

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------------------------|---------|---------|--------|---------|--------|---------------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCTION IN SOFTWARE LICENSES | | | | | | 33003C0 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| CONTRACTED SERVICES | | | | | | 100777 |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| -STATE | 11,019- | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #20

IT COMPONENT? YES

ISSUE TITLE: Reduction in Software Licenses

SUMMARY:

This recurring reduction eliminates the information services tool used for accessing Oracle databases and PL/SQL programming. The tool provides an easy and efficient way of writing and testing scripts and database queries, creating data models, and rapidly deploying accurate changes to data structures.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | COL A91 | COL A92 | COL A93 | |
|------------------------------------------------------------------------|--------------|--------------|--------------|---------------|
| | SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | |
| | REDUC 20-21 | NR FY20-21 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS |
| | | | | AMOUNT |
| | | | | CODES |
| LOTTERY, DEPARTMENT OF THE | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | 3300000 |
| ELIMINATION OF SECURITY MONITORING AND THE PASSWORD SECURITY SYSTEM | | | | 33004C0 |
| SPECIAL CATEGORIES | | | | 100000 |
| CONTRACTED SERVICES | | | | 100777 |
| OPERATING TRUST FUND -STATE | 22,008- | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #53

IT COMPONENT? YES

ISSUE TITLE: Elimination of Security Monitoring and the Password Security System

SUMMARY:

This recurring reduction eliminates the contract for security monitoring for computer systems and Centrify for the password management system. This reduction would create significant vulnerabilities in the security system and password management system.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| IT CONSULTANT REDUCTIONS | | | | | | 33005C0 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| CONTRACTED SERVICES | | | | | | 100777 |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| -STATE | 545,680- | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #30

IT COMPONENT? YES

ISSUE TITLE: IT Consultant Reductions

SUMMARY:

This recurring reduction eliminates a number of consultant resources used by the department to augment staffing with specialized skillsets that are not readily available or cost effective for the department to retain. The specific resources and associated impacts include:

- \$176,640 - eliminates the Database Analyst consultant working with the Software & Data Services team. This additional workload would be assigned to staff that are already overtasked and do not currently have the skillset for these duties
- \$176,640 - eliminates the Oracle Developer consultant, which would negatively impact the department's ability to maintain and enhance applications written in Oracle Forms, specifically the Fortune prize payment system
- \$182,400 - eliminates the WebSphere/Java Developer consultant. These services are needed to fully support, maintain and enhance the Lottery's websites and mobile application.
- \$10,000 - eliminates the contract for Windows & Network support for advanced troubleshooting abilities

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|------------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| ELIMINATE SECURITY SERVICES | | | | | | |
| CONTRACT IN DISTRICT OFFICES | | | | | | 3301050 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| CONTRACTED SERVICES | | | | | | 100777 |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| -STATE | 324,640- | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #58

IT COMPONENT? NO

ISSUE TITLE: Eliminate Security Services Contract in District Offices

SUMMARY:

This recurring reduction eliminates budget authority that supports contracted services for armed security in 8 of the department's district offices. This service provides safety to the public and employees and allows the department to effectively respond to any potential critical incidents. The safety of Lottery facilities and the public would be compromised if this service is eliminated.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------|--------|---------|---------|---------|--------|---------------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE TRAVEL AND TRAINING | | | | | | 3301140 |
| EXPENSES | | | | | | 040000 |
| OPERATING TRUST FUND | -STATE | 25,770- | 25,770- | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #4

ISSUE TITLE: Reduce Travel and Training

SUMMARY:

This nonrecurring reduction relates to reduced costs for travel and training, primarily made possible to the limited travel occurring during a portion of the current fiscal year (Fiscal Year 2020-21). Examples of anticipated savings include:

- Reduced expenditures for fuel and vehicle maintenance;
- Reduced travel/training for Security Officers at the Florida Public Safety Institute, the FDLE Senior Leadership Program, CJIS Annual Training Symposium, and attendance at conferences including the Florida Intelligence Conference, Florida Police Accreditation Coalition Conference, and Governor's Hurricane Conference;
- Reduced training for Information Technology and Accounting staff; and
- Reduced retailer compliance operations, inspections, and Education Program.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | COL A91 | COL A92 | COL A93 | |
|--------------------------------------|--------------|--------------|--------------|---------------|
| | SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | |
| | REDUC 20-21 | NR FY20-21 | ANZ FY20-21 | |
| | POS AMOUNT | POS AMOUNT | POS AMOUNT | CODES |
| LOTTERY, DEPARTMENT OF THE | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | 3300000 |
| REDUCE SOFTWARE AND EQUIPMENT | | | | |
| PURCHASES | | | | 3301150 |
| EXPENSES | | | | 040000 |
| OPERATING TRUST FUND -STATE | 17,122- | 17,122- | | 2510 1 |
| ===== | | | | |
| SPECIAL CATEGORIES | | | | 100000 |
| CONTRACTED SERVICES | | | | 100777 |
| OPERATING TRUST FUND -STATE | 128,066- | 128,066- | | 2510 1 |
| ===== | | | | |
| TOTAL: REDUCE SOFTWARE AND EQUIPMENT | | | | 3301150 |
| PURCHASES | | | | |
| TOTAL ISSUE..... | 145,188- | 145,188- | | |
| ===== | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #5

ISSUE TITLE: Reduce Software and Equipment Purchases

SUMMARY:

This nonrecurring reduction relates to the delay of purchases for necessary software and other equipment. While these purchases can be delayed without significant impacts to operations, these may occur in the future if the purchases cannot be completed. Examples of delayed purchases include:

- Delay upgrade of Vizio software used to complete organizational charts and other documents;
- Delay migration to the most current version of the accounting software used by the department (delaying this upgrade by more than one year may create significant risks for the department's financial data);
- Delay computer monitors replacement;
- Delay purchase of computer to support Information Security Management issues;
- Delay purchase of necessary graphics software; and
- Delay use of consulting services to update the Maestro software (player notification emails are dependent upon this software.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|-------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDUC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE SOFTWARE AND EQUIPMENT | | | | | | |
| PURCHASES | | | | | | 3301150 |

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|----------------------------|--|--|--|--|--|---------|
| REDUCE OFFICE SUPPLY USAGE | | | | | | 3301160 |
| EXPENSES | | | | | | 040000 |

| | | | | | | |
|----------------------|--------|---------|---------|--|--|--------|
| OPERATING TRUST FUND | -STATE | 46,818- | 46,818- | | | 2510 1 |
|----------------------|--------|---------|---------|--|--|--------|

=====

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #6

IT COMPONENT? NO

ISSUE TITLE: Reduce Office Supply Usage

SUMMARY:

This nonrecurring reduction relates to reduced office supply costs and is primarily made possible due to the limited number of staff in offices during a portion of the current fiscal year (Fiscal Year 2020-21). As staff return to offices, these expenditures will resume, and budget will be needed to support expenditures for a full fiscal year. Specifically, this issue includes reduced purchases of paper, folders, letterhead, envelopes, toner, and other office incidentals for both staff in the Headquarters building and district offices.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE OFFICE SUPPLY USAGE | | | | | | 3301160 |

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

ELIMINATE PRINTING OF THE
 DEPARTMENT'S QUARTERLY RETAILER
 NEWSLETTER
 EXPENSES

3301180
 040000

OPERATING TRUST FUND -STATE 15,000-

2510 1

=====

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #1

IT COMPONENT? NO

ISSUE TITLE: Eliminate Printing of the Department's Quarterly Retailer Newsletter

SUMMARY:

This recurring reduction relates to the elimination of printing the Department of the Lottery's (department) quarterly retailer newsletter, The Winning Ticket. The newsletter was distributed to each of the more than 13,000 retailers across the state and used to inform retailers of the latest Lottery news and happenings. The department ceased printing the newsletter in Fiscal Year 2020-21 as a cost saving measure.

IMPACT OF REDUCTION: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCTION IN VENDOR FEES | | | | | | 3301190 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| INSTANT TICKET PURCHASE | | | | | | 101740 |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| -STATE | 190,340- | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #66

ISSUE TITLE: Reduction in Vendor Fees

SUMMARY:

This recurring issue reduces the appropriation to pay vendor fees for scratch-off ticket sales, including royalties for licensed games.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCTION TO CONTRACTED LEGAL SERVICES | | | | | | 3301200 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| CONTRACTED LEGAL SERVICES | | | | | | 103884 |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| -STATE | 92,800- | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #45

IT COMPONENT? NO

ISSUE TITLE: Reduction to Contracted Legal Services

SUMMARY:

This recurring issue reduces budget authority in the Contracted Legal Services appropriation category by 77%. The Contracted Legal Services appropriation category is used to contract for legal services to represent the department in various circuit and administrative court matters. Contracting for these services is critical to ensure the department receives adequate legal representation to effectively respond to lawsuits in conjunction with the existing Office of the General Counsel, which is staffed by three attorneys. Given the current workload in the office, and the specialized legal advice presently provided by outside counsel, the loss of this funding would create significant, negative impacts on the department.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | COL A91 | COL A92 | COL A93 | | |
|-----------------------------------|--------------|--------------|--------------|--------|---------------|
| | SCH VIII B-1 | SCH VIII B-1 | SCH VIII B-1 | | |
| | REDUC 20-21 | NR FY20-21 | ANZ FY20-21 | | |
| POS | AMOUNT | POS | AMOUNT | POS | |
| | | | | AMOUNT | |
| | | | | CODES | |
| LOTTERY, DEPARTMENT OF THE | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | 3300000 |
| STAFF REDUCTIONS IN CLAIMS | | | | | |
| PROCESSING | | | | | 3301270 |
| SALARY RATE | | | | | 000000 |
| SALARY RATE..... | 189,617- | | | | |
| ===== | | | | | |
| SALARIES AND BENEFITS | | | | | 010000 |
| | 5.00- | | | | |
| OPERATING TRUST FUND -STATE | 305,276- | | | | 2510 1 |
| ===== | | | | | |
| TOTAL: STAFF REDUCTIONS IN CLAIMS | | | | | 3301270 |
| PROCESSING | | | | | |
| TOTAL POSITIONS..... | 5.00- | | | | |
| TOTAL ISSUE..... | 305,276- | | | | |
| TOTAL SALARY RATE..... | 189,617- | | | | |
| ===== | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIII B-1 NARRATIVE:
 PRIORITY #50

IT COMPONENT? NO

ISSUE TITLE: Staff Reductions in Claims Processing

SUMMARY:

This recurring reduction eliminates 5 of the 14 positions in Claims Processing, which represents a 36% reduction in staffing. Claims Processing receives an average of 9,500 pieces of mail per month and pays an average of 6,000 claims monthly. With the number of claims received, the reduction would significantly impact the department's ability to timely and effectively process claims.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|--------|--------------|--------|--------------|--------|-------|
| SCH VIIIIB-1 | | SCH VIIIIB-1 | | SCH VIIIIB-1 | | |
| REDUC 20-21 | | NR FY20-21 | | ANZ FY20-21 | | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|----------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN CLAIMS | | | | | | |
| PROCESSING | | | | | | 3301270 |

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 5.00- | 189,617- | | 115,659- | 305,276- | 0.00 | 305,276- |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 305,276- |
| | 5.00- | 189,617- | | 115,659- | 305,276- | | 305,276- |

| | | | | | | | |
|----------------------------------------|----------|----------|--|--|--|--|---------|
| STAFF REDUCTIONS IN DIVISION OF | | | | | | | |
| PRODUCT DEVELOPMENT AND RESEARCH | | | | | | | 3301290 |
| SALARY RATE | | | | | | | 000000 |
| SALARY RATE..... | 112,138- | | | | | | |
| SALARIES AND BENEFITS | | | | | | | 010000 |
| OPERATING TRUST FUND -STATE | 2.00- | 164,822- | | | | | 2510 1 |
| TOTAL: STAFF REDUCTIONS IN DIVISION OF | | | | | | | 3301290 |
| PRODUCT DEVELOPMENT AND RESEARCH | | | | | | | |
| TOTAL POSITIONS..... | 2.00- | | | | | | |
| TOTAL ISSUE..... | | 164,822- | | | | | |
| TOTAL SALARY RATE..... | 112,138- | | | | | | |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|----------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN DIVISION OF | | | | | | |
| PRODUCT DEVELOPMENT AND RESEARCH | | | | | | 3301290 |
| ***** | | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #44

IT COMPONENT? NO

ISSUE TITLE: Staff Reductions in Division of Product Development and Research

SUMMARY:

This recurring reduction eliminates 2 positions in Product Development and Research, which represents a 50% reduction in staffing. This reduction would significantly impact the department's ability to conduct the market research projects and studies that drive business decisions and allow for fact-based evaluation of product offerings. The reduction would also limit the department's ability to perform jackpot forecasting, generate sales expectations for new products and promotions, and develop revenue estimates for current offerings.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|----------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN DIVISION OF | | | | | | |
| PRODUCT DEVELOPMENT AND RESEARCH | | | | | | 3301290 |

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 2.00- | 112,138- | | 52,684- | 164,822- | 0.00 | 164,822- |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 164,822- |
| | 2.00- | 112,138- | | 52,684- | 164,822- | | 164,822- |

| | | | | | | |
|-------------------------------------|----------|----------|--|--|--|---------|
| STAFF REDUCTIONS IN RETAILER | | | | | | |
| CONTRACTING | | | | | | 3301300 |
| SALARY RATE | | | | | | 000000 |
| SALARY RATE..... | 178,571- | | | | | |
| SALARIES AND BENEFITS | | | | | | 010000 |
| OPERATING TRUST FUND -STATE | 5.00- | 292,276- | | | | 2510 1 |
| TOTAL: STAFF REDUCTIONS IN RETAILER | | | | | | 3301300 |
| CONTRACTING | | | | | | |
| TOTAL POSITIONS..... | 5.00- | | | | | |
| TOTAL ISSUE..... | | 292,276- | | | | |
| TOTAL SALARY RATE..... | 178,571- | | | | | |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN RETAILER | | | | | | |
| CONTRACTING | | | | | | 3301300 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #54

IT COMPONENT? NO

ISSUE TITLE: Staff Reductions in Retailer Contracting

SUMMARY:

This recurring reduction eliminates 5 positions in Retailer Contracting, which represents a staff reduction of 36%. This reduction would result in serious delays in the retailer application, contract renewal, collections and terminal provisioning processes. Each month the team processes approximately 74 new retailers, 75 ownership changes, 125 terminations, and 130 contract renewals. Delays in retailer application processing negatively impact sales revenue generation. It currently takes about 8 days to process and approve a retailer. Eliminating 5 staff members would result in additional delays in onboarding retailers of up to 30 days, resulting in lost sales for those days. Also, this reduction would impede the Lottery's ability to recover outstanding debt from retailers and result in a greater number of accounts being referred to a collections agency.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
 GOV OPERATIONS/SUPPORT
 GOVERNMENTAL OPERATIONS
 STATE FUNDING REDUCTIONS
 STAFF REDUCTIONS IN RETAILER
 CONTRACTING

36000000
 36010000
 16
 1601.00.00.00
 3300000
 3301300

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 5.00- | 178,571- | | 113,705- | 292,276- | 0.00 | 292,276- |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 292,276- |
| | 5.00- | 178,571- | | 113,705- | 292,276- | | 292,276- |

STAFF REDUCTIONS IN SALES 3301310
 SALARY RATE 000000
 SALARY RATE..... 2,890,683-
 SALARIES AND BENEFITS 010000
 OPERATING TRUST FUND -STATE 4,765,156- 2510 1
 TOTAL: STAFF REDUCTIONS IN SALES 3301310
 TOTAL POSITIONS..... 83.00-
 TOTAL ISSUE..... 4,765,156-
 TOTAL SALARY RATE..... 2,890,683-

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #43

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------|------------|--------------|------------|--------------|-------------|----------------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | <u>1601.00.00.00</u> |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN SALES | | | | | | 3301310 |

ISSUE TITLE: Staff Reductions in Sales

SUMMARY:

This recurring reduction eliminates 83 positions, which represents a staff reduction of approximately 42%. These positions include Field Sales Managers, Sales Coordinator, Sales Representatives, Corporate Account Manager, and Lottery Marketing Specialists.

This reduction would result in a tremendous loss of sales and contributions to the Educational Enhancement Trust Fund. It would significantly increase the time between retailer visits from a Sales Representative. The time lost in the field would result in loss point-of-sale placements due to vendors who visit locations frequently and compete for that space. Response times to a get to a retailer location for urgent matters would significantly increase due to expanded territory sizes for a Sales Representative, which could directly impact sales. Examples could include inventory needs, equipment issues, or marketing materials to support product initiatives.

The field service impacts would also negatively impact relationships with corporate partners who comprise more than 50% of the retailers and total sales. Further, lack of proper resources in the field to monitor security issues could result in a significant increase in fraud and theft incidents.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|----------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN SALES | | | | | | 3301310 |

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|--------|------------|-----------|------------|------------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 83.00- | 2,890,683- | | 1,874,474- | 4,765,157- | 0.00 | 4,765,157- |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 4,765,157- |
| | 83.00- | 2,890,683- | | 1,874,474- | 4,765,157- | | 4,765,157- |
| OTHER SALARY AMOUNT | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 1 |
| | | | | | | | 4,765,156- |

| | | | | | | | |
|-------------------------------------------------|---------|---------|--|--|--|--|---------|
| STAFF REDUCTIONS IN DIVISION OF SECURITY | | | | | | | 3301320 |
| SALARY RATE | | | | | | | 000000 |
| SALARY RATE..... | 57,380- | | | | | | |
| SALARIES AND BENEFITS | | | | | | | 010000 |
| OPERATING TRUST FUND -STATE | 1.00- | 83,954- | | | | | 2510 1 |
| TOTAL: STAFF REDUCTIONS IN DIVISION OF SECURITY | | | | | | | 3301320 |
| TOTAL POSITIONS..... | 1.00- | | | | | | |
| TOTAL ISSUE..... | | 83,954- | | | | | |
| TOTAL SALARY RATE..... | 57,380- | | | | | | |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|------------------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN DIVISION OF SECURITY | | | | | | 3301320 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #65

IT COMPONENT? NO

ISSUE TITLE: Staff Reductions in Division of Security

SUMMARY:

This recurring reduction eliminates 1 position in the Division of Security, which would have a negative impact on operations. The reduction could result in case openings and processing delays, impact the core security and business systems and day-to-day support of other business units with regards to business applications. This reduction could impact timely completions of: background checks for employees, vendors and retailers; building security; and intelligence analysis.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
 GOV OPERATIONS/SUPPORT
 GOVERNMENTAL OPERATIONS
 STATE FUNDING REDUCTIONS
 STAFF REDUCTIONS IN DIVISION OF
 SECURITY

36000000
 36010000
 16
 1601.00.00.00
 3300000
 3301320

POSITION DETAIL OF SALARIES AND BENEFITS:

| FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | |
| N0001 001 | | | | | | |
| 1.00- | 57,380- | | 26,574- | 83,954- | 0.00 | 83,954- |
| TOTALS FOR ISSUE BY FUND | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | |
| 1.00- | 57,380- | | 26,574- | 83,954- | | 83,954- |

REDUCE TRAVEL EXPENSE FOR SALES
 STAFF EXPENSES

3301480
 040000

OPERATING TRUST FUND -STATE 42,143- 42,143- 2510 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #19

ISSUE TITLE: Reduce Travel Expense for Sales Staff

SUMMARY:

This issue reduces budget on a nonrecurring basis that is used for travel by district managers, contract managers and sales staff. This reduction will impact the department's ability to effectively conduct activities such as product

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|---------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE TRAVEL EXPENSE FOR SALES | | | | | | |
| STAFF | | | | | | 3301480 |

research and development, as well as evaluating and improving the performance of the district offices, managers, and staff. The department also benefits from attending various industry-related conferences and workshops that provide lottery-specific knowledge and exposure to best practice solutions implemented by other member lotteries.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Moderate

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|----------------------------------|--|--|--|--|--|---------|
| REDUCTION IN CRIMINAL BACKGROUND | | | | | | 3301490 |
| SCREENINGS | | | | | | 100000 |
| SPECIAL CATEGORIES | | | | | | 100777 |
| CONTRACTED SERVICES | | | | | | |

| | | | | | | |
|----------------------|--------|---------|--|--|--|--------|
| OPERATING TRUST FUND | -STATE | 40,000- | | | | 2510 1 |
|----------------------|--------|---------|--|--|--|--------|

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PRIORITY #21

ISSUE TITLE: Reduction in Criminal Background Screenings

SUMMARY:

This recurring reduction eliminates a criminal background screening at the point of retailer contract renewal, which occurs every four years. Currently, most U.S. Lotteries conduct investigations upon contract renewal. Approximately 15% of Florida Lottery renewals require an evaluation by the Security Division as a result of retailer criminal histories being revealed through a Florida Department of Law Enforcement (FDLE) records search. After Security evaluation,

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|----------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCTION IN CRIMINAL BACKGROUND | | | | | | |
| SCREENINGS | | | | | | 3301490 |

approximately 3% of retailer contracts are terminated due to criminal activity of the officers/owners.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|-------------------------------------|--|--|--|--|--|---------|
| REDUCTIONS IN BACKGROUND CHECKS FOR | | | | | | 3301530 |
| NEW HIRES AND CURRENT EMPLOYEES | | | | | | 100000 |
| SPECIAL CATEGORIES | | | | | | 100777 |
| CONTRACTED SERVICES | | | | | | |

| | | | | | | |
|----------------------|--------|---------|--|--|--|--------|
| OPERATING TRUST FUND | -STATE | 10,093- | | | | 2510 1 |
| ===== | | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #18

IT COMPONENT? NO

ISSUE TITLE: Reductions in Background Checks for New Hires and Current Employees

SUMMARY:

This recurring reduction eliminates budget that is used for Education Verification and Criminal History Checks for new hires and periodic screenings for current employees. The costs associated with running these reports and checks would be shifted to the individual or company being investigated as part of a background investigation.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Moderate

| | COL A91 | COL A92 | COL A93 | |
|-------------------------------------|--------------|--------------|--------------|---------------|
| | SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | |
| | REDC 20-21 | NR FY20-21 | ANZ FY20-21 | |
| | POS | AMOUNT | POS | AMOUNT |
| | | | | AMOUNT |
| | | | | CODES |
| LOTTERY, DEPARTMENT OF THE | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | 3300000 |
| REDUCTIONS IN BACKGROUND CHECKS FOR | | | | |
| NEW HIRES AND CURRENT EMPLOYEES | | | | 3301530 |

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | |
|------------------------------------------|--------|------------|-------|---------|
| REDUCTION IN PAID ADVERTISING AND | | | | |
| ADVERTISING AGENCY FEES | | | | 3301560 |
| SPECIAL CATEGORIES | | | | 100000 |
| ADVERTISING AGENCY FEES | | | | 102378 |
| OPERATING TRUST FUND | -STATE | 264,825- | | 2510 1 |
| | | ===== | ===== | |
| PAID ADVERTISING/PROMOTION | | | | 102380 |
| OPERATING TRUST FUND | -STATE | 1,031,249- | | 2510 1 |
| | | ===== | ===== | |
| TOTAL: REDUCTION IN PAID ADVERTISING AND | | | | 3301560 |
| ADVERTISING AGENCY FEES | | | | |
| TOTAL ISSUE..... | | 1,296,074- | | |
| | | ===== | ===== | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #27

IT COMPONENT? NO

ISSUE TITLE: Reduction in Paid Advertising and Advertising Agency Fees

SUMMARY:

This recurring reduction of \$1,031,249 to the Paid Advertising appropriation category would negatively impact the

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-----------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCTION IN PAID ADVERTISING AND | | | | | | |
| ADVERTISING AGENCY FEES | | | | | | 3301560 |

department's ability to promote new games and promotions. This would negatively impact lottery-related sales, and ultimately contributions to education.

This reduction also includes a \$264,825 reduction to the Advertising Agency Fees, which is linked to Paid Advertising spending. The Ad Agency Fee formula for Paid Advertising is 8.25% of the Paid Advertising. Reducing the fee will limit what the Advertising Agency will be able to produce on the department's behalf.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|-------------------------------------|--|--|--|--|--|---------|
| STAFF REDUCTIONS IN BRAND | | | | | | |
| MANAGEMENT | | | | | | 3301570 |
| SALARY RATE | | | | | | 000000 |
| SALARY RATE..... 35,304- | | | | | | |
| ===== | | | | | | |
| SALARIES AND BENEFITS | | | | | | 010000 |
| 1.00- | | | | | | |
| OPERATING TRUST FUND -STATE 57,973- | | | | | | 2510 1 |
| ===== | | | | | | |
| TOTAL: STAFF REDUCTIONS IN BRAND | | | | | | 3301570 |
| MANAGEMENT | | | | | | |
| TOTAL POSITIONS..... 1.00- | | | | | | |
| TOTAL ISSUE..... 57,973- | | | | | | |
| TOTAL SALARY RATE..... 35,304- | | | | | | |
| ===== | | | | | | |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|----------------------------|--|--|--|--|--|----------------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | <u>1601.00.00.00</u> |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN BRAND | | | | | | |
| MANAGEMENT | | | | | | 3301570 |
| ***** | | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #28

IT COMPONENT? NO

ISSUE TITLE: Staff Reductions in Brand Management

SUMMARY:

This recurring reduction eliminates 1 of the 8 positions in Brand Management. This reduction could significantly impact the department's ability to conduct the day-to-day business of marketing and advertising on behalf of the Lottery. Reducing the staff could limit on-sight activations, sponsorships and promotions. It could limit oversight for the Draw Studio contract, advertising monitoring, and the advertising budget. It could limit the amount of advertising output that can be managed, e.g., the total number of ads that can be produced. Further, it may impair the department's ability to further enhance Player Education (Play Responsibly) initiatives due to limited resources.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|------------------------------------|--------|-----------------------------------|--------|------------------------------------|--------|-------|
| SCH VIIIIB-1 REDUC 20-21 POS | AMOUNT | SCH VIIIIB-1 NR FY20-21 POS | AMOUNT | SCH VIIIIB-1 ANZ FY20-21 POS | AMOUNT | |

| | | | | | | |
|-----------------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN BRAND MANAGEMENT | | | | | | 3301570 |

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 1.00- | 35,304- | | 22,669- | 57,973- | 0.00 | 57,973- |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 57,973- |
| | 1.00- | 35,304- | | 22,669- | 57,973- | | 57,973- |

| | | | | | | | |
|---------------------------------------|----------|------------|--|--|--|--|---------|
| STAFF REDUCTIONS IN OPERATIONS | | | | | | | 3301610 |
| SALARY RATE | | | | | | | 000000 |
| SALARY RATE..... | 760,844- | | | | | | |
| SALARIES AND BENEFITS | | | | | | | 010000 |
| OPERATING TRUST FUND -STATE | 17.00- | 1,174,630- | | | | | 2510 1 |
| TOTAL: STAFF REDUCTIONS IN OPERATIONS | | | | | | | 3301610 |
| TOTAL POSITIONS..... | 17.00- | | | | | | |
| TOTAL ISSUE..... | | 1,174,630- | | | | | |
| TOTAL SALARY RATE..... | 760,844- | | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #31

IT COMPONENT? NO

| COL A91 | COL A92 | COL A93 | |
|--------------------------------|--------------|--------------|---------------|
| SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | |
| REDUC 20-21 | NR FY20-21 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT |
| | | | CODES |
| LOTTERY, DEPARTMENT OF THE | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | 16 |
| GOVERNMENTAL OPERATIONS | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | 3300000 |
| STAFF REDUCTIONS IN OPERATIONS | | | 3301610 |

ISSUE TITLE: Staff Reductions in Operations

SUMMARY:

This recurring reduction eliminates 17 positions in Operations (12 vacant and 5 filled). This represents a 31% reduction in staff, and includes reductions in Software and Data Services, Systems, Network and Client Services, Computer Operations, and Production Control. This reduction could lead to the department's inability to effectively maintain the Lottery's critical business applications which could adversely impact the ability to pay prizes and vendors efficiently and promptly. Further, this reduction in staff would require training for remaining staff to maintain and support the network infrastructure and critical business functions.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|--------|-----------|-----------|----------|------------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 17.00- | 760,844- | | 413,785- | 1,174,629- | 0.00 | 1,174,629- |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
 GOV OPERATIONS/SUPPORT
 GOVERNMENTAL OPERATIONS
 STATE FUNDING REDUCTIONS
 STAFF REDUCTIONS IN OPERATIONS

36000000
 36010000
 16
 1601.00.00.00
 3300000
 3301610

POSITION DETAIL OF SALARIES AND BENEFITS:

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

A91 - SCH VIIIIB-1 REDUC 20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

TOTALS FOR ISSUE BY FUND
 2510 OPERATING TRUST FUND

| | | | | | | |
|--------|----------|--|----------|------------|--|------------|
| 17.00- | 760,844- | | 413,785- | 1,174,629- | | 1,174,629- |
|--------|----------|--|----------|------------|--|------------|

OTHER SALARY AMOUNT
 2510 OPERATING TRUST FUND

1-
 1,174,630-

STAFF REDUCTION IN GRAPHICS
 SALARY RATE

3301630
 000000

SALARY RATE..... 25,065-
 =====

SALARIES AND BENEFITS

010000

OPERATING TRUST FUND -STATE 1.00- 45,924-
 =====

TOTAL: STAFF REDUCTION IN GRAPHICS

3301630

TOTAL POSITIONS..... 1.00-
 TOTAL ISSUE..... 45,924-
 TOTAL SALARY RATE..... 25,065-
 =====

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|--------|--------------|--------|--------------|--------|-------|
| SCH VIIIIB-1 | | SCH VIIIIB-1 | | SCH VIIIIB-1 | | |
| REDUC 20-21 | | NR FY20-21 | | ANZ FY20-21 | | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-----------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTION IN GRAPHICS | | | | | | 3301630 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #26

ISSUE TITLE: Staff Reduction in Graphics

SUMMARY:

This recurring reduction eliminates 1 of the 4 positions in Graphics. This reduction would result in negative impacts, including a reduction in point-of-sale (POS) output (which is a key driver of purchases/sales), and limited sign recommendations for non-POS items (e.g., signage, website, etc.).

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

POSITION DETAIL OF SALARIES AND BENEFITS:

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

A91 - SCH VIIIIB-1 REDUC 20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

P101 PROPOSED CLASS CODE
 N0001 001

| | | | | | | |
|-------|---------|--|---------|---------|------|---------|
| 1.00- | 25,065- | | 20,858- | 45,923- | 0.00 | 45,923- |
|-------|---------|--|---------|---------|------|---------|

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
 GOV OPERATIONS/SUPPORT
 GOVERNMENTAL OPERATIONS
 STATE FUNDING REDUCTIONS
 STAFF REDUCTION IN GRAPHICS

36000000
 36010000
 16
 1601.00.00.00
 3300000
 3301630

POSITION DETAIL OF SALARIES AND BENEFITS:

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

A91 - SCH VIIIIB-1 REDUC 20-21

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

TOTALS FOR ISSUE BY FUND
 2510 OPERATING TRUST FUND

| | | | | | | |
|-------|---------|--|---------|---------|--|---------|
| 1.00- | 25,065- | | 20,858- | 45,923- | | 45,923- |
|-------|---------|--|---------|---------|--|---------|

OTHER SALARY AMOUNT
 2510 OPERATING TRUST FUND

1-
 45,924-

REDUCTION IN BACKGROUND CHECK COSTS 3301730
 SPECIAL CATEGORIES 100000
 CONTRACTED SERVICES 100777

OPERATING TRUST FUND -STATE 4,500- 4,500- 2510 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #9

IT COMPONENT? NO

ISSUE TITLE: Reduction in Background Check Costs

SUMMARY:

This nonrecurring reduction represents reduced costs related to the conduct of background checks for employees, vendors,

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------------|---------|--------------|---------|--------------|----------------------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| | SCH VIIIIB-1 | | SCH VIIIIB-1 | | SCH VIIIIB-1 | 36000000 |
| | REDUC 20-21 | | NR FY20-21 | | ANZ FY20-21 | 36010000 |
| | | | | | | 16 |
| | | | | | | <u>1601.00.00.00</u> |
| | | | | | | 3300000 |
| | | | | | | 3301730 |

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
 GOV OPERATIONS/SUPPORT
 GOVERNMENTAL OPERATIONS
 STATE FUNDING REDUCTIONS
 REDUCTION IN BACKGROUND CHECK COSTS

36000000
 36010000
 16
 1601.00.00.00
 3300000
 3301730

and contractors. Due to office closures during a portion of the current fiscal year (Fiscal Year 2020-21), these expenditures were reduced. The issue represents a 30% reduction to the budget annually allocated for these expenditures (\$15,000). As staff, contractors, and vendors return, it is expected that these expenditures will return to the previous spending level.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

REDUCED USE OF SUNCOM SERVICES
 EXPENSES

3301760
 040000

OPERATING TRUST FUND -STATE 57,700- 57,700-
 =====

2510 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #12

IT COMPONENT? NO

ISSUE TITLE: Reduced Use of SUNCOM Services

SUMMARY:

This nonrecurring reduction relates to reduced usage of telecommunications services provided by the Department of Management Services, which is made possible due to the limited number of staff in their offices during a portion of the current fiscal year (Fiscal Year 2020-21). As staff return to offices, consumption will return to the previous levels, and budget will be needed to support expenditures for a full fiscal year. The issue represents a 13% reduction to the budget annually allocated for these expenditures (\$430,000).

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|--------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCED USE OF SUNCOM SERVICES | | | | | | 3301760 |

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|-----------------------------------|--------|--------|--------|--|--|---------|
| REDUCTION IN RETAILER APPLICATION | | | | | | |
| RECORD CHECKS | | | | | | 3301770 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| CONTRACTED SERVICES | | | | | | 100777 |
| OPERATING TRUST FUND | -STATE | 6,000- | 6,000- | | | 2510 1 |

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PRIORITY #13

ISSUE TITLE: Reduction in Retailer Application Record Checks

SUMMARY:

This nonrecurring reduction represents reduced expenditures for criminal record searches and credit checks on retailer applicants. The issue represents a 6.7% reduction to the budget annually allocated for these expenditures (\$90,800). It is anticipated that this reduction will have a minimal impact in the current fiscal year (Fiscal Year 2020-21), but that expenditures will return to the previous amount in the subsequent year.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-----------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCTION IN RETAILER APPLICATION | | | | | | |
| RECORD CHECKS | | | | | | 3301770 |

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|----------------------------------|--------|--------|--------|--|--|---------|
| REDUCE COMMUNICATIONS MEMBERSHIP | | | | | | 3301780 |
| AND SUBSCRIPTIONS | | | | | | 040000 |
| EXPENSES | | | | | | |
| OPERATING TRUST FUND | -STATE | 1,990- | 1,990- | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #14

IT COMPONENT? NO

ISSUE TITLE: Reduce Communications Memberships and Subscriptions

SUMMARY:

This nonrecurring reduction relates to the annual membership to the Florida Public Relations Association for the 3 employees in the Communications Office. Membership allows the employees to stay abreast of the issues and practices used by other Communications departments. In addition, the issue reduces subscriptions to online news outlets that require a paid subscription in order to view content. Without the subscriptions, the office may be unable to accurately view and track pertinent news relating to the department.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-------------------------------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE COMMUNICATIONS MEMBERSHIP AND SUBSCRIPTIONS | | | | | | 3301780 |

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|---------------------------------------------------------------|--------|------------|------------|--|--|---------|
| TEMPORARY REDUCTION IN COMMUNITY OUTREACH AND SPONSORSHIPS | | | | | | 3301790 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| PAID ADVERTISING/PROMOTION | | | | | | 102380 |
| OPERATING TRUST FUND | -STATE | 2,178,751- | 2,178,751- | | | 2510 1 |

=====

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #15

IT COMPONENT? NO

ISSUE TITLE: Temporary Reduction in Community Outreach and Sponsorships

SUMMARY:

This nonrecurring reduction represents the temporary elimination of the department's community outreach efforts and event sponsorships during the current fiscal Year (Fiscal Year 2020-21). The Florida Lottery historically partners with a range of diverse organizations across the state, focusing on opportunities that allow the department to share its mission of generating additional funds for Florida's students and schools.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|----------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| TEMPORARY REDUCTION IN COMMUNITY | | | | | | |
| OUTREACH AND SPONSORSHIPS | | | | | | 3301790 |

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|------------------------------|--------|---------|--|--|--|---------|
| ELIMINATE USE OF INFORMATION | | | | | | 33018C0 |
| TECHNOLOGY SECURITY PRODUCT | | | | | | 040000 |
| EXPENSES | | | | | | |
| OPERATING TRUST FUND | -STATE | 11,508- | | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #22

IT COMPONENT? YES

ISSUE TITLE: Eliminate Use of Information Technology Security Product

SUMMARY:

This recurring reduction eliminates funding to support IBM multi-factor authentication. This elimination would prevent the department from providing modern security measures and would increase the potential for security risks.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCTION IN RETAILER INCENTIVE | | | | | | |
| PROMOTIONS | | | | | | 3301820 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| RETAILER INCENTIVES | | | | | | 102388 |
| OPERATING TRUST FUND | -STATE | 139,500- | 139,500- | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #16

IT COMPONENT? NO

ISSUE TITLE: Reduction in Retailer Incentive Promotions

SUMMARY:
 This nonrecurring reduction relates to a reduced use of retailer incentives, which represent a highly effective resource to attract retailers to sell tickets and reward them for participating in promotions. Research has shown higher sales during promotional periods, and the department will work to minimize negative effects that a reduction in these efforts have on sales and transfers to support education. The issue represents a 6% reduction to the current budget in the Retailer Incentives appropriation category (\$2.325 million).

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------------|-------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDUC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| ELIMINATE INFORMATION TECHNOLOGY | | | | | | |
| TRAVEL TO DISTRICT OFFICES | | | | | | 3301840 |
| EXPENSES | | | | | | 040000 |
| OPERATING TRUST FUND | | | | | | |
| -STATE | 2,700- | | | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #17

ISSUE TITLE: Eliminate Information Technology Travel to District Offices

SUMMARY:

This recurring reduction eliminates bi-annual travel of information technology staff to each district office. This travel is used to provide support to the districts and help to address any information technology issues being experienced by the district staff, as they do not have on-site technical assistance. This reduction may negatively impact the district offices' efficiency, as issues may remain unaddressed that could result in significant problems.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Moderate

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | COL A91 | COL A92 | COL A93 | |
|------------------------------------------|--------------|--------------|--------------|---------------|
| | SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | |
| | REDUC 20-21 | NR FY20-21 | ANZ FY20-21 | |
| | POS | AMOUNT | POS | AMOUNT |
| | | | | AMOUNT |
| | | | | CODES |
| LOTTERY, DEPARTMENT OF THE | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | 3300000 |
| STAFF REDUCTION IN COMMUNICATIONS | | | | 3301860 |
| SALARY RATE | | | | 000000 |
| SALARY RATE..... | 31,772- | | | |
| ===== | | | | |
| SALARIES AND BENEFITS | | | | 010000 |
| OPERATING TRUST FUND | 1.00- | | | |
| -STATE | | 53,816- | | 2510 1 |
| ===== | | | | |
| TOTAL: STAFF REDUCTION IN COMMUNICATIONS | | | | 3301860 |
| TOTAL POSITIONS..... | 1.00- | | | |
| TOTAL ISSUE..... | | 53,816- | | |
| TOTAL SALARY RATE..... | 31,772- | | | |
| ===== | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #29

ISSUE TITLE: Staff Reduction in Communications

SUMMARY:

This recurring reduction eliminates 1 of the 3 positions in the Communications Office. This reduction will significantly reduce the ability of the department to effectively communicate the Lottery message.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-----------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTION IN COMMUNICATIONS | | | | | | 3301860 |

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 1.00- | 31,772- | | 22,044- | 53,816- | 0.00 | 53,816- |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 53,816- |
| | 1.00- | 31,772- | | 22,044- | 53,816- | | 53,816- |

ELIMINATE USE OF NETWORK MONITORING SOFTWARE EXPENSES 33019C0 040000

OPERATING TRUST FUND -STATE 9,000- 2510 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? YES
 PRIORITY #23

ISSUE TITLE: Eliminate Use of Network Monitoring Software

SUMMARY:

This recurring reduction eliminates funding to support the Microsoft Azure Analytics software. This elimination would hinder the network staff's ability to monitor the current state, health, and performance of the department's network components.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-------------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| ELIMINATE USE OF NETWORK MONITORING | | | | | | |
| SOFTWARE | | | | | | 33019C0 |

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|--------------------------|--------|---------|--|--|--|---------|
| REDUCE NUMBER OF COPIERS | | | | | | 3301950 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| LEASE/PURCHASE/EQUIPMENT | | | | | | 105281 |
| OPERATING TRUST FUND | -STATE | 76,810- | | | | 2510 1 |

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:
 PRIORITY #37

IT COMPONENT? NO

ISSUE TITLE: Reduce Number of Copiers

SUMMARY:

This recurring issue reduces budget authority that supports the Lease/Purchase of Copiers. The reduction would require the elimination of 8 copier leases, which would negatively impact employee productivity and likely result in maintenance issues on the remaining machines due to excess use. The reduction represents 44% of the department's recurring budget authority in the Lease/Purchase of Equipment appropriation category.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------|--------|---------|--------|---------|--------|---------------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE NUMBER OF COPIERS | | | | | | 3301950 |

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|--------------------------------------------------------|--------|---------|--|--|--|---------|
| ELIMINATE THE ELECTRONIC DOCUMENT MANAGEMENT SYSTEM | | | | | | 33021C0 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| CONTRACTED SERVICES | | | | | | 100777 |
| OPERATING TRUST FUND | -STATE | 42,112- | | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #51

IT COMPONENT? YES

ISSUE TITLE: Eliminate the Electronic Document Management System

SUMMARY:

This recurring issue eliminates funds that support the department's Electronic Document Management System (EDMS). The EDMS streamlines many paper-intensive businesses processes, manual workflows, and manual document retention activities, thereby enabling department staff to complete tasks more efficiently and effectively while providing the best customer service possible. Data is stored electronically, thus making department-wide access to critical information nearly instantaneous, allowing for more accurate decision making and faster task completion.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|-------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDUC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-----------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| ELIMINATE THE ELECTRONIC DOCUMENT | | | | | | |
| MANAGEMENT SYSTEM | | | | | | 33021C0 |

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|--------------------------------|--------|--------|--------|--|--|---------|
| REDUCE TRAVEL TO DISTRICTS FOR | | | | | | 3302110 |
| PRODUCT AND SALES TEAM | | | | | | 040000 |
| EXPENSES | | | | | | |
| OPERATING TRUST FUND | -STATE | 7,176- | 7,176- | | | 2510 1 |

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AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #41

IT COMPONENT? NO

ISSUE TITLE: Reduce Travel to Districts for Product and Sales Team

SUMMARY:

This nonrecurring issue reduces budget authority for travel to district offices by the Director of Sales and the Deputy of Product and Sales. This reduction would impact the department's ability to adequately conduct oversight of the district offices to ensure that critical programs are in place and that the districts are adhering to the necessary department guidelines.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|--------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE TRAVEL TO DISTRICTS FOR | | | | | | |
| PRODUCT AND SALES TEAM | | | | | | 3302110 |

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|-----------------------------------|--------|--|--------|--|--|---------|
| REDUCE CONDUCT OF MARKET RESEARCH | | | | | | |
| FOCUS GROUPS | | | | | | 3302120 |
| EXPENSES | | | | | | 040000 |
| OPERATING TRUST FUND | -STATE | | 6,650- | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #42

IT COMPONENT? NO

ISSUE TITLE: Reduce Conduct of Market Research Focus Groups

SUMMARY:

This recurring issue reduces budget authority used for travel to conduct market research focus groups. Market research directly influences business decisions that guide the sales team and has a direct correlation with the sales successes of the department.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | COL A91 | COL A92 | COL A93 | | |
|-----------------------------------------------------------|--------------|--------------|--------------|--------|---------------|
| | SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | | |
| | REDUC 20-21 | NR FY20-21 | ANZ FY20-21 | | |
| POS | AMOUNT | POS | AMOUNT | POS | |
| | | | | AMOUNT | |
| | | | | CODES | |
| LOTTERY, DEPARTMENT OF THE | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | 3300000 |
| STAFF REDUCTION IN INFORMATION SECURITY MANAGEMENT | | | | | 3302130 |
| SALARY RATE | | | | | 000000 |
| SALARY RATE..... | 57,677- | | | | |
| ===== | | | | | |
| SALARIES AND BENEFITS | | | | | 010000 |
| OPERATING TRUST FUND -STATE | 1.00- | 84,304- | | | 2510 1 |
| ===== | | | | | |
| TOTAL: STAFF REDUCTION IN INFORMATION SECURITY MANAGEMENT | | | | | 3302130 |
| TOTAL POSITIONS..... | 1.00- | | | | |
| TOTAL ISSUE..... | | 84,304- | | | |
| TOTAL SALARY RATE..... | 57,677- | | | | |
| ===== | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #52

ISSUE TITLE: Staff Reduction in Information Security Management

SUMMARY:

This recurring reduction eliminates the Data Security Administrator II position, which represents 1 of the 3 positions in Information Security Management, a 33% reduction in staffing. This is a highly critical position in an area that ensures the security of the department's information technology systems and infrastructure.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|--------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTION IN INFORMATION | | | | | | |
| SECURITY MANAGEMENT | | | | | | 3302130 |

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 1.00- | 57,677- | | 26,627- | 84,304- | 0.00 | 84,304- |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 84,304- |
| | 1.00- | 57,677- | | 26,627- | 84,304- | | 84,304- |

| | | | | | | | |
|------------------------------------------------------|---------|---------|--|--|--|--|---------|
| STAFF REDUCTION IN SOFTWARE QUALITY ASSURANCE | | | | | | | 3302140 |
| SALARY RATE | | | | | | | 000000 |
| SALARY RATE..... | 40,366- | | | | | | |
| SALARIES AND BENEFITS | | | | | | | 010000 |
| OPERATING TRUST FUND -STATE | 1.00- | 63,931- | | | | | 2510 1 |
| TOTAL: STAFF REDUCTION IN SOFTWARE QUALITY ASSURANCE | | | | | | | 3302140 |
| TOTAL POSITIONS..... | 1.00- | | | | | | |
| TOTAL ISSUE..... | | 63,931- | | | | | |
| TOTAL SALARY RATE..... | 40,366- | | | | | | |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-----------------------------------------------|--|--|--|--|--|----------------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | <u>1601.00.00.00</u> |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTION IN SOFTWARE QUALITY ASSURANCE | | | | | | 3302140 |
| ***** | | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #55

IT COMPONENT? NO

ISSUE TITLE: Staff Reduction in Software Quality Assurance

SUMMARY:

This recurring reduction eliminates 1 position in Software Quality Assurance, which represents a staff reduction of 20%. The team ensures that gaming system software changes introduced to the system keep the system selling tickets and paying prizes. This reduction would significantly impact the team's ability to thoroughly test games changes. Game changes are essential to keeping products fresh, players engaged, and have a direct impact on sales. Each member of the team is vital to the build, test, correct cycle that keeps the system operating effectively. Should a software issue prevent the Lottery from selling tickets for just one day, the losses can be measured in millions of dollars in lost transfers to education.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | |
|-----------------------------------------------|---------------|
| LOTTERY, DEPARTMENT OF THE | 36000000 |
| PGM: LOTTERY OPERATIONS | 36010000 |
| GOV OPERATIONS/SUPPORT | 16 |
| GOVERNMENTAL OPERATIONS | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | 3300000 |
| STAFF REDUCTION IN SOFTWARE QUALITY ASSURANCE | 3302140 |

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 1.00- | 40,366- | | 23,565- | 63,931- | 0.00 | 63,931- |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 63,931- |
| | 1.00- | 40,366- | | 23,565- | 63,931- | | 63,931- |

| | | | | | | |
|---------------------------------|----------|----------|--|--|--|---------|
| STAFF REDUCTION IN GAMES | | | | | | |
| ADMINISTRATION | | | | | | 3302150 |
| SALARY RATE | | | | | | 000000 |
| SALARY RATE..... | 300,353- | | | | | |
| SALARIES AND BENEFITS | | | | | | 010000 |
| OPERATING TRUST FUND -STATE | 6.00- | 452,024- | | | | 2510 1 |
| TOTAL: STAFF REDUCTION IN GAMES | | | | | | 3302150 |
| ADMINISTRATION | | | | | | |
| TOTAL POSITIONS..... | 6.00- | | | | | |
| TOTAL ISSUE..... | | 452,024- | | | | |
| TOTAL SALARY RATE..... | 300,353- | | | | | |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|----------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTION IN GAMES | | | | | | |
| ADMINISTRATION | | | | | | 3302150 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #56

IT COMPONENT? NO

ISSUE TITLE: Staff Reduction in Games Administration

SUMMARY:

This recurring reduction eliminates 6 positions in Games Administration, which represents a staff reduction of 25%. The team is responsible for draw processing and customer service. This reduction would make it impossible for the Lottery to conduct and process 73 draw game drawings each week in a secure and auditable fashion. The department's ability to conduct and maintain the integrity of draws directly impacts tickets sales. Maintaining customer loyalty and appreciation is vital to our business. Reducing positions from the Games Administration team would decrease customer satisfaction and increase wait times for customer service. Players could perceive those service changes as negative and choose to no longer buy Lottery products.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|------------------------------------|--------|-----------------------------------|--------|------------------------------------|--------|-------|
| SCH VIIIIB-1 REDUC 20-21 POS | AMOUNT | SCH VIIIIB-1 NR FY20-21 POS | AMOUNT | SCH VIIIIB-1 ANZ FY20-21 POS | AMOUNT | |

| | | | | | | |
|----------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTION IN GAMES | | | | | | |
| ADMINISTRATION | | | | | | 3302150 |

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 6.00- | 300,353- | | 151,671- | 452,024- | 0.00 | 452,024- |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 452,024- |
| | 6.00- | 300,353- | | 151,671- | 452,024- | | 452,024- |

| | | | | | | | |
|-------------------------------|--------|---------|--|--|--|--|---------|
| ELIMINATE USE OF THE CHERWELL | | | | | | | |
| SERVICE PLATFORM | | | | | | | 33022C0 |
| SPECIAL CATEGORIES | | | | | | | 100000 |
| CONTRACTED SERVICES | | | | | | | 100777 |
| OPERATING TRUST FUND | -STATE | 49,530- | | | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #57

IT COMPONENT? YES

ISSUE TITLE: Eliminate Use of the Cherwell Service Platform

SUMMARY:

This recurring reduction eliminates the use of the Cherwell Service Platform product. This elimination would require the

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| ELIMINATE USE OF THE CHERWELL | | | | | | |
| SERVICE PLATFORM | | | | | | 33022C0 |

department to revert to old, manual processes for certain human resource and information technology functions, leading to inefficiencies and would prevent the department from further improving and streamlining processes. The platform also allows for improved measurement and metrics reporting.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

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|----------------------------------|--|--|--|--|--|---------|
| REDUCTION TO RETAILER INCENTIVES | | | | | | 3302200 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| RETAILER INCENTIVES | | | | | | 102388 |

| | | | | | | |
|----------------------|--------|----------|--|--|--|--------|
| OPERATING TRUST FUND | -STATE | 360,500- | | | | 2510 1 |
| ===== | | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #48

IT COMPONENT? NO

ISSUE TITLE: Reduction to Retailer Incentives

SUMMARY:

This recurring issue reduces the budget authority in the Retailer Incentives appropriation category by 15.5%. Combined with the nonrecurring reduction included in issue 3301820, it would represent a reduction of \$500,000, or 21.5%. Retailer incentives are a highly effective resource to attract retailers to sell tickets and reward them for participating in promotions. Research has shown higher sales during promotional periods, so it is likely that this reduction would negatively impact transfers to the Educational Enhancement Trust Fund.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|----------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCTION TO RETAILER INCENTIVES | | | | | | 3302200 |

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|------------------------------|--------|---------|--|--|--|---------|
| ELIMINATE THE EMERGENCY | | | | | | |
| NOTIFICATION SYSTEM CONTRACT | | | | | | 3302230 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| CONTRACTED SERVICES | | | | | | 100777 |
| OPERATING TRUST FUND | -STATE | 11,398- | | | | 2510 1 |

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #59

ISSUE TITLE: Eliminate the Emergency Notification System Contract

SUMMARY:

This recurring reduction eliminates budget authority that supports the contract for the department's emergency notification system. This service provides for timely communication to department employees during times of emergency by providing mass notification concerning preparation, response, office closures, and other activities related to emergency management.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| ELIMINATE THE EMERGENCY | | | | | | |
| NOTIFICATION SYSTEM CONTRACT | | | | | | 3302230 |

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|-------------------------|--------|---------|--|--|--|---------|
| REDUCE DRAW AGENTS AND | | | | | | 3302240 |
| ACCREDITATION MANAGER | | | | | | 030000 |
| OTHER PERSONAL SERVICES | | | | | | |
| OPERATING TRUST FUND | -STATE | 50,000- | | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #60

IT COMPONENT? NO

ISSUE TITLE: Reduce Draw Agents and Accreditation Manager

SUMMARY:

This recurring reduction eliminates budget authority that supports draw agents and the accreditation manager. Reducing draw agents will have a significant impact on the Division of Security's responsibilities outlined in Chapter 24, Florida Statutes. In addition, the accreditation manager is responsible for ensuring that the Division of Security maintains its accredited status with the Commission for Law Enforcement Accreditation. This is a crucial program that ensures that the Division of Security meets all required standards and is held to the highest of industry standards for public safety. The reduction would significantly impact the department's ability to ensure the integrity of the Lottery through the delivery of professional services and to meet the statutory requirements for draw management.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|----------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE DRAW AGENTS AND | | | | | | |
| ACCREDITATION MANAGER | | | | | | 3302240 |

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|---------------------------------|--------|--|--------|--|--|---------|
| ELIMINATE FEES AND DUES FOR THE | | | | | | |
| DIVISION OF SECURITY'S LAW | | | | | | |
| ENFORCEMENT STAFF | | | | | | 3302250 |
| EXPENSES | | | | | | 040000 |
| OPERATING TRUST FUND | -STATE | | 5,871- | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #61

IT COMPONENT? NO

ISSUE TITLE: Eliminate Fees and Dues for the Division of Security's Law Enforcement Staff

SUMMARY:

This recurring reduction eliminates budget authority that supports fees and dues that provide essential training focused on leadership development, professional development, and emergency services training. The Division of Security's ability to network with other law enforcement agencies and maintain current training for staff would be significantly impacted with the elimination of this allocation.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|--------|--------------|--------|--------------|--------|-------|
| SCH VIIIIB-1 | | SCH VIIIIB-1 | | SCH VIIIIB-1 | | |
| REDUC 20-21 | | NR FY20-21 | | ANZ FY20-21 | | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
GOV OPERATIONS/SUPPORT
GOVERNMENTAL OPERATIONS
 STATE FUNDING REDUCTIONS
 ELIMINATE FEES AND DUES FOR THE
 DIVISION OF SECURITY'S LAW
 ENFORCEMENT STAFF

36000000
 36010000
 16
1601.00.00.00
 3300000

 3302250

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

REDUCE FUNDING FOR THE DIVISION OF
 SECURITY'S COMPLIANCE OPERATIONS
 EXPENSES

3302260
 040000

OPERATING TRUST FUND -STATE 23,000- 2510 1

=====

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #62

IT COMPONENT? NO

ISSUE TITLE: Reduce Funding for the Division of Security's Compliance Operations

SUMMARY:

This recurring issue reduces budget authority used for compliance operations, inspections, and retailer education. The reduction would have a direct, negative impact on the Division of Security's ability to ensure the integrity of Lottery games. Retailers would go unchecked when complaints of fraudulent activity are reported.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|------------------------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| ELIMINATE FUNDING FOR DRAW AUDITING FIRM | | | | | | 3302270 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| CONTRACTED SERVICES | | | | | | 100777 |
| OPERATING TRUST FUND | -STATE | 260,000- | | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #63

IT COMPONENT? NO

ISSUE TITLE: Eliminate Funding for Draw Auditing Firm

SUMMARY:

This recurring reduction eliminates budget authority used to support the department's contracted draw auditor. This firm audits terminal games and raffles, second chance drawings, and promotional events. This issue eliminates the Division of Security's ability to conduct draws and meet its draw management responsibilities outlined in Chapter 24, Florida Statutes.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|------------------------------|---------|---------|--------|---------|--------|---------------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| ELIMINATE FUNDING FOR THE | | | | | | |
| MAINTENANCE OF DRAW MACHINES | | | | | | 3302280 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| CONTRACTED SERVICES | | | | | | 100777 |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| -STATE | 15,550- | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #64

IT COMPONENT? NO

ISSUE TITLE: Eliminate Funding for the Maintenance of Draw Machines

SUMMARY:

This recurring reduction eliminates budget authority used to support the maintenance of the department's draw machines. Without proper maintenance, draw machines will fail, impacting the integrity of draw games and likely resulting in decreased transfers in support of education.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | | 1601.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE USE OF STAFF AUGMENTATION | | | | | | |
| FOR CHERWELL SERVICE PLATFORM | | | | | | 33023C0 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| CONTRACTED SERVICES | | | | | | 100777 |
| OPERATING TRUST FUND | -STATE | 44,000- | 44,000- | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #11

IT COMPONENT? YES

ISSUE TITLE: Reduce Use of Staff Augmentation for Cherwell Service Platform

SUMMARY:

This nonrecurring reduction represents the elimination of budget allocated to staff augmentation services to assist with the development, configuration, and deployment of the Cherwell Service Platform, including additional configuration beyond the base functionality. The Cherwell Service Platform is used as an internal customer support portal for department employees requiring information technology or human resource assistance. The platform was recently deployed, the department anticipates that staff augmentation services will be needed to develop custom solutions necessary to fully realize efficiencies by automating existing manual workflows and processes, integrating existing systems, and replacing legacy systems.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | COL A91 | COL A92 | COL A93 | | |
|-----------------------------------|--------------|--------------|--------------|--------|---------------|
| | SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | | |
| | REDUC 20-21 | NR FY20-21 | ANZ FY20-21 | | |
| POS | AMOUNT | POS | AMOUNT | POS | |
| | | | | AMOUNT | |
| | | | | CODES | |
| LOTTERY, DEPARTMENT OF THE | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | 16 |
| GOVERNMENTAL OPERATIONS | | | | | 1601.00.00.00 |
| TOTAL: GOVERNMENTAL OPERATIONS | | | | | 1601.00.00.00 |
| BY FUND TYPE | | | | | |
| TRUST FUNDS..... | 124.00- | | | | |
| SALARY RATE..... | 13,715,905- | 2,699,536- | | | 2000 |
| | 4,679,770- | | | | |
| | ===== | ===== | ===== | | |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | 1602.00.00.00 |
| PROGRAM REDUCTIONS | | | | | 33V0000 |
| UTILITIES SAVINGS AT HEADQUARTERS | | | | | |
| BUILDING | | | | | 33V0120 |
| EXPENSES | | | | | 040000 |
| OPERATING TRUST FUND | -STATE | 10,000- | | | 2510 1 |
| | | ===== | ===== | ===== | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #2

IT COMPONENT? NO

ISSUE TITLE: Utilities Savings at Headquarters Building

SUMMARY:

This recurring reduction relates to estimated utilities savings at the Department of the Lottery's (department) headquarters building in Tallahassee. In April 2020, the department entered into a savings agreement with the City of Tallahassee that will result in a 7 percent utilities savings each month. This reduction is the result of those anticipated monthly savings.

IMPACT OF REDUCTION: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | COL A91 | COL A92 | COL A93 | |
|------------------------------------|--------------|--------------|--------------|---------------|
| | SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | |
| | REDC 20-21 | NR FY20-21 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS |
| | | | | AMOUNT |
| | | | | CODES |
| LOTTERY, DEPARTMENT OF THE | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | 3300000 |
| REDUCE WASTE DISPOSAL COSTS | | | | 3301130 |
| EXPENSES | | | | 040000 |
| OPERATING TRUST FUND -STATE | 4,500- | 4,500- | | 2510 1 |
| SPECIAL CATEGORIES | | | | 100000 |
| CONTRACTED SERVICES | | | | 100777 |
| OPERATING TRUST FUND -STATE | 2,500- | 2,500- | | 2510 1 |
| TOTAL: REDUCE WASTE DISPOSAL COSTS | | | | 3301130 |
| TOTAL ISSUE..... | 7,000- | 7,000- | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #3

IT COMPONENT? NO

ISSUE TITLE: Reduce Waste Disposal Costs

SUMMARY:

This nonrecurring reduction relates to reduced costs for the disposal of paper and other items, primarily made possible due to the reduced number of staff in offices and traveling during a portion of the current fiscal year (Fiscal Year 2020-21).

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE TRAVEL AND TRAINING | | | | | | 3301140 |
| EXPENSES | | | | | | 040000 |
| OPERATING TRUST FUND | -STATE | 39,600- | 39,600- | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #4

ISSUE TITLE: Reduce Travel and Training

SUMMARY:

This nonrecurring reduction relates to reduced costs for travel and training, primarily made possible to the limited travel occurring during a portion of the current fiscal year (Fiscal Year 2020-21). Examples of anticipated savings include:

- Reduced expenditures for fuel and vehicle maintenance;
- Reduced travel/training for Security Officers at the Florida Public Safety Institute, the FDLE Senior Leadership Program, CJIS Annual Training Symposium, and attendance at conferences including the Florida Intelligence Conference, Florida Police Accreditation Coalition Conference, and Governor's Hurricane Conference;
- Reduced training for Information Technology and Accounting staff; and
- Reduced retailer compliance operations, inspections, and Education Program.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|-------------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE SOFTWARE AND EQUIPMENT | | | | | | |
| PURCHASES | | | | | | 3301150 |
| EXPENSES | | | | | | 040000 |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| -STATE | 1,398- | | 1,398- | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #5

IT COMPONENT? NO

ISSUE TITLE: Reduce Software and Equipment Purchases

SUMMARY:

This nonrecurring reduction relates to the delay of purchases for necessary software and other equipment. While these purchases can be delayed without significant impacts to operations, these may occur in the future if the purchases cannot be completed. Examples of delay purchases include:

- Delay upgrade of Vizio software used to complete organizational charts and other documents;
- Delay migration to the most current version of the accounting software used by the department (delaying this upgrade by more than one year may create significant risks for the department's financial data);
- Delay computer monitors replacement;
- Delay purchase of computer to support Information Security Management issues;
- Delay purchase of necessary graphics software; and
- Delay use of consulting services to update the Maestro software (player notification emails are dependent upon this software.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE OFFICE SUPPLY USAGE | | | | | | 3301160 |
| EXPENSES | | | | | | 040000 |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| -STATE | 900- | 900- | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #6

IT COMPONENT? NO

ISSUE TITLE: Reduce Office Supply Usage

SUMMARY:

This nonrecurring reduction relates to reduced office supply costs and is primarily made possible due to the limited number of staff in offices during a portion of the current fiscal year (Fiscal Year 2020-21). As staff return to offices, these expenditures will resume, and budget will be needed to support expenditures for a full fiscal year. Specifically, this issue includes reduced purchases of paper, folders, letterhead, envelopes, toner, and other office incidentals for both staff in the Headquarters building and district offices.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|-----------------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| UTILITIES SAVINGS IN HEADQUARTERS | | | | | | |
| BUILDING DUE TO OFFICE CLOSURE | | | | | | 3301170 |
| EXPENSES | | | | | | 040000 |
| OPERATING TRUST FUND | | | | | | |
| -STATE | 20,000- | | 20,000- | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #7

IT COMPONENT? NO

ISSUE TITLE: Utilities Savings in Headquarters Building Due to Office Closure

SUMMARY:

This nonrecurring reduction relates to reduced utilities costs and is made possible due to the limited number of staff in the Headquarters building during a portion of the current fiscal year (Fiscal Year 2020-21). As staff return to offices, consumption will return to previous levels, and budget will be needed to support expenditures for a full fiscal year.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | COL A91 | COL A92 | COL A93 | |
|---------------------------------------|--------------|--------------|--------------|---------------|
| | SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | |
| | REDUC 20-21 | NR FY20-21 | ANZ FY20-21 | |
| | POS | AMOUNT | POS | AMOUNT |
| | | | | AMOUNT |
| | | | | CODES |
| LOTTERY, DEPARTMENT OF THE | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | 3300000 |
| STAFF REDUCTIONS IN ACCOUNTING | | | | 3301360 |
| SALARY RATE | | | | 000000 |
| SALARY RATE..... | 288,775- | | | |
| ===== | | | | |
| SALARIES AND BENEFITS | | | | 010000 |
| | 7.00- | | | |
| OPERATING TRUST FUND -STATE | | 454,822- | | 2510 1 |
| ===== | | | | |
| TOTAL: STAFF REDUCTIONS IN ACCOUNTING | | | | 3301360 |
| TOTAL POSITIONS..... | 7.00- | | | |
| TOTAL ISSUE..... | | 454,822- | | |
| TOTAL SALARY RATE..... | 288,775- | | | |
| ===== | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #40

IT COMPONENT? NO

ISSUE TITLE: Staff Reductions in Accounting

SUMMARY:

This recurring reduction eliminates 7 of the 15 positions in the Accounting Office. This reduction would significantly reduce the department's ability to carry out its primary accounting functions, including:

- Accounts Payable: processing vendor, travel, purchasing card, and MyFloridaMarketPlace payments and effectively manage prompt payment compliance;
- Cash Management: daily cash and investment analysis, handling retailers' weekly sweep of bank accounts, and transferring profits to the Educational Enhancement Trust Fund (EETF); and
- Financial Reporting: calculating the transfer to the EETF accurately and timely and preparing monthly and annual financial statements required by law.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|--------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN ACCOUNTING | | | | | | 3301360 |

operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 7.00- | 288,775- | | 166,047- | 454,822- | 0.00 | 454,822- |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 454,822- |
| | 7.00- | 288,775- | | 166,047- | 454,822- | | 454,822- |

STAFF REDUCTIONS IN THE OFFICE OF
 INSPECTOR GENERAL

| | | | | | | | |
|---------------------------------------------------------------|----------|----------|--|--|--|--|---------|
| SALARY RATE | | | | | | | 3301400 |
| SALARY RATE..... | 137,215- | | | | | | 000000 |
| SALARIES AND BENEFITS | | | | | | | 010000 |
| OPERATING TRUST FUND -STATE | 3.00- | 210,757- | | | | | 2510 1 |
| TOTAL: STAFF REDUCTIONS IN THE OFFICE OF INSPECTOR GENERAL | | | | | | | 3301400 |
| TOTAL POSITIONS..... | 3.00- | | | | | | |
| TOTAL ISSUE..... | | 210,757- | | | | | |
| TOTAL SALARY RATE..... | 137,215- | | | | | | |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-----------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN THE OFFICE OF | | | | | | |
| INSPECTOR GENERAL | | | | | | 3301400 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #47

IT COMPONENT? NO

ISSUE TITLE: Staff Reductions in the Office of the Inspector General

SUMMARY:

This recurring reduction eliminates 3 auditor/investigator positions in the Office of the Inspector General, which represents a staff reduction of 17%. The reduction would directly impact the department's ability to perform audits and investigations as statutorily mandated in section 20.055, Florida Statutes.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 3.00- | 137,215- | | 73,543- | 210,758- | 0.00 | 210,758- |

| COL A91 | COL A92 | COL A93 | |
|--------------|--------------|--------------|--------|
| SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | |
| REDC 20-21 | NR FY20-21 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT |

CODES

| | |
|-----------------------------------------------------|---------------|
| LOTTERY, DEPARTMENT OF THE | 36000000 |
| PGM: LOTTERY OPERATIONS | 36010000 |
| GOV OPERATIONS/SUPPORT | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | 3300000 |
| STAFF REDUCTIONS IN THE OFFICE OF INSPECTOR GENERAL | 3301400 |

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 210,758- |
| | 3.00- | 137,215- | | 73,543- | 210,758- | | 210,758- |
| OTHER SALARY AMOUNT | | | | | | | 1 |
| 2510 OPERATING TRUST FUND | | | | | | | 210,757- |

| | | |
|--------------------------------------------|----------------|---------|
| STAFF REDUCTIONS IN HUMAN RESOURCES | | 3301410 |
| SALARY RATE | | 000000 |
| SALARY RATE..... | 106,429- | |
| SALARIES AND BENEFITS | | 010000 |
| OPERATING TRUST FUND -STATE | 3.00- 174,526- | 2510 1 |
| TOTAL: STAFF REDUCTIONS IN HUMAN RESOURCES | | 3301410 |
| TOTAL POSITIONS..... | 3.00- | |
| TOTAL ISSUE..... | 174,526- | |
| TOTAL SALARY RATE..... | 106,429- | |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|--------|--------------|--------|--------------|--------|-------|
| SCH VIIIIB-1 | | SCH VIIIIB-1 | | SCH VIIIIB-1 | | |
| REDUC 20-21 | | NR FY20-21 | | ANZ FY20-21 | | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-------------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTIONS IN HUMAN RESOURCES | | | | | | 3301410 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #25

IT COMPONENT? NO

ISSUE TITLE: Staff Reductions in Human Resources

SUMMARY:

This recurring reduction eliminates 3 of the 6.5 positions in Human Resources. This reduction would significantly impact the following services performed by the office: recruitment and selection, classification, payroll, processing of attendance and leave, workers' compensation, criminal justice incentive pay (CJIP), overtime, overpayments, benefits, processing of retirement/DROP paperwork, processing of Family Medical Leave Act (FMLA), sick leave transfer program, department-wide training, etc.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
 GOV OPERATIONS/SUPPORT
 EXEC LEADERSHIP/SUPPRT SVC
 STATE FUNDING REDUCTIONS
 STAFF REDUCTIONS IN HUMAN RESOURCES

36000000
 36010000
 16
 1602.00.00.00
 3300000
 3301410

POSITION DETAIL OF SALARIES AND BENEFITS:

| FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | |
| N0001 001 | | | | | | |
| 3.00- | 106,429- | | 68,097- | 174,526- | 0.00 | 174,526- |
| TOTALS FOR ISSUE BY FUND | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | |
| 3.00- | 106,429- | | 68,097- | 174,526- | | 174,526- |

STAFF REDUCTION IN THE BUDGET
 OFFICE 3301580
 SALARY RATE 000000
 SALARY RATE..... 88,329-
 SALARIES AND BENEFITS 010000
 OPERATING TRUST FUND -STATE 1.00- 120,378- 2510 1
 TOTAL: STAFF REDUCTION IN THE BUDGET 3301580
 OFFICE
 TOTAL POSITIONS..... 1.00-
 TOTAL ISSUE..... 120,378-
 TOTAL SALARY RATE..... 88,329-

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|--------------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTION IN THE BUDGET OFFICE | | | | | | 3301580 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #49

ISSUE TITLE: Staff Reduction in the Budget Office

SUMMARY:

This recurring reduction eliminates 1 position in the Budget Office, which represents a 50% reduction in staffing. This reduction would significantly impact the ability of the office to timely process requests pertaining to budget items for both internal and external parties.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 1.00- | 88,329- | | 32,049- | 120,378- | 0.00 | 120,378- |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|------------------------------------|--------|-----------------------------------|--------|------------------------------------|--------|-------|
| SCH VIIIIB-1 REDUC 20-21 POS | AMOUNT | SCH VIIIIB-1 NR FY20-21 POS | AMOUNT | SCH VIIIIB-1 ANZ FY20-21 POS | AMOUNT | |

| | |
|--------------------------------------|---------------|
| LOTTERY, DEPARTMENT OF THE | 36000000 |
| PGM: LOTTERY OPERATIONS | 36010000 |
| GOV OPERATIONS/SUPPORT | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | 3300000 |
| STAFF REDUCTION IN THE BUDGET OFFICE | 3301580 |

POSITION DETAIL OF SALARIES AND BENEFITS:

| FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | |
| TOTALS FOR ISSUE BY FUND | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | 120,378- |
| 1.00- | 88,329- | | 32,049- | 120,378- | | 120,378- |

| | | |
|--------------------------------------------------------------|----------------|---------|
| STAFF REDUCTIONS IN THE OFFICE OF THE GENERAL COUNSEL | | 3301590 |
| SALARY RATE | | 000000 |
| SALARY RATE..... | 101,366- | |
| ===== | | |
| SALARIES AND BENEFITS | | 010000 |
| OPERATING TRUST FUND -STATE | 1.00- 135,722- | 2510 1 |
| ===== | | |
| TOTAL: STAFF REDUCTIONS IN THE OFFICE OF THE GENERAL COUNSEL | | 3301590 |
| TOTAL POSITIONS..... | 1.00- | |
| TOTAL ISSUE..... | 135,722- | |
| TOTAL SALARY RATE..... | 101,366- | |
| ===== | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #46

| COL A91 | COL A92 | COL A93 | CODES |
|----------------------------------------------------------|--------------|--------------|---------------|
| SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | |
| REDUC 20-21 | NR FY20-21 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT |
| LOTTERY, DEPARTMENT OF THE | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | 3300000 |
| STAFF REDUCTIONS IN THE OFFICE OF THE GENERAL COUNSEL | | | 3301590 |

ISSUE TITLE: Staff Reductions in the Office of the General Counsel

SUMMARY:

This recurring reduction eliminates the Deputy General Counsel position, which is 1 of the 3 attorney positions in the Office of the General Counsel. Removal of the Deputy General Counsel would significantly reduce the legal reviews, legal advice, contract drafting, contract compliance, negotiation, and other activities able to be performed by the Office of the General Counsel. Given the current workload in the Office of the General Counsel, the loss of any position would create significant difficulties for the department.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 1.00- | 101,366- | | 34,355- | 135,721- | 0.00 | 135,721- |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
 GOV OPERATIONS/SUPPORT
 EXEC LEADERSHIP/SUPPRT SVC
 STATE FUNDING REDUCTIONS
 STAFF REDUCTIONS IN THE OFFICE
 OF THE GENERAL COUNSEL

36000000
 36010000
 16
 1602.00.00.00
 3300000
 3301590

POSITION DETAIL OF SALARIES AND BENEFITS:

| FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | |
| TOTALS FOR ISSUE BY FUND | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | |
| 1.00- | 101,366- | | 34,355- | 135,721- | | 135,721- |
| ===== | | | | | | |
| OTHER SALARY AMOUNT | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | |
| | | | | | | 1- |
| | | | | | | 135,722- |
| ===== | | | | | | |

REDUCED USE OF CONTRACTED AUDIT
 STAFF IN COMPLETION OF INFORMATION
 TECHNOLOGY AUDITS
 SPECIAL CATEGORIES
 CONTRACTED SERVICES

33017C0
 100000
 100777

OPERATING TRUST FUND -STATE 50,000- 50,000- 2510 1

=====

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? YES
 PRIORITY #8

ISSUE TITLE: Reduced Use of Contracted Audit Staff in Completion of Information Technology Audits

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|------------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCED USE OF CONTRACTED AUDIT | | | | | | |
| STAFF IN COMPLETION OF INFORMATION | | | | | | |
| TECHNOLOGY AUDITS | | | | | | 33017C0 |

SUMMARY:

This nonrecurring reduction relates to a requested budget increase for specialized audit staff that was included in the Fiscal Year 2020-21 General Appropriations Act. Total recurring funding of \$200,000 was provided for the Office of the Inspector General to contract with specialized audit staff to conduct information technology audits. These contracted resources will not be in place for the entire fiscal year, allowing for a possible reduction of \$50,000. However, it is expected that when the staffing resources are available for a full fiscal year, this reduction will not be possible without significant negative impacts.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|-------------------------|--|--|--|--|--|---------|
| REDUCE FUNDING FOR RULE | | | | | | 3301740 |
| FILINGS | | | | | | 100000 |
| SPECIAL CATEGORIES | | | | | | 100777 |
| CONTRACTED SERVICES | | | | | | |

| | | | | | | |
|----------------------|--------|--------|--------|--|--|--------|
| OPERATING TRUST FUND | -STATE | 5,000- | 5,000- | | | 2510 1 |
|----------------------|--------|--------|--------|--|--|--------|

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-1 NARRATIVE:

IT COMPONENT? NO

PRIORITY #10

ISSUE TITLE: Reduce Funding for Rule Filings

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|----------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE FUNDING FOR RULE | | | | | | |
| FILINGS | | | | | | 3301740 |

SUMMARY:

This nonrecurring reduction represents reduced expenditures for payments to the Department of State for rule filings. It is expected that this reduction can be absorbed in Fiscal Year 2020-21 with minimal impact, but spending will return to the previous spending level in future years. The issue represents a 26% reduction to the budget annually allocated for these expenditures (\$19,000).

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Minimal

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | | | | | | |
|---------------------------------------|--|--|--|--|--|---------|
| STAFF REDUCTION IN PROCUREMENT | | | | | | |
| MANAGEMENT | | | | | | 3301850 |
| SALARY RATE | | | | | | 000000 |
| SALARY RATE..... 90,686- | | | | | | |
| ===== | | | | | | |
| SALARIES AND BENEFITS | | | | | | 010000 |
| 3.00- | | | | | | |
| OPERATING TRUST FUND -STATE 155,999- | | | | | | 2510 1 |
| ===== | | | | | | |
| TOTAL: STAFF REDUCTION IN PROCUREMENT | | | | | | 3301850 |
| MANAGEMENT | | | | | | |
| TOTAL POSITIONS..... 3.00- | | | | | | |
| TOTAL ISSUE..... 155,999- | | | | | | |
| TOTAL SALARY RATE..... 90,686- | | | | | | |
| ===== | | | | | | |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|---------|--------|---------|--------|---------|--------|-------|
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | | | | | | |
|-------------------------------------------|--|--|--|--|--|---------------|
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTION IN PROCUREMENT MANAGEMENT | | | | | | 3301850 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #24

IT COMPONENT? NO

ISSUE TITLE: Staff Reduction in Procurement Management

SUMMARY:

This recurring reduction eliminates 3 of the 6 positions in Procurement Management. This would significantly impact the department's ability to select and contract for commodities and services.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 3.00- | 90,686- | | 65,313- | 155,999- | 0.00 | 155,999- |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|--------------|------------|--------------|------------|--------------|-------------|-------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |

| | |
|--------------------------------|---------------|
| LOTTERY, DEPARTMENT OF THE | 36000000 |
| PGM: LOTTERY OPERATIONS | 36010000 |
| GOV OPERATIONS/SUPPORT | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | 3300000 |
| STAFF REDUCTION IN PROCUREMENT | |
| MANAGEMENT | 3301850 |

POSITION DETAIL OF SALARIES AND BENEFITS:

| FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | |
| TOTALS FOR ISSUE BY FUND | | | | | | 155,999- |
| 2510 OPERATING TRUST FUND | | | | | | 155,999- |
| 3.00- | 90,686- | | 65,313- | 155,999- | | 155,999- |

| | |
|--------------------------------------------|---------|
| STAFF REDUCTION IN SUPPORT SERVICES | 3301870 |
| SALARY RATE | 000000 |
| SALARY RATE..... 306,271- | |
| SALARIES AND BENEFITS | 010000 |
| OPERATING TRUST FUND -STATE 9.00- 508,258- | 2510 1 |
| TOTAL: STAFF REDUCTION IN SUPPORT SERVICES | 3301870 |
| TOTAL POSITIONS..... 9.00- | |
| TOTAL ISSUE..... 508,258- | |
| TOTAL SALARY RATE..... 306,271- | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #32

IT COMPONENT? NO

ISSUE TITLE: Staff Reduction in Support Services

| COL A91 | | COL A92 | | COL A93 | | CODES |
|-------------------------------------|--------|-----------------------------------|--------|------------------------------------|--------|---------------|
| SCH VIIIIB-1 REDUC 20-21 POS | AMOUNT | SCH VIIIIB-1 NR FY20-21 POS | AMOUNT | SCH VIIIIB-1 ANZ FY20-21 POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| STAFF REDUCTION IN SUPPORT SERVICES | | | | | | 3301870 |

SUMMARY:

This recurring reduction eliminates all 9 positions in Support Services. This would significantly impact the department-wide services performed by the division. Support Services provides Fleet Management, Property Management, Records Management, Mail Operations, Facilities Management, Warehouse Management, and oversees the building lease/subleases for the Headquarters building.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|-------------------------------------------|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A91 - SCH VIIIIB-1 REDUC 20-21 | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| P101 PROPOSED CLASS CODE | | | | | | | |
| N0001 001 | 9.00- | 306,271- | | 201,987- | 508,258- | 0.00 | 508,258- |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 508,258- |
| | 9.00- | 306,271- | | 201,987- | 508,258- | | 508,258- |

| COL A91 | | COL A92 | | COL A93 | | CODES |
|-------------------------------------|-------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDUC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| DELAY REPLACEMENT OF MOTOR VEHICLES | | | | | | 3301920 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| ACQUISITION/MOTOR VEHICLES | | | | | | 100021 |
| OPERATING TRUST FUND | -STATE | 170,000- | 170,000- | | | 2510 1 |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #34

IT COMPONENT? NO

ISSUE TITLE: Delay Replacement of Motor Vehicles

SUMMARY:

This nonrecurring issue reduces half of the recurring budget authority appropriated in the Acquisition of Motor Vehicles appropriation category. Reducing the acquisition of 8 vehicles will require more maintenance on current vehicles. Maintenance costs would increase on higher mileage vehicles and could negatively impact effectiveness of Sales Representatives, if they are left without reliable transportation.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE RECORD DISPOSAL | | | | | | 3301930 |
| EXPENSES | | | | | | 040000 |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| | -STATE | | 2,000- | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #35

ISSUE TITLE: Reduce Record Disposal

SUMMARY:

This recurring issue reduces budget authority that supports the cost of incinerator and recycling trips. This reduction would increase the need for storage and create a backlog of records stored that have met retention schedules. The reduction represents half of the \$4,000 allocated to support this disposal.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|-----------------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE SUPPORT SERVICES OPERATING | | | | | | 3301940 |
| EXPENSES | | | | | | 040000 |
| EXPENSES | | | | | | |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| -STATE | 15,000- | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #36

ISSUE TITLE: Reduce Support Services Operating Expenses

SUMMARY:

This recurring issue reduces budget authority within Support Services that is used for travel and departmental paper purchases. Support Services' travel includes visits to the department's district offices for inventory reconciliation, vehicle inspections, surplus property transport, and to transport records to the department's Tallahassee warehouse for storage. Reducing these efforts could lead to inefficiencies, as the department will not have updated inventory and vehicle recordkeeping, and districts may have reduced storage due to the accumulation of documents that could be transitioned to the warehouse.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE SUNPASS USE | | | | | | 3301960 |
| EXPENSES | | | | | | 040000 |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| | -STATE | | 20,000- | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #38

IT COMPONENT? NO

ISSUE TITLE: Reduce Sunpass Use

SUMMARY:

This recurring issue reduces budget authority that supports Sunpass (electronic toll payments) use for department employees. This reduction would significantly impact the travel of department Sales Representatives and would likely result in a longer period of time between retailer visits. Retailers visited more frequently have shown better sales.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| COL A91 | | COL A92 | | COL A93 | | CODES |
|----------------------------|------------|--------------|------------|--------------|-------------|---------------|
| SCH VIIIIB-1 | REDC 20-21 | SCH VIIIIB-1 | NR FY20-21 | SCH VIIIIB-1 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS | AMOUNT | |
| LOTTERY, DEPARTMENT OF THE | | | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | | | 3300000 |
| REDUCE SHIPPING COSTS | | | | | | 3301970 |
| SPECIAL CATEGORIES | | | | | | 100000 |
| CONTRACTED SERVICES | | | | | | 100777 |
| OPERATING TRUST FUND | | | | | | 2510 1 |
| -STATE | 6,200- | | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE: IT COMPONENT? NO
 PRIORITY #39

ISSUE TITLE: Reduce Shipping Costs

SUMMARY:

This recurring issue reduces budget authority that supports shipping costs. This reduction could impact deliveries for point-of-sale materials and other items to the district offices and Headquarters.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | COL A91 | COL A92 | COL A93 | |
|------------------------------------------|--------------|--------------|--------------|---------------|
| | SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | |
| | REDUC 20-21 | NR FY20-21 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS |
| | | | | AMOUNT |
| | | | | CODES |
| LOTTERY, DEPARTMENT OF THE | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | 1602.00.00.00 |
| STATE FUNDING REDUCTIONS | | | | 3300000 |
| REDUCE FUNDING FOR VEHICLE REPAIR | | | | |
| AND MAINTENANCE | | | | 3302430 |
| EXPENSES | | | | 040000 |
| OPERATING TRUST FUND -STATE | 60,600- | | | 2510 1 |
| ===== | | | | |
| SPECIAL CATEGORIES | | | | 100000 |
| CONTRACTED SERVICES | | | | 100777 |
| OPERATING TRUST FUND -STATE | 20,100- | | | 2510 1 |
| ===== | | | | |
| TOTAL: REDUCE FUNDING FOR VEHICLE REPAIR | | | | 3302430 |
| AND MAINTENANCE | | | | |
| TOTAL ISSUE..... | 80,700- | | | |
| ===== | | | | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-1 NARRATIVE:
 PRIORITY #33

IT COMPONENT? NO

ISSUE TITLE: Reduce Funding for Vehicle Repair and Maintenance

SUMMARY:

This recurring issue reduces funding available for vehicle fuel, parts, and repairs. This reduction could prevent vehicles from being maintained properly and delay necessary repairs. In Fiscal Year 2019-20, the department spent \$515,600 for vehicle maintenance and repair. This reduction, in addition to the amount included in issue 3301140, represents a 21.5% reduction from prior year spending levels.

IMPACT OF REDUCTION IN FISCAL YEAR 2020-21: Significant

The Lottery has ranked its proposed reductions into three levels of impact:

Minimal Impact - These proposed reductions reflect cost savings and/or efficiencies identified by the Agency that can be taken with little to no impact.

Moderate Impact - These proposed reductions reflect identified reductions that if taken could or will have an impact to operations or services.

Significant Impact - These proposed reductions will have a direct impact on operations and/or services.

| | COL A91 | COL A92 | COL A93 | |
|-----------------------------------|--------------|--------------|--------------|----------------------|
| | SCH VIIIIB-1 | SCH VIIIIB-1 | SCH VIIIIB-1 | |
| | REDUC 20-21 | NR FY20-21 | ANZ FY20-21 | |
| POS | AMOUNT | POS | AMOUNT | POS |
| | | | | AMOUNT |
| | | | | CODES |
| ----- | | | | |
| LOTTERY, DEPARTMENT OF THE | | | | 36000000 |
| PGM: LOTTERY OPERATIONS | | | | 36010000 |
| GOV OPERATIONS/SUPPORT | | | | 16 |
| EXEC LEADERSHIP/SUPPRT SVC | | | | <u>1602.00.00.00</u> |
| TOTAL: EXEC LEADERSHIP/SUPPRT SVC | | | | <u>1602.00.00.00</u> |
| BY FUND TYPE | | | | |
| TRUST FUNDS..... | 27.00- | | | |
| SALARY RATE..... | 2,188,260- | 293,898- | | 2000 |
| | 1,119,071- | | | |
| | ===== | ===== | ===== | |
| TOTAL: PGM: LOTTERY OPERATIONS | | | | 36010000 |
| BY FUND TYPE | | | | |
| TRUST FUNDS..... | 151.00- | | | |
| SALARY RATE..... | 15,904,165- | 2,993,434- | | 2000 |
| | 5,798,841- | | | |
| | ===== | ===== | ===== | |

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* BPEADL01                                STATISTICAL INFORMATION                                10/15/2020 15:26:14 *
* BUDGET PERIOD: 2008-2022                EXHIBIT A, D AND D-3A LIST REQUEST                BRG 36      SP      *
* COMPILE DATE: 09/16/2015                COMPILE TIME: 09:40:41                                PAGE:      1      *
*****
*                                     SAVE INITIALS:                SAVE DEPARTMENT: 07      SAVE ID: S8B1
* -----
* SELECT CODES AND ACCUMULATION LEVELS WHERE ALLOWED.  WHEN NO CODE IS SELECTED, ALL CODES WILL BE REPORTED.
* ITEMIZATION OF EXPENDITURE:                IOE ACCUMULATION LEVEL: 0 (1=OPER/FCO, 2=IOE, 0=MERGED)
* MERGE GROUPS (Y/N): Y
* BUDGET ENTITY OR GROUP/ACCUMULATION LEVEL (DEP, DIV, BUR, SUB, LBE, MRG):
*   1-7:                LBE
*   8-14:
*   15-21:
*   22-27:
* EXCLUDE:
*
* PROGRAM COMPONENT/ACCUMULATION LEVEL (1, 2, 3, 4 OR 5 FOR 2, 4, 6, 8 OR 10 DIGITS, 6=MERGE POLICY, 0=MERGED):
*   5
*
* APPROPRIATION CATEGORY OR GROUP/ACCUMULATION LEVEL (1=MAJOR, 2=MINOR, 0=MERGED):
*   2
*
* FUND GROUPS SET:                OR FUND:                FUNDING SOURCE IDENTIFIER:                MERGE FSI (Y/N): N
* FCO (Y/N): Y                FTE (Y/N): Y                SALARY RATE (Y/N): Y
* -----
* ISSUE CODE OR GROUP/ACCUMULATION LEVEL (1, 2 OR 3 FOR 1, 3 OR 7 CHARACTERS, 0=MERGED):
*   3
*
* REPORT OPTION: 1                COLUMN SELECTION: A91                A92                A93                CODES
* 1=EAD REPORT
* 2=SCHEDULE IV/IT ISSUES                REPORT COLUMNS WITH CALCULATION DIFFERENCE ONLY (Y/N): N  THAT EXCEED:
* 3=STATEWIDE ISSUES
* 4=SCHEDULE VIIIA ISSUES
* SCHEDULE VIIIA ISSUES SPREADSHEET (Y/N): N
*
* LEVELS OF TOTALS: (N=NO TOTAL, L=LINE TOTAL, T=BY FUND TYPE, D=BY DETAIL FUND, B=BY DETAIL FUND AND FUND TYPE,
* G=FUND GROUP LINE TOTALS, E=BY DETAIL FUND AND FUND GROUP)
* RUN: N                ITEM OF EXP: N                GROUP: N                DEPARTMENT: N                DIVISION: N                BUREAU: N
* SUB-BUREAU: N                LBE: T                POLICY AREA: N                PROG COMP: T                D3A SUM ISSUE: N                D3A DETAIL ISSUE: L
* MAJOR APP CAT: N                MINOR APP CAT: D
*
* APPROPRIATION CATEGORY TITLES: S (S=SHORT, L=LONG)                REPORT SEQUENCE: DEPT/BUDGET ENTITY: N  A=ALPHABETICAL
*                                     PROGRAM COMPONENT: N  N=NUMERICAL
* -----
* DEPARTMENT NARRATIVE SET:
* BUDGET ENTITY NARRATIVE SET:                PROGRAM COMPONENT NARRATIVE (Y/N): N
*
* ISSUE/ACTIVITY NARRATIVE SET: A4                PRIORITY ISSUE NARRATIVE SET (1-9):
*
* INCLUDE POSITION DATA (Y/N): Y
*
* INCLUDE COLUMN CODES (Y/N): Y
*
* OUTPUT FORMAT: L                PAGE BREAKS:
* L=LANDSCAPE                (IOE, GRP, DEP, DIV,                REPORT HEADING:                SCHEDULE VIIIB-1
* P=PORTRAIT                BUR, SUB, LBE, PRC,                PRIORITY LISTING FOR POSSIBLE REDUCTION
*                                     SIS, ISC)                FOR CURRENT YEAR
* -----

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