORCEMENT				1202.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF	-STATE	8,972		2393 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....		21.00		
TOTAL ISSUE.....		2,153,406		
TOTAL SALARY RATE.....		897,529		
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF	-STATE	109,861		2393 1
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	1,678		2393 1
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGRAM - DEDUCT				160FA50
SALARY RATE				000000
SALARY RATE.....		45,864-		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
FIRE MRSHL ADMN & SUP SRVS				43300500
PUBLIC PROTECTION				12
LAW ENFORCEMENT				1202.00.00.00
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGRAM - DEDUCT				160FA50
SALARIES AND BENEFITS				010000
INSURANCE REG TF	1.00-			
-STATE		62,858-		2393 1
TOTAL: REAPPROVAL OF BUDGET AMENDMENT				160FA50
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGRAM - DEDUCT				
TOTAL POSITIONS.....	1.00-			
TOTAL ISSUE.....		62,858-		
TOTAL SALARY RATE.....	45,864-			

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: REAPPROVAL OF BUDGET AMENDMENT TRANSFERRING POSITIONS AND FUNDING WITHIN A PROGRAM - DEDUCT

This issue requests the re-approval of budget amendment Executive Office of the Governor number Q0022 (Agency 10-03) which transfers a Telecommunications Specialist I (Class Code 2034, position number 00142) from Executive Direction and Support Service - Chief Financial Officer (43010100 program component 1602000000) to Information Technology (43010300 program component 1603000000). This amendment also transfers an Administrative Secretary (Class Code 0108, position number 00566) from Fire Marshal - Compliance and Enforcement (43300200) to Fire Marshal - Professional Training and Standards (43300400) and a Government Analyst II (Class Code 2225, position number 00528) from Fire Marshal - Administrative and Support Services (43300500) to Fire Marshal - Compliance and Enforcement (43300200). These moves are being made as part of an internal reorganization.

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
43010100			
(1)	Telecommunications Specialist (Pos Num 00142 CC 2034)	(\$ 77,045)	
43300200			
(1)	Administrative Secretary (Pos Num 00566 CC 0108)	(\$ 38,520)	
43300500			
(1)	Government Analyst II (Pos 00528 CC 2225)	(\$ 62,858)	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
			AMOUNT	CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
FIRE MRSHL ADMN & SUP SRVS				43300500
PUBLIC PROTECTION				12
LAW ENFORCEMENT				1202.00.00.00
ADJUSTMENTS TO CURRENT YEAR				
ESTIMATED EXPENDITURES				1600000
REAPPROVAL OF BUDGET AMENDMENT				
TRANSFERRING POSITIONS AND FUNDING				
WITHIN A PROGRAM - DEDUCT				160FA50

Issue Total (\$178,423)

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2225 GOVERNMENT ANALYST II							
00528 001	1.00-	45,864-		16,994-	62,858-	0.00	62,858-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF	1.00-	45,864-		16,994-	62,858-		62,858-

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PROGRAM: FIRE MARSHAL				43300000
FIRE MRSHL ADMN & SUP SRVS				43300500
PUBLIC PROTECTION				12
<u>LAW ENFORCEMENT</u>				<u>1202.00.00.00</u>
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	8,390		2393 1
TOTAL: LAW ENFORCEMENT				<u>1202.00.00.00</u>
BY FUND TYPE				
		20.00		
TRUST FUNDS.....		2,210,477		2000
SALARY RATE.....		851,665		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
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>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	3,724,974			
=====				
SALARIES AND BENEFITS				010000
	101.00			
STATE RISK MGMT TF	-STATE	5,281,449		2078 1
=====				
OTHER PERSONAL SERVICES				030000
STATE RISK MGMT TF	-STATE	35,000		2078 1
=====				
EXPENSES				040000
STATE RISK MGMT TF	-STATE	912,363		2078 1
=====				
OPERATING CAPITAL OUTLAY				060000
STATE RISK MGMT TF	-STATE	1,805		2078 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
STATE RISK MGMT TF	-STATE	271,970		2078 1
=====				
EXCESS INSUR. & CLAIM SER				101221
STATE RISK MGMT TF	-STATE	10,871,000		2078 1
=====				
RISK MANAGEMENT INSURANCE				103241
STATE RISK MGMT TF	-STATE	85,600		2078 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
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
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
STATE RISK MGMT TF -STATE		40,725		2078 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	101.00			
TOTAL ISSUE.....	17,499,912			
TOTAL SALARY RATE.....	3,724,974			
CASUALTY INSURANCE PREMIUM				1001090
ADJUSTMENT				100000
SPECIAL CATEGORIES				103241
RISK MANAGEMENT INSURANCE				
STATE RISK MGMT TF -STATE		13,652		2078 1
ADJUSTMENT TO STATE HEALTH				1002000
INSURANCE PREMIUM CONTRIBUTION -				010000
FISCAL YEAR 2009-10				
SALARIES AND BENEFITS				
STATE RISK MGMT TF -STATE		8,043		2078 1
ANNUALIZATION OF ADMINISTERED				26A0000
FUNDS APPROPRIATIONS				
ADJUSTMENT TO STATE HEALTH				26A1200
INSURANCE FOR FY 2009-10 - 10 MONTH				010000
ANNUALIZATION				
SALARIES AND BENEFITS				
STATE RISK MGMT TF -STATE		40,215		2078 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				CODES
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
PURCHASE EXCESS PROPERTY INSURANCE,				
WORKERS' COMPENSATION ASSESSMENT,				
BROKER FEES TO ACCOMMODATE ANNUAL				
SPENDING LEVELS				3001220
SPECIAL CATEGORIES				100000
EXCESS INSUR. & CLAIM SER				101221
STATE RISK MGMT TF	-STATE	1,470,000		2078 1

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 Issue Title: Increase Appropriation for Purchase of Excess Property Insurance

Reference to Long-Range Program Plan:

The purchase of excess property insurance is a statutorily mandated responsibility of the Division of Risk Management.

Issue Description/Need:

The Division of Risk Management has been flat funded in category 101221 Excess Insurance and Claims Service since FY 2005-2006. Monies for the purchase of excess property insurance coverage are derived from that budget category. During FY 2008-2009, the excess property insurance premium cost the state \$7.35 million, which was \$1.7 million higher than the cost of slightly more excess property insurance coverage than in FY 2007-2008. The division expects a "hardened market" to continue, driving the cost of excess property insurance higher. The state's excess property insurance broker was asked to provide an estimate of the cost to procure the same amount of excess property insurance during fiscal year 2011-2012. The broker's response is as follows: "If all pricing factors continue as they are today, the division believes that the pricing for excess property insurance will increase by 20% by February 15, 2011." This estimate does not take into account the possibility of historically catastrophic hurricane events such as one or more hurricanes the magnitude of Andrew or Katrina or historic years as seen by Florida during the hurricane seasons of '04 and '05, which could drive the price even higher. The division is asking for a 20% increase over the \$7.2 million spent in FY 2008-2009 in the funding of this category to cover a projected increase in the anticipated cost of excess insurance premium payment. This request equates to a requested increase of \$1,470,000 in category 101221 Claims Servicing/Excess Insurance.

Ultimate Outcome:

If this issue is funded the State should be able to purchase the same or nearly the same excess property insurance coverage in what is expected to be a continued "hardened market". If this issue is not funded, the State could find itself in the situation of purchasing even less excess property insurance coverage than that which the state currently maintains. For fiscal year 2009-2010 the state maintains \$45.25 million of windstorm and flood coverage, with coverage for other perils up to \$200 million, and with a "deductible", or retention, of \$42 million.

Detail of Cost

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
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
PURCHASE EXCESS PROPERTY INSURANCE, WORKERS' COMPENSATION ASSESSMENT, BROKER FEES TO ACCOMMODATE ANNUAL SPENDING LEVELS				3001220

Category

Special Category

Excess Insurance and Claims Service (101221):

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Excess Property Insurance Premium	\$1,470,000	
	Issue Total	\$1,470,000	
		=====	

REDUCE PAYMENTS TO THIRD PARTY ADMINISTRATOR FOR WORKERS' COMPENSATION CLAIMS				3003A10
SALARY RATE				000000
SALARY RATE.....	36,469			
	=====	=====	=====	
SALARIES AND BENEFITS				010000
STATE RISK MGMT TF	-STATE	1.00	51,797	2078 1
		=====	=====	=====
EXPENSES				040000
STATE RISK MGMT TF	-STATE	10,385	3,877	2078 1
		=====	=====	=====
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
STATE RISK MGMT TF	-STATE	399		2078 1
		=====	=====	=====

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
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
REDUCE PAYMENTS TO THIRD PARTY				
ADMINISTRATOR FOR WORKERS'				
COMPENSATION CLAIMS				3003A10
TOTAL: REDUCE PAYMENTS TO THIRD PARTY				3003A10
ADMINISTRATOR FOR WORKERS'				
COMPENSATION CLAIMS				
TOTAL POSITIONS.....	1.00			
TOTAL ISSUE.....		62,581	3,877	
TOTAL SALARY RATE.....	36,469			

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Reduce Payments to Third Party Administer for Workers' Compensation Claims

Reference to Long-Range Program Plan: This will involve Activity 4110 (Provide Adjusting Services on State Workers' Compensation).

Issue Description/Need:

The Division of Risk Management needs to add one (1) Workers' Compensation Specialist position to the State Employees Workers' Compensation Bureau to adjust workers' compensation claims currently being adjusted by a third party administrator. During FY 2008-2009, the division paid the third party administrator \$178,607 to adjust our workers' compensation claims. The division can provide the same service in-house at an annual cost of \$60,581 by adding one employee.

Ultimate Outcome:

If this issue is funded, the cost of this outsourced activity will decrease by an estimated \$118,129 per fiscal year. This decrease will occur by reducing the non-operating category 310217 Loss Payments by \$178,607 and by increasing the operating categories as stated below by a total of \$60,581, for a net reduction of \$118,026. This reduction will decrease the overall cash flow needs for this program, which is funded at the state level by operating category funds. Therefore, at the state level, this issue will provide an overall savings of \$118,026 in operating category 103241, Risk Management Insurance, although it represents an increase in operating category funds at the program level. This reduction will be passed on to the division's customers, the state entities that participate in the self-insured program, by proportionate decreases in their operating category 103241, Risk Management Insurance.

Detail of Costs:

Salary and Benefits (010000)

Positions:

Quantity	Title & Pay grade	Amount	Non Recurring
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	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
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
REDUCE PAYMENTS TO THIRD PARTY				
ADMINISTRATOR FOR WORKERS'				
COMPENSATION CLAIMS				3003A10

1	Worker's Compensation Specialists, (PG 22/Class Code 3322)	\$51,797	
	Total	\$51,797	
Expenses (040000):			
Quantity	Description	Amount	Non Recurring
1	Standard Expense Package	\$10,385	\$3,877
	Total	\$10,385	\$3,877
TR/DMS/HR Services/STW Contract (107040):			
Quantity	Description	Amount	Non Recurring
1	Standard HR Package	\$ 399	
	Total	\$ 399	
	Issue Total	\$62,581	\$3,877

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
3322 WORKERS' COMPENSATION SPECIALIST							
N0001 001	1.00	36,469		15,328	51,797	0.00	51,797

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
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
REDUCE PAYMENTS TO THIRD PARTY				
ADMINISTRATOR FOR WORKERS'				
COMPENSATION CLAIMS				3003A10

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
TOTALS FOR ISSUE BY FUND							
2078 STATE RISK MGMT TF							51,797
	1.00	36,469		15,328	51,797		51,797

PROGRAM OR SERVICE-LEVEL							
INFORMATION TECHNOLOGY							3630000
RISK MANAGEMENT INFORMATION SYSTEM							
BUSINESS NEEDS ANALYSIS							36320C0
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
STATE RISK MGMT TF	-STATE	300,000					2078 1

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? YES
 Issue Title: Risk Management Information System Business Needs Analysis

Reference to Long-Range Program Plan: The procurement of consulting services to perform re-engineering of business practices and a feasibility study is a necessary first step towards increasing the financial accountability across all agencies in the state of Florida. The deliverables produced by the consulting firm will be used to procure a comprehensive risk management information system (RMIS) to support the newly developed best practices. This effort is expected to produce more efficient risk management operations, fewer claims, more accurate financial statements,

COL A03		COL A04		COL A05		CODES
AGY REQUEST	AGY REQ N/R	AGY REQ N/R	AGY REQ N/R	AG REQ ANZ	AG REQ ANZ	
FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	FY 2010-11	
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>
PROGRAM OR SERVICE-LEVEL						
INFORMATION TECHNOLOGY						3630000
RISK MANAGEMENT INFORMATION SYSTEM						
BUSINESS NEEDS ANALYSIS						36320C0

appropriate insurance levels and stronger risk management for all state agencies and universities, all of which will result in cost savings for the state of Florida and its citizens.

ISSUE SUMMARY: The Division of Risk Management is requesting to re-engineer its risk management information system (RMIS) and the business processes that drive it. The current system no longer meets the business needs of its customers due to changes in industry requirements and the isolated components used to administer the risk management program. The division needs a cohesive system that will operate to achieve all goals of the department and, by extension, the State of Florida agencies and universities. The division procured consultant will document how other comparable insurance companies, risk management firms and government entities are performing these tasks and a methodology for the application of these practices into the state environment.

Re-engineering is needed to comply with state and federal mandates of electronic data interfacing (EDI). Both carry substantial fines and penalties for inaccuracy or non-compliance. These mandates require changes to business processes and increased functionality and reporting capabilities. Current system functionality is not designed to accommodate these mandates and requires duplicate entry of data and manual initiation of daily data transfers.

A currently unsupported imaging system was developed prior to the current RMIS system for supplemental claims handling processes and remains incompatible and segregated as it was designed and customized for workflow in 2000.

In addition to handling claims, the system is also needed for substantial accounting processes including the issuance of casualty and property premiums to the agencies and universities it insures. The current database structure does not facilitate the premium generation process and requires the manual manipulation of data after exporting the data to another application.

The inefficiencies of check processing within the database have remained undiagnosed despite joint efforts between the vendor and the department's IT staff. This process can take anywhere from 1 hour to 6 hours to produce a minimum number of checks. The accounting module is inefficient with regards to account reconciliation, vendor management and audit capability. There is no alignment with the state accounting structure of object codes. Without object code alignment functionality, outside applications are again required for data manipulation and state financial reporting reducing the ability to produce timely and accurate financial data.

The current RMIS system is housing workers' compensation, liability, property claims and property policies. In managing the policies of more than 49 insured entities covering approximately 22,000 buildings, it is essential to have efficient and comprehensive reporting available to the division's customers and to secure excess property insurance of the highest level for the lowest cost. Part of the re-engineering process will be to review the property data gathering process and requirements to standardize the building valuation process; obtain the most cost-effective excess property insurance; and implement on-line reporting capabilities for the insured entities and for the division. The current system does not

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
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
PROGRAM OR SERVICE-LEVEL				
INFORMATION TECHNOLOGY				3630000
RISK MANAGEMENT INFORMATION SYSTEM				
BUSINESS NEEDS ANALYSIS				36320C0

support historical changes and therefore paper files must be managed in addition to system data in order to maintain value changes and exposure data needed to reconcile requests from the insured entities. The accuracy of data valuation in comparison to the cost of claims paid out determines the level of risk in which the commercial insurance market is willing to invest.

Claims handling practices make up the majority of existing workflow processes within the Division. The application of insurance industry best practices will serve to increase the effectiveness of claims handling to keep staffing at its current level for which it already exceeds the industry standard caseload by a factor of 3. This workflow improvement will improve service levels while complying with increased responsibilities from state and federal mandates for EDI without adding FTE's.

BENEFITS The study and application of best practices in the insurance industry will increase operational efficiency at the division. These efficiencies will be converted into requirements for a comprehensive RMIS. Manual processes will be eliminated from premium calculations, generation of EDI files and communication of policy changes with insured entities. Purchasing the most cost-effective level of excess insurance will translate into cost savings for all state agencies.

ASSUMPTIONS AND CONSTRAINTS In order to design a comprehensive RMIS to meet the needs of the division and its customers the business processes must be re-engineered for current industry best practices and requirements. Successful procurement of this system is dependent on developing system requirements based on re-engineered business practices and aligning them with industry enabling products.

IT SERVICE OR SYSTEM THE SOLUTION CREATES, REPLACES, ENHANCES OR ELIMINATIONS. IMPLEMENTATION APPROACH The consultant will deliver best practices for claims handling and policy management in the state environment; industry research of products appropriate for the division and its best practices; a feasibility study; and system requirements.

IMPLEMENTATION TIMELINE FY 10-11 Business Process Analysis, Schedule IV-B Feasibility Study
 FY 11-12 Use Cases, ITN
 FY 12-13 Requirement Validation, Data Conversion, Design Development, Testing, Implementation

ESTIMATED COSTS

Contracted Services:

Quantity	Description	Amount	Non-Recurring
----------	-------------	--------	---------------

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
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
PROGRAM OR SERVICE-LEVEL				
INFORMATION TECHNOLOGY				3630000
RISK MANAGEMENT INFORMATION SYSTEM				
BUSINESS NEEDS ANALYSIS				36320C0

1		Business Analysis & Feasibility		\$300,000
		Issue Total		\$300,000
				=====

PROGRAM ISSUES				4000000
ADDITIONAL STAFF TO PROVIDE MORE				
PROACTIVE LOSS PREVENTION SERVICES				4001A40
TO STATE AGENCIES AND UNIVERSITIES				000000
SALARY RATE				
SALARY RATE.....	149,898			
	=====	=====	=====	
SALARIES AND BENEFITS				010000
STATE RISK MGMT TF	-STATE	207,496		2078 1
		=====	=====	=====
EXPENSES				040000
STATE RISK MGMT TF	-STATE	53,135	8,931	2078 1
		=====	=====	=====
OPERATING CAPITAL OUTLAY				060000
STATE RISK MGMT TF	-STATE	5,400	5,400	2078 1
		=====	=====	=====
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
STATE RISK MGMT TF	-STATE	31,250		2078 1
		=====	=====	=====

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
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
PROGRAM ISSUES				4000000
ADDITIONAL STAFF TO PROVIDE MORE				
PROACTIVE LOSS PREVENTION SERVICES				
TO STATE AGENCIES AND UNIVERSITIES				4001A40
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
STATE RISK MGMT TF	-STATE	1,197		2078 1
TOTAL: ADDITIONAL STAFF TO PROVIDE MORE				4001A40
PROACTIVE LOSS PREVENTION SERVICES				
TO STATE AGENCIES AND UNIVERSITIES				
TOTAL POSITIONS.....	3.00			
TOTAL ISSUE.....	298,478	14,331		
TOTAL SALARY RATE.....	149,898			

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Additional Staff to Provide More Proactive Loss Prevention Services to State Agencies and Universities

Reference to Long-Range Program Plan:

This issue will help the Department in meeting its LRPP Goal 5, "Our customers will receive timely, helpful and accurate information upon which they can act to protect themselves and their assets" by providing additional staff to analyze loss data and recommend loss mitigation and risk control strategies to agency and university risk management programs to reduce the frequency and cost of their claims. "Enhancing loss prevention services" is also the first goal listed in the Division of Risk Management's strategic plan.

Issue Description/Need:

The Division of Risk Management needs to reorganize the Bureau of Loss Prevention by adding data analysis staff and consultative services staff to support our insured agencies and universities in developing loss prevention strategies and evaluating agency and university risk management programs. The division is requesting one (1) Economic Analyst, pay grade 425, (\$66,680) and two (2) Government Analyst II, pay grade 426 (\$70,408 each). These numbers are 10% above base, because the division has found it is very difficult to fill a position at base. This reorganization will provide the division with the skill sets and personnel needed to analyze agency loss data; assist agencies with developing risk management strategies to reduce claims and claim costs; and evaluate and monitor agency risk management programs. The 5 agencies with the highest claims cost and claims frequency will be targeted for this assistance, but all 49 insured agencies and universities will benefit from the added staff.

Research indicates that developing strong safety cultures and implementing sound loss prevention programs have the greatest impact on reducing claim costs. Snap-On Tools introduced a safety program in 2005 that reduced workers' compensation claims by 47% after 2 years of operations. DHL introduced a safety program that led to a \$1.1 million

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
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
PROGRAM ISSUES				4000000
ADDITIONAL STAFF TO PROVIDE MORE				
PROACTIVE LOSS PREVENTION SERVICES				
TO STATE AGENCIES AND UNIVERSITIES				4001A40

reduction in its workers' compensation premium and reduced its risk rating for workers' compensation costs to 42% below the industry average. ServiceMaster launched a multifaceted loss control and safety initiative that has resulted in a 41% decrease in their total cost of risk since 2003, a one-third decrease in the number of work-related claims and a 77% decrease in the number of lost time claims. Walt Disney's loss control and safety program has resulted in a 60% reduction in OSHA frequency rates from 2002 to 2007, with nearly a 50% reduction in lost time claims.

In these difficult economic times, the business community is focusing on improving business processes to prevent loss. This request comports with business thinking today. While the state's loss history compares favorably to public and private employers, we expect additional reductions from these enhanced efforts at assisting agencies with their programs and holding them more accountable by evaluating and monitoring their loss prevention programs. In one year, the cost of casualty loss payments rose from \$147,000,000 to 149,500,000. Through the investment of \$263,621 for this request, the state has the potential to save a substantial sum. A 5% reduction in casualty loss payments, which is a realistic goal, would result in a savings of \$7,475,000. Approximately seventy one percent (71%) of that savings would be General Revenue Fund dollars.

An additional \$5,400 of OCO spending authority is requested to purchase laptop computers for the three (3) audit staff requested and an additional \$24,680 of expense category spending authority is requested to provide funds for the audit staff to travel an estimated 20 weeks per year at an estimated average of \$1,234 per week.

As the department expands its role in providing more proactive risk management services to state agencies and universities, it will need to supplement its staff with subject matter experts in loss control techniques. The Department's current Broker of Record contract includes 96 hours per year of loss control consulting in our base broker fee, with each additional hour billed at a discounted rate of \$125 per hour provided we purchase a minimum of 60 hours per contract year. The broker's normal fee for such consulting services is \$250 per hour. We are not funded adequately to take advantage of the consulting services at the discounted rate. An additional 250 hours of consulting services for this fiscal year with a gradual increase in funded hours over the next 2 years would assist us dramatically as we expand our loss prevention and consultative services to targeted state agencies and universities experiencing high claim costs.

Ultimate Outcome:

Most state agencies and universities have either limited staff or no staff with the technical skills needed to analyze loss data or develop solid loss prevention strategies. Such analysis and program development is required to establish truly effective loss control programs that identify risk exposure and mitigate or control loss. If this issue is funded, the department will be able to provide state agencies and universities with the expert technical assistance they need to evaluate their risk exposures; analyze their casualty claims; create and select mitigation strategies to reduce or eliminate their risk exposures; implement mitigation strategies; and monitor the results from those strategic changes. The department also will be able to assess the effectiveness of agency and university risk management programs and ensure those programs meet established minimum standards. A 5% reduction in these costs would equate to a \$7,475,000

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
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
PROGRAM ISSUES				4000000
ADDITIONAL STAFF TO PROVIDE MORE				
PROACTIVE LOSS PREVENTION SERVICES				
TO STATE AGENCIES AND UNIVERSITIES				4001A40

reduction in payments made by our program, which was approximately 71% funded by General Revenue for FY 2008-2009. If this request is not funded, many state agencies and universities will not have the level of technical assistance they need to effectively manage their risks, and the state will continue to incur otherwise avoidable claim costs, which recent history demonstrates escalates each year.

Detail of Costs:

Salaries and Benefits (010000):

Position	Title & Pay Grade	Amount	Non-Recurring
2	Government Analyst II (P/G 426)	\$140,816	\$ 0
1	Economic Analyst (P/G 425)	\$ 66,680	\$ 0
	Total	\$207,496	\$ 0

Expenses (040000):

Quantity	Description	Amount	Non-Recurring
3	Standard Expense Package (9,485)	\$ 28,455	\$ 8,931
3	Travel expenses (1,234 x 20 wks)	\$ 24,680	\$ 0

Standard Expense Package does not include \$900 for desk top computers. Laptops have been requested, instead.

Total	\$ 53,135	\$ 8,931
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OCO (060000):

Quantity	Description	Amount	Non-Recurring
3	Laptops (3 x \$1,800)	\$ 5,400	\$ 5,400
	Total	\$ 5,400	\$ 5,400

Contracted Services (100777):

Quantity	Description	Amount	Non-Recurring
250 hrs	Loss Control Consultant Hours	\$ 31,250	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
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
PROGRAM ISSUES				4000000
ADDITIONAL STAFF TO PROVIDE MORE				
PROACTIVE LOSS PREVENTION SERVICES				
TO STATE AGENCIES AND UNIVERSITIES				4001A40

Total \$31,250

HR Services (107040):		Amount	Non-Recurring
Quantity	Description		
3	Standard Match (3 x 399)	\$ 1,197	\$ 0
	Total	\$ 1,197	
	Issue Total	\$298,478	\$14,331

 POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
2225 SENIOR MANAGEMENT ANALYST II - SES							
N0001 001	2.00	102,040		38,776	140,816	0.00	140,816
3215 ECONOMIC ANALYST - SES							
N0002 001	1.00	47,858		18,822	66,680	0.00	66,680
TOTALS FOR ISSUE BY FUND							
2078 STATE RISK MGMT TF							207,496
	3.00	149,898		57,598	207,496		207,496

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: ST PROP/CASUALTY CLMS				43400000
ST SELF-INSURED CLAIMS ADJ				43400100
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				
	105.00			
TRUST FUNDS.....	19,692,881	18,208		2000
SALARY RATE.....	3,911,341			
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
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>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	464,307			
=====				
SALARIES AND BENEFITS				010000
8.00				
INSURANCE REG TF -STATE	635,295			2393 1
=====				
OTHER PERSONAL SERVICES				030000
INSURANCE REG TF -STATE	45,691			2393 1
=====				
EXPENSES				040000
INSURANCE REG TF -STATE	112,031			2393 1
=====				
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF -STATE	1,120			2393 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF -STATE	258,352			2393 1
=====				
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF -STATE	2,837			2393 1
=====				
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF -STATE	3,567			2393 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	8.00			
TOTAL ISSUE.....		1,058,893		
TOTAL SALARY RATE.....		464,307		
=====				
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF -STATE		10,063		2393 1
=====				
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
INSURANCE REG TF -STATE		734		2393 1
=====				
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
INSURANCE REG TF -STATE		3,670		2393 1
=====				
TOTAL: REGULATION AND LICENSING				<u>1204.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	8.00			
SALARY RATE.....		1,073,360		2000
		464,307		
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	5,906,147			
=====				
SALARIES AND BENEFITS				010000
	160.00			
INSURANCE REG TF -STATE	7,804,704			2393 1
=====				
OTHER PERSONAL SERVICES				030000
INSURANCE REG TF -STATE	28,938			2393 1
=====				
EXPENSES				040000
INSURANCE REG TF -STATE	1,040,520			2393 1
=====				
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF -STATE	2,500			2393 1
=====				
SPECIAL CATEGORIES				100000
ACQUISITION/MOTOR VEHICLES				100021
INSURANCE REG TF -STATE	46,750			2393 1
=====				
CONTRACTED SERVICES				100777
INSURANCE REG TF -STATE	3,338,892			2393 1
=====				
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF -STATE	72,682			2393 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF -STATE	66,016			2393 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	160.00			
TOTAL ISSUE.....	12,401,002			
TOTAL SALARY RATE.....	5,906,147			
CASUALTY INSURANCE PREMIUM				1001090
ADJUSTMENT				100000
SPECIAL CATEGORIES				103241
RISK MANAGEMENT INSURANCE				
INSURANCE REG TF -STATE	55,286			2393 1
ADJUSTMENT TO STATE HEALTH				1002000
INSURANCE PREMIUM CONTRIBUTION -				010000
FISCAL YEAR 2009-10				
SALARIES AND BENEFITS				
INSURANCE REG TF -STATE	12,312			2393 1
ANNUALIZATION OF ADMINISTERED				26A0000
FUNDS APPROPRIATIONS				
ADJUSTMENT TO STATE HEALTH				26A1200
INSURANCE FOR FY 2009-10 - 10 MONTH				010000
ANNUALIZATION				
SALARIES AND BENEFITS				
INSURANCE REG TF -STATE	61,560			2393 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>LICENSURE, SALES/APPT/OVST</u>				43500200
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
TOTAL: REGULATION AND LICENSING				<u>1204.00.00.00</u>
BY FUND TYPE				
	160.00			
TRUST FUNDS.....		12,530,160		2000
SALARY RATE.....		5,906,147		
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....		9,395,596		
=====		=====		=====
SALARIES AND BENEFITS				010000
197.00				
INSURANCE REG TF	-STATE	12,688,016		2393 1
=====		=====		=====
OTHER PERSONAL SERVICES				030000
INSURANCE REG TF	-STATE	45,000		2393 1
=====		=====		=====
EXPENSES				040000
INSURANCE REG TF	-STATE	2,092,515		2393 1
=====		=====		=====
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF	-STATE	1,700		2393 1
=====		=====		=====
SPECIAL CATEGORIES				100000
ACQUISITION/MOTOR VEHICLES				100021
INSURANCE REG TF	-STATE	297,000		2393 1
=====		=====		=====
TRANS TO JAC FOR PIP FRAUD				100522
INSURANCE REG TF	-STATE	1,016,043		2393 1
=====		=====		=====
CONTRACTED SERVICES				100777
INSURANCE REG TF	-STATE	214,617		2393 1
=====		=====		=====

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF	-STATE	357,848		2393 1
=====				
SALARY INCENTIVE PAYMENTS				103290
INSURANCE REG TF	-STATE	236,256		2393 1
=====				
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF	-STATE	81,033		2393 1
=====				
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....		197.00		
TOTAL ISSUE.....		17,030,028		
TOTAL SALARY RATE.....		9,395,596		
=====				
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF	-STATE	139,246-		2393 1
=====				
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				1002000
FISCAL YEAR 2009-10				010000
SALARIES AND BENEFITS				
INSURANCE REG TF	-STATE	14,437		2393 1
=====				

	COL A03		COL A04		COL A05		CODES
	AGY REQUEST FY 2010-11 POS	AMOUNT	AGY REQ N/R FY 2010-11 POS	AMOUNT	AG REQ ANZ FY 2010-11 POS	AMOUNT	
FINANCIAL SERVICES							43000000
PGM: LICNSNG/CNSMER PROTEC							43500000
<u>INSURANCE FRAUD</u>							43500300
PUBLIC PROTECTION							12
<u>CONSUMER SAFETY/PROTECTION</u>							<u>1205.00.00.00</u>
ESTIMATED EXPENDITURES							1000000
ADJUSTMENT TO STATE HEALTH							
INSURANCE PREMIUM CONTRIBUTION -							
FISCAL YEAR 2009-10							1002000
SPECIAL CATEGORIES							100000
TRANS TO JAC FOR PIP FRAUD							100522
INSURANCE REG TF							2393 1
-STATE		869					
TOTAL: ADJUSTMENT TO STATE HEALTH							1002000
INSURANCE PREMIUM CONTRIBUTION -							
FISCAL YEAR 2009-10							
TOTAL ISSUE.....		15,306					
INTRA-AGENCY REORGANIZATIONS							1800000
TRANSFER THE OFFICE OF FISCAL							
INTEGRITYFROM ACCOUNTING AND							
AUDITING TO DIVISION OF INSURANCE							
FRAUD - ADD							1801A20
SALARY RATE							000000
SALARY RATE.....		494,886					
SALARIES AND BENEFITS							010000
GENERAL REVENUE FUND							1000 1
-STATE		10.00		686,384			
EXPENSES							040000
GENERAL REVENUE FUND							1000 1
-STATE		25,990					
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
GENERAL REVENUE FUND							1000 1
-STATE		382					

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
INTRA-AGENCY REORGANIZATIONS				1800000
TRANSFER THE OFFICE OF FISCAL				
INTEGRITYFROM ACCOUNTING AND				
AUDITING TO DIVISION OF INSURANCE				
FRAUD - ADD				1801A20
SPECIAL CATEGORIES				100000
SALARY INCENTIVE PAYMENTS				103290
GENERAL REVENUE FUND	-STATE	386		1000 1
=====				
TR/DMS/HR SVCS/STW CONTRCT				107040
GENERAL REVENUE FUND	-STATE	3,990		1000 1
=====				
TOTAL: TRANSFER THE OFFICE OF FISCAL				1801A20
INTEGRITYFROM ACCOUNTING AND				
AUDITING TO DIVISION OF INSURANCE				
FRAUD - ADD				
TOTAL POSITIONS.....	10.00			
TOTAL ISSUE.....		717,132		
TOTAL SALARY RATE.....	494,886			
=====				

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: TRANSFER THE OFFICE OF FISCAL INTEGRITY FROM ACCOUNTING AND AUDITING TO DIVISION OF INSURANCE FRAUD - ADD

This issue requests the transfer of the Office of Fiscal Integrity from the Division of Accounting and Auditing to Division of Insurance Fraud. This move will allow the department to move this small law enforcement activity to the larger law enforcement office. It will allow the department to facilitate the effective investigation of complex financial crimes. This issue will require a change in Chapter 20, Florida Statutes. Several positions are not filled. The rate for these positions is calculated based on the competitive amount needed to fill these positions. This program is General Revenue funded.

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Rate	Salary & Benefits
1	Financial Investigator - CE (CC 8325, pos 4893)	\$ 44,623	\$ 61,396
1	Sr. Management Analyst Supv. CC 2228, pos 4173)	\$ 54,932	\$ 75,021

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
<u>PUBLIC PROTECTION</u>				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
INTRA-AGENCY REORGANIZATIONS				1800000
TRANSFER THE OFFICE OF FISCAL				
INTEGRITYFROM ACCOUNTING AND				
AUDITING TO DIVISION OF INSURANCE				
FRAUD - ADD				1801A20

1	Law Enforcement Investigator II (CC 8541, pos 4636)	\$ 58,689	\$ 84,452
1	Fiscal Integrity Program Manger (CC 8131, pos 4063)	\$ 70,384	\$ 93,242
1	Government Analyst I (CC 2224, pos 4689)	\$ 40,235	\$ 56,230
1	Financial Investigator - CE (CC 8325, pos 4708)	\$ 47,111	\$ 64,324
1	Professional Accountant Specialist (CC 1469, pos 4631)	\$ 40,948	\$ 57,070
1	Law Enforcement Investigator II (CC 8541, pos 4165)	\$ 50,950	\$ 74,485
1	Financial Investigator - CE (CC 8325, pos 4258)	\$ 43,507	\$ 60,082
1	Financial Investigator - CE (CC 8325, pos 4690)	\$ 43,507	\$ 60,082
10	Total	\$494,886	\$686,384

Quantity	Description	Amount
	General Expenses at \$1,249 per position	\$ 12,490
	Travel	\$ 13,500
	Total	\$ 25,990

Quantity	Description	Amount
1	Contract with Accurint	\$ 382

Quantity	Description	Amount
	Salary Incentive Payment	\$ 386

Quantity	Description	Amount
10	Standard HR Package at \$399 per position	\$ 3,990

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
INTRA-AGENCY REORGANIZATIONS				1800000
TRANSFER THE OFFICE OF FISCAL				
INTEGRITYFROM ACCOUNTING AND				
AUDITING TO DIVISION OF INSURANCE				
FRAUD - ADD				1801A20

Issue Total \$717,132

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1469 PROFESSIONAL ACCOUNTANT SPECIALIST							
04631 001	1.00	40,948		16,122	57,070	0.00	57,070
2224 GOVERNMENT ANALYST I							
04689 001	1.00	40,235		15,995	56,230	0.00	56,230
8325 FINANCIAL INVESTIGATOR-CRIMINAL ENFORCE							
04258 001	1.00	43,507		16,575	60,082	0.00	60,082
04690 001	1.00	43,507		16,575	60,082	0.00	60,082
04708 001	1.00	47,111		17,213	64,324	0.00	64,324
04893 001	1.00	44,623		16,773	61,396	0.00	61,396
8541 LAW ENFORCEMENT INVESTIGATOR II							
04160 001	1.00	50,950		23,535	74,485	0.00	74,485
04636 001	1.00	58,689		25,763	84,452	0.00	84,452
2228 SENIOR MANAGEMENT ANALYST SUPV - SES							
04173 001	1.00	54,932		20,089	75,021	0.00	75,021
8131 FISCAL INTEGRITY PROGRAM MANAGER							
04063 001	1.00	70,384		22,858	93,242	0.00	93,242

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
INSURANCE FRAUD				43500300
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
INTRA-AGENCY REORGANIZATIONS				1800000
TRANSFER THE OFFICE OF FISCAL				
INTEGRITYFROM ACCOUNTING AND				
AUDITING TO DIVISION OF INSURANCE				
FRAUD - ADD				1801A20

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							686,384
	10.00	494,886		191,498	686,384		686,384

ANNUALIZATION OF ADMINISTERED FUNDS APPROPRIATIONS							26A0000
ADJUSTMENT TO STATE HEALTH INSURANCE FOR FY 2009-10 - 10 MONTH ANNUALIZATION							26A1200
SALARIES AND BENEFITS							010000
INSURANCE REG TF -STATE	72,185						2393 1
SPECIAL CATEGORIES							100000
TRANS TO JAC FOR PIP FRAUD							100522
INSURANCE REG TF -STATE	4,345						2393 1
TOTAL: ADJUSTMENT TO STATE HEALTH INSURANCE FOR FY 2009-10 - 10 MONTH ANNUALIZATION							26A1200
TOTAL ISSUE.....	76,530						

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
WORKLOAD				3000000
PROFESSIONAL STAFF TO FORM A MAJOR				
CASE ENFORCEMENT UNIT FOR FINANCIAL				
CRIMES				3008A40
SALARY RATE				000000
SALARY RATE.....	499,699			
	=====	=====	=====	
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	9.00		
		709,218		2393 1
		=====	=====	=====
EXPENSES				040000
INSURANCE REG TF	-STATE	178,033	63,970	
		=====	=====	2393 1
		=====	=====	=====
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF	-STATE	23,760	23,760	
		=====	=====	2393 1
		=====	=====	=====
SPECIAL CATEGORIES				100000
ACQUISITION/MOTOR VEHICLES				100021
INSURANCE REG TF	-STATE	138,600	34,650	
		=====	=====	2393 1
		=====	=====	=====
SALARY INCENTIVE PAYMENTS				103290
INSURANCE REG TF	-STATE	10,920		
		=====	=====	2393 1
		=====	=====	=====
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF	-STATE	3,591		
		=====	=====	2393 1
		=====	=====	=====
TOTAL: PROFESSIONAL STAFF TO FORM A MAJOR				3008A40
CASE ENFORCEMENT UNIT FOR FINANCIAL				
CRIMES				
TOTAL POSITIONS.....	9.00			
TOTAL ISSUE.....		1,064,122	122,380	
TOTAL SALARY RATE.....	499,699			
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
WORKLOAD				3000000
PROFESSIONAL STAFF TO FORM A MAJOR				
CASE ENFORCEMENT UNIT FOR FINANCIAL				
CRIMES				3008A40

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Professional Staff to form a Major Case Enforcement Unit for Financial Crimes

Reference to Long Range Program Plan: Goal 3 - Enforcement - In the execution of its constitutional and statutory mandates, the department will protect the health, safety and welfare of the public.

Issue Description/Need:

To facilitate the effective investigation of complex financial crimes, the Division of Insurance Fraud is requesting a specialized investigative unit consisting of one Bureau Chief, six Law Enforcement Investigator II's with exceptional skill and expertise, one Crime Intelligence Analyst II, and one Administrative Secretary.

Major white collar crimes will continue to impact the Florida economy over the next several years. Aggressive investigation and prosecution of financial fraud and other financial crimes will be a key factor in restoring long-term confidence in our business leaders and limiting exposure to the State and its citizens. Financial crimes have the potential to destabilize Florida's economy as well as threaten global security, as these activities are often used by terrorists and other dangerous criminals to finance their activities and conceal their profits. Large-scale mortgage fraud and identity theft operations, many perpetrated by organized criminal enterprises, also continue to plague the State of Florida. Those engaging in financial fraud increasingly use sophisticated computer technology, money services businesses (MSB's), offshore banking, and complex financial mechanisms to facilitate their criminal activity and hide illicit proceeds.

With the addition of this dedicated financial crimes unit, the division will be poised to respond to these complex criminal activities, with all the necessary resources to pursue investigations and intelligence gathering with specially trained financial investigators. Aggressive use of these dedicated investigative resources, coupled with the use of anti-money laundering and forfeiture statutes for ill-gotten assets are integral parts of nearly every financial crime prosecution. Additionally, white collar criminals corrupt the financial system and introduce illegal proceeds into the financial community. This asset flow must be reduced through aggressive prosecution, seizure, and forfeiture. The division will conduct complex statewide investigations that result in the dismantlement of those enterprises, industries, and facilities engaged in sophisticated financial crimes, including money services business (MSBs), worker's compensation fraud, and money laundering.

The Crime Intelligence Analyst assigned to this unit will expand the Division's intelligence base to identify methodologies, geographic anomalies with domestic and international criminal proceeds, and significant white collar crime networks and money laundering enterprises, industries, and facilities. The analyst will evaluate and analyze the large amounts of evidence and information associated with these complex criminal cases, prepare investigative charts and

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
WORKLOAD				3000000
PROFESSIONAL STAFF TO FORM A MAJOR				
CASE ENFORCEMENT UNIT FOR FINANCIAL				
CRIMES				3008A40

exhibits for trial, and evaluate strategic intelligence to identify emerging crime trends and investigative targets.

The division will continue its successful efforts in the white collar crime arena by using its expertise, broad criminal investigative resources, and strong relationships with regulatory agencies to maintain public confidence.

The division is requesting the base pay for the six Law Enforcement Investigator II's to be set at \$57,000. This base pay will match positions appropriated in HB 5001 (Fiscal 2008-09 General Appropriations Act) for the same type of specialized unit within the Division of Insurance Fraud. The LEI II's hired into this unit must possess a specific skill set, additional years of experience and certifications which will enable them to work the more complex cases assigned to this unit. The base pay requested will be competitive with other Law Enforcement Investigators II's specializing in investigations of this type

Ultimate Outcome:

Approval of this issue will permit the additional budget appropriation of one Bureau Chief, six Law Enforcement Investigator II's, one Crime Intelligence Analyst II, and one Administrative Secretary to form a specialized financial crimes unit which will work exclusively on complex financial crimes throughout the State of Florida. The unit will be able to more effectively fight growing problems such as money services business crime, workers compensation fraud, mortgage fraud and money laundering.

Detail of Costs:

Salaries and Benefits (010000):

Position	Title & Pay Grade	Amount
-----	-----	-----
1	Bureau Chief, 055 (\$70,000 + benefits \$21,269)	\$ 91,269
6	Law Enforcement Investigator II's (Major Case Detective), 054 (\$57,000 + benefits \$26,716 + CAD \$5,001)	532,299
1	Crime Intelligence Analyst II, SES, 020 (\$32,698 + benefits \$14,886 + CAD \$1,270)	48,854
1	Administrative Secretary, 0108 (\$22,455 + benefits \$13,071 + CAD \$1,270)	36,796

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
WORKLOAD				3000000
PROFESSIONAL STAFF TO FORM A MAJOR CASE ENFORCEMENT UNIT FOR FINANCIAL CRIMES				3008A40

Total \$ 709,218
 =====

Expenses (040000):

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
Law Enforcement Expenses:			
7	Expense Package (\$10,385 recurring \$3,877 non-recurring)	\$ 66,395	\$ 20,839
7	Special Equipment (vest \$600, firearm \$575, cell phone \$50, radio \$4,000)	36,575	\$ 36,575
7	Perquisite Clothing (\$625)	4,375	
7	Clothing Allowance (\$500)	3,500	
7	Training (\$2,000)	14,000	
7	Travel (\$3,000)	21,000	
7	Gasoline Increase (\$2,000)	14,000	
1	Professional Expense Package (\$10,385)	9,485	\$ 2,977
1	Support Staff Expense Package (\$8,703)	8,703	\$ 3,579
		-----	-----
	Total	\$ 178,033	\$ 63,970
		=====	=====

Standard Expense package for 7fte and Bureau Chief do not include the \$900 for computers. Lap Top computers are requested as part of the OCO package

OCO (060000):

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
8	Laptop (\$2,970)	\$ 23,760	\$ 23,760
		-----	-----
	Total	\$ 23,760	\$ 23,760
		=====	=====

Acquisition of Motor Vehicles (100021):

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----

		COL A03	COL A04	COL A05		
		AGY REQUEST	AGY REQ N/R	AG REQ ANZ		
		FY 2010-11	FY 2010-11	FY 2010-11		
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	CODES
FINANCIAL SERVICES						
						43000000
PGM: LICNSNG/CNSMER PROTEC						43500000
INSURANCE FRAUD						43500300
PUBLIC PROTECTION						12
CONSUMER SAFETY/PROTECTION						<u>1205.00.00.00</u>
WORKLOAD						3000000
PROFESSIONAL STAFF TO FORM A MAJOR						
CASE ENFORCEMENT UNIT FOR FINANCIAL						
CRIMES						3008A40
7	Motor Vehicle					
	(Base Price \$17,640 + Lights and Tinting \$2,160)			\$ 138,600	\$ 34,650	
	Total			\$ 138,600	\$ 34,650	
				=====	=====	
Salary Incentive Payments (103290)						
Quantity	Description			Amount	Non-Recurring	
-----	-----			-----	-----	
7	Criminal Justice Incentive Pay (CJIP) (\$1,560)			\$ 10,920		
	Total			\$ 10,920		
Human Resources Services (107040):						
Quantity	Description			Amount		
-----	-----			-----		
9	Human Resources Services (\$399)			\$ 3,591		
	Total			\$ 3,591		
				=====	=====	
	Issue Total			\$1,064,122	\$122,380	

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS

A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	1.00	70,000		21,269	91,269	0.00	91,269
0108 ADMINISTRATIVE SECRETARY							
N0004 001	1.00	22,455	1,270	13,071	36,796	0.00	36,796

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
WORKLOAD				3000000
PROFESSIONAL STAFF TO FORM A MAJOR				
CASE ENFORCEMENT UNIT FOR FINANCIAL				
CRIMES				3008A40

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
8436 CRIME INTELLIGENCE ANALYST II							
N0003 001	1.00	32,698	1,270	14,886	48,854	0.00	48,854
8541 LAW ENFORCEMENT INVESTIGATOR II							
N0002 001	6.00	342,000	30,006	160,293	532,299	0.00	532,299
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							709,218
	9.00	467,153	32,546	209,519	709,218		709,218

PROGRAM ISSUES							4000000
OVERTIME PAY FOR CERTIFIED FOR							
FRAUD							4009A80
SALARIES AND BENEFITS							010000
INSURANCE REG TF	-STATE	100,000					2393 1

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 Issue Title: Division of Insurance Fraud; Overtime Pay Issue

Reference to Long Range Program Plan: Goal 3 - Enforcement - In the execution of its constitutional and statutory mandates, the department will protect the health, safety and welfare of the public.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
PROGRAM ISSUES				4000000
OVERTIME PAY FOR CERTIFIED FOR				
FRAUD				4009A80

Issue Description/Need:

The Division of Insurance Fraud is requesting \$100,000 in recurring funds for overtime spending authority in order to provide line personnel and their supervisors overtime pay when required.

The division is charged with the statutory responsibility of investigating general insurance and workers' compensation fraud for the State of Florida. Within that purview, sworn officers investigate white collar crimes such as mortgage fraud, premium fraud, medical provider fraud, annuity fraud, workers compensation fraud, staged accident rings, etc. These investigations are highly complex, labor intensive, and time consuming; even so, the division's performance standards and customer expectations continue to increase each year. Additionally, the need for assistance to other federal, state and local law enforcement partners has increased significantly, and is especially true for participation in several task forces (mortgage fraud, auto theft, money laundering, workers compensation, etc.) across the state, including Drug Enforcement Agency, Federal Bureau of Investigation, North Florida High Intensity Drug Trafficking Area, Attorney General, etc. Industry referrals and tips for general insurance related crimes increased 21% from fiscal year 2007/2008 to 2008/2009 undoubtedly as a direct result of tough economic times.

The addition of 8 dedicated prosecutors across the state has furthered the division's goal for increases in criminal presentations and court ordered restitution to victims. Over the past three fiscal years, the division has made over 800 arrests annually. Recent available statistics provided by the Coalition Against Insurance Fraud (FY 2007/2008) reveal that Florida ranks 4th among all states in the number of referrals received. Florida ranked 1st in Court Ordered Restitution, and ranked 2nd in all other key standard measurements, including arrests, cases presented for prosecution, convictions, and number of cases opened for investigation. Not only did the number of referrals increase by 21% between Fiscal year 2007/2008 and 2008/2009, but also, the number of cases opened and the number of cases presented for prosecution by the Division both increased by 13% as well.

Additionally, public awareness and outreach tasks (such as the Florida Housing Help Workshop, Consumer Service workshop and outreach projects, industry presentations, law enforcement community and insurance fraud industry educational projects), along with other agency assists have created additional work loads for investigative personnel. Reductions in support personnel has resulted in the distribution of additional duties to various supervisors, thereby trickling down to line level employees, resulting yet again in an increase in time spent on case related paperwork, administrative paperwork, citizen inquiries and public records requests. Many detectives choose to take leave in lieu of working overtime, which in turn creates increased staffing needs to already strained resources. Therefore, given the increase in workloads, detectives could feasibly work between four (4) and ten (10) hours each month beyond their regular schedules if they elected to do so.

The State of Florida (represented by the Department of Management Services) negotiated a new labor contract with the state's police union (PBA), and within that contract are stipulations of limits on the state's ability to require sworn employees to adjust overtime hours downward or nullify excess work hours (those hours exceeding 160 in a 28 day period).

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
<u>INSURANCE FRAUD</u>				43500300
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
PROGRAM ISSUES				4000000
OVERTIME PAY FOR CERTIFIED FOR				
FRAUD				4009A80

Recent state budget reduction efforts (loss of positions, reduced rate, reduced salaries and benefits, etc.) continue to make it even more difficult. Because the division is getting closer to having all of its positions filled the division may have no excess salaries and benefits which are currently available to cover the overtime. Absent this funding, overtime without adequate appropriation is a foreseeable funding liability as demands increase and resources decline. But equally so, this funding is a benefit to the division as it will further increase the performance and productivity of division personnel, as well as the overall number of criminal insurance fraud cases that are assigned for investigation.

Ultimate Outcome:

Funding this issue will help provide relief for the increase in insurance fraud cases and related workloads currently assigned to division personnel throughout the state and further, will ultimately result in a positive impact on the division's mission of serving and protecting the citizens of Florida from acts of insurance fraud.

Detail of Costs:

	Amount	Non-Recurring
	-----	-----
Salaries and Benefits (010000)		
Insurance Regulatory Trust Fund (2393) (1)		
Total	\$100,000	\$0
	-----	-----
Issue Total	\$100,000	\$0
	=====	=====

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	5,573,594			
=====				
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE	31,324			2021 1
FINANCIAL INST REG TF -STATE	33,646			2275 1
INSURANCE REG TF -STATE	6,968,211			2393 1
REGULATORY TRUST FUND -STATE	302,646			2573 1
TOTAL POSITIONS.....	136.50			
TOTAL APPRO.....	7,335,827			
=====				
OTHER PERSONAL SERVICES				030000
INSURANCE REG TF -STATE	167,731			2393 1
=====				
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE	16,463			2021 1
INSURANCE REG TF -STATE	1,543,608			2393 1
REGULATORY TRUST FUND -STATE	23,655			2573 1
TOTAL APPRO.....	1,583,726			
=====				
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF -STATE	2,200			2393 1
=====				
SPECIAL CATEGORIES				100000
TR TO FL CAT CENT AT FSU				100500
INSURANCE REG TF -STATE	975,000			2393 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE		120		2021 1
FINANCIAL INST REG TF -STATE		355		2275 1
INSURANCE REG TF -STATE		1,245,374		2393 1
REGULATORY TRUST FUND -STATE		2,766		2573 1
TOTAL APPRO.....		1,248,615		
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF -STATE		60,978		2393 1
TR/DMS/HR SVCS/STW CONTRCT				107040
ADMINISTRATIVE TRUST FUND -STATE		525		2021 1
FINANCIAL INST REG TF -STATE		350		2275 1
INSURANCE REG TF -STATE		54,336		2393 1
REGULATORY TRUST FUND -STATE		2,719		2573 1
TOTAL APPRO.....		57,930		
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....		136.50		
TOTAL ISSUE.....		11,432,007		
TOTAL SALARY RATE.....		5,573,594		
CASUALTY INSURANCE PREMIUM				1001090
ADJUSTMENT				100000
SPECIAL CATEGORIES				103241
RISK MANAGEMENT INSURANCE				
INSURANCE REG TF -STATE		1,621		2393 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
ESTIMATED EXPENDITURES				1000000
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE		45		2021 1
FINANCIAL INST REG TF -STATE		50		2275 1
INSURANCE REG TF -STATE		10,220		2393 1
REGULATORY TRUST FUND -STATE		444		2573 1
TOTAL APPRO.....		10,759		
NONRECURRING EXPENDITURES				2100000
STUDY OF HURRICANE MITIGATION				
CREDITS				2103097
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF -STATE		600,000-		2393 1
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE		225		2021 1
FINANCIAL INST REG TF -STATE		250		2275 1
INSURANCE REG TF -STATE		51,100		2393 1
REGULATORY TRUST FUND -STATE		2,220		2573 1
TOTAL APPRO.....		53,795		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
WORKLOAD				3000000
TRANSFER A POSTION FROM CONSUMER				
SERVICES TO INFORMATION TECHNOLOGY				
- DEDUCT				3000470
SALARY RATE				000000
SALARY RATE.....	28,200-			
	=====	=====	=====	
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	1.00-		
		42,063-		2393 1
		=====	=====	
EXPENSES				040000
INSURANCE REG TF	-STATE	1,800-		
		=====	=====	2393 1
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF	-STATE	399-		
		=====	=====	2393 1
TOTAL: TRANSFER A POSTION FROM CONSUMER				3000470
SERVICES TO INFORMATION TECHNOLOGY				
- DEDUCT				
TOTAL POSITIONS.....	1.00-			
TOTAL ISSUE.....		44,262-		
TOTAL SALARY RATE.....	28,200-			
	=====	=====	=====	

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: TRANSFER A POSTION FROM CONSUMER SERVICES TO INFORMATION TECHNOLOGY - DEDUCT

This is a technical issue that requests the transfer of position number 001758 from the Division of Consumer Services to Information Technology. This is being done as the result of an internal reorganization.

Detail of Costs:

Salaries and Benefits:

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				<u>1205.00.00.00</u>
WORKLOAD				3000000
TRANSFER A POSTION FROM CONSUMER				
SERVICES TO INFORMATION TECHNOLOGY				
- DEDUCT				3000470

Position	Title & Pay Grade	Amount	Non-Recurring
1	Operations Analyst I (position 01758/CC2209)	(\$42,063)	

Expenses (040000)			
Quantity	Description	Amount	Non-Recurring
1	Base Recurring Expense	(\$ 1,800)	

Special Category:			
HR Outsourcing (107040):			
Quantity	Description	Amount	Non-Recurring
1	Standard Charge	(\$ 399)	

Issue Total (\$44,262)

 POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2209 OPERATIONS ANALYST I							
01758 001	1.00-	28,200-		13,863-	42,063-	0.00	42,063-

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
WORKLOAD				3000000
TRANSFER A POSTION FROM CONSUMER				
SERVICES TO INFORMATION TECHNOLOGY				
- DEDUCT				3000470

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							42,063-
	1.00-	28,200-		13,863-	42,063-		42,063-

PROVIDE PROACTIVE CONSUMER OUTREACH ON INSURANCE AND FINANCIAL SERVICES PRODUCTS							3001250
OTHER PERSONAL SERVICES							030000
INSURANCE REG TF -STATE		146,000					2393 1
EXPENSES							040000
INSURANCE REG TF -STATE		14,000					2393 1
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
INSURANCE REG TF -STATE		824,000					2393 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
WORKLOAD				3000000
PROVIDE PROACTIVE CONSUMER OUTREACH				
ON INSURANCE AND FINANCIAL SERVICES				
PRODUCTS				3001250
TOTAL: PROVIDE PROACTIVE CONSUMER OUTREACH				3001250
ON INSURANCE AND FINANCIAL SERVICES				
PRODUCTS				
TOTAL ISSUE.....		984,000		

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Provide Proactive Consumer Outreach on Insurance Financial Services Products

Issue Description/Need:

Florida has experienced an increase in recent years in improper and deceptive marketing by insurance and financial services entities, with efforts largely aimed at elderly residents. In tumultuous economic times, scam artists are preying upon senior citizens' financial fears and seniors are being harmed when sold unsuitable or unlicensed insurance or financial products. Moreover, Florida has the highest proportion of seniors (aged 60 or older) in our population compared to rest of the country, and our senior population is expected to account for 66 percent of Florida's population growth in the coming years.

Under consent orders and settlement stipulations entered into by the Department in 1995 with multiple life insurance companies, including Prudential, John Hancock and Metropolitan Life, \$28 million was set aside to specifically fund outreach and education on life insurance and related financial products. Of \$28 million, \$18 million has been spent to date. A \$10.9 million balance remains out of the original settlement, including interest income. These funds have been received and deposited into the Insurance Regulatory Trust Fund.

Ultimate Outcome:

Using settlement dollars reserved for consumer outreach on life insurance and related financial products, the Department will be able to expand educational and outreach efforts to elderly residents and retirees, who are the prime targets for illegal insurance and financial activities.

It is the Department's goal to build a multi-year outreach plan, lasting at least over a 5-year period, to educate and assist consumers with problems related to life insurance and related financial products through a series of workshops and "buyer awareness" outreach targeted at our senior population. Additionally, the Department plans to partner through grants to community organizations whose mission is to help inform and protect senior citizens. The purpose of these grants will be to enable such organizations to educate seniors about life insurance and related financial products. This education and outreach plan will result in an increase in consumers' awareness on who to call for help, where to obtain

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
WORKLOAD				3000000
PROVIDE PROACTIVE CONSUMER OUTREACH				
ON INSURANCE AND FINANCIAL SERVICES				
PRODUCTS				3001250

educational materials and how to report potential fraudulent activities.

This multi-year outreach program, with a 2010-11 budget of \$984,000, that would be managed by the Division of Consumer Services, in coordination with the divisions of Agent and Agency Services and Insurance Fraud. Grants would be awarded to qualifying community organizations and services needed for the development of collateral materials, website, and educational workshops, and would be competitively procured.

Through such a close interaction with the public, the Department will be able to identify trends in illegal activities, develop and deliver effective outreach programs and enhance our assistance to consumers before they become victimized. If this recurring issue is not funded over the next 5 years, these educational activities will not be made available, resulting in higher numbers of Floridians who will be victimized by unscrupulous insurers and financial services entities. This will also result in higher costs for insurance and financial products, as the cost of fraud is passed on to consumers.

Detail of Cost:
 FY 10-11

Category	Recurring	Non-recurring
	-----	-----
Other Personal Services (030000):		
Web Site enhancements and computer programming	\$146,000	\$ 0
Insurance Regulatory Trust Fund (2393) (1)		
-----	-----	-----
Total	\$146,000	\$ 0
Category		
Expenses (040000):		
Postage, travel, supplies	\$ 14,000	\$ 0
-----	-----	-----
Total	\$14,000	\$ 0

Category

Contracted Services (100777):

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
<u>CONSUMER SAFETY/PROTECTION</u>				<u>1205.00.00.00</u>
WORKLOAD				3000000
PROVIDE PROACTIVE CONSUMER OUTREACH				
ON INSURANCE AND FINANCIAL SERVICES				
PRODUCTS				3001250
Development of collateral materials			\$ 20,000	
Publication printing			\$ 50,000	\$ 0
Educational workshops			\$254,000	
Grants to Community Organizations for Outreach			\$500,000	
-----			-----	
Total			\$824,000	\$ 0
Issue Total			\$984,000	

FUND SHIFT				3400000
TRANSFER THE FINANCIAL INSTITUTIONS				
REGULATORY TRUST FUND TO THE				
INSURANCE REGULATORY TRUST FUND -				
DEDUCT				3400030
SALARIES AND BENEFITS				010000
FINANCIAL INST REG TF	-STATE	33,946-		2275 1
		=====		
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
FINANCIAL INST REG TF	-STATE	355-		2275 1
		=====		
TR/DMS/HR SVCS/STW CONTRCT				107040
FINANCIAL INST REG TF	-STATE	350-		2275 1
		=====		
TOTAL: TRANSFER THE FINANCIAL INSTITUTIONS				3400030
REGULATORY TRUST FUND TO THE				
INSURANCE REGULATORY TRUST FUND -				
DEDUCT				
TOTAL ISSUE.....		34,651-		
		=====		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
FUND SHIFT				3400000
TRANSFER THE FINANCIAL INSTITUTIONS				
REGULATORY TRUST FUND TO THE				
INSURANCE REGULATORY TRUST FUND -				
DEDUCT				3400030

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 Issue Title: TRANSFER THE FINANCIAL INSTITUTIONS REGULATORY TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - DEDUCT

This issue requests the fund shift of the Financial Institutions Regulatory Trust Fund (2275) to the Insurance Regulatory Trust Fund (2393). This shift will allow the Division of Consumer Services to have only one trust fund and will simplify the appropriations and the accounting processes.

Detail of Costs:

Salaries and Benefits:			
Position	Title & Pay Grade	Amount	Non-Recurring
-----	-----	-----	-----
		(\$33,946)	

Special Category			
Contracted Services (100777)			
Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
		(\$ 355)	

Special Category:			
HR Outsourcing (107040):			
Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
		(\$ 350)	

Issue Total (\$34,651)

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
FUND SHIFT				3400000
TRANSFER THE FINANCIAL INSTITUTIONS				
REGULATORY TRUST FUND TO THE				
INSURANCE REGULATORY TRUST FUND -				
DEDUCT				3400030

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
2275 FINANCIAL INST REG TF							33,946-

							33,946-
							=====

TRANSFER THE FINANCIAL INSTITUTIONS							
REGULATORY TRUST FUND TO THE							
INSURANCE REGULATORY TRUST FUND -							
ADD							3400040
SALARIES AND BENEFITS							010000
INSURANCE REG TF	-STATE	33,946					2393 1
		=====	=====	=====			
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
INSURANCE REG TF	-STATE	355					2393 1
		=====	=====	=====			
TR/DMS/HR SVCS/STW CONTRCT							107040
INSURANCE REG TF	-STATE	350					2393 1
		=====	=====	=====			

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				<u>1205.00.00.00</u>
FUND SHIFT				3400000
TRANSFER THE FINANCIAL INSTITUTIONS				
REGULATORY TRUST FUND TO THE				
INSURANCE REGULATORY TRUST FUND -				
ADD				3400040
TOTAL: TRANSFER THE FINANCIAL INSTITUTIONS				3400040
REGULATORY TRUST FUND TO THE				
INSURANCE REGULATORY TRUST FUND -				
ADD				
TOTAL ISSUE.....		34,651		

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: TRANSFER THE FINANCIAL INSTITUTIONS REGULATORY TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - ADD

This issue requests the fund shift of the Financial Institutions Regulatory Trust Fund (2275) to the Insurance Regulatory Trust Fund (2393). This shift will allow the Division of Consumer Services to have only one trust fund and will simplify the appropriations and the accounting.

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
		\$33,946	

Special Category

Contracted Services (100777)

Quantity	Description	Amount	Non-Recurring
		\$ 355	

Special Category:

HR Outsourcing (107040):

Quantity	Description	Amount	Non-Recurring
		\$ 350	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
FUND SHIFT				3400000
TRANSFER THE FINANCIAL INSTITUTIONS				
REGULATORY TRUST FUND TO THE				
INSURANCE REGULATORY TRUST FUND -				
ADD				3400040

Issue Total \$34,651

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
2393 INSURANCE REG TF							33,946
							33,946
							=====

TRANSFER THE REGULATORY TRUST FUND							
TO THE INSURANCE REGULATORY TRUST							
FUND - DEDUCT							3400050
SALARIES AND BENEFITS							010000
REGULATORY TRUST FUND -STATE		305,310-					2573 1
EXPENSES							040000
REGULATORY TRUST FUND -STATE		23,655-					2573 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
FUND SHIFT				3400000
TRANSFER THE REGULATORY TRUST FUND TO THE INSURANCE REGULATORY TRUST				
FUND - DEDUCT				3400050
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
REGULATORY TRUST FUND -STATE		2,766-		2573 1
=====		=====		
TR/DMS/HR SVCS/STW CONTRCT				107040
REGULATORY TRUST FUND -STATE		2,719-		2573 1
=====		=====		
TOTAL: TRANSFER THE REGULATORY TRUST FUND TO THE INSURANCE REGULATORY TRUST				3400050
FUND - DEDUCT				
TOTAL ISSUE.....		334,450-		
=====		=====		

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: TRANSFER THE REGULATORY TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - DEDUCT

This issue requests the fund shift of the Regulatory Trust Fund (2573) to the Insurance Regulatory Trust Fund (2393). This shift will allow the Division of Consumer Services to have only one trust fund and will simplify the appropriations and the accounting processes.

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
-----	-----	-----	-----
		(\$305,310)	

Expenses (040000)

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
		(\$ 23,655)	

Special Category

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				<u>1205.00.00.00</u>
FUND SHIFT				3400000
TRANSFER THE REGULATORY TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - DEDUCT				3400050

Contracted Services (100777)			
Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
		(\$ 2,766)	

Special Category: HR Outsourcing (107040):			
Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
		(\$ 2,719)	

Issue Total (\$334,450)

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
	-----	-----	-----	-----	-----	-----	-----
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
2573 REGULATORY TRUST FUND							305,310-

							305,310-
							=====

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
FUND SHIFT				3400000
TRANSFER THE REGULATORY TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - ADD				3400060
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	305,310		2393 1
EXPENSES				040000
INSURANCE REG TF	-STATE	23,655		2393 1
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF	-STATE	2,766		2393 1
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF	-STATE	2,719		2393 1
TOTAL: TRANSFER THE REGULATORY TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - ADD				3400060
TOTAL ISSUE.....		334,450		

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: TRANSFER THE REGULATORY TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - ADD

This issue requests the fund shift of the Regulatory Trust Fund (2573) to the Insurance Regulatory Trust Fund (2393). This shift will allow the Division of Consumer Services to have only one trust fund and will simplify the appropriations and the accounting processes.

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
----------	-------------------	--------	---------------

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				<u>1205.00.00.00</u>
FUND SHIFT				3400000
TRANSFER THE REGULATORY TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - ADD				3400060

 \$305,310

Expenses (040000)
 Quantity Description

Amount Non-Recurring

 \$ 23,655

Special Category
 Contracted Services (100777)
 Quantity Description

Amount Non-Recurring

 \$ 2,766

Special Category:
 HR Outsourcing (107040):
 Quantity Description

Amount Non-Recurring

 \$ 2,719

Issue Total \$334,450

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				<u>1205.00.00.00</u>
FUND SHIFT				3400000
TRANSFER THE REGULATORY TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - ADD				3400060

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS OTHER SALARY AMOUNT							
2393 INSURANCE REG TF							305,310
							<u>305,310</u>
							=====

TRANSFER THE ADMINISTRATIVE TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - DEDUCT SALARIES AND BENEFITS							3400070 010000
ADMINISTRATIVE TRUST FUND -STATE		31,594-					2021 1
		=====					=====
EXPENSES							040000
ADMINISTRATIVE TRUST FUND -STATE		16,463-					2021 1
		=====					=====
SPECIAL CATEGORIES							100000
CONTRACTED SERVICES							100777
ADMINISTRATIVE TRUST FUND -STATE		120-					2021 1
		=====					=====

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
FUND SHIFT				3400000
TRANSFER THE ADMINISTRATIVE TRUST				
FUND TO THE INSURANCE REGULATORY				
TRUST FUND - DEDUCT				3400070
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
ADMINISTRATIVE TRUST FUND -STATE		525-		2021 1
TOTAL: TRANSFER THE ADMINISTRATIVE TRUST				3400070
FUND TO THE INSURANCE REGULATORY				
TRUST FUND - DEDUCT				
TOTAL ISSUE.....		48,702-		

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 Issue Title: TRANSFER THE ADMINISTRATIVE TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - DEDUCT

This issue requests the fund shift of the Administrative Trust Fund (2021) to the Insurance Regulatory Trust Fund (2393). This shift will allow the Division of Consumer Services to have only one trust fund and will simplify the appropriations and the accounting processes.

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
		(\$31,594)	

Expenses (040000)

Quantity	Description	Amount	Non-Recurring
		(\$16,463)	

Special Category

Contracted Services (100777)

Quantity	Description	Amount	Non-Recurring
		(\$ 120)	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
			AMOUNT	CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
FUND SHIFT				3400000
TRANSFER THE ADMINISTRATIVE TRUST				
FUND TO THE INSURANCE REGULATORY				
TRUST FUND - DEDUCT				3400070

Special Category:
 HR Outsourcing (107040):
 Quantity Description

Amount Non-Recurring

 (\$ 525)

Issue Total (\$48,702)

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
2021 ADMINISTRATIVE TRUST FUND							31,594-

							31,594-
							=====

TRANSFER THE ADMINISTRATIVE TRUST							3400080
FUND TO THE INSURANCE REGULATORY							010000
TRUST FUND - ADD							
SALARIES AND BENEFITS							
INSURANCE REG TF	-STATE	31,594					2393 1
		=====	=====	=====	=====		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				1205.00.00.00
FUND SHIFT				3400000
TRANSFER THE ADMINISTRATIVE TRUST				
FUND TO THE INSURANCE REGULATORY				
TRUST FUND - ADD				3400080
EXPENSES				040000
INSURANCE REG TF	-STATE	16,463		2393 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF	-STATE	120		2393 1
=====				
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF	-STATE	525		2393 1
=====				
TOTAL: TRANSFER THE ADMINISTRATIVE TRUST				3400080
FUND TO THE INSURANCE REGULATORY				
TRUST FUND - ADD				
TOTAL ISSUE.....		48,702		
=====				

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: TRANSFER THE ADMINISTRATIVE TRUST FUND TO THE INSURANCE REGULATORY TRUST FUND - ADD

This issue requests the fund shift of the Administrative Trust Fund (2021) to the Insurance Regulatory Trust Fund (2393). This shift will allow the Division of Consumer Services to have only one trust fund and will simplify the appropriations and the accounting processes.

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
-----	-----	-----	-----
		\$31,594	

Expenses (040000)

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
CONSUMER ASSISTANCE				43500400
PUBLIC PROTECTION				12
CONSUMER SAFETY/PROTECTION				<u>1205.00.00.00</u>
FUND SHIFT				3400000
TRANSFER THE ADMINISTRATIVE TRUST				
FUND TO THE INSURANCE REGULATORY				
TRUST FUND - ADD				3400080

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
		\$16,463	

Special Category
 Contracted Services (100777)

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
		\$ 120	

Special Category:
 HR Outsourcing (107040):

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
		\$ 525	

Issue Total \$48,702

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
	-----	-----	-----	-----	-----	-----	-----
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
OTHER SALARY AMOUNT							
2393 INSURANCE REG TF							31,594

							31,594
							=====

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
TOTAL: CONSUMER SAFETY/PROTECTION				<u>1205.00.00.00</u>
BY FUND TYPE				
		135.50		
TRUST FUNDS.....		11,837,920		2000
SALARY RATE.....		5,545,394		
		=====		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
FUNERAL/CEMETERY SERVICES				43500500
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	1,076,235			
SALARIES AND BENEFITS				010000
REGULATORY TRUST FUND -STATE	24.00	1,459,562		2573 1
OTHER PERSONAL SERVICES				030000
REGULATORY TRUST FUND -STATE	25,000			2573 1
EXPENSES				040000
REGULATORY TRUST FUND -STATE	413,942			2573 1
OPERATING CAPITAL OUTLAY				060000
REGULATORY TRUST FUND -STATE	9,500			2573 1
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
REGULATORY TRUST FUND -STATE	149,425			2573 1
RISK MANAGEMENT INSURANCE				103241
REGULATORY TRUST FUND -STATE	4,382			2573 1
TR/DMS/HR SVCS/STW CONTRCT				107040
REGULATORY TRUST FUND -STATE	15,387			2573 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: LICNSNG/CNSMER PROTEC				43500000
FUNERAL/CEMETERY SERVICES				43500500
PUBLIC PROTECTION				12
REGULATION AND LICENSING				<u>1204.00.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	24.00			
TOTAL ISSUE.....		2,077,198		
TOTAL SALARY RATE.....		1,076,235		
=====				
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
REGULATORY TRUST FUND -STATE		373		2573 1
=====				
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
REGULATORY TRUST FUND -STATE		1,702		2573 1
=====				
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
REGULATORY TRUST FUND -STATE		8,510		2573 1
=====				
TOTAL: REGULATION AND LICENSING				<u>1204.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	24.00			2000
SALARY RATE.....		2,087,783		
SALARY RATE.....		1,076,235		
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: WORKERS' COMPENSATION				43600000
WORKERS' COMPENSATION				43600100
ECONOMIC OPPORTUNITIES				11
WORKERS' COMPENSATION				<u>1102.02.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	13,254,932			
=====				
SALARIES AND BENEFITS				010000
WORKERS' COMP ADMIN TF	-STATE	17,467,109		2795 1
	-MATCH	141,779		2795 2
	-FEDERL	141,779		2795 3
TOTAL WORKERS' COMP ADMIN TF		17,750,667		2795
=====				
WORKERS'COMP SPEC DISAB TF-STATE		956,202		2798 1
=====				
TOTAL POSITIONS.....	353.00			
TOTAL APPRO.....	18,706,869			
=====				
OTHER PERSONAL SERVICES				030000
WORKERS' COMP ADMIN TF	-STATE	237,570		2795 1
WORKERS'COMP SPEC DISAB TF-STATE		17,550		2798 1
TOTAL APPRO.....	255,120			
=====				
EXPENSES				040000
WORKERS' COMP ADMIN TF	-STATE	3,687,577		2795 1
	-MATCH	39,085		2795 2
	-FEDERL	39,085		2795 3
TOTAL WORKERS' COMP ADMIN TF		3,765,747		2795
=====				
WORKERS'COMP SPEC DISAB TF-STATE		131,882		2798 1
=====				
TOTAL APPRO.....	3,897,629			
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: WORKERS' COMPENSATION				43600000
WORKERS' COMPENSATION				43600100
ECONOMIC OPPORTUNITIES				11
WORKERS' COMPENSATION				<u>1102.02.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
OPERATING CAPITAL OUTLAY				060000
WORKERS' COMP ADMIN TF -STATE		200,021		2795 1
WORKERS'COMP SPEC DISAB TF-STATE		16,851		2798 1
TOTAL APPRO.....		216,872		
SPECIAL CATEGORIES				100000
TR DIST CT OF AP-WORK COMP				100507
WORKERS' COMP ADMIN TF -STATE		1,981,688		2795 1
TR/DMS-1ST DIST CT HOUSE				100517
WORKERS' COMP ADMIN TF -STATE		2,494,088		2795 1
WORKERS' COMP RES INST ST				100520
WORKERS' COMP ADMIN TF -STATE		195,000		2795 1
TR JAC - PROS WRKS COMP FR				100526
WORKERS' COMP ADMIN TF -STATE		273,372		2795 1
CONTRACTED SERVICES				100777
WORKERS' COMP ADMIN TF -STATE		3,627,499		2795 1
WORKERS'COMP SPEC DISAB TF-STATE		186,360		2798 1
TOTAL APPRO.....		3,813,859		
RISK MANAGEMENT INSURANCE				103241
WORKERS' COMP ADMIN TF -STATE		243,357		2795 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: WORKERS' COMPENSATION				43600000
WORKERS' COMPENSATION				43600100
ECONOMIC OPPORTUNITIES				11
WORKERS' COMPENSATION				<u>1102.02.00.00</u>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
WORKERS' COMP ADMIN TF -STATE	139,786			2795 1
WORKERS' COMP SPEC DISAB TF-STATE	8,359			2798 1
TOTAL APPRO.....	148,145			
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	353.00			
TOTAL ISSUE.....	32,225,999			
TOTAL SALARY RATE.....	13,254,932			
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
WORKERS' COMP ADMIN TF -STATE	17,643-			2795 1
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
WORKERS' COMP ADMIN TF -STATE	25,113			2795 1
-MATCH	204			2795 2
-FEDERL	204			2795 3
TOTAL WORKERS' COMP ADMIN TF	25,521			2795
WORKERS' COMP SPEC DISAB TF-STATE	1,374			2798 1
TOTAL APPRO.....	26,895			

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: WORKERS' COMPENSATION				43600000
WORKERS' COMPENSATION				43600100
ECONOMIC OPPORTUNITIES				11
WORKERS' COMPENSATION				<u>1102.02.00.00</u>
ESTIMATED EXPENDITURES				1000000
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SPECIAL CATEGORIES				100000
TR DIST CT OF AP-WORK COMP				100507
WORKERS' COMP ADMIN TF -STATE		2,067		2795 1
TR JAC - PROS WRKS COMP FR				100526
WORKERS' COMP ADMIN TF -STATE		326		2795 1
TOTAL: ADJUSTMENT TO STATE HEALTH				1002000
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				
TOTAL ISSUE.....		29,288		
NONRECURRING EXPENDITURES				2100000
FIRST DISTRICT COURT OF APPEAL -				
WORKERS' COMPENSATION APPEALS				2103090
SPECIAL CATEGORIES				100000
TR/DMS-1ST DIST CT HOUSE				100517
WORKERS' COMP ADMIN TF -STATE		2,494,088-		2795 1
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
WORKERS' COMP ADMIN TF -STATE		125,565		2795 1
-MATCH		1,020		2795 2
-FEDERL		1,020		2795 3
TOTAL WORKERS' COMP ADMIN TF		127,605		2795
WORKERS' COMP SPEC DISAB TF-STATE		6,870		2798 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: WORKERS' COMPENSATION				43600000
WORKERS' COMPENSATION				43600100
ECONOMIC OPPORTUNITIES				11
WORKERS' COMPENSATION				<u>1102.02.00.00</u>
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
TOTAL APPRO.....		134,475		
=====				
SPECIAL CATEGORIES				100000
TR DIST CT OF AP-WORK COMP				100507
WORKERS' COMP ADMIN TF -STATE		10,335		2795 1
=====				
TR JAC - PROS WRKS COMP FR				100526
WORKERS' COMP ADMIN TF -STATE		1,630		2795 1
=====				
TOTAL: ADJUSTMENT TO STATE HEALTH				26A1200
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				
TOTAL ISSUE.....		146,440		
=====				
TOTAL: WORKERS' COMPENSATION				<u>1102.02.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....		353.00		
SALARY RATE.....		29,889,996		2000
SALARY RATE.....		13,254,932		
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	12,308,455			
SALARIES AND BENEFITS				010000
INSURANCE REG TF	265.00			
-STATE	15,685,412			2393 1
OTHER PERSONAL SERVICES				030000
INSURANCE REG TF		175,000		
-STATE				2393 1
EXPENSES				040000
INSURANCE REG TF		2,869,133		
-STATE				2393 1
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF		2,000		
-STATE				2393 1
SPECIAL CATEGORIES				100000
FL PUBLIC HURR LOSS MODEL				100515
INSURANCE REG TF		623,512		
-STATE				2393 1
PROPERTY/CASUALTY EXAMS				100523
INSURANCE REG TF		4,651,763		
-STATE				2393 1
LIFE AND HEALTH EXAMS				100524
INSURANCE REG TF		50,000		
-STATE				2393 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF	-STATE	728,016		2393 1
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF	-STATE	173,368		2393 1
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF	-STATE	110,555		2393 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....		265.00		
TOTAL ISSUE.....		25,068,759		
TOTAL SALARY RATE.....		12,308,455		
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
INSURANCE REG TF	-STATE	51,906-		2393 1
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	20,479		2393 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
COMP & ENFORCE- INSURANCE				43900110
PUBLIC PROTECTION				12
REGULATION AND LICENSING				<u>1204.00.00.00</u>
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	102,395		2393 1
		=====		
WORKLOAD				3000000
PROPERTY AND CASUALTY CLAIMS				
PERSONNEL FOR WORKLOAD INCREASE				3001A20
SALARY RATE				000000
SALARY RATE.....		560,852		
		=====		
SALARIES AND BENEFITS				010000
INSURANCE REG TF	-STATE	15.00	797,668	2393 1
		=====		
EXPENSES				040000
INSURANCE REG TF	-STATE	151,393	55,157	2393 1
		=====		
OPERATING CAPITAL OUTLAY				060000
INSURANCE REG TF	-STATE	5,400	5,400	2393 1
		=====		
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF	-STATE	5,985		2393 1
		=====		
TOTAL: PROPERTY AND CASUALTY CLAIMS				3001A20
PERSONNEL FOR WORKLOAD INCREASE				
TOTAL POSITIONS.....		15.00		
TOTAL ISSUE.....		960,446	60,557	
TOTAL SALARY RATE.....		560,852		
		=====		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>COMP & ENFORCE- INSURANCE</u>				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
PROPERTY AND CASUALTY CLAIMS				
PERSONNEL FOR WORKLOAD INCREASE				3001A20

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

Issue Title: PROPERTY AND CASUALTY CLAIMS PERSONNEL FOR WORKLOAD INCREASE

The Office of Insurance Regulation (Office) is responsible for regulation, compliance, and enforcement of statutes related to the business of insurance and the monitoring of industry markets. Business Units within the Office are organized by regulatory expertise related to life and health, property and casualty, specialty lines and other regulated insurance entities. The Office fulfills its mission to protect the public through its regulation of company solvency, policy forms and rates, market conduct performance and new company entrants to the Florida market.

Since the creation of the Office in 2003, the state of Florida has increased its number of insurance entities from 3400 to 3900. However, the Office's resources have been reduced from 315 FTE in 2007 to 300 FTE in 2009 with a substantial increase in regulatory responsibility. The Office cannot continue to operate and meet statutory requirements with its current staffing level. New insurance company licensing may take longer, resulting in less competition and fewer insurance company options and products for Floridians. Rates and Forms filed by insurance companies may not be reviewed and approved in compliance with statutory time-lines. Oversight of insurance company solvency may be reduced and insurance company failures may be more damaging to policyholders. Moreover, the financial services markets have struggled globally and it is imprudent to continue to under-staff the insurance regulators responsible for ensuring the viability and fiscal integrity of insurance companies. The Office requests 15 additional FTE to ensure it meets its statutorily prescribed mission.

Property and Casualty Product Review / Ten (10) Additional FTEs -

The Property and Casualty Product Review (PCPR) Business Unit reviews all property and casualty insurance form and rate filings submitted by insurance companies for use in the state of Florida. Each filing is reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. In addition, the performance of this review must be timely, and consistent with the National Association of Insurance Commissioners (NAIC) guidelines.

With companies responding to recent legislative changes and to the continually evolving marketplace, the Office has experienced an unprecedented increase in the number of filings made by insurance companies. In 2008, PCPR received 67% more form filings and 84% more rate filings than were received in 2004. These data are illustrated in the chart below. The Office expects the number of filings for 2009 to be very similar to 2008.

Year	Form Filings	Rate Filings
2008	5,348	7,332
2007	4,105	7,522
2006	3,650	5,635

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>COMP & ENFORCE- INSURANCE</u>				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
PROPERTY AND CASUALTY CLAIMS				
PERSONNEL FOR WORKLOAD INCREASE				3001A20
	2005	3,623	4,236	
	2004	3,194	3,974	
	2003	2,663	4,431	
	2002	2,956	3,854	

Each year since 2004, PCPR has viewed this increase in workload as a temporary phenomenon. The Office has utilized employees from other areas performing core responsibilities to temporarily assist PCPR with the increased workload. Unfortunately, shifting these resources has negatively impacted core work performed by employees. This sustained increase in filings, indicates that it is not a temporary phenomenon and requires a permanent solution. Two positions from PCPR were eliminated effective July 1, 2009 as a result of legislative budget reductions.

Currently, PCPR has 10 positions directly responsible for reviewing form filings and 24 positions directly responsible for reviewing rate filings, including seven actuaries. Form analysts reviewed on average 305 filings per year during 2002-2005. For 2006-2008, this increased dramatically as each form analyst reviewed 397 filings per year. Rate analysts reviewed on average 172 filings per year during 2002-2005. During 2006-2008, this increased nearly 50% as rate analysts reviewed 285 filings per year. If each analyst handled the same number of filings on average in 2006-2008 as they did in 2002-2005, PCPR would need four additional form analysts and 16 additional rate analysts to handle the extra workload. Given that a significant expansion of the staff is unreasonable due to the state's financial situation, PCPR is requesting a total of ten (10) positions, instead of the 20 that are indicated. The ten positions include five form analysts, one administrative assistant, and four rate analysts.

The addition of these positions will provide relief for the employees handling a substantial increase in workload, and allow PCPR to maintain the timeliness and thoroughness of the filing review process. It will also allow PCPR to better retain trained employees who have been experiencing workload stress. Furthermore, PCPR will be able to resume some of its other responsibilities within the Office, including working with Legal Services (tracking filings referred to legal), Property and Casualty Financial Oversight (tracking solvency issues required for maintaining rate adequacy), Market Investigations and Examinations (reporting issues that arise during filing review), and Market Research (providing data to stakeholders and interested parties).

Ultimate Outcome:

With the addition of 10 FTEs, PCPR will have the necessary support needed to continue to execute its core mission of timely and thorough review of all property and casualty insurance form and rate filings submitted for use in the state of Florida.

Property and Casualty Financial Oversight / One (1) Additional FTE -

The Property and Casualty Financial Oversight (PCFO) Business Unit is responsible for the regulation, compliance, and enforcement of statutes for insurance company solvency in Florida. During the year, insurers are required to file three

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>COMP & ENFORCE- INSURANCE</u>				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
PROPERTY AND CASUALTY CLAIMS				
PERSONNEL FOR WORKLOAD INCREASE				3001A20

quarterly financial statements and one annual financial statement. Along with the annual statement filing, insurers file regulatory filings including audited financial statements, actuarial opinions, and management discussion analyses. In addition, insurers file reinsurance summary statements, reinsurance contracts, and affiliated transactions. All of the filings require an analysis by the analyst and a first level supervisory review. The Financial Examiner/Analyst Supervisor and Financial Specialist review the analyst's comments, summary conclusion and make recommendations for completeness, accuracy, and compliance with statutory requirements.

In accordance with NAIC accreditation standards, the analyst conducts a thorough review to ensure the insurer is in a financially sound condition and meets all statutory requirements. Upon completion of the analyst's review, the analyst electronically routes the filing to the supervisor for a first level review. The analysis section has 21 analysts to handle 182 domestic insurers licensed in Florida. Thus, each analyst is responsible for the financial oversight of eight to nine domestic insurers. Currently, there are three Financial Examiner/Analyst Supervisors; each supervises six analysts that route their analysis to the Financial Examiner/Analyst Supervisor for a first level supervisory review. The analysis section has one Financial Specialist with supervisory duties and supervises three analysts that route their analysis of insurers' filings to the Financial Specialist for a first level supervisory review. During 2008, insurers made 989 financial statement filings that were reviewed by 21 analysts and three and one half supervisors performed the supervisory review.

In accordance with the NAIC accreditation standards, the financial statement analysis of high priority and multi-state domestic companies should be completed by the analysts within 30 to 60 days of receipt by the Office. The initial level supervisory review should be completed within two to three weeks of completion of the original analysis by the analyst.

The Office continues to license new companies each year and PCFO is responsible for providing oversight and ensuring the solvency of those additional companies. Despite the increase in number of regulated entities, the number of PCFO staff has been reduced.

PCFO requests funding for a Financial Examiner/Analyst Supervisor position to continue to meet the demands and challenges facing the unit. Specifically, the increasing number of insurers has increased the workload due to: the supervisors' participation in the administrative supervision of financially troubled insurers, the supervisors' participation in the pre-planning for financial examinations, and to implement the section's implementation of the new risk focus surveillance approach examinations. In addition to the 182 domestic insurers' filings that are required to have a first level supervisory review, there are also 1,080 foreign insurers licensed to transact insurance in Florida. Each analyst is assigned an average of 51 foreign insurers.

Analysts conduct a limited review on the foreign insurers that have no financial solvency concerns but conduct a thorough analysis on financially troubled foreign insurers and commercially domiciled insurers. Presently, there are 19 commercially domiciled insurers. Upon completion of the financial statement analysis, the analyst electronically routes the filing to the supervisor for a first level supervisory review. This stresses the capacity of the supervisors to

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>COMP & ENFORCE- INSURANCE</u>				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
PROPERTY AND CASUALTY CLAIMS				
PERSONNEL FOR WORKLOAD INCREASE				3001A20

timely complete their review of domestic filings in accordance with the NAIC accreditation standards. When the statutory authority was given to the Office to outsource financial examinations, some field examiner positions were brought in-house. The exam managers that are in the field are the ones that would qualify as supervisors, but the Office needs those exam managers in the field to supervise the contractors on the outsourced financial examinations.

Ultimate Outcome: By adding another Financial Examiner/Analyst Supervisor position, PCFO will respond more quickly to insurers' solvency issues. This will also ensure that the analysis unit continues to complete the first level supervisory reviews of insurers' financial statements and regulatory filings in accordance with the NAIC accreditation standards. If funding is not provided for a Financial Examiner/Analyst Supervisor position, the need to meet the timeliness standards established by the NAIC accreditation will affect the current supervisors' capacity to perform.

Life and Health Financial Oversight/ Two (2) Additional FTE -

The Life & Health Financial Oversight (LHFO) Business Unit is responsible for the regulation, compliance, and enforcement of statutes for insurance company solvency in Florida. Funding for two field financial examiner positions in Life and Health Financial Oversight (LHFO) Field Exam Section is requested. Field Examiners are in continual travel status and their expenses are reimbursed by examined insurers and health maintenance organizations (HMOs) pursuant to Section 624.320 Florida Statutes. Current examination staff includes a supervisor and seven field examiners. Two examiner positions were eliminated effective July 1, 2009 as a result of legislative budget reductions. Reinstating the funding for two examiner positions would restore the staff to its previous level, and allow the unit to meet statutory required exams.

Ultimate Outcome: The Office is required by Sections 624.316 and 641.27, Florida Statutes, to examine domestic life and health insurers and HMOs as often as necessary and at least once every five (5) years. Currently, there are 59 such insurers and HMOs. In addition, target exams are conducted on an as-needed basis. The requested positions will enable the Office to comply with statutory examination requirements and reduce the need for more expensive financial condition examinations.

Life and Health Product Review Unit/ Two (2) Additional FTE -

Life and Health Product Review (LHPR) is responsible for reviewing forms and rates for life, annuities, and health policies issued to Florida residents. The unit receives rate filings from over 900 companies licensed to sell life and health insurance in the state of Florida, including Health Maintenance Organizations (HMOs), Discount Medical Plan Organizations (DMPOs), Prepaid Limited Health Service Plans (PLHSOs), Continuing Care Retirement Centers (CCRCs), contracts, and advertisements for Medicare Supplement, Long Term Care, and small group plans. The LHPR unit requests two additional FTEs (one Actuary and one Research and Statistics Consultant).

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>COMP & ENFORCE- INSURANCE</u>				43900110
<u>PUBLIC PROTECTION</u>				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
PROPERTY AND CASUALTY CLAIMS				
PERSONNEL FOR WORKLOAD INCREASE				3001A20

LHPR currently has 24 FTEs. During the 2009 Legislative Session, two positions were eliminated from this unit: an Actuary and a Research and Statistics Consultant. LHPR does not currently have appropriate staffing levels; as a result, the Office must contract for actuarial services to assist with the tremendous workload.

Life and Annuity product contracts are particularly complicated as they extend up to periods of 30 to 40 years, with the contracts sold or assumed by numerous companies during the lifetime of a policy. Long-Term Care and Medicare Supplement policies continue to evolve and increase in complexity. During the 2008 Legislative Session, eight bills were passed that increased the workload of LHPR. During the 2009 Legislative Sessions, six bills were passed that increased the workload of LHPR.

Ultimate Outcome:

With the addition of two FTEs, LHPR will have the necessary support needed to continue to execute its core mission of timely and thorough review of all life and health insurance form and rate filings submitted for use in the state of Florida.

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
1	Research and Statistic Consultant (CC 3142, PG 23)	\$ 54,378	
9	Insurance Analyst II (CC 3518 PG 20)	\$426,225	
2	Financial Examiner Analyst II (CC 1564 PG 23)	\$108,755	
1	Financial Examiner/Analyst Supervisor SES (CC 1575 PG 426)	\$ 64,940	
1	Actuary (CC 3554 PG 560)	\$ 98,520	
1	Administrative Assistant (CC 0712 PG 418)	\$ 44,850	
	Total	\$797,668	

Expenses:

Quantity	Description	Amount	Non-Recurring
14	Professional expense packages @ \$10,385, NR @ \$3,877	\$142,690	\$51,578
1	Support Staff expense package @ \$8,703, NR @ \$3,579	\$ 8,703	\$ 3,579

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>COMP & ENFORCE- INSURANCE</u>				43900110
<u>PUBLIC PROTECTION</u>				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
PROPERTY AND CASUALTY CLAIMS				
PERSONNEL FOR WORKLOAD INCREASE				3001A20

Total \$151,393 \$55,157

Reduction (\$2,700) has been made for 3 positions in the standard expense package for Laptop computers.

Quantity	Description	Amount	Non-Recurring
3	Laptop Computers and accessories @ extra \$600 each Examiners and examiner supervisor will work in the field performing financial examinations on insurance companies	\$ 5,400	\$5,400
Total		\$ 5,400	\$ 5,400

Quantity	Description	Amount	Non-Recurring
15 FTE	Professional and support staff @ \$399	\$ 5,985	
Issue Total		\$960,446	\$60,557

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
1564 FINANCIAL EXAMINER/ANALYST II							
N0003 001	2.00	77,322		31,433	108,755	0.00	108,755
3142 RESEARCH & STATISTICS CONSULTANT							
N0001 001	1.00	38,661		15,717	54,378	0.00	54,378

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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
WORKLOAD				3000000
PROPERTY AND CASUALTY CLAIMS				
PERSONNEL FOR WORKLOAD INCREASE				3001A20

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
3518 INSURANCE ANALYST II							
N0002 001	9.00	294,282		131,943	426,225	0.00	426,225
0712 ADMINISTRATIVE ASSISTANT II - SES							
N0006 001	1.00	29,345		15,505	44,850	0.00	44,850
1575 FINANCIAL EXAMINER/ANALYST SUPV - SES							
N0004 001	1.00	46,382		18,558	64,940	0.00	64,940
3554 ACTUARY							
N0005 001	1.00	74,860		23,660	98,520	0.00	98,520
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							797,668
	15.00	560,852		236,816	797,668		797,668

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>COMP & ENFORCE- INSURANCE</u>				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM OR SERVICE-LEVEL				
INFORMATION TECHNOLOGY				3630000
COMPANY AND RELATED ENTITY				
NAVIGATOR (COREN) FEASIBILITY STUDY				36321C0
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF	-STATE	600,000	600,000	2393 1

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? YES
 Issue Title: Company and Related Entity Navigator (COREN) Feasibility Study

Issue Description/Need:

There is an urgent need to upgrade and expand the capabilities of the Company and Related Entity Navigator (COREN) application system that is operated and employed by the Office of Insurance Regulation (Office). Accordingly, funding is requested to support completion of a feasibility study that will assist the Office in determining the most technically and economically feasible approach to be employed for designing, developing and implementing the needed upgrade to COREN.

COREN is one of the Office's most important, mission critical foundational application systems and thus supports, and is inter-related with, virtually all other mission critical application systems that are currently employed by the Office to support vitally important insurance regulatory activities. These activities are associated with insurance rates, forms, company applications, licensing, legislatively mandated data collection and reporting. Implementation of the needed COREN upgrade would be consistent with the Office's organizational objective of providing a sustainable and secure technology platform for achieving integration of automated support of insurance regulatory functions.

The original CORE application system was established in 1998 at a cost of \$467,000 and was upgraded to include the Navigation feature in 2001 at a cost of \$1,317,052. Since that time, advanced computing technologies have continued to emerge and these technologies have been increasingly adopted and deployed within the Office's business and related computing environments. Moreover, the Office's application systems that employ these advanced technologies have been increasingly integrated with the COREN application system. The COREN application system is used by the Office to respond to questions received from the Governor's Office and the Florida Legislature, to respond to public record requests, by the public to retrieve data and information from the Office's Web site and by the Department of Financial Services (DFS) to retrieve data and information.

As computing technology has evolved and advanced, the COREN application system's technology platform - Active Server Pages (.ASP) has become increasingly out of date with the advanced technology that is employed by other applications within the Office's computing environment. Technology obsolescence of this type requires complicated inter-system

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>COMP & ENFORCE- INSURANCE</u>				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM OR SERVICE-LEVEL				
INFORMATION TECHNOLOGY				3630000
COMPANY AND RELATED ENTITY				
NAVIGATOR (COREN) FEASIBILITY STUDY				36321C0

interfacing and processing and thus places increasing demands on computing capacity, application system and network security, application system maintenance, and business data processing capabilities. In this regard, the technology that is currently employed by the COREN application system is inconsistent with many State of Florida agencies' technology platform standard -that is, .NET - and is thus difficult and labor intensive to integrate with other systems.

To fulfill the Office's statutory requirements, it has become increasingly necessary to rely on staff augmentation funds to support application system maintenance, development of urgently required application system fixes in the form of "patches," and to employ other stop-gap, or work-around, measures to achieve uninterrupted business activities that are supported by the COREN application system. It should be observed that during FY 2007-2008 and FY 2008-2009, the Office employed 4,246 hours of computer expertise to maintain the COREN application system, including development and implementation of numerous urgently required system fixes, at a cost of \$50 to \$129 per hour, depending on whether a properly trained DFS Division of Information Systems' technical staff member or a vendors' technical staff member was employed to perform these tasks. These costs are expected to increase dramatically in the future as COREN ages, as additional advanced computing technology and related application systems are added to the Office's computing environment, and as expertise to maintain the outdated COREN application system becomes increasingly scarce. Moreover, two highly skilled COREN experts recently retired from DFS (July and August 2009).

Funding in the amount of \$600,000 is requested for FY 2010-2011 to complete necessary system analysis, system evaluation and cost-benefit analysis for purposes of determining and recommending the most technically and economically feasible approach to be employed for designing, developing and implementing an upgraded COREN application system. Approval of this funding request will ultimately result in identification of urgently needed upgrades and enhancements to the COREN application system. These upgrades and enhancements, in turn, will result in the development and implementation of a technology platform for this vitally important, mission critical application system that is consistent with other advanced technology based application systems and, as importantly, is consistent with the State of Florida's technology platform standard. Additional benefits that will result from upgrading and expanding the capabilities of the COREN application system will include, but may not be limited to:

Reduced expenditures of funds for ongoing application system maintenance;

Improved efficiency, effectiveness and cost-effectiveness of business operations and administration that are supported by this application system;

Improved, more efficient and more user-friendly support of a wide variety of application system users;

Integration of this application systems with other internal application systems employed by the Office;

More effective and efficient interfacing with internal and external application systems, including those listed on

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>COMP & ENFORCE- INSURANCE</u>				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM OR SERVICE-LEVEL				
INFORMATION TECHNOLOGY				3630000
COMPANY AND RELATED ENTITY				
NAVIGATOR (COREN) FEASIBILITY STUDY				36321C0

the attached listing; and

Improved continuity of operations planning, resulting from employment of a consistent, standard technological platform for this application system.

Overview of current and proposed upgraded technology:

The Companies and Related Entities (CORE) database was jointly developed by Infinity Software Development, Inc. and the Florida Department of Insurance's Office of Information Systems in 1998. The Department, which is now known as the Office of Insurance Regulation, referred to as the Office herein, has relied on CORE to provide important support for automating and centralizing the Office's regulatory information and to serve as a secure data repository for the Office's business units. From its inception, CORE was intended to function as a cornerstone application system in support of fundamental, mission-critical business functions. It houses data for insurance licensing and regulation and provides links to data from agent licensing which is now regulated by the DFS' Division of Agents and Agency Services. CORE also plays an important role with regard to supporting DFS' Division of Consumer Services in responding to complaints and inquiries concerning insurance matters that are received from consumers.

CORE was re-engineered in 2001 to harness web-based technology and to create more flexible, personal computer-based support for the Office's insurance examiners and analysts. This enhanced application system, which is now known as COREN, provided the means for establishing improved methods for querying company information including such things as company name, authority category, authority type, Federal Employer Identification Number (FEIN), National Association of Insurance Commissioners (NAIC) Company Code, line(s) of business, company contacts, and company applications. Application system re-engineering in this instance resulted in improved system user satisfaction and improved efficiency and effectiveness of many of the Office's operational and administrative activities that are supported by this application system.

Currently, the COREN application system provides the Office's management, insurance examiners, analysts and other system users with information about insurers and other entities that are licensed or authorized to do business in the State of Florida, as well as information concerning specific lines of business associated with these insurers and entities. This information includes general company information such as: name of insurer or other entity; FEIN; date licensed or authorized to do business in the State of Florida; State of domicile; fictitious name(s), if any; business addresses; website address; names of officers and directors; contact information; and other information. The enhanced application system also includes names of affiliated companies, as well as the names of individual owners and parent company information, information which has become increasingly important given the increased number of mergers and acquisitions and interlocking directorships that have occurred in the marketplace. A recently introduced Historical/Public Statement Section within the COREN application system provides information concerning changes in licensing and ownership that are relevant to specific companies and other entities.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>COMP & ENFORCE- INSURANCE</u>				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM OR SERVICE-LEVEL				
INFORMATION TECHNOLOGY				3630000
COMPANY AND RELATED ENTITY				
NAVIGATOR (COREN) FEASIBILITY STUDY				36321C0

Enhancements that will result from upgrading the COREN application system include, but may not be limited to:

- Easier access to detailed company information such as previous owners, dates of mergers and acquisitions, contact information, officers and directors, etc.;
- Changes to selected fields from text fields to data fields that can then be queried by system users;
- Production of improved documentation of changes in company information as well as retention of comprehensive historical information;
- Improved capabilities for creating ad hoc reports based on inquiries, including those received from the Governor's Office, the Florida Legislature, internal management, and external entities;
- Improved and expanded standardized reporting;
- Improved tools for use by the Office's examiners and analysts to assist them in monitoring or examining their assigned companies, including improved search functions and linkages to archived documentation and data; and
- User friendly tools for use by consumers to assist them in obtaining information on the Office's website, resulting in improved accessibility to information and data for consumers.

In summary, development and implementation of needed COREN upgrades will permit the Office to apply improved, up-to-date computing technology in order to achieve improved efficiency, effectiveness and cost-effectiveness of regulatory activities. Accordingly, the feasibility study for which funding is being requested is urgently needed for FY 2010-2011 in order to strategically position the Office to effectively support customer requirements and mission critical regulatory functions and activities for the foreseeable future.

Ultimate Outcome:

The ultimate outcome if this request, if approved, is development of a comprehensive feasibility study that will: reveal the technical and economical feasibility of upgrading the COREN application system; reveal the most appropriate approach for designing, developing and implementing upgrades of this application system; and provide cost-benefit information for alternate approaches to upgrading the COREN application system.

Please refer to the benefits listed above concerning what the upgraded COREN application system will provide to its customers if this feasibility study is funded and the recommendations from the study of this application system are funded as well.

The benefits that will be realized by the Office by performing this urgently needed feasibility study prior to the development and implementation of the needed upgrade to COREN include, but may not be limited to:

- Development and documentation of a comprehensive overview of COREN and related application systems;

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF INSURANCE REG				43900100
<u>COMP & ENFORCE- INSURANCE</u>				43900110
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
PROGRAM OR SERVICE-LEVEL				
INFORMATION TECHNOLOGY				3630000
COMPANY AND RELATED ENTITY				
NAVIGATOR (COREN) FEASIBILITY STUDY				36321C0

Identification and documentation of technology compatibility among the foundation system - COREN -- and application systems and modules with which it interfaces;
 Employment of knowledge, experience and recommendations of technical experts for improving the functionality of the COREN application system;
 Determination, evaluation and documentation of the technical and economical feasibility of alternative approaches for designing, developing and implementing upgrades to the COREN application system;
 Determination, evaluation and documentation of up-to-date data security measures to be employed by the COREN application system; and
 Determination, evaluation and documentation of cost and benefits associated with each alternative approach that may be employed for upgrading the COREN application system.

Projected Timeline for Analysis and Planning:

July 1, 2010	Receive Funding
August 2010	Release Request for Quote (RFQ)
October 1, 2010	Select Vendor
November 1, 2010	Begin feasibility study
February 2011	Produce draft feasibility study
April 2011	Produce final feasibility study
May 2011	Prepare Legislative Budget Request (LBR) for 2012-2013

Detail of Costs:

Special Categories
 Contracted Services(100777):

Quantity	Description	Amount	Non-recurring
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1	Vendor	\$600,000	\$600,000

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	2,078,180			
SALARIES AND BENEFITS				010000
INSURANCE REG TF -STATE	35.00	2,649,575		2393 1
EXPENSES				040000
INSURANCE REG TF -STATE	151,969			2393 1
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
INSURANCE REG TF -STATE	117,710			2393 1
TR/DMS/HR SVCS/STW CONTRCT				107040
INSURANCE REG TF -STATE	15,449			2393 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	35.00			
TOTAL ISSUE.....		2,934,703		
TOTAL SALARY RATE.....	2,078,180			
ADJUSTMENT TO STATE HEALTH				1002000
INSURANCE PREMIUM CONTRIBUTION -				010000
FISCAL YEAR 2009-10				
SALARIES AND BENEFITS				
INSURANCE REG TF -STATE	2,706			2393 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
INSURANCE REG TF				2393 1
-STATE		13,530		
		=====	=====	=====
TOTAL: REGULATION AND LICENSING				<u>1204.00.00.00</u>
BY FUND TYPE				
		35.00		
TRUST FUNDS.....		2,950,939		2000
SALARY RATE.....		2,078,180		
		=====	=====	=====

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SFTY & SOUND ST BKG SYST				43900530
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	6,714,951			
SALARIES AND BENEFITS				010000
FINANCIAL INST REG TF -STATE	132.00	8,788,282		2275 1
OTHER PERSONAL SERVICES				030000
FINANCIAL INST REG TF -STATE	872,000			2275 1
EXPENSES				040000
FINANCIAL INST REG TF -STATE	1,847,054			2275 1
OPERATING CAPITAL OUTLAY				060000
FINANCIAL INST REG TF -STATE	15,130			2275 1
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
FINANCIAL INST REG TF -STATE	367,012			2275 1
RISK MANAGEMENT INSURANCE				103241
FINANCIAL INST REG TF -STATE	22,482			2275 1
TR/DMS/HR SVCS/STW CONTRCT				107040
FINANCIAL INST REG TF -STATE	52,551			2275 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SFTY & SOUND ST BKG SYST				43900530
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	132.00			
TOTAL ISSUE.....		11,964,511		
TOTAL SALARY RATE.....		6,714,951		
=====				
CASUALTY INSURANCE PREMIUM				
ADJUSTMENT				1001090
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
FINANCIAL INST REG TF	-STATE	9,514		2275 1
=====				
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
FINANCIAL INST REG TF	-STATE	9,532		2275 1
=====				
NONRECURRING EXPENDITURES				2100000
DISTRESSED INSTITUTIONS UNIT STAFF				2103098
EXPENSES				040000
FINANCIAL INST REG TF	-STATE	27,296-		2275 1
=====				
OPERATING CAPITAL OUTLAY				060000
FINANCIAL INST REG TF	-STATE	8,000-		2275 1
=====				
TOTAL: DISTRESSED INSTITUTIONS UNIT STAFF				2103098
TOTAL ISSUE.....		35,296-		
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SFTY & SOUND ST BKG SYST				43900530
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
FINANCIAL INST REG TF	-STATE	47,660		2275 1
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - PROBLEM				
FINANCIAL INSTITUTION EXAMINATIONS				3003A30
SALARY RATE				000000
SALARY RATE.....		710,000		
SALARIES AND BENEFITS				010000
FINANCIAL INST REG TF	-STATE	10.00	924,464	2275 1
EXPENSES				040000
FINANCIAL INST REG TF	-STATE	369,850	29,770	2275 1
OPERATING CAPITAL OUTLAY				060000
FINANCIAL INST REG TF	-STATE	15,000	15,000	2275 1
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
FINANCIAL INST REG TF	-STATE	3,990		2275 1
TOTAL: INCREASED STAFFING FOR THE OFFICE				3003A30
OF FINANCIAL REGULATION - PROBLEM				
FINANCIAL INSTITUTION EXAMINATIONS				
TOTAL POSITIONS.....		10.00		
TOTAL ISSUE.....		1,313,304	44,770	
TOTAL SALARY RATE.....		710,000		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>SFTY & SOUND ST BKG SYST</u>				43900530
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - PROBLEM				
FINANCIAL INSTITUTION EXAMINATIONS				3003A30

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Problem Financial Institution Examinations

Reference to Long-Range Program Plan: Goal #2: Ensure the safety and soundness of the state financial institution system

Issue Description/Need:

The Office of Financial Regulation (Office) is responsible for licensing, chartering, examining and regulating state chartered financial institutions, including state banks, credit unions, non-deposit trust companies and offices of foreign banks operating in Florida. The Office has a statutory responsibility to ensure that Florida state chartered financial institutions operate in a safe and sound manner and in compliance with all applicable laws and regulations.

The size and complexity of the regulated institutions has grown over time and the Office is faced with work load strains that far outweigh available resources. Regulatory oversight of financial institutions is counter-cyclical, and during times of economic stress there is an increased need for supervision. The severe economic downturn in both U.S. and global markets has adversely impacted nearly every institution under the Office's jurisdiction. The Office is currently faced with a critical shortage of experienced examination and regulatory staff.

The Office must examine all state financial institutions within statutory timeframes, perform more frequent examinations of new, large or problem institutions, and ensure all state financial institutions under formal administrative action timely comply with the order. The Office cannot ensure the safety and soundness of the state financial system if the Office continues to operate with an insufficient number of fully trained examiners to achieve the designated objectives. The Office does not have sufficient appropriated resources to retain, much less attract, new staff.

The Office currently does not have a sufficient number of professional examination staff to meet its statutory examination timeframes, to conduct more frequent examinations of an ever-increasing number of problem institutions, or to ensure that state financial institutions comply with imposed administrative actions. Based on projections of required examination hours, the Office will be short 20 fully trained financial institution examiners during FY 2010-11. Furthermore, the Office's financial institution review staff (in Tallahassee) has become significantly over-burdened by the increasing number of state financial institutions that require heightened off-site monitoring. As more financial institutions become distressed and require heightened off-site monitoring and evaluation of compliance with administrative actions, the need for additional review staff has increased as well.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>SFTY & SOUND ST BKG SYST</u>				43900530
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - PROBLEM				
FINANCIAL INSTITUTION EXAMINATIONS				3003A30

The Office, through its Division of Financial Institutions (Division), strives to ensure that state financial institutions operate in a safe, sound and lawful manner, promote the prudent conservation of assets, maintain public confidence in the financial system, ensure fair and competitive banking services, and meet the convenience and needs of the state, while maintaining a strong and viable dual banking system.

To meet its mission, the Office has entered into agreements with the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Board, and National Credit Union Administration (NCUA) to share regulatory responsibilities and to alternate examinations. These federal agencies accept the Office's work as if it was their own. Due to its staff shortages, the Division has increasingly had to conduct more frequent concurrent or joint examinations with these federal agencies.

The FDIC recently announced that it was changing the timeframe for considering a bank as a de novo or new bank from the initial three years of operation to seven years after commencing operation. De novo institutions require more frequent examinations. As a result, there will be a larger number of "new" banks that will require the more frequent state examinations given to de novo banks.

The Division is required by Florida Statutes to conduct an examination of each state chartered financial institution once during each 18-month period. The Office can accept a federal examination in lieu of conducting its own examination, but the state must conduct a state-only examination once every 36 months. Given the age, size and condition of the industry, the statutory requirements have become the ceiling and the majority of institutions currently are on a 1-year or, in an increasing number of instances, 6-month examination cycle.

The significant increase in the number of hours required for examinations also has contributed to the Office's manpower shortage. Large and problem institutions require more time to examine. As of September 2009, problem institutions (banks and credit unions) on the Division's Watch List consist of 36.4% of regulated institutions and 47.6% of regulated assets. This is up from 20.0% of institutions and 29.0% of assets one year earlier. Commercial banks on the Watch List make up 47.1% of total regulated banks and 59.5% of regulated bank assets. As a result of this increase in problem institutions, the Office has seen average bank examination hours increase by 25% from an average of 801 hours in 2008 to 1,014 for the first eight months of 2009.

As might be expected, outstanding administrative actions imposed on state financial institutions have increased both in number and severity. As of September 2009, 161 administrative actions were outstanding and another 30 were in process. This represents an increase of 66% over the level seen at December 31, 2008. The number of administrative actions will continue to grow. As of September 2009, 23 institutions were under formal action (cease and desist orders and written agreements).

Because financial institution balance sheets do not immediately reflect the impact of economic downturns, there can be

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>SFTY & SOUND ST BKG SYST</u>				43900530
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - PROBLEM				
FINANCIAL INSTITUTION EXAMINATIONS				3003A30

considerable lag time before the impact becomes apparent. Currently, 68% of Florida's state chartered banks are unprofitable. Average return on assets was negative 1.19% at June 30, 2009 (the generally accepted industry benchmark is positive 1% or higher). The cumulative income for state chartered banks has been negative since early 2007 and this trend is not expected to turn positive until late 2010 or 2011.

As of June 30, 2009, non-performing loans at state banks were 7.27% of total loans, representing a significant deviation from the benchmark level of 1% where regulators traditionally have become concerned. Non-performing loans typically require additional reserves and charge-offs, further eroding income and capital.

Ultimate Outcome:

There are a number of potential benefits that will be seen if the issue is fully funded:

- 1) The Office may be able to prevent additional failures and loss of uninsured deposits.
- 2) The level of confidence of Florida's citizens in Florida's financial institution industry will be maintained by an effective and fully funded state regulatory system.
- 3) The Office will be able to fulfill its primary goal of ensuring that state financial institutions operate in a safe and sound manner.
- 4) The Office will be able to properly examine all state financial institutions, perform more frequent examinations of new, large or problem institutions, and ensure all state financial institutions under formal administrative actions timely comply with the orders.
- 5) Florida's financial institution industry will receive the level of effective regulation by the Office that the industry desires, demands and currently funds.
- 6) The state of Florida will continue to have a highly respected, well run regulatory program that meets the best practices for national accreditation.

There may be significant consequences if the issue is not fully funded:

- 1) There may be an increased number of Florida's citizens who could be subjected to substantial losses due to maintaining deposits at a failed institution in excess of the \$250,000 deposit insurance limit. Increased failures may also disrupt the availability of financial services for citizens.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>SFTY & SOUND ST BKG SYST</u>				43900530
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - PROBLEM				
FINANCIAL INSTITUTION EXAMINATIONS				3003A30

- 2) Increased financial institution failures in Florida will have an adverse impact on the reputation of the financial institution industry as well as the value of financial institution capital, resulting in losses to shareholders of financial institution stock.
- 3) The Office will not be able to examine financial institutions frequently enough to prevent additional failures and loss of uninsured deposits nor meet its statutorily-mandated examinations of state financial institutions.
- 4) The Office will not be able to ensure corrective actions are taken in response to administrative actions and further decline and deterioration in already troubled institutions will continue.
- 5) The FDIC and NCUA will be adversely affected because those agencies are named as receivers of failed banks and credit unions. An undeterminable increase in failures will have serious effects on the deposit insurance funds administered by both agencies and will likely require additional assessments of all insured financial institutions, thereby adversely impacting both healthy and troubled financial institutions in Florida and throughout the United States.
- 6) The Office will have an ineffective management team.
- 7) The Office's financial institution regulatory program will not meet best practices for a sound regulatory agency. National accreditation will be lost, signaling a weak or failed state regulatory system in Florida.

The Division estimates workload by individually evaluating each institution and based on size, condition, age and other factors to determine when the institution needs to be examined each three-year period and how many hours will be required at each examination. Estimates are based on the actual number of hours expended on the last examination. Total hours required are divided by the Division's standard 1,232 available examination hours per FTE to determine total number of FTE needed. The available examination hours per FTE do not include time for training, visitations, administrative action review and analysis, complaint analysis, etc.

The Division estimates it needs 135,759 examination hours in FY 2010-2011 equating to 110 examiners. The Division currently has 90 examiner positions, reflecting a shortfall of 20 FTE. However, because the Division could not effectively add 20 new staff in one year while dealing with the current volume of problem institutions, it is requesting 10 high level positions.

Detail of Costs:

The Office requests 10 additional high level Financial Control Analysts (Pay Grade 026). Because of the need for experienced examiners, the Division is requesting salary and rate appropriations to offer salaries at \$71,000. Due to the necessary travel involved for these employees, the Division is requesting \$275,000 in additional Expenses and \$15,000

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>SFTY & SOUND ST BKG SYST</u>				43900530
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - PROBLEM				
FINANCIAL INSTITUTION EXAMINATIONS				3003A30

in OCO to allow purchase of laptops.

Salaries and Benefits (010000):

Position	Title & Pay Grade	Amount	Non-Recurring
10	Financial Control Analysts (CC 1567) at \$71,000 ea.	\$ 924,464	
	Total	\$ 924,464	

Expenses (040000):

Quantity	Description	Amount	Non-Recurring
10	Standard Expense Package at \$9,485.	\$ 94,850	\$ 29,770
	Additional Travel	\$ 275,000	
	Total	\$ 369,850	\$ 29,770

Note standard expense package does not include \$900 for computers. Request is in OCO.

OCO (060000):

Quantity	Description	Amount	Non-Recurring
10	Laptop computers at \$1,500 ea.	\$ 15,000	\$ 15,000
	Total	\$ 15,000	\$ 15,000

Transfer to DMS (107040):

Quantity	Description	Amount	Non-Recurring
10	Professional level FTE at \$399 ea.	\$ 3,990	
	Total	\$ 3,990	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>SFTY & SOUND ST BKG SYST</u>				43900530
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - PROBLEM				
FINANCIAL INSTITUTION EXAMINATIONS				3003A30

Issue Total \$1,313,304 \$ 44,770

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
1567 FINANCIAL CONTROL ANALYST							
N0001 001	10.00	710,000		214,464	924,464	0.00	924,464
TOTALS FOR ISSUE BY FUND							
2275 FINANCIAL INST REG TF							924,464
	10.00	710,000		214,464	924,464		924,464

TOTAL: REGULATION AND LICENSING 1204.00.00.00
 BY FUND TYPE

TRUST FUNDS..... 142.00
 SALARY RATE..... 13,309,225 44,770 2000
 7,424,951

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	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
FINANCIAL INVESTIGATIONS				43900540
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	2,987,120			
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE	1,967,254			2021 1
REGULATORY TRUST FUND -STATE	1,691,106			2573 1
TOTAL POSITIONS.....	64.00			
TOTAL APPRO.....	3,658,360			
OTHER PERSONAL SERVICES				030000
ADMINISTRATIVE TRUST FUND -STATE	5,321			2021 1
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE	387,736			2021 1
REGULATORY TRUST FUND -STATE	329,936			2573 1
FED LAW ENFORCEMENT TF -FEDERL	51,758			2719 3
TOTAL APPRO.....	769,430			
OPERATING CAPITAL OUTLAY				060000
ADMINISTRATIVE TRUST FUND -STATE	10,600			2021 1
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE	10,418			2021 1
REGULATORY TRUST FUND -STATE	5,936			2573 1
TOTAL APPRO.....	16,354			

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
FINANCIAL INVESTIGATIONS				43900540
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
ADMINISTRATIVE TRUST FUND -STATE		8,868		2021 1
REGULATORY TRUST FUND -STATE		3,325		2573 1
TOTAL APPRO.....		12,193		
TR/DMS/HR SVCS/STW CONTRCT				107040
ADMINISTRATIVE TRUST FUND -STATE		14,486		2021 1
REGULATORY TRUST FUND -STATE		10,880		2573 1
TOTAL APPRO.....		25,366		
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....	64.00			
TOTAL ISSUE.....		4,497,624		
TOTAL SALARY RATE.....		2,987,120		
CASUALTY INSURANCE PREMIUM				1001090
ADJUSTMENT				100000
SPECIAL CATEGORIES				103241
RISK MANAGEMENT INSURANCE				
ADMINISTRATIVE TRUST FUND -STATE		3,753		2021 1
REGULATORY TRUST FUND -STATE		1,407		2573 1
TOTAL APPRO.....		5,160		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
FINANCIAL INVESTIGATIONS				43900540
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE		2,606		2021 1
REGULATORY TRUST FUND -STATE		2,240		2573 1
TOTAL APPRO.....		4,846		
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE		13,030		2021 1
REGULATORY TRUST FUND -STATE		11,200		2573 1
TOTAL APPRO.....		24,230		
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - COMPUTER				
FORENSIC SPECIALIST				3003A40
SALARY RATE				000000
SALARY RATE.....		56,560		
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE		1.00		
ADMINISTRATIVE TRUST FUND -STATE		75,448		2021 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>FINANCIAL INVESTIGATIONS</u>				43900540
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - COMPUTER				
FORENSIC SPECIALIST				3003A40
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE	10,385	3,877		2021 1
=====				
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
ADMINISTRATIVE TRUST FUND -STATE	399			2021 1
=====				
TOTAL: INCREASED STAFFING FOR THE OFFICE				3003A40
OF FINANCIAL REGULATION - COMPUTER				
FORENSIC SPECIALIST				
TOTAL POSITIONS.....	1.00			
TOTAL ISSUE.....	86,232	3,877		
TOTAL SALARY RATE.....	56,560			
=====				

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Increased Staffing for the Office of Financial Regulation - Computer Forensic Specialist

Long Range Program Plan Goal #1: Increase protection of citizens' financial interests by bringing to bear the full extent of enforcement authority on those individuals or entities that conduct fraudulent or illegal financial services activities.

Issue Description/Need: Fraud comes to light when the economy weakens. Office of Financial Regulation expects even more fraudulent transactions to be discovered and reported in the next several years. As old scams are reported and prosecuted, new ones are developed. The Bureau of Financial Investigations (Bureau) will experience even greater workload and face new schemes. Conducting complex economic crime investigations relating to fraud committed by unlicensed entities and individuals requires special investigative skills.

The Bureau has experienced an average 10% yearly increase in investigative workload from Fiscal Year 2006-07 to Fiscal Year 2008-09. During a time when the level of economic crime has increased, both in absolute terms and in complexity and sophistication, the Bureau's resources have remained flat. Over the past three years the Bureau closed investigations impacting 38,600 consumers. These closed investigations resulted in over \$629 million in court ordered/voluntary restitution and defendants sentenced to a total of 659 years imprisonment.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>FINANCIAL INVESTIGATIONS</u>				43900540
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - COMPUTER				
FORENSIC SPECIALIST				3003A40

The Bureau needs enhanced computer forensic skills to improve its ability to more expeditiously obtain legally sufficient evidence and enable enforcement actions to be filed in a timelier manner. The Bureau believes that allegations of fraud involving unregistered securities will continue to increase and that currently undetected Ponzi schemes will collapse. Due to the fragile condition of Florida's real estate market and the tightened availability of credit, the Bureau expects the increase in the mortgage fraud caseload to continue. As of September 2009, the Bureau has a total of 520 open investigations which involve an estimated \$1.5 billion and 13,354 potential victims.

To assist with data analysis related to these complex cases, OFR requests 1 Financial Investigator - Criminal Enforcement (PG 025) with specialized training and experience in conducting computer crime investigations and performing forensic examinations of electronic media. Due to the unique skills required for the position, the Bureau is requesting the position at 30% above base.

Ultimate Outcome:

The requested position with enhanced computer forensic skills, will improve the Bureau's ability to more expeditiously obtain legally sufficient evidence and enable enforcement actions to be filed in a timelier manner. Further, the additional highly skilled FTE will provide the resources necessary to allow the Bureau to fight increasingly sophisticated economic criminals and improve the ability of OFR to protect Florida consumers.

Detail of Costs:

Salaries and Benefits (010000):

Position	Title & Pay Grade	Amount	Non-Recurring
1	Financial Investigator Criminal Enforcement (CC 8325) (30% above base)	\$ 75,448	
	Total	\$ 75,448	

Expenses (040000):

Quantity	Description	Amount	Non-Recurring
1	Standard Professional		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	POS
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>FINANCIAL INVESTIGATIONS</u>				43900540
<u>PUBLIC PROTECTION</u>				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - COMPUTER				
FORENSIC SPECIALIST				3003A40

Expense Package	\$ 10,385	\$ 3,877
Total	\$ 10,385	\$ 3,877

Human Resource Services (107040):			
Quantity	Description	Amount	Non-Recurring
1	Standard Professional Human Resources Service	\$ 399	
	Total	\$ 399	
	Issue Total	\$ 86,232	\$ 3,877

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
8325 FINANCIAL INVESTIGATOR-CRIMINAL ENFORCE							
N0002 001	1.00	56,560		18,888	75,448	0.00	75,448
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							75,448
	1.00	56,560		18,888	75,448		75,448

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
<u>FINANCIAL INVESTIGATIONS</u>				43900540
PUBLIC PROTECTION				12
<u>REGULATION AND LICENSING</u>				<u>1204.00.00.00</u>
TOTAL: REGULATION AND LICENSING				<u>1204.00.00.00</u>
BY FUND TYPE				
	65.00			
TRUST FUNDS.....	4,618,092	3,877		2000
SALARY RATE.....	3,043,680			
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
EXEC DIR & SUPPORT SERVICE				43900550
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	2,785,594			
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE	2,113,703			2021 1
REGULATORY TRUST FUND -STATE	1,395,940			2573 1
TOTAL POSITIONS.....	49.00			
TOTAL APPRO.....	3,509,643			
EXPENSES				040000
ADMINISTRATIVE TRUST FUND -STATE	242,862			2021 1
REGULATORY TRUST FUND -STATE	186,300			2573 1
TOTAL APPRO.....	429,162			
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ADMINISTRATIVE TRUST FUND -STATE	4,134			2021 1
REGULATORY TRUST FUND -STATE	6,914			2573 1
TOTAL APPRO.....	11,048			
RISK MANAGEMENT INSURANCE				103241
ADMINISTRATIVE TRUST FUND -STATE	8,766			2021 1
REGULATORY TRUST FUND -STATE	569			2573 1
TOTAL APPRO.....	9,335			

	COL A03		COL A04		COL A05		CODES
	AGY REQUEST FY 2010-11	POS	AGY REQ N/R FY 2010-11	POS	AG REQ ANZ FY 2010-11	POS	
FINANCIAL SERVICES							43000000
PGM: FINANCIAL SVCS COMM							43900000
OFFICE OF FINANCIAL REG							43900500
EXEC DIR & SUPPORT SERVICE							43900550
PUBLIC PROTECTION							12
REGULATION AND LICENSING							1204.00.00.00
ESTIMATED EXPENDITURES							1000000
ESTIMATED EXPENDITURES - OPERATIONS							1001000
SPECIAL CATEGORIES							100000
TR/DMS/HR SVCS/STW CONTRCT							107040
ADMINISTRATIVE TRUST FUND -STATE	11,639						2021 1
REGULATORY TRUST FUND -STATE	7,785						2573 1
TOTAL APPRO.....	19,424						
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS							1001000
TOTAL POSITIONS.....	49.00						
TOTAL ISSUE.....	3,978,612						
TOTAL SALARY RATE.....	2,785,594						
CASUALTY INSURANCE PREMIUM ADJUSTMENT							1001090
SPECIAL CATEGORIES							100000
RISK MANAGEMENT INSURANCE							103241
ADMINISTRATIVE TRUST FUND -STATE	3,710						2021 1
REGULATORY TRUST FUND -STATE	241						2573 1
TOTAL APPRO.....	3,951						
ADJUSTMENT TO STATE HEALTH INSURANCE PREMIUM CONTRIBUTION - FISCAL YEAR 2009-10							1002000
SALARIES AND BENEFITS							010000
ADMINISTRATIVE TRUST FUND -STATE	2,547						2021 1
REGULATORY TRUST FUND -STATE	1,682						2573 1
TOTAL APPRO.....	4,229						

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
ADMINISTRATIVE TRUST FUND -STATE		12,735		2021 1
REGULATORY TRUST FUND -STATE		8,410		2573 1
TOTAL APPRO.....		21,145		
TOTAL: REGULATION AND LICENSING				<u>1204.00.00.00</u>
BY FUND TYPE				
TRUST FUNDS.....	49.00			
SALARY RATE.....		4,007,937		2000
SALARY RATE.....		2,785,594		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	5,831,266			
	=====	=====	=====	
SALARIES AND BENEFITS				010000
REGULATORY TRUST FUND	130.00			
-STATE	7,674,843			2573 1
	=====	=====	=====	
OTHER PERSONAL SERVICES				030000
REGULATORY TRUST FUND		383,430		
-STATE				2573 1
	=====	=====	=====	
EXPENSES				040000
REGULATORY TRUST FUND		1,374,988		
-STATE				2573 1
	=====	=====	=====	
OPERATING CAPITAL OUTLAY				060000
REGULATORY TRUST FUND		13,631		
-STATE				2573 1
	=====	=====	=====	
SPECIAL CATEGORIES				100000
MORTGAGE BRK EXAMS - OFR				100514
REGULATORY TRUST FUND		1,401,030		
-STATE				2573 1
	=====	=====	=====	
CONTRACTED SERVICES				100777
REGULATORY TRUST FUND		3,641,565		
-STATE				2573 1
	=====	=====	=====	
MONEY SER BUSINESS EXAMS				100830
REGULATORY TRUST FUND		500,000		
-STATE				2573 1
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
RISK MANAGEMENT INSURANCE				103241
REGULATORY TRUST FUND -STATE		21,338		2573 1
TR/DMS/HR SVCS/STW CONTRCT				107040
REGULATORY TRUST FUND -STATE		52,134		2573 1
DATA PROCESSING SERVICES				210000
REAL SYSTEM - OFR				210016
REGULATORY TRUST FUND -STATE		1,974,670		2573 1
SOUTHWOOD SRC				210021
REGULATORY TRUST FUND -STATE		132,091		2573 1
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....		130.00		
TOTAL ISSUE.....		17,169,720		
TOTAL SALARY RATE.....		5,831,266		
CASUALTY INSURANCE PREMIUM				1001090
ADJUSTMENT				100000
SPECIAL CATEGORIES				103241
RISK MANAGEMENT INSURANCE				
REGULATORY TRUST FUND -STATE		9,030		2573 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
ESTIMATED EXPENDITURES				1000000
ADJUSTMENT TO STATE HEALTH				
INSURANCE PREMIUM CONTRIBUTION -				
FISCAL YEAR 2009-10				1002000
SALARIES AND BENEFITS				010000
REGULATORY TRUST FUND	-STATE	10,114		2573 1
		=====		
NONRECURRING EXPENDITURES				2100000
MONEY TRANSMITTER REGULATION STAFF				
INCREASE				2103099
EXPENSES				040000
REGULATORY TRUST FUND	-STATE	10,236-		2573 1
		=====		
OPERATING CAPITAL OUTLAY				060000
REGULATORY TRUST FUND	-STATE	3,000-		2573 1
		=====		
TOTAL: MONEY TRANSMITTER REGULATION STAFF				2103099
INCREASE				
TOTAL ISSUE.....		13,236-		
		=====		
NATIONWIDE MORTGAGE LICENSING				
SYSTEM INTEGRATION				2103100
OTHER PERSONAL SERVICES				030000
REGULATORY TRUST FUND	-STATE	83,430-		2573 1
		=====		
EXPENSES				040000
REGULATORY TRUST FUND	-STATE	17,060-		2573 1
		=====		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
NONRECURRING EXPENDITURES				2100000
NATIONWIDE MORTGAGE LICENSING				
SYSTEM INTEGRATION				2103100
OPERATING CAPITAL OUTLAY				060000
REGULATORY TRUST FUND	-STATE	5,000-		2573 1
=====				
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
REGULATORY TRUST FUND	-STATE	500,000-		2573 1
=====				
TOTAL: NATIONWIDE MORTGAGE LICENSING				2103100
SYSTEM INTEGRATION				
TOTAL ISSUE.....		605,490-		
=====				
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
REGULATORY TRUST FUND	-STATE	50,570		2573 1
=====				
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - MORTGAGE				
FRAUD EXAMINATIONS				3003A50
SALARY RATE				000000
SALARY RATE.....		121,913		
=====				
SALARIES AND BENEFITS				010000
REGULATORY TRUST FUND	-STATE	143,513		2573 1
=====				

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - MORTGAGE				
FRAUD EXAMINATIONS				3003A50
EXPENSES				040000
REGULATORY TRUST FUND				
-STATE	76,000			2573 1
	=====	=====	=====	
TOTAL: INCREASED STAFFING FOR THE OFFICE				3003A50
OF FINANCIAL REGULATION - MORTGAGE				
FRAUD EXAMINATIONS				
TOTAL ISSUE.....	219,513			
TOTAL SALARY RATE.....	121,913			
	=====	=====	=====	

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Focus on Mortgage Fraud Examination

Reference to Long Range Plan: Goal #1: Increase protection of citizens' financial interests by bringing to bear the full extent of enforcement authority on those individuals or entities that conduct fraudulent or illegal financial services activities; and Goal #4: Increase consumer confidence in the financial services industry.

Issue Description/Need:

The Bureau of Finance Regulation (Bureau) regulates approximately 5,500 mortgage companies, 2,250 associated branch offices, and 33,000 active mortgage brokers. Additionally, the Bureau regulates approximately 9,700 installment sales companies and associated branch offices, 400 consumer finance companies and licenses 1,300 collection agencies. The Bureau has 46 examiners to conduct examinations.

During Fiscal Year 2008-09, the Bureau conducted 367 examinations and 2,651 complaint investigations. Of the complaint investigations, approximately 86%, or 2,286 complaints, warranted internal referral for further action by enforcement examiners who also conduct examinations of licensed entities. Of the examinations, 235 were in the mortgage industry, representing a 27% increase from Fiscal Year 2007-08. This resulted in a 135% increase in license revocations and 82% increase in administrative fines assessed. While these increases are worthy of note, management does not believe the current use of the Bureau's resources is adequately protecting the public as well as insuring the integrity of the real estate market in Florida.

Given the upheaval in all areas of real estate nationwide, the potential for fraud is present in every step of a real estate transaction. The Bureau does not regulate all of these steps, but does have responsibility over a very prominent portion - the mortgage broker. The Division of Finance has initiated many process improvements in the licensing of these mortgage brokers, including establishing standards to review an individual's criminal background as well as their personal financial history. These changes will keep unsavory people out of the industry in the future. However, there

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - MORTGAGE				
FRAUD EXAMINATIONS				3003A50

is no guarantee that each licensee will operate in a lawful manner. As a result, management has determined the compliance-oriented examination process is not the most effective method to deter fraud. Currently, the focus of mortgage regulation by the Bureau has been on compliance with applicable rules and regulations. Although fraud has been discovered by the Bureau through examinations and consumer complaints in the past, this process does not normally lend itself to exposing fraud in a mortgage transaction.

The goal is to move quickly into the mortgage fraud arena, while moving away from compliance based examinations for all licenses. When the change is implemented, the Bureau will conduct very few compliance examinations. While the new examination process will include some compliance-related activity, the future emphasis will be the identification and prosecution of those responsible for mortgage fraud.

The Bureau must radically change the focus of the current process as soon as possible. This must be done by raising the overall quality of the examination staff by increasing the level of the positions and raising salaries. Funds must be appropriated to provide adequate training in this area as well. Specialized training will be required for the new FTE and also for current higher level FTE in the areas of mortgage fraud, investigative techniques, effective interview skills and utilizing specified resource databases and tools, as well as certified fraud examiner training.

In order to upgrade the skill level of its staff and provide certain skill sets for the examination function, OFR requests the addition of four Financial Control Analysts (FCAs) (PG 026) at 30% above the minimum pay range to allow recruitment of well trained individuals, such as Certified Public Accountants, attorneys or Certified Fraud Examiners. Because of the extensive travel to examination sites, as well as specialized training, an additional travel and training allocation of \$4,000 per examiner is requested. This specialized training will be for the four new FTE and also for 15 current higher level examination staff in order to adequately equip them to identify mortgage fraud. To offset some of the anticipated cost, OFR recommends reducing four Financial Examiner/Analyst I (FEA I) positions (PG 020).

Ultimate Outcome:

The upgrade of these four positions will provide the Bureau with the ability to directly work to uncover mortgage fraud outside of the regular compliance oriented examination program. The Office will be better able to protect consumers while preserving the integrity of Florida's financial services market by deterring fraudulent activities. By applying the Division's resources toward examinations focused specifically on mortgage fraud, it is believed that protection of Florida consumers will increase.

Detail of Costs:

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - MORTGAGE				
FRAUD EXAMINATIONS				3003A50

Salary and Benefits (010000):

Positions:

Quantity	Description	Amount	Non-Recurring
4	Financial Control Analysts (CC 1567) 30% above base salary = \$79,847 ea.	\$ 313,536	
(4)	Financial Examiner/Analyst I (CC 1554) At base = \$42,506 ea.	(\$ 170,023)	
	Total Salary & Benefits	\$ 143,513	

Expenses (040000):

Quantity	Description	Amount	Non-Recurring
19	Additional Training and Travel Expense - \$4,000 per FTE (4 current and 15 existing examiners)	\$ 76,000	
	Total Expense	\$ 76,000	

Issue Total \$ 219,513

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
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>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - MORTGAGE				
FRAUD EXAMINATIONS				3003A50

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
1554 FINANCIAL EXAMINER/ANALYST I							
N0004 001	4.00-	114,303-		55,720-	170,023-	0.00	170,023-
1567 FINANCIAL CONTROL ANALYST							
N0003 001	4.00	236,216		77,320	313,536	0.00	313,536
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							143,513
	0.00	121,913		21,600	143,513		143,513

SCHEDULE VIIIIB REDUCTIONS -							
OPERATING							33B0000
REDUCTION OF MORTGAGE BROKER EXAMS							
- OFFICE OF FINANCIAL REGULATION							33B7630
SPECIAL CATEGORIES							100000
MORTGAGE BRK EXAMS - OFR							100514
REGULATORY TRUST FUND -STATE	1,200,000-						2573 1

AGENCY ISSUE NARRATIVE:
 2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 Issue Title: Elimination of the Mortgage Broker Test

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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>
SCHEDULE VIIIIB REDUCTIONS -				
OPERATING				33B0000
REDUCTION OF MORTGAGE BROKER EXAMS				
- OFFICE OF FINANCIAL REGULATION				33B7630

Issue Description/Problem: The U.S. Congress passed the SAFE Mortgage Licensing Act (SAFE Act) which took effect July, 2008. This federal law requires all loan originators, which includes mortgage brokers, to become licensed with the Nationwide Mortgage Licensing System (NMLS) developed by the Conference of State Bank Supervisors (CSBS). The 2009 Florida Legislature approved significant changes to Chapter 494, Florida Statutes, by passing Senate Bill 2226 to comply with the SAFE Act. As part of those changes, effective October 1, 2010, applicants will be required to take the test through NMLS and OFR will no longer administer the mortgage broker test.

For the first three months of Fiscal Year 2010-11, OFR will continue to use third party services to administer the mortgage broker test for the agency. However, based on the federal requirement that all mortgage related licensees be tested through the national testing center, OFR anticipates the remaining funds will no long be needed for this purpose and are available for elimination.

Detail of Cost

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Mortgage Broker Test	(\$1,200,000)	
	Issue Total	(\$1,200,000)	

ELIMINATION OF MOVE TO SOUTHWOOD			
SHARED RESOURCE CENTER - OFFICE OF			
FINANCIAL REGULATION			33B7650
DATA PROCESSING SERVICES			210000
SOUTHWOOD SRC			210021
REGULATORY TRUST FUND	-STATE	132,091-	2573 1

AGENCY ISSUE NARRATIVE:
 2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 Issue Title: Elimination of Move to Southwood Shared Resource Center

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
SCHEDULE VIIIIB REDUCTIONS -				
OPERATING				33B0000
ELIMINATION OF MOVE TO SOUTHWOOD				
SHARED RESOURCE CENTER - OFFICE OF				
FINANCIAL REGULATION				33B7650

Issue Description/Need: In Fiscal Year 2008-09 it was anticipated OFR would move its day-to-day operations for its Regulatory Enforcement and Licensing (REAL) System to the Southwood Shared Resource Center (SSRC) during Fiscal Year 2009-10. However, as a result of certain operational concerns, it was decided the REAL System will continue to be hosted in the Fletcher Building by the Department of Financial Services (DFS). Concerns with the move centered on the disaster recovery (DR) issues. It was determined that SSRC would not provide DR as originally anticipated, requiring OFR to contract independently for DR services. Another factor related to difficulty in separating OFR's backup data from that of DFS, making independent DR difficult. Additionally, costs would be assessed by both SSRC and DFS, potentially increasing the cost of operation. Concerns also arose as a result of the statutory mandate regarding the agency's use of Nationwide Mortgage Licensing System (NMLS). The agency required its contracted support vendor to divert resources to the NMLS effort during Fiscal Year 2009-10. Moving the REAL environment during the NMLS implementation process would pose significant risks to the effort to implement NMLS, as well as to the on-going maintenance of the REAL production environment.

Ultimate Outcome: DFS will continue to host the REAL System in the Fletcher Building, primarily to facilitate DR services and avoid additional risks the move would create associated with integrating the REAL System with the NMLS. Ease and speed of DR services is critical for OFR to be able to meet the needs of Florida financial service consumers and industries in the event of a catastrophic loss of service.

Detail of Costs:

Southwood SRC (210021)	Amount	Non-Recurring
-----	-----	-----
Eliminate move to SSRC	(\$132,091)	
Total	(\$132,091)	
Issue Total	(\$132,091)	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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 OR SERVICE-LEVEL				
INFORMATION TECHNOLOGY				3630000
LICENSING ENFORCEMENT SYSTEM				36318C0
DATA PROCESSING SERVICES				210000
REAL SYSTEM - OFR				210016
REGULATORY TRUST FUND				2573 1
	-STATE	354,033	273,381	
		=====	=====	=====

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? YES

Issue Title: Regulatory Enforcement and Licensing System

Issue Description/Need: The Florida Office of Financial Regulation (Office or OFR) embarked on a major project to transform the existing set of outdated systems and inefficient processes into a more modern information system to support key business functions and interaction with external entities. The Regulatory Enforcement and Licensing (REAL) System provides OFR with an integrated financial regulatory management system designed to streamline and improve the efficiency of its, licensing and regulatory processes. This consolidation provides a comprehensive picture of regulated entities from the time they apply for a license or become registered, to the point of their termination. Additionally, the new system incorporates an imaging, work-flow, and document management component to assist the agency in coming closer to a paperless regulatory processing and enforcement environment.

The implementation contract between the Office and the implementation vendor provides an option to retain the vendor beyond the initial implementation phase to provide on-going operations and maintenance services. The Office exercised this option and executed a contract amendment to retain the vendor to provide system maintenance and support for the implemented REAL System beginning January 20, 2009. The amendment provides for a one-year agreement from the date the services begin with two authorized one-year renewals based on an annual evaluation of services. The vendor will provide REAL System application support, database support, and technical infrastructure support. The vendor will provide services on fixed price basis with payments to be made on a monthly basis. In accordance with the contract, the Office is requesting an increase of \$80,652 in recurring funding for operations and maintenance services provided by the vendor. The Office subsequently executed a contract amendment with the vendor on September 3, 2009 to retain the services of application support staff with expertise in configuration of the commercial off-the-shelf product by the Office. This amendment requires an increase in non-recurring funding of \$150,000 for operations and maintenance services provided by the vendor.

As per the contract amendment the vendor, the Office is responsible for ensuring that software and hardware maintenance contracts are in force for the duration of the agreement. The Office is using state term contract provisions to secure the annual maintenance contracts for software and hardware. The Office is requesting \$123,381 in non-recurring funds to cover hardware maintenance due in Fiscal Year 2010-11.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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 OR SERVICE-LEVEL				
INFORMATION TECHNOLOGY				3630000
LICENSING ENFORCEMENT SYSTEM				36318C0

Ultimate Outcome: Funding of this issue will assist the Office in meeting its mission of consumer protection and to preserve the integrity of Florida's financial services industries by providing support needs for the REAL System.

Detail of Costs:

Quantity	Description	Amount	Non-Recurring
	Hardware Maintenance	\$ 123,381	\$123,381
	Operations & Maintenance Services	\$ 230,652	\$150,000
	Issue Total	\$ 354,033	\$273,381

TOTAL: REGULATION AND LICENSING				<u>1204.00.00.00</u>
BY FUND TYPE				
	130.00			
TRUST FUNDS.....	15,862,163	273,381		2000
SALARY RATE.....	5,953,179			
	=====	=====	=====	

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SECURITIES REGULATION				43900570
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SALARY RATE				000000
SALARY RATE.....	4,118,792			
SALARIES AND BENEFITS				010000
REGULATORY TRUST FUND -STATE	92.00	5,586,283		2573 1
OTHER PERSONAL SERVICES				030000
ANTI-FRAUD TRUST FUND -STATE	61,730			2038 1
REGULATORY TRUST FUND -STATE	4,466			2573 1
TOTAL APPRO.....	66,196			
EXPENSES				040000
ANTI-FRAUD TRUST FUND -STATE	187,885			2038 1
REGULATORY TRUST FUND -STATE	761,576			2573 1
TOTAL APPRO.....	949,461			
OPERATING CAPITAL OUTLAY				060000
ANTI-FRAUD TRUST FUND -STATE	31,802			2038 1
REGULATORY TRUST FUND -STATE	4,566			2573 1
TOTAL APPRO.....	36,368			
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ANTI-FRAUD TRUST FUND -STATE	90,049			2038 1
REGULATORY TRUST FUND -STATE	4,500			2573 1

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				AMOUNT
				CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SECURITIES REGULATION				43900570
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
ESTIMATED EXPENDITURES				1000000
ESTIMATED EXPENDITURES - OPERATIONS				1001000
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
TOTAL APPRO.....		94,549		
		=====		
RISK MANAGEMENT INSURANCE				103241
REGULATORY TRUST FUND -STATE		16,956		2573 1
		=====		
TR/DMS/HR SVCS/STW CONTRCT				107040
REGULATORY TRUST FUND -STATE		39,318		2573 1
		=====		
TOTAL: ESTIMATED EXPENDITURES - OPERATIONS				1001000
TOTAL POSITIONS.....		92.00		
TOTAL ISSUE.....		6,789,131		
TOTAL SALARY RATE.....		4,118,792		
		=====		
CASUALTY INSURANCE PREMIUM				1001090
ADJUSTMENT				100000
SPECIAL CATEGORIES				103241
RISK MANAGEMENT INSURANCE				
REGULATORY TRUST FUND -STATE		7,176		2573 1
		=====		
ADJUSTMENT TO STATE HEALTH				1002000
INSURANCE PREMIUM CONTRIBUTION -				010000
FISCAL YEAR 2009-10				
SALARIES AND BENEFITS				
REGULATORY TRUST FUND -STATE		6,999		2573 1
		=====		

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	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>
ANNUALIZATION OF ADMINISTERED				
FUNDS APPROPRIATIONS				26A0000
ADJUSTMENT TO STATE HEALTH				
INSURANCE FOR FY 2009-10 - 10 MONTH				
ANNUALIZATION				26A1200
SALARIES AND BENEFITS				010000
REGULATORY TRUST FUND	-STATE	34,995		2573 1
		=====		
WORKLOAD				3000000
INCREASE ABILITY TO CONTRACT WITH				
EXPERTS IN COMPLEX				
SECURITIES-RELATED CASES				3000120
SPECIAL CATEGORIES				100000
CONTRACTED SERVICES				100777
ANTI-FRAUD TRUST FUND	-STATE	175,000		2038 1
		=====		

AGENCY ISSUE NARRATIVE:

2010-2011 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Issue Title: Increase Ability to Contract with Experts in Complex Securities-Related Cases

Reference to Long Range Plan: Goal #1: Increase protection of citizens' financial interests by bringing to bear the full extent of enforcement authority on those individuals or entities that conduct fraudulent or illegal financial services activities.

Issue Description/Need: The Bureau of Securities Regulation (Securities Regulation) is responsible for ensuring compliance with Chapter 517, Florida Statutes, the Florida Securities and Investor Protection Act (Act). In early 2007, the securities market experienced a financial crisis that resulted in acquisitions, government bailouts, and a lack of liquidity and confidence in the credit markets, including the failure of the \$330 billion Auction Rate Securities (ARS) market. During Fiscal Year 2008-09, the Office saw a 73% increase in the number of examinations conducted compared to Fiscal Year 2007-08. The types of examinations conducted in Fiscal Year 2008-09 were complex and required significant internal and external resources to review and bring actions. As the industry evolves as a result of the credit crisis, these complex examinations will continue to increase in number and scope, thus requiring Securities Regulation to seek retain the services of expert witnesses, attorneys and specialized consultants to help navigate through the complex legal and industry issues arising from these types of examinations. During Fiscal Year 2008-09, Securities Regulation received over \$12 million in fines and penalties. The Office anticipates \$6.7 billion will be returned to Florida investors and \$20-25 million in fines and penalties during Fiscal Year 2009-10.

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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>
WORKLOAD				3000000
INCREASE ABILITY TO CONTRACT WITH				
EXPERTS IN COMPLEX				
SECURITIES-RELATED CASES				3000120

To address the complexity of these examinations, Securities Regulation uses experts providing specialized services. These contractors provide consultation during the examination process by directing focus on areas that would identify violations. In addition, the use of contracted services strengthens the credibility of the Office when litigating by providing expertise and experience in areas where the skill sets are beyond the knowledge base of the examiner. The Division a shortfall in the current year of \$150,000 which will be covered through its transfer authority.

Ultimate Outcome: An increase in the appropriations of contractual services will increase the Division's ability to successfully complete complex examinations with actions that will protect the citizens of this state. The Division anticipates that the aftershock of the financial crisis will continue to affect the complexity of cases requiring expert and experienced consultation from services outside the Agency. Further, it is anticipated that these types of complex cases will result in millions of dollars in fines and penalties and billions of dollars in restitution to the consumers. Without the ability to use contractors, the Division will not have the knowledgebase or expertise to fully prosecute the perpetrators of illegal sales. This could lead to a potential decline in consumer confidence in the Office and its ability to regulate the securities industry.

Detail of Costs:

Contracted Services:		Amount	Non-Recurring
Quantity	Description	-----	-----
-----	-----		
	Expert Witness and Consulting Fees (Anti Fraud Trust Fund	\$175,000	\$
	Issue Total	\$175,000	

INCREASED STAFFING FOR THE OFFICE
 OF FINANCIAL REGULATION - DIVISION
 OF SECURITIES
 SALARY RATE

3003A20
 000000

SALARY RATE..... 543,294
 =====

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	AMOUNT	AMOUNT	CODES
FINANCIAL SERVICES				43000000
PGM: FINANCIAL SVCS COMM				43900000
OFFICE OF FINANCIAL REG				43900500
SECURITIES REGULATION				43900570
PUBLIC PROTECTION				12
REGULATION AND LICENSING				1204.00.00.00
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - DIVISION				
OF SECURITIES				3003A20
SALARIES AND BENEFITS				010000
REGULATORY TRUST FUND -STATE	9.00			
	723,889			2573 1
EXPENSES				040000
REGULATORY TRUST FUND -STATE	102,765	32,193		2573 1
OPERATING CAPITAL OUTLAY				060000
REGULATORY TRUST FUND -STATE	4,500	4,500		2573 1
SPECIAL CATEGORIES				100000
TR/DMS/HR SVCS/STW CONTRCT				107040
REGULATORY TRUST FUND -STATE	3,591			2573 1
TOTAL: INCREASED STAFFING FOR THE OFFICE				3003A20
OF FINANCIAL REGULATION - DIVISION				
OF SECURITIES				
TOTAL POSITIONS.....	9.00			
TOTAL ISSUE.....	834,745	36,693		
TOTAL SALARY RATE.....	543,294			

AGENCY ISSUE NARRATIVE:
 2010-2011 BUDGET YEAR NARRATIVE: IT COMPONENT? NO
 Issue Title: Increased Staffing for the Division of Securities

Reference to Long Range Program Plan: Goal #1: Increase protection of citizens' financial interests by bringing to bear the full extent of enforcement authority on those individuals or entities that conduct fraudulent or illegal financial services activities; and

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - DIVISION				
OF SECURITIES				3003A20

Goal #4: Increase consumer confidence in the financial services industry

Issue Description/Need: The Bureau of Regulatory Review (Regulatory Review) is responsible for registering securities issues, reviewing all applications to conduct business as a securities firm, branch or individual, processing amendments and renewals for all entities and individuals regulated by the Division of Securities, and approving, imposing registration restrictions or denying applications based on findings. Regulatory Review is experiencing significant increases in workload in three areas: increased volume and complexity of new applications; increased volume of change of control and amendment filings; and increased volume of disciplinary updates for registered firms and individuals.

In the last fiscal year Regulatory Review received 87,481 new applications compared to 64,479 for Fiscal Year 2007-08 for registration for firms, branches, and agents - a 36% increase. During Fiscal Year 2008-09 Regulatory Review received 20,580 amendment filings for firms and branches compared to 10,158 in Fiscal Year 2007-08 - an increase of 102%. The Division also received notification of 29,226 amendments reporting new or updated disciplinary events regarding individual registrants. This is compared to approximately 18,000 received the prior fiscal year - over 60% increase.

In the 2009 Session, Legislation was passed that enhanced licensing standards, including heightened standards involving criminal arrests and regulatory actions. The legislation also enhanced the requirements for firm initial registration and amendments in that any officer, director, or control person now has the added requirement of being fingerprinted and evaluated prior to approval. Based on experience with the new legislation thus far, these heightened standards have increased the necessary review time and coordination with legal for the purpose of determining compliance with the new guidelines.

The ongoing financial crisis has had a significant impact in the area of securities registration. Emerging industry trends reflect a reduction in new individuals seeking employment in the securities industry and a greater movement within the industry among established individuals. Generally, firms are seeking to hire individuals who have an established clientele whereas individuals new to the industry will not have these established customer relationships. With recent mergers and acquisitions in the industry causing uncertainty among registered personnel, many have been prompted to seek employment with more stable firms. Historically, because of their longer track record in the industry, established individuals have more disciplinary background disclosures than those individuals who are new, resulting in a greater percentage of individual applicants with a disciplinary background. The Florida Securities and Investor Protection Act (the Act) mandates the review of applications for registration including the substantive review of an individual's background.

Due to recent mergers and acquisitions prompted by the ongoing financial crisis in the credit markets, Regulatory Review has experienced an increased volume of change of control and successor filings. During Fiscal Year 2008-09, OFR received 20 requests for change of control which involved the mass movement of registered personnel and branches from one firm to another. From July 1 to September 30, 2009, OFR has already received an additional 13 such requests. Last year, a

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	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>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - DIVISION				
OF SECURITIES				3003A20

single change of control filing involving over 20,000 individuals and 150 branches required 11 staff working over 1,100 hours in a seven week period to review applications. Although this was larger in size and volume than typical, these types of filings require immediate attention and effort by staff to minimize the risk associated with down-time for firms and the inability of consumers to get to their financial professional.

Regulatory Review has also seen a significant increase in the number of disciplinary update filings (amendment filings disclosing disciplinary information after initial registration) of registrants. It received over 29,000 disciplinary updates last fiscal year. Due to staffing resources, current disciplinary reviews are focused only on regulatory actions and criminal disclosures. Regulatory Review feels it is critical to expand its review of disciplinary updates to include the other types of disciplinary updates (e.g., customer complaints, bankruptcies, judgments and terminations of an individual by a firm for cause). Individuals that have been the subject of customer complaints after initial registration require an extensive amount of time and resources. These types of disclosures may require the collection of documents from the registrant's current employer, prior employer(s) and customers to determine if violations have occurred and a licensing action is warranted.

OFR is requesting three Financial Specialists (PG 025) to address these issues in workload and complexity. These three positions are vital to ensure that the licensing staff will be able to conduct a thorough review while not exceeding the standards established by the Florida Administrative Procedures Act (APA). If the APA deadlines are not met, applications may be made effective by operation of law. Because of the need for well qualified individuals, the positions are requested at 30% above base salary.

The Bureau of Securities Regulation (Securities Regulation) is responsible for ensuring compliance with Chapter 517, Florida Statutes, the Florida Securities and Investor Protection Act (the Act). The anti-fraud provision of the Act makes it unlawful for a person to engage in any fraudulent conduct when rendering investment advice or in connection with the offer, sale or purchase of any investment or security.

In 2007, the securities market experienced a financial crisis that resulted in acquisitions, government bailouts, and a lack of liquidity and confidence in the credit markets, including the failure of the \$330 billion Auction Rate Securities (ARS) market. As a result of the financial crisis, during Fiscal Year 2008-09, the Division experienced an 83% increase in securities consumer complaints received (from 265 to 485) and a 75% increase in the number of examinations conducted (from 162 to 284) compared to Fiscal Year 2007-08 - a workload increase of 50% per examiner.

In addition to the increased workload, the types of examinations resulting from the financial crisis are more complex and time-consuming. In Fiscal Year 2008-09, Securities Regulation identified approximately 60 examinations through its use of a risk assessment tool which could not be initiated due to lack of resources. Risk-based examiners were reallocated

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
	POS	AMOUNT	POS	AMOUNT
				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>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - DIVISION				
OF SECURITIES				3003A20

to accommodate the need for more enforcement examinations. To address this issue, the Office is requesting three Financial Control Analysts (PG 026) to focus on enforcement examinations, thereby allowing risk-based examiners to concentrate their efforts on risk-based examinations and consumer complaints. These positions will be located in Ft. Myers, Orlando and Tampa.

Securities Regulation is requesting \$4,500 in OCO to provide laptop computers with docking stations for the three examiners. Laptop computers will provide the examiners with remote access to the Office's Regulatory Licensing and Enforcement (REAL) System and the ability to upload documents while conducting on-site examinations. These positions will also require additional travel expenses of \$4,000 to support on-site examination duties. Securities Regulation is also requesting the positions at 30% over base salary to be able to attract new staff with securities regulatory and legal experience.

Currently there are ten attorney positions assigned to the eight regional offices. These attorneys are tasked with handling case loads generated by the Division of Securities, Division of Finance, and Bureau of Financial Investigations. With the increased workload and complexity of securities cases, three additional dedicated attorneys are needed to be able to bring the increased number of actions now being generated by the examination process. The Senior Attorney positions will be located in Orlando, West Palm and Tampa.

Ultimate Outcome:
 Regulatory Review - A thorough registration review process is a strong line of defense in protecting Florida investors from unscrupulous firms and individuals. Providing additional staffing to conduct more thorough reviews of applicants in the securities industry will further protect the financial interests of the public by preventing the registration of unworthy applicants. The heightened focus on compliance filings, such as disciplinary updates, will allow the Office to better monitor the actions of firms and individuals after registration.

Securities Regulation - It is imperative that Securities Regulation maintains its focus on protecting consumers from abusive sales practices and unlawful activities within the securities industry. The Division will be able to better safeguard the private financial interests of the public by examining, regulating and bringing actions against a greater number of licensed and unlicensed sellers of securities using experienced examiners while preserving the integrity of Florida's financial services market.

Detail of Costs:

Salaries and Benefits:

Position	Title & Pay Grade	Amount	Non-Recurring
-----	-----	-----	-----

		COL A03	COL A04	COL A05	
		AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
		FY 2010-11	FY 2010-11	FY 2010-11	
		POS	AMOUNT	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>
WORKLOAD					3000000
INCREASED STAFFING FOR THE OFFICE					
OF FINANCIAL REGULATION - DIVISION					
OF SECURITIES					3003A20
3	Financial Control Analysts (CC 1567)				
	(30% over base salary) for Securities Regulation		\$235,795		
3	Financial Specialist (PG 25) (30% over				
	base salary) for Regulatory Review		\$226,344		
3	Senior Attorneys (PG 230) (30% over base salary)				
			\$261,750		
	Total		\$723,889		
Expenses:					
Quantity	Description		Amount		Non-Recurring
-----	-----		-----		-----
9	Professional FTE Package @\$10,385		\$ 90,765		\$ 32,193
	Additional Travel Cost for 3 Examiners		\$ 12,000		\$ 0
	Total		\$102,765		\$ 32,193
Expenses do not include computers for 3 positions. Funding for computers is in OCO.					
OCO:					
Quantity	Description		Amount		Non-Recurring
-----	-----		-----		-----
3	Laptops computers with docking stations				
	at \$1,500 ea.		\$ 4,500		\$ 4,500
	Total		\$ 4,500		\$ 4,500
Human Resources Services:					
Quantity	Description		Amount		Non-recurring
-----	-----		-----		-----
9	Professional FTE @\$399 ea.		\$ 3,591		
	Total		\$ 3,591		
	Issue Total		\$834,745		\$ 36,693

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - DIVISION				
OF SECURITIES				3003A20

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1567 FINANCIAL CONTROL ANALYST							
N0060 001	1.00	59,054		19,330	78,384	0.00	78,384
N0061 001	1.00	58,954	646	19,427	79,027	0.00	79,027
7738 SENIOR ATTORNEY							
N0063 001	1.00	65,302		21,948	87,250	0.00	87,250
N0064 001	1.00	65,302		21,948	87,250	0.00	87,250
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							331,911
	4.00	248,612	646	82,653	331,911		331,911

NEW POSITIONS

1566 FINANCIAL SPECIALIST							
N0006 001	3.00	169,680		56,664	226,344	0.00	226,344
1567 FINANCIAL CONTROL ANALYST							
N0005 001	1.00	59,054		19,330	78,384	0.00	78,384
7738 SENIOR ATTORNEY							
N0007 001	1.00	65,302		21,948	87,250	0.00	87,250

	COL A03	COL A04	COL A05	
	AGY REQUEST	AGY REQ N/R	AG REQ ANZ	
	FY 2010-11	FY 2010-11	FY 2010-11	
POS	AMOUNT	POS	AMOUNT	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>
WORKLOAD				3000000
INCREASED STAFFING FOR THE OFFICE				
OF FINANCIAL REGULATION - DIVISION				
OF SECURITIES				3003A20

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A03 - AGY REQUEST FY 2010-11							
NEW POSITIONS							
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							391,978
	5.00	294,036		97,942	391,978		391,978

TOTAL: REGULATION AND LICENSING							<u>1204.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	101.00	7,848,046	36,693				2000
SALARY RATE.....		4,662,086					

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