

BPEADL01 LAS/PBS SYSTEM
BUDGET PERIOD: 2013-2024
STATE OF FLORIDA

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

SP 10/14/2022 08:15 PAGE: 1
ERROR REPORT

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

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		43010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSES APPROPRIATION FROM		
THE DIVISION OF ADMINISTRATION		33V0150
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	75,000-	2021 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 019

IT COMPONENT? NO

The Executive Direction and Support Services budget entity provides overall direction for the department's constitutional, statutory, and administrative responsibilities. This includes the offices of the Chief of Staff, Deputy Chief Financial Officers, Legislative Affairs, Cabinet Affairs, Communications, Finance and Budget and Communications.

This issue would reduce 75,000 in Expenses from the Executive Direction and Support Services budget entity. The budget entity utilizes the Expenses authority for a variety of needs including, supplies, IT licenses, rent, subscriptions, and travel.

This issue reduces 75,000 in Expenses budget authority from the Administrative Trust Fund within the Executive Direction and Support Services budget entity.

REDUCE POSITIONS FROM THE OFFICE		
OF FINANCE AND BUDGET		33V0410
SALARY RATE		000000
SALARY RATE.....	55,303-	
	=====	
SALARIES AND BENEFITS		010000
	2.00-	
ADMINISTRATIVE TRUST FUND -STATE	95,181-	2021 1
	=====	
TOTAL: REDUCE POSITIONS FROM THE OFFICE		33V0410
OF FINANCE AND BUDGET		
TOTAL POSITIONS.....	2.00-	
TOTAL ISSUE.....	95,181-	
TOTAL SALARY RATE.....	55,303-	
	=====	

COL A10	AMOUNT	CODES
SCH VIIIIB-2		
RED FY23-24		
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
EXECUTIVE DIR/SUPPORT SVCS		43010100
GOV OPERATIONS/SUPPORT		16
EXEC LEADERSHIP/SUPPRT SVC		1602.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS FROM THE OFFICE		
OF FINANCE AND BUDGET		33V0410

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 024

IT COMPONENT? NO

The Office of Finance and Budget within the Executive Direction and Support Services budget entity includes budget preparation and management, revenue management, reporting and reconciliation, and disbursements.

This Office ensures all monies collected by the Department are properly identified and accurately posted, preparation of financial statements, payments of invoices, processing of salary and benefit payments and investment of available cash in trust funds. The reduction of two positions from the Office would negatively impact its ability to effectively meets its requirements and responsibilities.

This issue reduces 2 FTE and 95,181 in Salaries and Benefits budget authority from the Administrative Trust Fund within the Executive Direction and Support Services budget entity.

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
P101 PROPOSED CLASS CODE						
C1000 001						
2.00-	55,303-		39,878-	95,181-	0.00	95,181-
TOTALS FOR ISSUE BY FUND						
2021 ADMINISTRATIVE TRUST FUND						
2.00-	55,303-		39,878-	95,181-		95,181-

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		43010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES		
APPROPRIATION IN EXECUTIVE		
DIRECTION AND SUPPORT SERVICES		33V0750
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	50,000-	2021 1

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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 020

IT COMPONENT? NO

The Division of Administration includes the bureaus of Human Resource Management and General Services, as well as the office of Purchasing and Contractual Services. The Division provides administrative support to the Department of Financial Services, Office of Financial Regulation and Office of Insurance Regulation.

This issue proposes a reduction in Contracted Services, Budget Category 100777, appropriations from within the Division of Administration. The Division supports the mission of Department of Financial Services and the Financial Services Commission in a number of ways. This support includes human resource services, contract and purchasing services, and printing and mail services. Examples of expenditures made under this category include education verification services, security monitoring, shipping and mailing services, maintenance support for equipment, and recycling and shredding services. This reduction would have a moderate impact on the Division's ability to make certain expenditures, and may require the Division to eliminate certain services altogether.

This issue reduces 50,000 in Contracted Services budget authority from the Administrative Trust Fund within the Executive Direction and Support Services budget entity.

 COL A10
 SCH VIIIIB-2
 RED FY23-24
 POS AMOUNT CODES

FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		43010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
(OPS) APPROPRIATION IN EXECUTIVE		
DIRECTION AND SUPPORT SERVICES		33V0760
OTHER PERSONAL SERVICES		030000
ADMINISTRATIVE TRUST FUND -STATE	50,000-	2021 1

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AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 018

The Division of Administration includes the bureaus of Human Resource Management and General Services, as well as the office of Purchasing and Contractual Services. The Division provides administrative support to the Department of Financial Services, Office of Financial Regulation and Office of Insurance Regulation.

This issue proposes a reduction in Other Personal Services (OPS) from within the Division of Administration. This reduction would have a moderate impact on the Division's ability to hire temporary staff to accomplish short term projects. Key projects that the Division would be forced to delay include modernization of the fleet tracking process, and eliminate the OPS receptionist position.

This issue reduces 50,000 in budget authority from the OPS category in the Administrative Trust Fund within the Executive Direction and support Services budget entity.

REDUCE ACQUISITION OF MOTOR		
VEHICLES AUTHORITY		33V0770
SPECIAL CATEGORIES		100000
ACQUISITION/MOTOR VEHICLES		100021

ADMINISTRATIVE TRUST FUND -STATE	914,694-	2021 1
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AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 021

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
EXECUTIVE DIR/SUPPORT SVCS		43010100
GOV OPERATIONS/SUPPORT		16
EXEC LEADERSHIP/SUPPRT SVC		1602.00.00.00
PROGRAM REDUCTIONS		
REDUCE ACQUISITION OF MOTOR		33V0000
VEHICLES AUTHORITY		33V0770

This issue proposes a reduction in Acquisition of Motor Vehicles from within the Division of Administration. This appropriation is used Department wide, to purchase new vehicles to replace vehicles that have reached the end of their useful life. This reduction would have a significant impact on the Department, as it would dramatically decrease the number of new vehicles the Department could purchase. Employees would have to continue to use/drive vehicles that have gone beyond their useful life, placing employees at greater risk of injury due to mechanical failure.

This issue reduces 914,694 in budget authority in the Acquisition of Motor Vehicles category in the Administrative Trust Fund within the Executive Direction and Support Services budget entity.

REDUCE POSITION(S) - BUREAU OF		
GENERAL SERVICES - ADMINISTRATION		33V2100
SALARY RATE		000000
SALARY RATE.....	98,269-	
	=====	
SALARIES AND BENEFITS		010000
	4.00-	
ADMINISTRATIVE TRUST FUND -STATE	175,611-	2021 1
	=====	
TOTAL: REDUCE POSITION(S) - BUREAU OF		33V2100
GENERAL SERVICES - ADMINISTRATION		
TOTAL POSITIONS.....	4.00-	
TOTAL ISSUE.....	175,611-	
TOTAL SALARY RATE.....	98,269-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 025

IT COMPONENT? NO

The Bureau of General Services serves all employees in the Department of Financial Services, Office of Financial Regulation and Office of Insurance Regulation. The bureau encompasses five core management sections including: Emergency

COL A10		
SCH VIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>EXECUTIVE DIR/SUPPORT SVCS</u>		43010100
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - BUREAU OF		
GENERAL SERVICES - ADMINISTRATION		33V2100

Management/Safety Office, Property and Facilities Management, Mail and Printing Services, Records Management and Retention, and Reception and Parking Services. The Bureau of General Services is a diverse team of professionals dedicated to supporting the Department's mission by providing superior customer service and operational resources for all business areas.

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

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

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

This issue reduces 4 FTE and 175,611 in budget authority from the Salaries and Benefits category in the Administrative Trust Fund within the Executive Direction and Support Services budget entity.

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
EXECUTIVE DIR/SUPPORT SVCS		43010100
GOV OPERATIONS/SUPPORT		16
EXEC LEADERSHIP/SUPPRT SVC		1602.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - BUREAU OF GENERAL SERVICES - ADMINISTRATION		33V2100

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE C0001 001	4.00-	98,269-		77,342-	175,611-	0.00	175,611-
TOTALS FOR ISSUE BY FUND 2021 ADMINISTRATIVE TRUST FUND	4.00-	98,269-		77,342-	175,611-		175,611-

TOTAL: EXEC LEADERSHIP/SUPPRT SVC BY FUND TYPE							1602.00.00.00
TRUST FUNDS.....	6.00-	1,360,486-					2000
SALARY RATE.....		153,572-					
	=====						

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>LEGAL SERVICES</u>		43010200
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OFFICE OF THE GENERAL COUNSEL		
SALARY RATE		33V6220
SALARY RATE.....	300,933-	000000
	=====	
SALARIES AND BENEFITS		010000
ADMINISTRATIVE TRUST FUND -STATE	6.00- 452,835-	2021 1
	=====	
OTHER PERSONAL SERVICES		030000
ADMINISTRATIVE TRUST FUND -STATE	71,135-	2021 1
	=====	
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	344,340-	2021 1
	=====	
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	81,058-	2021 1
	=====	
TOTAL: REDUCE OFFICE OF THE GENERAL COUNSEL		33V6220
TOTAL POSITIONS.....	6.00-	
TOTAL ISSUE.....	949,368-	
TOTAL SALARY RATE.....	300,933-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 041

IT COMPONENT? NO

This issue proposes a budget reduction of 949,368, including reductions of 71,135 (25%) of Other Personal Services, 81,058 (32%) of Contracted Services, 344,340 (48%) of Expenses, and 6 FTE and 452,835 (5%) of Salaries and Benefits budget authority. The position reductions include two Attorneys, a Staff Assistant, and three Senior Attorneys. This

COL A10 SCH VIIIIB-2 RED FY23-24		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>LEGAL SERVICES</u>		43010200
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OFFICE OF THE GENERAL COUNSEL		33V6220

reduction would significantly impact the Division of Legal Services.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0120 STAFF ASSISTANT							
C0004 001	1.00-	31,200-		20,633-	51,833-	0.00	51,833-
7736 ATTORNEY							
C0003 001	2.00-	95,017-		49,984-	145,001-	0.00	145,001-
7738 SENIOR ATTORNEY							
C0002 001	3.00-	174,716-		81,285-	256,001-	0.00	256,001-

TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							452,835-
	6.00-	300,933-		151,902-	452,835-		452,835-
	=====	=====	=====	=====	=====		=====

TOTAL: EXEC LEADERSHIP/SUPPRT SVC							<u>1602.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	6.00-	949,368-					2000
SALARY RATE.....	300,933-						
	=====						

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFORMATION TECHNOLOGY</u>		43010300
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
RENT REDUCTION		33V0120
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	388,381-	2021 1
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? YES
 PRIORITY # 009

Certain qualifying full-time and other personal services (OPS) employees may be eligible for telework. Authorizing an expanded/permissive telework policy will potentially reduce \$556,381 of rent costs annually for the Office of Information Technology. This issue will reduce the expenses category by 388,381 in the Information Technology budget entity and 168,000 in the Information Technology - FLAIR Infrastructure budget entity.

REDUCE FLORIDA FIRE INCIDENT		
REPORTING SYSTEM SUPPORT		33V0160
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	180,000-	2021 1
	=====	
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	200,000-	2021 1
	=====	
TOTAL: REDUCE FLORIDA FIRE INCIDENT		33V0160
REPORTING SYSTEM SUPPORT		
TOTAL ISSUE.....	380,000-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? YES
 PRIORITY # 005

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFORMATION TECHNOLOGY</u>		43010300
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE FLORIDA FIRE INCIDENT		
REPORTING SYSTEM SUPPORT		33V0160

This recurring funding is for additional cloud licenses and an application developer to enhance and support the Florida Fire Incident Reporting System (FFIRS). The enhancement will provide local fire departments access to standardized data and analytics in a cloud environment. This reduction issue would reduce the information technology support for this program by 100 percent.

This reduction would halt the expansion of the current FFIRS system, curbing local entities' ability to target fire prevention strategies and apply for additional funding via grants, and lower participation in the FFIRS program.

REDUCE DISASTER RECOVERY SERVICES		33V0190
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	364,253-	2021 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
PRIORITY # 006

IT COMPONENT? YES

This recurring funding is for a contractor to provide Disaster Recovery (DR) services to the Department of Financial Services. DR services are necessary to establishing and maintaining an alternative site where the operability of the Department's Information Technology (IT) infrastructure can be restored in the event of a major disruption in service that denies access to the Department's Fletcher Data Center. The contractor provides Colocation Services, IBM Mainframe Services, a Secure Print Environment for an Output Production Area, and Professional Support Services. This reduction issue would reduce the funding for these services by 100 percent.

The issue also reduces 185,137 in General Revenue in budget entity 43010500; for a total of 549,390 in disaster recovery services reductions between both budget entities. This reduction would significantly impact the Department's ability to continue normal operating conditions in the event the Fletcher Data Center is impacted by a natural disaster, power outage, or other emergency event.

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PRG: CHIEF FIN OFFICER/ADM			43010000
<u>INFORMATION TECHNOLOGY</u>			43010300
GOV OPERATIONS/SUPPORT			16
<u>INFORMATION TECHNOLOGY</u>			<u>1603.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE LOCAL GOVERNMENT ELECTRONIC			
REPORTING SYSTEM			33V0330
SPECIAL CATEGORIES			100000
CONTRACTED SERVICES			100777
GENERAL REVENUE FUND	-STATE	26,250-	1000 1
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 053

IT COMPONENT? YES

The recurring funding is for an application developer to support the Local Government Reporting System (LOGER) and to implement the XBRL taxonomy in accordance with the Florida Open Financial Statement System (FOFFS). LOGER is being modified to incorporate the FOFFS XBRL taxonomy into the annual financial reports submitted by local government entities, and to create a bridge to financial statements by integrating the system with newly created XBRL taxonomies from Fiscal Year 2018-19. This issue would reduce the funding for this developer by 15 percent.

This reduction would add a resource constraint that may impact the department's ability to meet the requirements set forth in section 218.32, Florida Statutes, (local governments are to report financial data using XBRL after September 2022). The time to complete the initiative would increase, making a requested extension of the deadline of marked up XBRL financial statements more likely.

REDUCTION OF INFORMATION TECHNOLOGY

STAFF			33V0820
SALARY RATE			000000
SALARY RATE.....	377,409-		
	=====		
SALARIES AND BENEFITS		14.00-	010000
ADMINISTRATIVE TRUST FUND -STATE		654,650-	2021 1
	=====		

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFORMATION TECHNOLOGY</u>		43010300
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION OF INFORMATION TECHNOLOGY		
STAFF		33V0820
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	443,000-	2021 1
=====		
TOTAL: REDUCTION OF INFORMATION TECHNOLOGY		33V0820
STAFF		
TOTAL POSITIONS.....	14.00-	
TOTAL ISSUE.....	1,097,650-	
TOTAL SALARY RATE.....	377,409-	
=====		

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 042

IT COMPONENT? YES

This issue eliminates 14 full-time equivalent (FTE) positions and associated salaries and benefits in the Office of Information Technology (OIT). This issue also reduces the contracted consultants in the contracted services category. This reduction will have a substantial impact on the Office of Information Technology's operations and require collaboration with customers to identify which information technology needs will go unmet.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1000 001	14.00-	377,409-		277,241-	654,650-	0.00	654,650-

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PRG: CHIEF FIN OFFICER/ADM	43010000
<u>INFORMATION TECHNOLOGY</u>	43010300
GOV OPERATIONS/SUPPORT	16
<u>INFORMATION TECHNOLOGY</u>	<u>1603.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCTION OF INFORMATION TECHNOLOGY	
STAFF	33V0820

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						
2021 ADMINISTRATIVE TRUST FUND						654,650-
14.00-	377,409-		277,241-	654,650-		654,650-

REDUCTION IN THE OPERATING CAPITAL
 OUTLAY CATEGORY
 OPERATING CAPITAL OUTLAY

33V1120
 060000

ADMINISTRATIVE TRUST FUND -STATE 369,620-
 =====

2021 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 007

IT COMPONENT? YES

This issue eliminates the Office of Information Technology's (OIT) recurring base budget in the operating capital outlay (OCO) category in both OIT budget entities. This category is used purchase hardware items over the inventory threshold of \$5,000 in support of Information Technology (IT) related operations for the department. This reduction would significantly impact OIT's ability to purchase critical IT infrastructure hardware such as servers, storage appliances, firewall devices, large scale printers, and network routers/switches.

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			
			43000000
PRG: CHIEF FIN OFFICER/ADM			43010000
<u>INFORMATION TECHNOLOGY</u>			43010300
GOV OPERATIONS/SUPPORT			16
<u>INFORMATION TECHNOLOGY</u>			<u>1603.00.00.00</u>
TOTAL: INFORMATION TECHNOLOGY			<u>1603.00.00.00</u>
BY FUND TYPE			
GENERAL REVENUE FUND	26,250-		1000
TRUST FUNDS	2,599,904-		2000

TOTAL POSITIONS.....	14.00-		
TOTAL PROG COMP.....	2,626,154-		
TOTAL SALARY RATE.....	377,409-		
=====			
<u>CONSUMER ADVOCATE</u>			
GOV OPERATIONS/SUPPORT			43010400
<u>EXEC LEADERSHIP/SUPPRT SVC</u>			16
PROGRAM REDUCTIONS			<u>1602.00.00.00</u>
REDUCTION IN CONSUMER ADVOCATE			33V0000
PROGRAM			33V5000
OTHER PERSONAL SERVICES			030000
INSURANCE REG TF	-STATE 63,132-		2393 1
=====			
EXPENSES			
INSURANCE REG TF	-STATE 16,604-		040000
=====			
SPECIAL CATEGORIES			
LEASE/PURCHASE/EQUIPMENT			100000
INSURANCE REG TF	-STATE 1,888-		105281
=====			
TOTAL: REDUCTION IN CONSUMER ADVOCATE			33V5000
PROGRAM			
TOTAL ISSUE.....	81,624-		
=====			

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 008

IT COMPONENT? NO

COL A10		
SCH VIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>CONSUMER ADVOCATE</u>		43010400
GOV OPERATIONS/SUPPORT		16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>		<u>1602.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN CONSUMER ADVOCATE		
PROGRAM		33V5000

This issue reduces budget authority within the Office of the Insurance Consumer Advocate (OICA) in the following categories:

OPS - 63,132: OPS employees provide assistance and support for the Consumer Advocate in reaching out to Florida consumers to hear their insurance concerns and discuss current insurance trends. Current funding level is 63,132.

Expenses -16,604: This category is used for paying rent, office supplies, travel, consumer outreach events, public forums, participating in industry conferences and committees. Current funding level is 72,357; and rent comprises 54% of this category.

Lease or Lease Purchase of Equipment - 1,888: This is a 100% reduction of this category. During FY 2015-16, the office purchased a copier/printer and no longer leases the copier equipment; however, this category is used to lease equipment for hosting public forums or working groups.

Reductions of this level will impact day to day operations of the office. The OICA may be unable to pay rent, purchase office supplies, upgrade outdated equipment and furniture; meet with consumers, hold outreach events or public forums, participate in insurance related committees and conferences; all of which are vital to the OICA's mission to represent and protect the interests of Florida's consumers.

TOTAL: EXEC LEADERSHIP/SUPPRT SVC		<u>1602.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	81,624-	2000
	=====	

COL A10		
SCH VIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFO TECHNOLOGY - FLAIR</u>		43010500
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
RENT REDUCTION		33V0120
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	168,000-	2021 1
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 010

IT COMPONENT? YES

Certain qualifying full-time and other personal services (OPS) employees may be eligible for telework. Authorizing an expanded/permissive telework policy will potentially reduce \$556,381 of rent costs annually for the Office of Information Technology. This issue will reduce the expenses category by 388,381 in the Information Technology budget entity and 168,000 in the Information Technology - FLAIR Infrastructure budget entity.

REDUCE DISASTER RECOVERY SERVICES		33V0190
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777

GENERAL REVENUE FUND	-STATE	185,137-	1000 1
		=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 051

IT COMPONENT? YES

This recurring funding is for a contractor to provide Disaster Recovery (DR) services to the Department of Financial Services. DR services are necessary to establishing and maintaining an alternative site where the operability of the Department's Information Technology (IT) infrastructure can be restored in the event of a major disruption in service that denies access to the Department's Fletcher Data Center. The contractor provides Colocation Services, IBM Mainframe Services, a Secure Print Environment for an Output Production Area, and Professional Support Services. This reduction issue would reduce the funding for these services by 100 percent.

The issue also reduces 364,253 in the 43010300 budget entity: for a total of 549,390 in disaster recovery services reductions between both budget entities. This reduction would significantly impact the Department's ability to continue normal operating conditions in the event the Fletcher Data Center is impacted by a natural disaster, power outage, or

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFO TECHNOLOGY - FLAIR</u>		43010500
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE DISASTER RECOVERY SERVICES		33V0190

other emergency event.

REDUCTION OF INFORMATION TECHNOLOGY		
STAFF		33V0820
SALARY RATE		000000
SALARY RATE.....	716,932-	
	=====	
SALARIES AND BENEFITS		010000
	17.00-	
GENERAL REVENUE FUND -STATE	1,104,174-	1000 1
	=====	
TOTAL: REDUCTION OF INFORMATION TECHNOLOGY		33V0820
STAFF		
TOTAL POSITIONS.....	17.00-	
TOTAL ISSUE.....	1,104,174-	
TOTAL SALARY RATE.....	716,932-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 052

IT COMPONENT? YES

This issue eliminates 17 full-time equivalent (FTE) positions and associated budget in the Office of Information Technology - FLAIR Infrastructure budget entity. This reduction will have a substantial impact on the Office of Information Technology's operations and will require collaboration with customers to identify which information technology needs will go unmet.

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFO TECHNOLOGY - FLAIR</u>		43010500
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION OF INFORMATION TECHNOLOGY STAFF		33V0820

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1000 002	17.00-	716,932-		387,242-	1,104,174-	0.00	1,104,174-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							1,104,174-
	17.00-	716,932-		387,242-	1,104,174-		1,104,174-

REDUCTION IN THE OPERATING CAPITAL
 OUTLAY CATEGORY
 OPERATING CAPITAL OUTLAY

33V1120
 060000

GENERAL REVENUE FUND -STATE 104,880-
 =====

1000 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 050

IT COMPONENT? YES

This issue eliminates the Office of Information Technology's recurring base budget in the operating capital outlay (OCO) category in both budget entities. This category is used purchase hardware items over the inventory threshold of \$5,000 in support of Information Technology (IT) related operations for the Department. This reduction would significantly impact OIT's ability to purchase critical IT infrastructure hardware such as servers, storage appliances, firewall devices, large scale printers, and network routers/switches.

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PRG: CHIEF FIN OFFICER/ADM		43010000
<u>INFO TECHNOLOGY - FLAIR</u>		43010500
GOV OPERATIONS/SUPPORT		16
<u>INFORMATION TECHNOLOGY</u>		<u>1603.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES CATEGORY		33V1240
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
ADMINISTRATIVE TRUST FUND -STATE	397,495-	2021 1
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 015

IT COMPONENT? YES

This recurring Contracted Services funding is used to purchase miscellaneous services in support of FLAIR operations for the Department. Services include but are not limited to consulting services, hardware/software maintenance and support services, IT security services, network and application monitoring services, and labor.

This reduction would significantly impact OIT's ability to procure IT services that are used to maintain critical FLAIR IT infrastructure, strengthen the Department's IT security, and support long-term FLAIR initiatives.

TOTAL: INFORMATION TECHNOLOGY		<u>1603.00.00.00</u>
BY FUND TYPE		
GENERAL REVENUE FUND	1,394,191-	1000
TRUST FUNDS	565,495-	2000

TOTAL POSITIONS.....	17.00-	
TOTAL PROG COMP.....	1,959,686-	
TOTAL SALARY RATE.....	716,932-	
	=====	

COL A10			
SCH VIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PROGRAM: TREASURY			43100000
<u>DEPOSIT SECURITY</u>			43100200
GOV OPERATIONS/SUPPORT			16
<u>GOVERNMENTAL OPERATIONS</u>			<u>1601.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE THE QUALIFIED PUBLIC			
DEPOSITORIES PROGRAM			33V4100
SALARY RATE			000000
SALARY RATE.....	209,305-		
	=====		
SALARIES AND BENEFITS			010000
	4.00-		
TREASURY ADM/INVEST TF	-STATE	308,365-	2725 1
		=====	
EXPENSES			040000
TREASURY ADM/INVEST TF	-STATE	31,682-	2725 1
		=====	
TOTAL: ELIMINATE THE QUALIFIED PUBLIC			33V4100
DEPOSITORIES PROGRAM			
TOTAL POSITIONS.....	4.00-		
TOTAL ISSUE.....		340,047-	
TOTAL SALARY RATE.....	209,305-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 032

IT COMPONENT? NO

LAW CHANGE REQUIRED: Chapter 280 would have to be repealed or the authority would be required to be transferred to another agency.

The elimination of Florida's Qualified Public Deposit Program would require legislative action to repeal Chapter 280, Florida Statutes, or to transfer the responsibility for administering this program to another agency. If the program were eliminated, it would remove the protection from loss for Florida public deposits under Chapter 280, Florida Statutes. This would have a dramatic effect on Florida's public depositors which would then be required to revert back to a process of protecting their bank deposits by directly negotiating collateral arrangements with each depository institution they use.

The Qualified Public Deposit Program was established in 1981 at the request of the banking community in Florida to provide a standardized method of protecting public monies on deposit that exceeded the Federal Deposit Insurance Corporation limits that guaranteed depositors against loss in the case of a bank failure. Chapter 280 established the administrative responsibility for the Division of Treasury to administer the program and provide for a full-time staff to

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PROGRAM: TREASURY		43100000
<u>DEPOSIT SECURITY</u>		43100200
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE THE QUALIFIED PUBLIC DEPOSITORIES PROGRAM		33V4100

approve participating depositories, establish collateralization levels required to protect the deposits and for the review of the financial conditions in order to determine adequate pledge level for collateral requirements. There are currently four full time positions that administer the program that includes approving participation, review ranking changes, monitor deposit and pledge levels and act in accordance with both Chapter 280, Florida Statutes and Administrative Rule 69C-2. In addition to the reduction of a business unit and the associated personnel costs, the recurring annual expenses relating to bank rating services for the program (\$5,557) and the required reporting of the active qualified financial entities in Florida Administrative Registry (approximately \$649) will also be eliminated.

This budget reduction issue would result in significant disruption not only for the Division of Treasury but for thousands of governmental units in Florida at the local, county and state level and potentially put billions of dollars in public funds at greater risk of loss due to the elimination of qualified public depositories and the public deposits program.

This is 100 percent of the program resources and 16 percent of this budget entity's overall operating budget.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1000 001	4.00-	209,305-		99,060-	308,365-	0.00	308,365-
TOTALS FOR ISSUE BY FUND							
2725 TREASURY ADM/INVEST TF							308,365-
	4.00-	209,305-		99,060-	308,365-		308,365-

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PROGRAM: TREASURY			43100000
<u>DEPOSIT SECURITY</u>			43100200
GOV OPERATIONS/SUPPORT			16
<u>GOVERNMENTAL OPERATIONS</u>			<u>1601.00.00.00</u>
TOTAL: GOVERNMENTAL OPERATIONS			<u>1601.00.00.00</u>
BY FUND TYPE			
	4.00-		
TRUST FUNDS.....	340,047-		2000
SALARY RATE.....	209,305-		
	=====		
<u>ST FUNDS MGT & INVESTMENT</u>			43100300
GOV OPERATIONS/SUPPORT			16
<u>GOVERNMENTAL OPERATIONS</u>			<u>1601.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE THE STATE TREASURY			
CONCENTRATION ACCOUNT CONTRACT			33V4180
SPECIAL CATEGORIES			100000
CONTRACTED SERVICES			100777
TREASURY ADM/INVEST TF	-STATE	879,615-	2725 1
		=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 030

Eliminate the master receipts contract (concentration account - ETR201) used by all agencies. Agencies process all deposits through this contract which are then centralized in the Treasury. Treasury then has access to these funds for investments. Treasury is the owner of this contract and pays for these services used by the agencies. If this contract is eliminated, agencies would then be required to pay for these services themselves.

For Fiscal Year 21-22 Treasury paid \$879,614.59 on this contract. Elimination of this contract would push a considerable amount of costs and effort to all state agencies because they would lose discounted pricing for economies of scale. Additionally, if funds are deposited outside the State Treasury, investment earnings on the funds could be lost.

This reduction issue would cause significant problems not only within the Division of Treasury, but to the state agencies as well. Eliminating this contract would significantly reduce the amount of investment income that Treasury currently earns and increase the costs to all state agencies for banking services.

This is a 45 percent reduction in the contracted services category and 20 percent of this budget entity's overall operating budget.

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES
FINANCIAL SERVICES			43000000
PROGRAM: TREASURY			43100000
<u>SUP RETIREMENT PLAN</u>			43100400
GOV OPERATIONS/SUPPORT			16
<u>GOVERNMENTAL OPERATIONS</u>			<u>1601.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE THIRD PARTY ADMINISTRATOR			
CONTRACT			33V4120
SPECIAL CATEGORIES			100000
CONTRACTED SERVICES			100777
TREASURY ADM/INVEST TF	-STATE	468,000-	2725 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 028

IT COMPONENT? NO

No Legislative Change.

The Deferred Compensation Plan operates under section 112.215, F.S., and is not funded by general revenue, but is instead funded by the contracted Investment Providers offering investment and education services to Participants. All assets are accumulated and held in the Deferred Compensation Trust Fund for the exclusive benefit of Participants and their beneficiaries. Due to protections of 26 U.S.C. 457(b)(6), assets of the program cannot be used for any other purposes under general revenue consideration.

Eliminate the Third-Party Administrator contract that supports the central location of participant data exchange and storage necessary to operate the Deferred Compensation program as a multi-vendor plan. Removal of the Third-Party Administrator would require massive system modifications to the operational features as they relate to payroll processing and transaction processing/approvals. It would affect how participant's currently view and make changes to their account(s) online. This would also significantly impair the ability for the staff of the Bureau of Deferred Compensation to offer customer service directly to participants because the day-to-day account activity accumulated from all of the providers into one database would no longer exist.

This reduction issue would cause significant problems external to the Division of Treasury, Bureau of Deferred Compensation. Specifically, it would alter the manner and efficiency for participating employees of the State, State University System, and participating employees of special districts, to modify or view account records and interact for customer service. It also would affect the processing of payroll contributions and require pay centers, including the Bureau of State Payrolls, to require significant system modification and reporting/settlement procedures resulting in increased expenditures for duplicative processes at the pay centers and also at the Investment Providers.

This is a 57 percent reduction in the deferred compensation administrative services category and 25.4 percent of this budget entity's overall operating budget.

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FIN ACCT/PUBLIC FUNDS		43200000
ST FINAN INFO/ST AGY ACCTG		43200100
GOV OPERATIONS/SUPPORT		16
GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE ARTICLE V PROGRAM		
POSITIONS AND REQUIREMENTS		33V0100
SALARY RATE		000000
SALARY RATE.....	301,132-	
	=====	
SALARIES AND BENEFITS		010000
	3.00-	
ADMINISTRATIVE TRUST FUND -STATE	403,624-	2021 1
	=====	
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	108,201-	2021 1
	=====	
TOTAL: ELIMINATE ARTICLE V PROGRAM		33V0100
POSITIONS AND REQUIREMENTS		
TOTAL POSITIONS.....	3.00-	
TOTAL ISSUE.....	511,825-	
TOTAL SALARY RATE.....	301,132-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 022

The Article V Program was implemented in 2005. During the 2013 Legislative Session, DFS's responsibilities were revised from auditing Clerks budgets, to auditing court related expenditures. In addition, the General Appropriations Act requires the Chief Financial Officer to provide quarterly status reports on audits performed to the Legislature. To date, audits have been completed on all 67 Clerks and most of the audit findings have been about not establishing methodologies and documentation standards as it relates to supporting allocated payroll costs between county and state funding sources.

If the Article V team was eliminated, the review of the Clerk's expenditures could still be performed, on a as needed basis, under the Chief Financial Officer's existing authority in Chapter 17, Florida Statutes as it relates to State expenditures.

The program is funded by collection of \$1 on certain fees and deposited into the DFS Administrative Trust Fund.

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FIN ACCT/PUBLIC FUNDS		43200000
ST FINAN INFO/ST AGY ACCTG		43200100
GOV OPERATIONS/SUPPORT		16
GOVERNMENTAL OPERATIONS		1601.00.00.00
PROGRAM REDUCTIONS		33V0000
ELIMINATE ARTICLE V PROGRAM POSITIONS AND REQUIREMENTS		33V0100

Currently, this annual revenue is approximately \$250,000 to \$300,000 a year. A residual fund balance of approximately \$2.275 million is used when expenditures exceed the revenue. The \$1 fee could be redirected to General Revenue.

This issue eliminates 3 FTE and \$403,624 from Salaries and Benefits and \$108,201 from Expenses.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	3.00-	301,132-		102,492-	403,624-	0.00	403,624-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							403,624-
	3.00-	301,132-		102,492-	403,624-		403,624-

REDUCE POSITIONS WITHIN THE BUREAU
 OF AUDITING

33V0810
 000000

SALARY RATE..... 793,618-
 =====

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: FIN ACCT/PUBLIC FUNDS			43200000
ST FINAN INFO/ST AGY ACCTG			43200100
GOV OPERATIONS/SUPPORT			16
GOVERNMENTAL OPERATIONS			<u>1601.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE POSITIONS WITHIN THE BUREAU			
OF AUDITING			33V0810
SALARIES AND BENEFITS			010000
	20.00-		
GENERAL REVENUE FUND	-STATE	1,239,450-	1000 1
	=====		
TOTAL: REDUCE POSITIONS WITHIN THE BUREAU			33V0810
OF AUDITING			
TOTAL POSITIONS.....	20.00-		
TOTAL ISSUE.....	1,239,450-		
TOTAL SALARY RATE.....	793,618-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 054

IT COMPONENT? NO

The Division of Accounting and Auditing is proposing to eliminate 20 auditors in the Bureau of Auditing. Pursuant to section 17.03, F.S., the Chief Financial Officer (CFO) is responsible for settling the claims of the State. Over the years, as state budgets and expenditures have grown considerably, the Bureau of Auditing has remained fairly consistent in maintaining the number of positions to audit State expenditures. In order to keep up with increasing workloads, the Bureau has created audit plans each year which incorporate risk analyses, materiality, and sampling as a means of providing audit coverage. In addition, to curb systemic problems with poorly written contracts, certain auditors within the audit teams also audit state contracts along with payments because better written contracts result in fewer payment problems.

During the fiscal year 21/22, the bureau audited 367,681 out of 3.5 million payments via sampling. This represents 10.5% of the total payment population; however, because the audit plan incorporates risk and materiality thresholds, the bureau audited \$90 billion out of the \$115 billion in annual expenditures. As a result, 78.5% of the dollars spent had audit coverage.

Currently, there are 48 FTEs that provide payment and contract audit coverage. A reduction of the audit teams by 20 FTEs, or over 42%, would result in the reduction of the number of payments audited by somewhere around 154,427. In addition, since most small dollar payments (i.e. less than \$10,000) are being covered through sampling, almost all the corresponding reduction in payments audited would occur on much higher dollar payments. This would significantly impact whether the CFO has reasonable assurance as to whether payments are properly made and audited.

This issue eliminates 20 FTE and \$1,239,450 in Salaries and Benefits appropriations.

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: FIN ACCT/PUBLIC FUNDS	43200000
ST FINAN INFO/ST AGY ACCTG	43200100
GOV OPERATIONS/SUPPORT	16
GOVERNMENTAL OPERATIONS	<u>1601.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCE POSITIONS WITHIN THE BUREAU OF AUDITING	33V0810

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	20.00-	793,618-		445,832-	1,239,450-	0.00	1,239,450-
TOTALS FOR ISSUE BY FUND							
1000 GENERAL REVENUE FUND							1,239,450-
	20.00-	793,618-		445,832-	1,239,450-		1,239,450-

TOTAL: GOVERNMENTAL OPERATIONS							<u>1601.00.00.00</u>
BY FUND TYPE							
GENERAL REVENUE FUND		1,239,450-					1000
TRUST FUNDS		511,825-					2000
TOTAL POSITIONS.....	23.00-						
TOTAL PROG COMP.....		1,751,275-					
TOTAL SALARY RATE.....		1,094,750-					

=====

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: FIN ACCT/PUBLIC FUNDS			43200000
<u>RECOVERY & RETURN OF UP</u>			43200200
GOV OPERATIONS/SUPPORT			16
<u>GOVERNMENTAL OPERATIONS</u>			<u>1601.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE UNCLAIMED PROPERTY FIELD			
AUDIT POSITIONS			33V0490
SALARY RATE			000000
SALARY RATE.....	286,447-		
	=====		
SALARIES AND BENEFITS			010000
	6.00-		
UNCLAIMED PROPERTY TF	-STATE	429,656-	2007 1
		=====	
TOTAL: ELIMINATE UNCLAIMED PROPERTY FIELD			33V0490
AUDIT POSITIONS			
TOTAL POSITIONS.....	6.00-		
TOTAL ISSUE.....	429,656-		
TOTAL SALARY RATE.....	286,447-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 040

IT COMPONENT? NO

The Division of Unclaimed Property would reduce the number of FTE's from 65 to 59 by eliminating the Division's field auditor positions. In FY2004/2005, The Division established a team responsible for conducting exams/audits on holder (businesses) of unclaimed property that are not complying with applicable laws. In addition to audits, the team also provides outreach/education to holders. In FY 21/22 the team completed 310 audits resulting in \$10,264,737.71 in reported unclaimed property.. Since implementation, these activities have generated more than \$96 million in additional Unclaimed Property receipts. Eliminating this team could potentially result in a reduction of unclaimed property funds remitted to the State by entities that are not reporting as they should be resulting in Florida residents and businesses not receiving funds for which they are rightfully entitled.

This issue eliminates 6 FTE and 429,656 from Salaries and Benefits.

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FIN ACCT/PUBLIC FUNDS		43200000
<u>RECOVERY & RETURN OF UP</u>		43200200
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE UNCLAIMED PROPERTY FIELD		
AUDIT POSITIONS		33V0490

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
N0001 001	6.00-	286,447-		143,209-	429,656-	0.00	429,656-
TOTALS FOR ISSUE BY FUND							
2007 UNCLAIMED PROPERTY TF							429,656-
	6.00-	286,447-		143,209-	429,656-		429,656-

REDUCE OTHER PERSONAL SERVICES
 (OPS) IN THE DIVISION OF UNCLAIMED
 PROPERTY
 OTHER PERSONAL SERVICES

33V0730
 030000

UNCLAIMED PROPERTY TF -STATE 162,017-
 =====

2007 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 011

IT COMPONENT? NO

The Division of Unclaimed Property utilizes multiple OPS employees within all three sections. Most of these positions work in the Accounts Payable section assisting with customer service calls, correspondence, and claims processing. Additional positions are employed in the Accounts Receivable section for document and holder report processing as well as with the Asset Management section assisting with returned checks, cash receipts, customer service calls, and vault

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FIN ACCT/PUBLIC FUNDS		43200000
<u>RECOVERY & RETURN OF UP</u>		43200200
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
(OPS) IN THE DIVISION OF UNCLAIMED		
PROPERTY		33V0730

inventory processing.

The Division has continued to administer and manage a 10% average annual growth in the numbers of claims received during each of the last five years, resulting in a record number of claims paid (and dollar amounts returned), each year, for the same time period. Claims have steadily become more complex in nature, significantly impacting the average claim processing time. The use of OPS resources has played a critical role in handling this growth along with the corresponding customer service calls. Additionally, OPS are important as they are predominantly used in our records room to prepare and image claim documentation into the Unclaimed Property Management System (UPMIS) which are needed in order for accounts payable staff to process and pay claims. In FY 21/22 OPS positions assisted with processing 818,000 claims, approximately 90,000 customer service calls, assisting claimants with over 3,600 returned warrants, and inventorying of 2,200 unclaimed safe deposit boxes. More than 5,000,000 million documents were processed by the records room last fiscal year. In addition, increasing the minimum hourly wage and for retention of OPS staff, has reduced the number of OPS staff that can be funded from the existing budget authority.

Eliminating OPS would pose significant risks to the Division of being unable to accurately and promptly administer and meet statutory time-frame requirements, as well as being unable to meet performance expectations and customer service.

A reduction of 162,017 would equate to an estimated 4 OPS positions.

TOTAL: GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	6.00- 591,673-	2000
SALARY RATE.....	286,447-	
	=====	

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FIN ACCT/PUBLIC FUNDS		43200000
FL PALM		43200300
GOV OPERATIONS/SUPPORT		16
INFORMATION TECHNOLOGY		1603.00.00.00
PROGRAM REDUCTIONS		33V0000
ELIMINATE POSITIONS IN THE PLANNING		
ACCOUNTING, AND LEDGER MANAGEMENT		
(PALM) PROJECT		33V0440
SALARY RATE		000000
SALARY RATE.....	448,558-	
	=====	
SALARIES AND BENEFITS		010000
INSURANCE REG TF	-STATE 8.00- 652,536-	2393 1
	=====	
TOTAL: ELIMINATE POSITIONS IN THE PLANNING		33V0440
ACCOUNTING, AND LEDGER MANAGEMENT		
(PALM) PROJECT		
TOTAL POSITIONS.....	8.00-	
TOTAL ISSUE.....	652,536-	
TOTAL SALARY RATE.....	448,558-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 048

IT COMPONENT? YES

This issue would eliminate 11 FTEs and 967,102 in recurring budget authority appropriated to Florida Planning, Accounting and Ledger Management (PALM) budget entity in FY 22-23. These FTEs are responsible for supporting the implementation of the new financial management solution that will replace FLAIR. Therefore, the reduction of these FTEs would negatively impact the Department's ability to perform negotiated Department responsibilities defined in the Florida PALM Software and System Integrator (SSI) contract (FP004) and could jeopardize future implementations of Florida PALM.

This issue eliminates 8 FTE and 652,536 from the Salaries and Benefits category.

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: FIN ACCT/PUBLIC FUNDS	43200000
FL PALM	43200300
GOV OPERATIONS/SUPPORT	16
INFORMATION TECHNOLOGY	<u>1603.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
ELIMINATE POSITIONS IN THE PLANNING ACCOUNTING, AND LEDGER MANAGEMENT (PALM) PROJECT	33V0440

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	8.00-	448,558-		203,978-	652,536-	0.00	652,536-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							652,536-
	8.00-	448,558-		203,978-	652,536-		652,536-

TOTAL: INFORMATION TECHNOLOGY							<u>1603.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	8.00-				652,536-		2000
SALARY RATE.....		448,558-					

=====

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PROGRAM: FIRE MARSHAL	43300000
<u>COMPLIANCE & ENFORCEMENT</u>	43300200
PUBLIC PROTECTION	12
<u>LAW ENFORCEMENT</u>	<u>1202.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
ELIMINATE BOILER SAFETY PROGRAM	33V0090

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						405,735-
2393 INSURANCE REG TF						405,735-
6.00-	266,439-		139,296-	405,735-		405,735-

REDUCE LICENSING STATISTICS SECTION		33V0110
SALARY RATE		000000
SALARY RATE.....	26,461-	
=====		
SALARIES AND BENEFITS		010000
INSURANCE REG TF	-STATE	2393 1
	1.00-	
	46,167-	
=====		
TOTAL: REDUCE LICENSING STATISTICS SECTION		33V0110
TOTAL POSITIONS.....	1.00-	
TOTAL ISSUE.....	46,167-	
TOTAL SALARY RATE.....	26,461-	
=====		

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 026

IT COMPONENT? NO

Eliminates the Senior Clerk position in the Licensing Statistics Section. This would reduce the available staff to

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE & ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE LICENSING STATISTICS SECTION		33V0110

perform regulatory and licensing responsibilities for the fire industry by 20 percent. The removal of this position will require the remaining staff to assume the workload, thereby affecting their ability to perform new and renewal licensing duties within the statutorily mandated timeframes.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1000 001	1.00-	26,461-		19,706-	46,167-	0.00	46,167-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							46,167-
	1.00-	26,461-		19,706-	46,167-		46,167-

REDUCE CONSTRUCTION MATERIALS
 MINING ACTIVITIES
 SPECIAL CATEGORIES
 CONST MATERIALS MINING

33V0140
 100000
 100121

GENERAL REVENUE FUND -STATE 90,093-
 =====

1000 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 049

IT COMPONENT? NO

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE & ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONSTRUCTION MATERIALS		
MINING ACTIVITIES		33V0140

Reduces the Miami-Dade Construction Mining Pilot Program other personal services (OPS) funding. This reduction would require the elimination of the Engineering Specialist III (Geologist) which provides support for this program and validates data received from both the industry and contractor.

REDUCE INSPECTIONS SECTION		33V0210
SALARY RATE		000000
SALARY RATE.....	61,758-	
	=====	
SALARIES AND BENEFITS		010000
INSURANCE REG TF	-STATE 102,897-	2393 1
	=====	
TOTAL: REDUCE INSPECTIONS SECTION		33V0210
TOTAL POSITIONS.....	2.00-	
TOTAL ISSUE.....	102,897-	
TOTAL SALARY RATE.....	61,758-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 033

IT COMPONENT? NO

Eliminates two positions within the Inspections Section. This reduction would remove two License and Registration Inspectors from the Northeast Region and the North Region. These two positions provide administrative support, fire safety inspections, and public education support to the Fire Inspections Section in the regional field offices. The removal of these positions will require the remaining regional staff (Fire Protection Specialists and Supervisors) to assume the workload, thereby affecting their ability to perform fire safety inspections within the statutorily mandated timeframes.

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PROGRAM: FIRE MARSHAL		43300000
<u>COMPLIANCE & ENFORCEMENT</u>		43300200
PUBLIC PROTECTION		12
<u>LAW ENFORCEMENT</u>		<u>1202.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE INSPECTIONS SECTION		33V0210

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1000 001	2.00-	61,758-		41,139-	102,897-	0.00	102,897-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							102,897-
	2.00-	61,758-		41,139-	102,897-		102,897-

TOTAL: LAW ENFORCEMENT							<u>1202.00.00.00</u>
BY FUND TYPE							
GENERAL REVENUE FUND		90,093-					1000
TRUST FUNDS		554,799-					2000
TOTAL POSITIONS.....	9.00-						
TOTAL PROG COMP.....		644,892-					
TOTAL SALARY RATE.....	354,658-						

=====

 COL A10
 SCH VIIIIB-2
 RED FY23-24
 POS AMOUNT CODES

FINANCIAL SERVICES 43000000
 PROGRAM: FIRE MARSHAL 43300000
PROF TRAINING & STANDARDS 43300400
 PUBLIC PROTECTION 12
LAW ENFORCEMENT 1202.00.00.00
 PROGRAM REDUCTIONS 33V0000
 REDUCE FIREFIGHTER ASSISTANCE GRANT PROGRAM 33V0280
 SPECIAL CATEGORIES 100000
 G/A-FIREFIGHTER ASSIST 100063

INSURANCE REG TF -STATE 500,000- 2393 1
 =====

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 016

Reduction of the Volunteer Fire Fighter Assistance Grant. This reduction in grant funding for small fire service providers will negatively impact the ability to provide both fire fighter health and safety equipment and personal protective gear. This reduction will eliminate 50 percent of the program.

FIRE MRSHL ADMN & SUP SRVS 43300500
 PUBLIC PROTECTION 12
LAW ENFORCEMENT 1202.00.00.00
 PROGRAM REDUCTIONS 33V0000
 ELIMINATE FLORIDA FIRE INCIDENT REPORTING SECTION 33V0290
 SALARY RATE 000000

SALARY RATE..... 96,398-
 =====

SALARIES AND BENEFITS 010000
 INSURANCE REG TF -STATE 2.00- 144,313- 2393 1
 =====

OTHER PERSONAL SERVICES 030000
 INSURANCE REG TF -STATE 30,687- 2393 1
 =====

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PROGRAM: FIRE MARSHAL	43300000
<u>FIRE MRSHL ADMN & SUP SRVS</u>	43300500
PUBLIC PROTECTION	12
<u>LAW ENFORCEMENT</u>	<u>1202.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
ELIMINATE FLORIDA FIRE INCIDENT REPORTING SECTION	33V0290

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						144,313-
2393 INSURANCE REG TF						144,313-
2.00-	96,398-		47,915-	144,313-		144,313-

TOTAL: LAW ENFORCEMENT		1202.00.00.00
BY FUND TYPE		
TRUST FUNDS.....	2.00- 175,000-	2000
SALARY RATE.....	96,398-	
	=====	

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: ST PROP/CASUALTY CLMS			43400000
ST SELF-INSURED CLAIMS ADJ			43400100
GOV OPERATIONS/SUPPORT			16
GOVERNMENTAL OPERATIONS			1601.00.00.00
PROGRAM REDUCTIONS			33V0000
REDUCE EXPENSES AUTHORITY FROM			
STATE SELF INSURED CLAIMS			
ADJUSTMENT BUDGET ENTITY			33V2420
EXPENSES			040000
STATE RISK MGMT TF	-STATE	1,500,000-	2078 1
		=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 012

The Division of Risk Management works to ensure that participating state of Florida agencies and universities receive assistance in managing risk and quality workers' compensation, liability, federal civil rights, automobile liability, and property insurance coverage by providing self- insurance, purchase of insurance, and claims administration. The Division also works directly with agencies to assist with program development and implementation of loss prevention industry best practices.

The Division utilizes the authority in the Expenses category for multiple purposes including general expense items including, but not limited to, annual Division of Workers' Compensation assessments, rent, supplies, and property and out-of-state workers' compensation premiums.

This issue reduces 1,500,000 in Expenses budget authority from the State Risk Management Trust Fund within the State Self-Insured Claims Adjustment budget entity.

REDUCE PURCHASE OF EXCESS INSURANCE			
AUTHORITY STATE SELF INSURED CLAIMS			
ADJUSTMENT BUDGET ENTITY			33V2430
SPECIAL CATEGORIES			100000
EXCESS INSUR. & CLAIM SER			101221

STATE RISK MGMT TF	-STATE	6,436,858-	2078 1
		=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 017

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: ST PROP/CASUALTY CLMS		43400000
<u>ST SELF-INSURED CLAIMS ADJ</u>		43400100
GOV OPERATIONS/SUPPORT		16
<u>GOVERNMENTAL OPERATIONS</u>		<u>1601.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE PURCHASE OF EXCESS INSURANCE		
AUTHORITY STATE SELF INSURED CLAIMS		
ADJUSTMENT BUDGET ENTITY		33V2430

The Division of Risk Management purchases excess property insurance to help limit the State's loss exposure of over \$27.1 billion of state owned property. Current excess property insurance coverage was purchased in February 2022 at an annual cost of \$10,851,323. The excess insurance purchased provides \$56.270 million in coverage for named windstorms and flood, and up to \$225 million in coverage for all other named perils, excluding named windstorms and flood coverage, after the deductible provisions are met.

Excess insurers have a limited capacity available for catastrophic coverage each year, and they establish minimum premiums for that capacity which further limits the amount of coverage offered. Due to the limited amount of catastrophic coverage available and established minimum premium pricing, named windstorm and flood coverage may not be available if the budget in this category was reduced to \$2.6 million. However, it is possible that some level of excess property insurance coverage could be purchased for all other perils, such as fire and non-named windstorm events. A reduction would require revisions to the provision in Section 216.222(2)(a and b), F.S. that allows funds to be transferred to the State Risk Management Trust Fund (SRMTF) to cover the current deductibles in place for excess property coverage. This section may need to be amended to remove or adjust the annual cap of \$38 million on such transfers to the SRMTF for uninsured losses to state property. If the statute is not amended, catastrophic loss payments may be delayed until sufficient funding is appropriated to pay those losses.

If this reduction was taken, and the available budget authority was reduced to 4,414,465, purchasing the excess insurance for named wind and flood coverage may not be possible.

This issue reduces (6,436,858) from the Excess Insurance and Claims Service category.

TOTAL: GOVERNMENTAL OPERATIONS		<u>1601.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	7,936,858-	2000
	=====	

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES
FINANCIAL SERVICES			43000000
PGM: LICNSNG/CNSMER PROTEC			43500000
<u>INSURANCE CO REHAB/LIQDATN</u>			43500100
PUBLIC PROTECTION			12
<u>REGULATION AND LICENSING</u>			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE REHABILITATION AND			
LIQUIDATION PROGRAM			33V6010
SPECIAL CATEGORIES			100000
CONTRACTED SERVICES			100777
INSURANCE REG TF	-STATE	91,556-	2393 1
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 013

IT COMPONENT? NO

No Legislative Change.

The Florida Department of Financial Services. Division of Rehabilitation and Liquidation is the court appointed "Receiver" and "Liquidator" for distressed insurance companies in the State of Florida. Contracted Services (100777) was reduced by \$91,556.

The Division has acquired five new estates in 2022. This reduction could potentially impact the Division's ability to perform its fiduciary duty and effectively administer all estates in receivership.

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: LICNSNG/CNSMER PROTEC			43500000
<u>LICENSURE, SALES/APPT/OVST</u>			43500200
PUBLIC PROTECTION			12
<u>REGULATION AND LICENSING</u>			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE POSITION(S) - LICENSING AND			
REGULATION OF BAIL BOND AGENTS AND			
AGENCIES			33V6120
SALARY RATE			000000
SALARY RATE.....	279,463-		
	=====		
SALARIES AND BENEFITS			010000
	7.00-		
INSURANCE REG TF	-STATE 437,006-		2393 1
	=====		
EXPENSES			040000
INSURANCE REG TF	-STATE 44,793-		2393 1
	=====		
TOTAL: REDUCE POSITION(S) - LICENSING AND			33V6120
REGULATION OF BAIL BOND AGENTS AND			
AGENCIES			
TOTAL POSITIONS.....	7.00-		
TOTAL ISSUE.....	481,799-		
TOTAL SALARY RATE.....	279,463-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 002

IT COMPONENT? NO

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

The elimination of regulation of Bail Bond agents and agencies will transfer the responsibility of oversight of the actions of these individuals to the surety companies they are contracted with, the local sheriff's offices who allow them to post bail, and to the clerks of court who handle the funds related to the bail bond process. Cutting these 7 positions from the Bureau of Agent and Agency Licensing and the Bureau of Agent and Agency Investigation will reduce salaries and benefits by \$437,006 and recurring expenses by \$44,793.

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
LICENSURE, SALES/APPT/OVST		43500200
PUBLIC PROTECTION		12
REGULATION AND LICENSING		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - LICENSING AND		
REGULATION OF BAIL BOND AGENTS AND		
AGENCIES		33V6120

The cut of this program area is estimated to reduce annual revenue from licensing and appointment fees by \$97,128, administrative fines by \$25,250 and administrative actions by 40.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
3524 INSURANCE EXAMINER II							
C0002 001	6.00-	230,586-		132,283-	362,869-	0.00	362,869-
3534 INSURANCE REGULATION ADMINISTRATOR - SES							
C0001 001	1.00-	48,877-		25,260-	74,137-	0.00	74,137-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							437,006-
	7.00-	279,463-		157,543-	437,006-		437,006-

REDUCE POSITION(S) IN INSURANCE
 AGENT PRE-LICENSING EDUCATION
 SECTION

SALARY RATE		33V6130
SALARY RATE.....	38,431-	000000
=====		

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES
FINANCIAL SERVICES			
			43000000
			43500000
			43500200
			12
			<u>1204.00.00.00</u>
			33V0000
PROGRAM REDUCTIONS			
REDUCE POSITION(S) IN INSURANCE			
AGENT PRE-LICENSING EDUCATION			
SECTION			
SALARIES AND BENEFITS			
	1.00-		
INSURANCE REG TF	-STATE	60,478-	2393 1
		=====	
EXPENSES			
			040000
INSURANCE REG TF	-STATE	6,399-	2393 1
		=====	
TOTAL: REDUCE POSITION(S) IN INSURANCE			
AGENT PRE-LICENSING EDUCATION			
SECTION			
TOTAL POSITIONS.....	1.00-		
TOTAL ISSUE.....		66,877-	
TOTAL SALARY RATE.....	38,431-		
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 001

LEGISLATIVE CHANGE REQUIRED: Sections 626.171, 626.221, 626.231, 626.2817, 626.292, 626.681, 626.731, 626.7351, 626.785, 626.7851, 626.831, 626.8311, 626.8417, 626.865, 626.927, 648.385, and 648.386, F.S. will need to be repealed or amended.

Pre-licensing courses will no longer be required of applicants prior to taking the state examination.

Elimination of Pre-licensing Education will allow licensees to qualify by passing the required state examination without first taking pre-licensing education courses. Passage of the examination is adequate to verify the applicants are qualified and competent to transact insurance. The FTEs will no longer approve or disapprove courses applicants may wish to take prior to taking the state examination. This issue represents a reduction of 1 FTE, \$60,478 in salaries and benefits and recurring expenses by \$6,399.

In FY 2021-2022, revenue generated by pre-licensing study manual fees and royalties was \$48,485. Manuals would continue to be sold; however, the numbers would likely decrease because there would no longer be a course provider requiring the use of the current manual.

COL A10
 SCH VIIIIB-2
 RED FY23-24
 POS AMOUNT

CODES

FINANCIAL SERVICES
 PGM: LICNSNG/CNSMER PROTEC
LICENSURE, SALES/APPT/OVST
 PUBLIC PROTECTION
REGULATION AND LICENSING

43000000
 43500000
 43500200
 12
1204.00.00.00
 33V0000

PROGRAM REDUCTIONS
 REDUCE POSITION(S) IN INSURANCE
 AGENT PRE-LICENSING EDUCATION
 SECTION

33V6130

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
3524 INSURANCE EXAMINER II C0001 001	1.00-	38,431-		22,047-	60,478-	0.00	60,478-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							60,478-
	1.00-	38,431-		22,047-	60,478-		60,478-

REDUCE POSITION(S) - AGENT AND
 AGENCY SERVICES - ELIMINATE
 LICENSING AND REGULATION OF TITLE
 INSURANCE

33V6140
 000000

SALARY RATE..... 194,465-
 =====

SALARIES AND BENEFITS

010000

INSURANCE REG TF -STATE 5.00- 305,153-
 =====

2393 1

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
LICENSURE, SALES/APPT/OVST		43500200
PUBLIC PROTECTION		12
REGULATION AND LICENSING		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - AGENT AND		
AGENCY SERVICES - ELIMINATE		
LICENSING AND REGULATION OF TITLE		
INSURANCE		33V6140
EXPENSES		040000
INSURANCE REG TF	-STATE 31,995-	2393 1
=====		
TOTAL: REDUCE POSITION(S) - AGENT AND		33V6140
AGENCY SERVICES - ELIMINATE		
LICENSING AND REGULATION OF TITLE		
INSURANCE		
TOTAL POSITIONS.....	5.00-	
TOTAL ISSUE.....	337,148-	
TOTAL SALARY RATE.....	194,465-	
=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
PRIORITY # 003

IT COMPONENT? NO

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

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

Cutting these 5 positions from the Bureau of Agent and Agency Investigation will reduce salaries and benefits by \$305,153 and recurring expenses by \$31,955.

The cut of this program area is estimated to reduce annual revenue from licensing fees by \$296,064, administrative fines by \$6,000 annual administrative actions by 13, and will have no impact on recoveries on behalf of consumers. In addition, \$464,455 in revenue from the title agency surcharge will be lost by the Department of Financial Services. Additional revenue will be lost by the Office of Insurance Regulation for the administrative surcharge placed on Title Companies.

COL A10 SCH VIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: LICNSNG/CNSMER PROTEC	43500000
LICENSURE, SALES/APPT/OVST	43500200
PUBLIC PROTECTION	12
REGULATION AND LICENSING	1204.00.00.00
PROGRAM REDUCTIONS	33V0000
REDUCE POSITION(S) - AGENT AND AGENCY SERVICES - ELIMINATE LICENSING AND REGULATION OF TITLE INSURANCE	33V6140

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2236 GOVERNMENT OPERATIONS CONSULTANT II							
C0001 001	1.00-	40,741-		22,499-	63,240-	0.00	63,240-
3524 INSURANCE EXAMINER II							
C0002 001	4.00-	153,724-		88,189-	241,913-	0.00	241,913-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							305,153-
	5.00-	194,465-		110,688-	305,153-		305,153-

ELIMINATE INVESTIGATIONS LEGAL PROCESSING UNIT							33V6190
SALARY RATE							000000
SALARY RATE.....	130,359-						
SALARIES AND BENEFITS							010000
INSURANCE REG TF	-STATE	200,617-					2393 1

COL A10					
SCH VIIIIB-2					
RED FY23-24					
POS	AMOUNT				CODES
FINANCIAL SERVICES					
					43000000
					43500000
					43500200
					12
					<u>1204.00.00.00</u>
PROGRAM REDUCTIONS					
					33V0000
ELIMINATE INVESTIGATIONS LEGAL					
PROCESSING UNIT					
					33V6190
					040000
INSURANCE REG TF	-STATE	19,197-			2393 1
=====					
TOTAL: ELIMINATE INVESTIGATIONS LEGAL					
PROCESSING UNIT					
TOTAL POSITIONS.....		3.00-			33V6190
TOTAL ISSUE.....		219,814-			
TOTAL SALARY RATE.....		130,359-			
=====					

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 004

Eliminate the manager and 2 FTE for the legal review program for the Bureau of Investigations, Legal Processing Unit. The elimination of this staff will shift the burden of the drafting of some orders and some settlement negotiations to the Office of the General Counsel legal staff.

Cutting 3 FTE positions from the Bureau of Agent and Agency Investigations will result in reduction in salaries and benefits by \$200,617 and recurring expenses by \$19,197.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2236 GOVERNMENT OPERATIONS CONSULTANT II							
C0002 001	2.00-	81,482-		44,998-	126,480-	0.00	126,480-
2228 SENIOR MANAGEMENT ANALYST SUPV - SES							
C0001 001	1.00-	48,877-		25,260-	74,137-	0.00	74,137-

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: LICNSNG/CNSMER PROTEC	43500000
LICENSURE, SALES/APPT/OVST	43500200
PUBLIC PROTECTION	12
REGULATION AND LICENSING	<u>1204.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
ELIMINATE INVESTIGATIONS LEGAL PROCESSING UNIT	33V6190

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						
						200,617-
2393 INSURANCE REG TF						
3.00-	130,359-		70,258-	200,617-		200,617-
=====	=====	=====	=====	=====		=====

TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	16.00-	
SALARY RATE.....	1,105,638-	2000
	642,718-	
	=====	

COL A10			
SCH VIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: LICNSNG/CNSMER PROTEC			43500000
<u>CONSUMER ASSISTANCE</u>			43500400
PUBLIC PROTECTION			12
<u>CONSUMER SAFETY/PROTECTION</u>			<u>1205.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE REGIONAL MANAGERS			33V4010
SALARY RATE			000000
SALARY RATE.....	418,144-		
	=====		
SALARIES AND BENEFITS			010000
INSURANCE REG TF	-STATE 8.00-	632,840-	2393 1
	=====		
EXPENSES			040000
INSURANCE REG TF	-STATE	51,192-	2393 1
	=====		
TOTAL: ELIMINATE REGIONAL MANAGERS			33V4010
TOTAL POSITIONS.....	8.00-		
TOTAL ISSUE.....		684,032-	
TOTAL SALARY RATE.....	418,144-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 027

IT COMPONENT? NO

The Regional Managers are in Consumer Services positions, but are administratively organized under the CFO's Office and they are located in regional areas throughout the state. The Regional Managers represent the CFO and the Department in their designated regions and some of their primary duties include conducting advance work for the CFO prior to a visit to their region, promoting consumer education and outreach, establishing contacts and professional relationships with entities that align with the CFO's priorities and hosting and attending public events and forums that promote the Department's programs and services.

The elimination of the Regional Managers will have a significant impact on the CFO's Office and on the Division of Consumer Services. They are designated representatives of the CFO and the responsibilities they perform are critical to the CFO and they cannot be adequately performed by other FTE. The elimination of the Regional Managers will result in the reduction of 8 FTE, 7 employees and one supervisor. The total value associated with the reduction equals \$680,032

There is no revenue impact associated with the proposed reduction.

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
<u>CONSUMER ASSISTANCE</u>		43500400
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		1205.00.00.00
PROGRAM REDUCTIONS		33V0000
ELIMINATE REGIONAL MANAGERS		33V4010

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2224 SENIOR MANAGEMENT ANALYST I - SES							
C0002 001	7.00-	372,295-		182,730-	555,025-	0.00	555,025-
2238 OPERATIONS & MGMT CONSULTANT MGR - SES							
C0001 001	1.00-	45,849-		31,966-	77,815-	0.00	77,815-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							632,840-
	8.00-	418,144-		214,696-	632,840-		632,840-

TALLAHASSEE HELPLINE UNIT REDUCTION							33V4020
SALARY RATE							000000
SALARY RATE.....	201,125-						
SALARIES AND BENEFITS							010000
INSURANCE REG TF	-STATE	5.00-	315,455-				2393 1
EXPENSES							040000
INSURANCE REG TF	-STATE		31,995-				2393 1

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
PGM: LICNSNG/CNSMER PROTEC		
		43500000
<u>CONSUMER ASSISTANCE</u>		
		43500400
PUBLIC PROTECTION		
		12
<u>CONSUMER SAFETY/PROTECTION</u>		
		1205.00.00.00
PROGRAM REDUCTIONS		
		33V0000
TALLAHASSEE HELPLINE UNIT REDUCTION		
		33V4020
TOTAL: TALLAHASSEE HELPLINE UNIT REDUCTION		
		33V4020
TOTAL POSITIONS.....	5.00-	
TOTAL ISSUE.....		347,450-
TOTAL SALARY RATE.....	201,125-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 043

Two of the units of the Consumer Services call center answer calls received through the Division's Consumer Helplines related to insurance agent and agency licensing, unclaimed property, and rehabilitation and liquidation. The elimination of these units and reassigning positions to better align with the needs of the Division would reduce total funding needs by \$348,453. The elimination of these positions will reduce the size of the Division. Unclaimed Property calls are already handled by the Division of Unclaimed Property as well, Rehab and liquidation calls would be better answered by one of the Division's Insurance Units and insurance agent and agency licensing calls can be absorbed by the Division of Insurance Agent & Agency Services. The remaining 8 FTEs in these units would be reassigned to the 4 other insurance helpline units to assist with insurance related calls.

There is no revenue impact associated with the proposed reduction.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0442 REGULATORY CONSULTANT							
	C0010 001	3.00-	103,371-	63,809-	167,180-	0.00	167,180-
3534 INSURANCE REGULATION ADMINISTRATOR - SES							
	C0011 001	2.00-	97,754-	50,521-	148,275-	0.00	148,275-

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: LICNSNG/CNSMER PROTEC	43500000
CONSUMER ASSISTANCE	43500400
PUBLIC PROTECTION	12
CONSUMER SAFETY/PROTECTION	<u>1205.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
TALLAHASSEE HELPLINE UNIT REDUCTION	33V4020

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							315,455-
	5.00-	201,125-		114,330-	315,455-		315,455-
	=====	=====	=====	=====	=====		=====

TOTAL: CONSUMER SAFETY/PROTECTION							<u>1205.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	13.00-						
SALARY RATE.....		1,031,482-					2000
		619,269-					
	=====	=====					

COL A10			
SCH VIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: LICNSNG/CNSMER PROTEC			43500000
<u>FUNERAL/CEMETERY SERVICES</u>			43500500
PUBLIC PROTECTION			12
<u>REGULATION AND LICENSING</u>			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE POSITIONS			33V4060
SALARY RATE			000000
SALARY RATE.....	185,095-		
	=====		
SALARIES AND BENEFITS			010000
	4.00-		
REGULATORY TRUST FUND	-STATE	282,926-	2573 1
		=====	
TOTAL: ELIMINATE POSITIONS			33V4060
TOTAL POSITIONS.....	4.00-		
TOTAL ISSUE.....	282,926-		
TOTAL SALARY RATE.....	185,095-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 029

IT COMPONENT? NO

LAW CHANGE REQUIRED: Possible numerous legislative changes throughout chapter 497, Florida Statutes, and chapter 69K, F.A.C. Specific changes would be required for sections 497.103, 497.141 - 497.157, 497.165 - 497.167, 497.266 - 497.269, 497.365 - 497.379, 497.389, 497.450 - 497.466, 497.550 - 497.554, and 497.602 - 497.606, Florida Statutes. Related administrative rules contained in chapter 69K, F.A.C., would also require substantial changes.

This issue eliminates four positions, representing approximately 17% of the division's staff.

These positions are responsible for licensing of approximately 10,000 death care industry members, establishments, and cemeteries; on-site field inspections and examinations of death care licensees throughout the state to determine if licensees are complying with statutory requirements; and investigations of licensees as a result of consumer complaints regarding the death care industry.

Even with travel and other restrictions imposed by the COVID-19 pandemic, in FY20-21, the Division conducted approximately 1,989 inspections, examinations, and investigations of Florida's death care licensees. Elimination of these positions would effectively prohibit the appropriate monitoring and regulation of the death care industry. Significant statutory changes would be required to reduce regulatory requirements (such as those involving annual inspections, licensing timelines, investigations, and examinations).

COL A10 SCH VIIIIB-2 RED FY23-24		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: LICNSNG/CNSMER PROTEC		43500000
<u>FUNERAL/CEMETERY SERVICES</u>		43500500
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE POSITIONS		33V4060

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1566 FINANCIAL SPECIALIST							
C1000 002	1.00-	45,849-		23,498-	69,347-	0.00	69,347-
0712 ADMINISTRATIVE ASSISTANT II - SES							
C1003 002	1.00-	31,200-		21,796-	52,996-	0.00	52,996-
1575 FINANCIAL EXAMINER/ANALYST SUPV - SES							
C1001 002	1.00-	48,877-		25,260-	74,137-	0.00	74,137-
1587 FINANCIAL ADMINISTRATOR - SES							
C1002 002	1.00-	59,169-		27,277-	86,446-	0.00	86,446-

TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							282,926-
	4.00-	185,095-		97,831-	282,926-		282,926-
	=====	=====	=====	=====	=====		=====

TOTAL: REGULATION AND LICENSING							<u>1204.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	4.00-	282,926-					2000
SALARY RATE.....		185,095-					
	=====	=====					

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: LICNSNG/CNSMER PROTEC			43500000
<u>PUBLIC ASSISTANCE FRAUD</u>			43500700
PUBLIC PROTECTION			12
<u>CONSUMER SAFETY/PROTECTION</u>			<u>1205.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCTION IN PUBLIC ASSISTANCE			
FRAUD			33V6000
SALARY RATE			000000
SALARY RATE.....	229,089-		
	=====		
SALARIES AND BENEFITS			010000
	6.00-		
INSURANCE REG TF	-STATE	361,079-	2393 1
		=====	
TOTAL: REDUCTION IN PUBLIC ASSISTANCE			33V6000
FRAUD			
TOTAL POSITIONS.....	6.00-		
TOTAL ISSUE.....		361,079-	
TOTAL SALARY RATE.....	229,089-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 044

IT COMPONENT? NO

The Division of Public Assistance Fraud investigates public assistance benefits paid in accordance with the provisions of Chapters 409, 411, and 414 Florida Statutes. Through these investigations, the Division identifies intentional acts resulting in fraudulent disbursement of public monies or other items or benefits only authorized to eligible recipients.

This issue reduces 6 positions -four Financial Crime Investigator III positions, one district Chief of Investigations, and one Senior Management Analyst Supervisor position. All positions are currently filled.

To offset this loss, the division will have to restructure from three districts to two districts and the district areas re-drawn. It will result in the Fort Myers office aligning under the South District and the Jacksonville and Tallahassee offices aligning under the Central District that would in turn be re-designated the North District. Travel costs will increase as more overnight travel by district chiefs will be required as district areas expand. The loss of the SMAS in Tampa and the FCI III's that report to the SMAS, will result in reassigning the two district chiefs the Statewide Investigation Unit and the efforts of 10 OPS FCI. This reduction of staff would come at a time when the public assistance rolls have swelled due to the COVID-19 pandemic and the need to investigate fraud resulting from that swell is more critical. In FY 2020-2021, the Division's Statewide Investigations Unit investigated 242 cases of SNAP trafficking, resulting in \$571,921 in fraud. These reductions would require the remaining investigators to assume the workload, thereby increasing their caseloads and resulting in delayed investigations, which could affect the statute of limitations

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: LICNSNG/CNSMER PROTEC	43500000
<u>PUBLIC ASSISTANCE FRAUD</u>	43500700
PUBLIC PROTECTION	12
<u>CONSUMER SAFETY/PROTECTION</u>	<u>1205.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCTION IN PUBLIC ASSISTANCE FRAUD	33V6000

for criminal prosecution of fraud allegations.

This issue would reduce 6 FTE and 361,079 from the Salaries and Benefits category.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	6.00-	229,089-		131,990-	361,079-	0.00	361,079-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							361,079-
	6.00-	229,089-		131,990-	361,079-		361,079-

TOTAL: CONSUMER SAFETY/PROTECTION							<u>1205.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	6.00-				361,079-		2000
SALARY RATE.....		229,089-					
	=====						

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: WORKERS' COMPENSATION			43600000
<u>WORKERS' COMPENSATION</u>			43600100
ECONOMIC OPPORTUNITIES			11
<u>WORKERS' COMPENSATION</u>			<u>1102.02.00.00</u>
PROGRAM REDUCTIONS			33V0000
TRANSFER REEMPLOYMENT CLIENT			
SERVICES PROGRAM TO PRIVATE SECTOR			33V0180
SALARY RATE			000000
SALARY RATE.....	178,236-		
	=====		
SALARIES AND BENEFITS			010000
	5.00-		
WORKERS' COMP ADMIN TF	-STATE 285,749-		2795 1
	=====		
OTHER PERSONAL SERVICES			030000
WORKERS' COMP ADMIN TF	-STATE 193,302-		2795 1
	=====		
SPECIAL CATEGORIES			100000
CONTRACTED SERVICES			100777
WORKERS' COMP ADMIN TF	-STATE 10,203-		2795 1
	=====		
PURCHASED CLIENT SERVICES			102933
WORKERS' COMP ADMIN TF	-STATE 740,000-		2795 1
	=====		
TOTAL: TRANSFER REEMPLOYMENT CLIENT			33V0180
SERVICES PROGRAM TO PRIVATE SECTOR			
TOTAL POSITIONS.....	5.00-		
TOTAL ISSUE.....	1,229,254-		
TOTAL SALARY RATE.....	178,236-		
	=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 023

IT COMPONENT? NO

Legislative change would be required to ss. 440.491(5) and ss. 440.491(6), F.S., need amendments for the Reemployment/Client Services transfer.

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: WORKERS' COMPENSATION	43600000
<u>WORKERS' COMPENSATION</u>	43600100
ECONOMIC OPPORTUNITIES	11
<u>WORKERS' COMPENSATION</u>	<u>1102.02.00.00</u>
PROGRAM REDUCTIONS	33V0000
TRANSFER REEMPLOYMENT CLIENT	
SERVICES PROGRAM TO PRIVATE SECTOR	33V0180

Reemployment/Client Services was transferred to the Division of Workers' Compensation from the Department of Education effective July 1, 2012. This reduction would abolish the division's responsibility in providing reemployment services to injured workers in order for them to attain suitable and gainful employment. This issue eliminates five positions received with the Reemployment/Client Services program.

Current funding level of Purchased Client Services category: \$740,000 (This amount does not include the FTE or OPS funding associated with this program.)

These reductions represent approximately 9 percent of the Bureau's positions.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1000 001	5.00-	178,236-		107,513-	285,749-	0.00	285,749-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							285,749-
	5.00-	178,236-		107,513-	285,749-		285,749-

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: WORKERS' COMPENSATION		43600000
<u>WORKERS' COMPENSATION</u>		43600100
ECONOMIC OPPORTUNITIES		11
<u>WORKERS' COMPENSATION</u>		<u>1102.02.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN THE BUREAU OF		
FINANCIAL ACCOUNTABILITY		33V2260
SALARY RATE		000000
SALARY RATE.....	115,700-	
	=====	
SALARIES AND BENEFITS		010000
	3.00-	
WORKERS' COMP ADMIN TF -STATE	181,921-	2795 1
	=====	
TOTAL: REDUCTION IN THE BUREAU OF		33V2260
FINANCIAL ACCOUNTABILITY		
TOTAL POSITIONS.....	3.00-	
TOTAL ISSUE.....	181,921-	
TOTAL SALARY RATE.....	115,700-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 037

IT COMPONENT? NO

No Legislative Change

This issue eliminates one Professional Accountant position, one Accountant III, and one Operations & Management Consultant II position within the Financial Accountability Section (FAS). The FAS Unit manages the collection of employer penalties totaling nearly 17 million dollars annually. When an employer fails to pay penalties after they have entered into a Penalty Payment Agreement, the Division must move forward to reinstate the Stop Work Order, initiate collections proceedings and file liens against these employer's property. The Unit also has employees embedded in the department's Revenue Processing Unit to assure that employer payments are accurately and timely processed. Eliminating these positions will require reallocation of existing positions to ensure the department's fiduciary regulatory duties are maintained.

These reductions represent approximately 13 percent of the Bureau of Financial Accountability positions (not including the SDTF positions).

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: WORKERS' COMPENSATION	43600000
WORKERS' COMPENSATION	43600100
ECONOMIC OPPORTUNITIES	11
WORKERS' COMPENSATION	1102.02.00.00
PROGRAM REDUCTIONS	33V0000
REDUCTION IN THE BUREAU OF FINANCIAL ACCOUNTABILITY	33V2260

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1000 001	3.00-	115,700-		66,221-	181,921-	0.00	181,921-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							181,921-
	3.00-	115,700-		66,221-	181,921-		181,921-

REDUCTION IN THE BUREAU OF MONITORING AND AUDIT							33V2270
SALARY RATE							000000
SALARY RATE.....	110,192-						
SALARIES AND BENEFITS							010000
WORKERS' COMP ADMIN TF -STATE	3.00-	175,336-					2795 1
TOTAL: REDUCTION IN THE BUREAU OF MONITORING AND AUDIT							33V2270
TOTAL POSITIONS.....	3.00-						
TOTAL ISSUE.....		175,336-					
TOTAL SALARY RATE.....	110,192-						

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: WORKERS' COMPENSATION	43600000
<u>WORKERS' COMPENSATION</u>	43600100
ECONOMIC OPPORTUNITIES	11
<u>WORKERS' COMPENSATION</u>	<u>1102.02.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCTION IN THE BUREAU OF MONITORING AND AUDIT	33V2270

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 036

No Legislative Change

This issue eliminates two Insurance Examiner II positions in the Medical Services Section. This section is responsible for establishing rules and policy, implementing the Three Member Panel's uniform schedules for maximum reimbursement allowances, resolving medical reimbursement disputes between providers and payers, and providing educational assistance and consultation on issues related to medical billing and reimbursements. Eliminating these positions would affect the division's ability to timely resolve reimbursement disputes and provide educational and administrative support for our external customers.

This issue also eliminates one Insurance Specialist III in the Centralized Performance System (CPS) Section. The CPS section is responsible for providing insurer performance information and trends that enables the division and claim administrators to monitor performance and respond to penalty assessments for untimely filing and payment. These reductions would limit the division's ability to timely monitor insurer performance and respond to penalty assessments.

These reductions represent approximately 8 percent of the Bureau of Monitoring and Audit positions.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1000 001	3.00-	110,192-		65,144-	175,336-	0.00	175,336-

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: WORKERS' COMPENSATION	43600000
<u>WORKERS' COMPENSATION</u>	43600100
ECONOMIC OPPORTUNITIES	11
<u>WORKERS' COMPENSATION</u>	<u>1102.02.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCTION IN THE BUREAU OF MONITORING AND AUDIT	33V2270

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						175,336-
2795 WORKERS' COMP ADMIN TF						175,336-
3.00-	110,192-		65,144-	175,336-		175,336-

REDUCTION IN THE BUREAU OF COMPLIANCE		33V2280
SALARY RATE		000000
SALARY RATE.....	444,258-	
=====		
SALARIES AND BENEFITS		010000
	12.00-	
WORKERS' COMP ADMIN TF -STATE	705,515-	2795 1
=====		
TOTAL: REDUCTION IN THE BUREAU OF COMPLIANCE		33V2280
TOTAL POSITIONS.....	12.00-	
TOTAL ISSUE.....	705,515-	
TOTAL SALARY RATE.....	444,258-	
=====		

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 038

IT COMPONENT? NO

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: WORKERS' COMPENSATION	43600000
<u>WORKERS' COMPENSATION</u>	43600100
ECONOMIC OPPORTUNITIES	11
<u>WORKERS' COMPENSATION</u>	<u>1102.02.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCTION IN THE BUREAU OF COMPLIANCE	33V2280

No Legislative Change

The Bureau of Compliance is responsible for ensuring employers in Florida are in compliance with Florida's workers' compensation laws. Bureau personnel conduct on-site investigations and issue stop-work orders and penalties to non-compliant employers, pursuant to s. 440.107, F.S. In addition, certain personnel are responsible for reviewing, processing and issuing workers' compensation exemptions in a timely manner to qualified individuals, pursuant to s. 440.05, F.S. The Penalty Team is responsible for calculating penalties for non-compliance based on employer's business records.

This issue eliminates 12 full time positions within the Bureau of Compliance:
 8 Regulatory Analyst III (Investigator) - Investigations Team
 1 Insurance Specialist I - Exemption Team
 2 Insurance Specialist III - Penalty Team
 1 Regulatory Consultant

Eliminating these positions will result in fewer employer investigations conducted and increased time to process penalties and exemptions. An overall significant reduction of revenue will occur due to less enforcement actions.

These reductions represent approximately 9 percent of the Bureau of Compliance positions.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1000 001	12.00-	444,258-		261,257-	705,515-	0.00	705,515-

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: WORKERS' COMPENSATION	43600000
<u>WORKERS' COMPENSATION</u>	43600100
ECONOMIC OPPORTUNITIES	11
<u>WORKERS' COMPENSATION</u>	<u>1102.02.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCTION IN THE BUREAU OF COMPLIANCE	33V2280

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						705,515-
2795 WORKERS' COMP ADMIN TF						705,515-
12.00-	444,258-		261,257-	705,515-		705,515-

REDUCTION IN THE BUREAU OF EMPLOYEE ASSISTANCE		33V2310
SALARY RATE		000000
SALARY RATE.....	68,922-	
=====		
SALARIES AND BENEFITS		010000
WORKERS' COMP ADMIN TF -STATE	2.00- 111,464-	2795 1
=====		
TOTAL: REDUCTION IN THE BUREAU OF EMPLOYEE ASSISTANCE		33V2310
TOTAL POSITIONS.....	2.00-	
TOTAL ISSUE.....	111,464-	
TOTAL SALARY RATE.....	68,922-	
=====		

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 035

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: WORKERS' COMPENSATION		43600000
<u>WORKERS' COMPENSATION</u>		43600100
ECONOMIC OPPORTUNITIES		11
<u>WORKERS' COMPENSATION</u>		<u>1102.02.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN THE BUREAU OF EMPLOYEE ASSISTANCE		33V2310

No Legislative Change

This issue eliminates one Government Analyst I position on the Ombudsman Team and an Insurance Specialist I on the Records Management Team.

The Government Analyst I provides assistance to employers and to injured workers who have significant problems or questions regarding their workers' compensation claims. The Ombudsman Team handles referrals from Legislators and the Governor's Office. This reduction would reduce assistance to injured workers and employers. This position handles their daily workload thru telephone calls and emails so remaining staff around the state will be required to absorb the additional workload created if these positions are eliminated.

The Insurance Specialist I works within the subpoena and public records team responding to requests made by the general public. This reduction would result in delays in acknowledging and responding to subpoenas and public records requests and delays in mail processing.

This represents approximately 9 percent of the Bureau of Employee Assistance positions.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1000 001	2.00-	68,922-		42,542-	111,464-	0.00	111,464-
TOTALS FOR ISSUE BY FUND							
2795 WORKERS' COMP ADMIN TF							111,464-
	2.00-	68,922-		42,542-	111,464-		111,464-

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: WORKERS' COMPENSATION		43600000
<u>WORKERS' COMPENSATION</u>		43600100
ECONOMIC OPPORTUNITIES		11
<u>WORKERS' COMPENSATION</u>		<u>1102.02.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN THE SPECIAL DISABILITY		
TRUST FUND		33V2320
SALARY RATE		000000
SALARY RATE.....	76,087-	
	=====	
SALARIES AND BENEFITS		010000
	2.00-	
WORKERS' COMP SPEC DISAB TF-STATE	120,030-	2798 1
	=====	
OTHER PERSONAL SERVICES		030000
WORKERS' COMP SPEC DISAB TF-STATE	17,550-	2798 1
	=====	
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
WORKERS' COMP SPEC DISAB TF-STATE	15,000-	2798 1
	=====	
TOTAL: REDUCTION IN THE SPECIAL DISABILITY		33V2320
TRUST FUND		
TOTAL POSITIONS.....	2.00-	
TOTAL ISSUE.....	152,580-	
TOTAL SALARY RATE.....	76,087-	
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 034

IT COMPONENT? NO

No Legislative Change

This issue eliminates two full-time equivalent Workers' Compensation Specialist, Other Personal Services (OPS), and contracted services funding within the Special Disability Trust Fund (SDTF), of the Bureau of Financial Accountability. In accordance with section 440.49, Florida Statutes, these positions audit second injury reimbursement requests from carriers; processes and reconcile the SDTF payments to carriers totaling 38 million dollars annually; and handle the imaging and destruction of historic SDTF claim files. The division has begun to see a decline in SDTF reimbursement requests; however, the proposed reductions will result in carriers experiencing long delays in the processing of their

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: WORKERS' COMPENSATION	43600000
<u>WORKERS' COMPENSATION</u>	43600100
ECONOMIC OPPORTUNITIES	11
<u>WORKERS' COMPENSATION</u>	<u>1102.02.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCTION IN THE SPECIAL DISABILITY TRUST FUND	33V2320

reimbursement requests, a significant increase in audit review time, and extended delays in processing SDTF reimbursement payments.

These reductions represent approximately 24 percent of the Special Disability Trust Fund section within the Bureau of Financial Accountability.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C1000 001	2.00-	76,087-		43,943-	120,030-	0.00	120,030-
TOTALS FOR ISSUE BY FUND							
2798 WORKERS'COMP SPEC DISAB TF							120,030-
	2.00-	76,087-		43,943-	120,030-		120,030-

REDUCE STAFF AUGMENTATION CONTRACT	33V2330
SPECIAL CATEGORIES	100000
CONTRACTED SERVICES	100777
WORKERS' COMP ADMIN TF -STATE	2795 1
350,000-	

 COL A10
 SCH VIIIIB-2
 RED FY23-24
 POS AMOUNT CODES

FINANCIAL SERVICES		43000000
PGM: WORKERS' COMPENSATION		43600000
<u>WORKERS' COMPENSATION</u>		43600100
ECONOMIC OPPORTUNITIES		11
<u>WORKERS' COMPENSATION</u>		<u>1102.02.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE STAFF AUGMENTATION CONTRACT		33V2330

 AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY # 014

This issue reduces the contracted services category by eliminating a staff augmentation contract. This vendor serves as an applications development analyst and provides .net services in upgrading the current legacy systems.

TOTAL: WORKERS' COMPENSATION		<u>1102.02.00.00</u>
BY FUND TYPE		
	27.00-	
TRUST FUNDS.....	2,906,070-	2000
SALARY RATE.....	993,395-	
	=====	

PGM: INVEST/FORENSIC SVCS		43700000
<u>INSURANCE FRAUD</u>		43700300
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		<u>1205.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OPERATIONS IN THE BUREAU OF		
INSURANCE FRAUD		33V7160
SALARY RATE		000000
SALARY RATE.....	262,500-	
	=====	

SALARIES AND BENEFITS		010000
	5.00-	
INSURANCE REG TF	-STATE 428,285-	2393 1
	=====	

EXPENSES		040000
INSURANCE REG TF	-STATE 24,468-	2393 1
	=====	

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: INVEST/FORENSIC SVCS			43700000
<u>INSURANCE FRAUD</u>			43700300
PUBLIC PROTECTION			12
<u>CONSUMER SAFETY/PROTECTION</u>			<u>1205.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE OPERATIONS IN THE BUREAU OF			
INSURANCE FRAUD			33V7160
SPECIAL CATEGORIES			100000
OPERATION/MOTOR VEHICLES			102289
INSURANCE REG TF	-STATE	12,000-	2393 1
		=====	
SALARY INCENTIVE PAYMENTS			103290
INSURANCE REG TF	-STATE	5,620-	2393 1
		=====	
TR/DMS/HR SVCS/STW CONTRCT			107040
INSURANCE REG TF	-STATE	1,368-	2393 1
		=====	
TOTAL: REDUCE OPERATIONS IN THE BUREAU OF			33V7160
INSURANCE FRAUD			
TOTAL POSITIONS.....	5.00-		
TOTAL ISSUE.....		471,741-	
TOTAL SALARY RATE.....	262,500-		
		=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 045

IT COMPONENT? NO

The removal of law enforcement investigators from the newly created homeowner and property squads would eliminate the legislative focus on investigating and prosecuting homeowners and property related fraud. This issue would reduce the five new positions provided in FY 21-22.

COL A10 SCH VIIIIB-2 RED FY23-24		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: INVEST/FORENSIC SVCS		43700000
<u>INSURANCE FRAUD</u>		43700300
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		1205.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE OPERATIONS IN THE BUREAU OF INSURANCE FRAUD		33V7160

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
8541 LAW ENFORCEMENT INVESTIGATOR II							
C0004 001	5.00-	262,500-		165,785-	428,285-	0.00	428,285-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							428,285-
	5.00-	262,500-		165,785-	428,285-		428,285-

ELIMINATE WORKER'S COMPENSATION
 PROGRAM IN THE BUREAU OF
 INSURANCE FRAUD

SALARY RATE							33V7170
SALARY RATE.....	1,641,292-						000000
SALARIES AND BENEFITS							010000
INSURANCE REG TF	-STATE	30.00-	2,650,599-				2393 1
EXPENSES							040000
INSURANCE REG TF	-STATE		191,070-				2393 1

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: INVEST/FORENSIC SVCS			43700000
<u>INSURANCE FRAUD</u>			43700300
PUBLIC PROTECTION			12
<u>CONSUMER SAFETY/PROTECTION</u>			<u>1205.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
ELIMINATE WORKER'S COMPENENSATION			
PROGRAM IN THE BUREAU OF			
INSURANCE FRAUD			33V7170
SPECIAL CATEGORIES			100000
OPERATION/MOTOR VEHICLES			102289
INSURANCE REG TF	-STATE	84,000-	2393 1
		=====	
SALARY INCENTIVE PAYMENTS			103290
INSURANCE REG TF	-STATE	39,340-	2393 1
		=====	
TR/DMS/HR SVCS/STW CONTRCT			107040
INSURANCE REG TF	-STATE	10,260-	2393 1
		=====	
TOTAL: ELIMINATE WORKER'S COMPENENSATION			33V7170
PROGRAM IN THE BUREAU OF			
INSURANCE FRAUD			
TOTAL POSITIONS.....		30.00-	
TOTAL ISSUE.....		2,975,269-	
TOTAL SALARY RATE.....		1,641,292-	
		=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 047

IT COMPONENT? NO

This issue proposes to eliminate the Bureau of Workers' Compensation Fraud, including all of its personnel (30 FTE), from the Bureau of Insurance Fraud. This includes reductions of 2,650,599 of Salaries and Benefits, 191,070 of Expenses, 84,000 in Operation of Motor Vehicles, 39,340 of Salary Incentive Payments and 10,260 of DMS/HR payments. These positions include a Crime Intelligence Analyst, four Law Enforcement Lieutenants, 22 Law Enforcement Investigators, a Chief, a Law Enforcement Captain, and a Government Analyst. Insurance Fraud provides law enforcement investigations and protection for the public and the insurance industry. This reduction would significantly impact the bureau.

COL A10 SCH VIIIIB-2 RED FY23-24		CODES
POS	AMOUNT	
FINANCIAL SERVICES		43000000
PGM: INVEST/FORENSIC SVCS		43700000
<u>INSURANCE FRAUD</u>		43700300
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		<u>1205.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE WORKER'S COMPENENSATION		
PROGRAM IN THE BUREAU OF		
INSURANCE FRAUD		33V7170

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
2224 GOVERNMENT ANALYST I							
C7007 001	1.00-	36,469-		21,663-	58,132-	0.00	58,132-
8436 CRIME INTELLIGENCE ANALYST II							
C7006 001	1.00-	34,457-		21,270-	55,727-	0.00	55,727-
8522 LAW ENFORCEMENT LIEUTENANT							
C7002 001	4.00-	261,825-		151,016-	412,841-	0.00	412,841-
8540 LAW ENFORCEMENT INVESTIGATOR I							
C7003 001	1.00-	36,041-		27,317-	63,358-	0.00	63,358-
8541 LAW ENFORCEMENT INVESTIGATOR II							
C7001 001	21.00-	1,102,500-		696,297-	1,798,797-	0.00	1,798,797-
7957 CHIEF OF WORKERS' COMPENSATION FRAUD							
C7005 001	1.00-	90,000-		47,648-	137,648-	0.00	137,648-
8632 LAW ENFORCEMENT CAPTAIN							
C7004 001	1.00-	80,000-		44,096-	124,096-	0.00	124,096-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							2,650,599-
	30.00-	1,641,292-		1,009,307-	2,650,599-		2,650,599-

TOTAL: CONSUMER SAFETY/PROTECTION							<u>1205.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	35.00-						2000
SALARY RATE.....		3,447,010-					
		1,903,792-					
	=====						

		COL A10	
		SCH VIIIIB-2	
		RED FY23-24	
POS		AMOUNT	CODES

FINANCIAL SERVICES			
			43000000
PGM: INVEST/FORENSIC SVCS			
			43700000
<u>FISCAL INTEGRITY</u>			
			43700400
PUBLIC PROTECTION			
			12
<u>CONSUMER SAFETY/PROTECTION</u>			
			<u>1205.00.00.00</u>
PROGRAM REDUCTIONS			
			33V0000
ELIMINATE THE OFFICE OF FISCAL			
INTEGRITY			
			33V3380
SALARY RATE			
			000000
		SALARY RATE..... 488,870-	
		=====	
SALARIES AND BENEFITS			
			010000
		7.00-	
		INSURANCE REG TF -STATE 686,203-	
		=====	2393 1
EXPENSES			
			040000
		INSURANCE REG TF -STATE 35,700-	
		=====	2393 1
SPECIAL CATEGORIES			
CONTRACTED SERVICES			
			100000
			100777
		INSURANCE REG TF -STATE 7,300-	
		=====	2393 1
OPERATION/MOTOR VEHICLES			
			102289
		INSURANCE REG TF -STATE 3,100-	
		=====	2393 1
SALARY INCENTIVE PAYMENTS			
			103290
		INSURANCE REG TF -STATE 5,620-	
		=====	2393 1
TOTAL: ELIMINATE THE OFFICE OF FISCAL			
			33V3380
INTEGRITY			
		TOTAL POSITIONS..... 7.00-	
		TOTAL ISSUE..... 737,923-	
		TOTAL SALARY RATE..... 488,870-	
		=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY # 046

IT COMPONENT? NO

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: INVEST/FORENSIC SVCS		43700000
<u>FISCAL INTEGRITY</u>		43700400
PUBLIC PROTECTION		12
<u>CONSUMER SAFETY/PROTECTION</u>		1205.00.00.00
PROGRAM REDUCTIONS		33V0000
ELIMINATE THE OFFICE OF FISCAL INTEGRITY		33V3380

Requires Legislative Change to ss. 20.121(2)(e), F.S.

This issue proposes to eliminate the Office of Fiscal Integrity, including the seven positions included in this budget entity. This is a budget reduction of 686,194, eliminating all five appropriation categories, included 686,203 of Salaries and Benefits, 35,700 of Expenses, 7,300 of Contracted Services, 3,100 of Operation of Motor Vehicles, and 5,620 of Criminal Justice Incentive Payments budget authority. The position reductions include a Lieutenant, two Law Enforcement Investigator II's, two Professional Accountant Specialists, two Government Analysts, a Senior Management Analyst Supervisor-SES, and a Financial Investigator. This reduction would significantly impact the Office of Fiscal Integrity.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
P101 PROPOSED CLASS CODE							
C0001 001	7.00-	488,870-		197,333-	686,203-	0.00	686,203-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							686,203-
	7.00-	488,870-		197,333-	686,203-		686,203-

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: INVEST/FORENSIC SVCS			43700000
<u>FISCAL INTEGRITY</u>			43700400
PUBLIC PROTECTION			12
<u>CONSUMER SAFETY/PROTECTION</u>			<u>1205.00.00.00</u>
TOTAL: CONSUMER SAFETY/PROTECTION			<u>1205.00.00.00</u>
BY FUND TYPE			
	7.00-		
TRUST FUNDS.....		737,923-	2000
SALARY RATE.....	488,870-		
	=====		
PGM: FINANCIAL SVCS COMM			43900000
OFFICE OF INSURANCE REG			43900100
<u>COMP & ENFORCE- INSURANCE</u>			43900110
PUBLIC PROTECTION			12
<u>REGULATION AND LICENSING</u>			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCTION IN THE FLORIDA PUBLIC			
HURRICANE LOSS PROJECTION MODEL			33V0040
SPECIAL CATEGORIES			100000
FL PUBLIC HURR LOSS MODEL			100515
INSURANCE REG TF	-STATE	515,844-	2393 1
		=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY #105

Budget Entity: Office of Insurance Regulation - Compliance & Enforcement

Issue Title: Florida Public Hurricane Loss Projection Model (Public Model) - Maintenance and Support

Reference to Long-Range Program Plan:
 Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description:

The Public Model, housed at Florida International University (FIU), was created in 2001 to be the first public, transparent model of its kind in the United States. It is the work product of the state university system including large contributions of resources from FIU, the University of Florida, and the Florida State University.

The Office runs most residential rate filings through the Public Model. Every assumption and method of the Public Model is open to public inspection. This gives greater transparency to the rate review process. Private models are proprietary

COL A10		
SCH VIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
COMP & ENFORCE- INSURANCE		43900110
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN THE FLORIDA PUBLIC		
HURRICANE LOSS PROJECTION MODEL		33V0040

and therefore the calculations and methodologies they use are trade secret or what the industry calls, inside a "black box."

The Legislature pursued the creation of a Public Model in order to bring the rate making process into the sunshine and create consumer confidence by making the process transparent. Without the Public Model, the sole objective basis for rate determinations would be the insurer's own selected private model. The Public Model gives the Office the ability to determine the propriety of the reinsurance factors independent of the model used in rate filings in many instances. Without it, rate filings may need to be litigated, insurance companies may not be able to get needed rate increases and policyholders may not receive deserved rate reductions. Additionally, Section 627.351(6)(n), Florida Statutes as enacted in 2009 requires that the Public Model serve as the minimum benchmark for determining the windstorm portion of the rates for Citizens Property Insurance Corporation.

FIU is under contract with the Office to continue to develop, maintain and support the Public Model and to provide model related services to the Office, including, but not limited to: running insurance policy file data through the Model, generating annual average loss cost estimates, and providing output reports to the Office.

The Florida Legislature provides the Office with \$1,031,689 in recurring funds for the Fiscal Year 2022-2023 in order to pay for rate filing runs and to support and maintain the Public Hurricane and Flood Model. Maintenance and support services may include, but is not limited to: the retention of graduate students working on the Public Model; payment of invoices for necessary subcontractors concerning the Public Model; computer science center services related to the Public Model; conducting routine upgrade of the Public Model to incorporate new input data (for example, new meteorological data, and new data on insured losses); and the continued license of necessary software to operate and maintain the Public Hurricane and Flood Model.

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

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES
			43000000
			43900000
			43900100
			43900110
			12
			<u>1204.00.00.00</u>
			33V0000
			33V0230
			040000
INSURANCE REG TF	-STATE 139,778-		2393 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY #102

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance & Enforcement

Issue Title: Reduction in Expenses - Compliance and Enforcement

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

The Office utilizes the Expenses appropriation for to operate the Office and meet the Office's regulatory and statutory requirements. Currently, the Office receives \$2.4 million in Expenses appropriation. Expenditures for this category include, but are not limited to, are office rent to DMS (almost \$1.1 million), computer equipment, training, travel, office supplies, and other important needs. These are important to the Office so that it may fulfill our statutory requirements.

A significant portion of the Office's appropriated expense funding is used for examiner travel to property, casualty, life and health insurance companies to examine books and records to regulate solvency. It is important to note that the travel expenses are paid with the Office's appropriated expense funds and then the insurance company being examined pays

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: FINANCIAL SVCS COMM	43900000
OFFICE OF INSURANCE REG	43900100
COMP & ENFORCE- INSURANCE	43900110
PUBLIC PROTECTION	12
REGULATION AND LICENSING	1204.00.00.00
PROGRAM REDUCTIONS	33V0000
REDUCE EXPENSES - COMPLIANCE AND ENFORCEMENT	33V0230

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

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

REDUCE TRAVEL EXPENSES IN OFFICE OF INSURANCE REGULATION EXPENSES	33V0860 040000
INSURANCE REG TF -STATE 25,407-	2393 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY #104

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Reduction in Travel

Reference to Long-Range Program Plan:
 Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		
		43000000
		43900000
		43900100
		43900110
		12
		<u>1204.00.00.00</u>
		33V0000
PROGRAM REDUCTIONS		
		33V0860

The Office of Insurance Regulation (Office) utilizes the Expenses appropriation for to operate the Office and meet the Office's regulatory and statutory requirements. Currently, the Office receives \$2.4 million in Expenses appropriation. Expenditures for this category include travel which is needed at times for required training. The required training is needed to help the Office and their employees to maintain important and critical memberships, which are important to the Office so that it may fulfill our statutory requirements.

In addition, a significant portion of the Office's appropriated expense funding is used for examiner travel to property, casualty, life and health insurance companies to examine books and records to regulate solvency. It is important to note that the travel expenses are paid with the Office's appropriated expense funds and then the insurance company being examined pays back the cost of the examination into the Insurance Regulatory Trust Fund. The Office does not have an appropriation to reimburse these funds back into its operating budget.

A reduction in the Office travel would significantly impede the fulfillment of the Office's essential regulatory and statutory requirements.

REDUCE CONTRACTED SERVICES		33V1300
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777

INSURANCE REG TF	-STATE	506,404-	2393	1
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AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY #107

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Reduction in Contracted Services

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

COL A10		
SCH VIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
COMP & ENFORCE- INSURANCE		43900110
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES		33V1300

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

Contracted Services allows the Office to enable mandated data collection for insurers and agencies, and to make additional needed changes to keep up with volume and newer technology used by regulated entities and other regulators. The Office Contracted Services also provides funding for staff augmentation to maintain and support existing technology applications which is increasingly difficult because of aging infrastructure. The Office is still continuing the process of upgrading some aging infrastructure including its electronic data management system to process rate filings.

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

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES
FINANCIAL SERVICES			43000000
PGM: FINANCIAL SVCS COMM			43900000
OFFICE OF INSURANCE REG			43900100
COMP & ENFORCE- INSURANCE			43900110
PUBLIC PROTECTION			12
REGULATION AND LICENSING			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE OTHER PERSONAL SERVICES			
FUNDING			33V2240
OTHER PERSONAL SERVICES			030000
INSURANCE REG TF	-STATE	216,768-	2393 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY #106

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulation - Compliance and Enforcement

Issue Title: Reduction in Other Personal Services (OPS)

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

The Office of Insurance Regulation (Office) utilizes the Other Personal Services (OPS) category to hire temporary staff as needed to accomplish the mission of the Office. The Office continues to have success with the hiring of college graduates from the FSU and FAMU Career Fairs and is currently expanding to other major universities and colleges within Florida. Currently, the Office only receives \$433,537 in OPS appropriation (recurring) from the Insurance Regulatory Trust Fund. This reduction would have an impact but would impede the fulfillment of the Office's essential regulatory and statutory requirements. The Office then would have to use the 5% transfer authority, when needed, to provide additional OPS funding as needed.

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
COMP & ENFORCE- INSURANCE		43900110
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF		
INSURANCE REGULATION - OPERATIONAL		
REDUCTIONS		33V3110
SALARY RATE		000000
SALARY RATE.....	951,006-	
	=====	
SALARIES AND BENEFITS		010000
	21.00-	
INSURANCE REG TF	-STATE 1,466,684-	2393 1
	=====	
TOTAL: REDUCE POSITION(S) - OFFICE OF		33V3110
INSURANCE REGULATION - OPERATIONAL		
REDUCTIONS		
TOTAL POSITIONS.....	21.00-	
TOTAL ISSUE.....	1,466,684-	
TOTAL SALARY RATE.....	951,006-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY #108

IT COMPONENT? NO

Budget Entity: Office of Insurance Regulations - Compliance and Enforcement

Issue Title: Reduction of Vacant Positions - Compliance and Enforcement

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates. Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
COMP & ENFORCE- INSURANCE		43900110
PUBLIC PROTECTION		12
REGULATION AND LICENSING		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF INSURANCE REGULATION - OPERATIONAL REDUCTIONS		33V3110

For Fiscal Year 2022-23, the Office has 282 FTE and is comprised of two budget entities: Compliance & Enforcement and Executive Direction. The Office is a small agency and has already been reduced from a high number of 315 positions in Fiscal Year 2007-08 to the current 282 positions. Any further FTE reduction will significantly impede the Office's ability to perform statutorily required functions and will decrease service to the insurance industry by slowing insurance company application reviews thereby slowing products to consumers, job creation from new products and new insurance entity licensure.

The Office makes diligent and concerted efforts to fill vacant positions quickly. Since 2007, Office personnel resources have been reduced by over 30 FTE with no substantive reduction in regulatory responsibility. The Office now has regulatory responsibility for over 4,700 insurance entities which is a substantial increase since the Office's creation in 2003. Losing additional positions would have a significant impact on the core mission of the Office. If a reduction is required, for the implementation of this issue, the Office will identify the positions in the Compliance and Enforcement budget entity. Mission critical positions would be maintained. The reductions would be based on vacant positions along with the consideration of the tenure and performance of current employees, and the functions of the positions.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
NEW POSITIONS							
P101 PROPOSED CLASS CODE							
P0001 001	21.00-	951,006-		515,678-	1,466,684-	0.00	1,466,684-
TOTALS FOR ISSUE BY FUND							
2393 INSURANCE REG TF							1,466,684-
	21.00-	951,006-		515,678-	1,466,684-		1,466,684-

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: FINANCIAL SVCS COMM			43900000
OFFICE OF INSURANCE REG			43900100
COMP & ENFORCE- INSURANCE			43900110
PUBLIC PROTECTION			12
REGULATION AND LICENSING			<u>1204.00.00.00</u>
TOTAL: REGULATION AND LICENSING			<u>1204.00.00.00</u>
BY FUND TYPE			
	21.00-		
TRUST FUNDS.....	2,870,885-		2000
SALARY RATE.....	951,006-		
	=====		
<u>EXEC DIR & SUPORT SERVICES</u>			43900120
PUBLIC PROTECTION			12
REGULATION AND LICENSING			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE EXPENSES - EXECUTIVE			
DIRECTION			33V0240
EXPENSES			040000
INSURANCE REG TF	-STATE	59,272-	2393 1
		=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PRIORITY #103

Budget Entity: Office of Insurance Regulation - Executive Direction

Issue Title: Reduction in Expenses

Reference to Long-Range Program Plan:
 Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the Office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF INSURANCE REG		43900100
<u>EXEC DIR & SUPORT SERVICES</u>		43900120
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSES - EXECUTIVE		
DIRECTION		33V0240

marketplace trends.

The Office of Insurance Regulation (Office) utilizes the Expenses appropriation for to operate the Office and meet the Office's regulatory and statutory requirements. Currently, the Office receives \$2.4 million in Expenses appropriation. Expenditures for this category include, but are not limited to, are office rent to DMS (almost \$1.1 million), computer equipment, required training, travel, office supplies, and other important needs. These are important to the Office so that it may fulfill our statutory requirements.

A significant portion of the Office's appropriated expense funding is used for examiner travel to property, casualty, life and health insurance companies to examine books and records to regulate solvency. It is important to note that the travel expenses are paid with the Office's appropriated expense funds and then the insurance company being examined pays back the cost of the examination into the Insurance Regulatory Trust Fund. The Office does not have an appropriation to reimburse these funds back into its operating budget.

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

REDUCTION IN CONTRACTED SERVICES -		
EXECUTIVE DIRECTION - OFFICE OF		
INSURANCE REGULATION		33V8760
SPECIAL CATEGORIES		100000
CONTRACTED SERVICES		100777
INSURANCE REG TF	-STATE	46,355-
		=====
		2393 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PRIORITY #101

IT COMPONENT? NO

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
		43000000
FINANCIAL SERVICES		43900000
PGM: FINANCIAL SVCS COMM		43900100
OFFICE OF INSURANCE REG		43900120
<u>EXEC DIR & SUPORT SERVICES</u>		12
PUBLIC PROTECTION		<u>1204.00.00.00</u>
<u>REGULATION AND LICENSING</u>		33V0000
PROGRAM REDUCTIONS		
REDUCTION IN CONTRACTED SERVICES -		
EXECUTIVE DIRECTION - OFFICE OF		
INSURANCE REGULATION		33V8760

Budget Entity: Office of Insurance Regulation - Executive Direction

Issue Title: Reduction in Contracted Services

Reference to Long-Range Program Plan:

Goal 2: Protect the public from illegal, unethical insurance products and practices.

Issue Description: The Office of Insurance Regulation (Office) is responsible for monitoring the financial condition of all regulated entities through the use of internal financial analysis and on-site examinations. The Office is also responsible for the admissions process for new entities as well as those proposing to expand into additional lines of business. The Office has responsibility for enforcing the provisions of Chapters 20, 112, 120, 440, 624, 625, 626, 627, 628, 629, 630, 630, 631, 632, 634, 635, 636, and 641, 642, 648, 651 and 817, F.S., and applicable rules, as they relate to the review of policy contracts and associated rates.

Filings are reviewed to determine compliance with applicable actuarial standards, statutory provisions, and administrative rules. Additionally, the office conducts market investigations and analyzes market trends for the fair treatment of policyholders. Examinations and investigations are conducted as required to address consumer issues and marketplace trends.

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

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

COL A10			
SCH VIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			43000000
PGM: FINANCIAL SVCS COMM			43900000
OFFICE OF INSURANCE REG			43900100
<u>EXEC DIR & SUPORT SERVICES</u>			43900120
PUBLIC PROTECTION			12
<u>REGULATION AND LICENSING</u>			<u>1204.00.00.00</u>
TOTAL: REGULATION AND LICENSING			<u>1204.00.00.00</u>
BY FUND TYPE			
TRUST FUNDS.....	105,627-		2000
	=====		
OFFICE OF FINANCIAL REG			43900500
<u>SFTY & SOUND ST BKG SYST</u>			43900530
PUBLIC PROTECTION			12
<u>REGULATION AND LICENSING</u>			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE POSITION(S) - OFFICE OF			
FINANCIAL REGULATION - FINANCIAL			
INSTITUTIONS			33V0500
SALARY RATE			000000
SALARY RATE.....	69,041-		
	=====		
SALARIES AND BENEFITS			010000
FINANCIAL INST REG TF	2.00-		
-STATE	112,772-		2275 1
	=====		
EXPENSES			040000
FINANCIAL INST REG TF			
-STATE	3,600-		2275 1
	=====		
TOTAL: REDUCE POSITION(S) - OFFICE OF			33V0500
FINANCIAL REGULATION - FINANCIAL			
INSTITUTIONS			
TOTAL POSITIONS.....	2.00-		
TOTAL ISSUE.....	116,372-		
TOTAL SALARY RATE.....	69,041-		
	=====		

AGENCY ISSUE NARRATIVE:
 SCH VIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>SFTY & SOUND ST BKG SYST</u>		43900530
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INSTITUTIONS		33V0500

Budget Entity: Office of Financial Regulation - Safety and Soundness of State Banking System

Issue Title: Deletion of two administrative positions

Priority #15

Reference to Long-Range Program Plan:

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

Issue Description/Need: This issue proposes a reduction of two positions and the associated budget from the Division of Financial Institutions. The Division is responsible for examining all state chartered financial institutions to ensure they are operating in a safe and sound manner. During the last two years, the Division of Financial Institutions has been able to use technology to reduce the time spent on administrative functions. The mainline phones are no longer tied to just three people, all paper has been scanned and is now kept electronically and is available to everyone that needs access, and the incoming mail has been centralized and is electronic as well. With these changes, the division's needs can be met with only one assistant instead of the three we currently have.

Ultimate Outcome: The loss of these positions will have a critical impact on the Division.

Detail of Costs:

SALARIES and BENEFITS:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
(1)	Reduce Admin II, PG 018 @ \$51,833 Salaries and Benefits	(\$51,833)	\$0

 COL A10
 SCH VIIIIB-2
 RED FY23-24
 POS AMOUNT CODES

FINANCIAL SERVICES 43000000
 PGM: FINANCIAL SVCS COMM 43900000
 OFFICE OF FINANCIAL REG 43900500
 SFTY & SOUND ST BKG SYST 43900530
 PUBLIC PROTECTION 12
 REGULATION AND LICENSING 1204.00.00.00
 PROGRAM REDUCTIONS 33V0000
 REDUCE POSITION(S) - OFFICE OF
 FINANCIAL REGULATION - FINANCIAL
 INSTITUTIONS 33V0500

(1) Reduce Admin III, PG 421
 @ \$60,939
 Salaries and Benefits (\$60,939) \$0

 Total Salaries and Benefits (\$112,772) \$0

EXPENSES:
 Quantity Description Amount Non-Recurring

 (2) Reduce Expenses @ \$1,800 (\$3,600) \$0

 Issue Total (\$116,372) \$0

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A10 - SCH VIIIIB-2 RED FY23-24

CHANGES TO CURRENTLY AUTHORIZED POSITIONS

0712 ADMINISTRATIVE ASSISTANT II						
N0001 001	1.00-	31,200-	20,633-	51,833-	0.00	51,833-
0714 ADMINISTRATIVE ASSISTANT III - SES						
N0002 001	1.00-	37,841-	23,098-	60,939-	0.00	60,939-

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: FINANCIAL SVCS COMM	43900000
OFFICE OF FINANCIAL REG	43900500
SFTY & SOUND ST BKG SYST	43900530
PUBLIC PROTECTION	12
REGULATION AND LICENSING	1204.00.00.00
PROGRAM REDUCTIONS	33V0000
REDUCE POSITION(S) - OFFICE OF FINANCIAL REGULATION - FINANCIAL INSTITUTIONS	33V0500

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						
2275 FINANCIAL INST REG TF						112,772-
2.00-	69,041-		43,731-	112,772-		112,772-

REDUCE OTHER PERSONAL SERVICES (OPS) EXAMINERS AND ASSOCIATED EXPENSES						33V0510 030000
OTHER PERSONAL SERVICES						
FINANCIAL INST REG TF -STATE	604,100-					2275 1
EXPENSES						040000
FINANCIAL INST REG TF -STATE	122,700-					2275 1
TOTAL: REDUCE OTHER PERSONAL SERVICES (OPS) EXAMINERS AND ASSOCIATED EXPENSES						33V0510
TOTAL ISSUE.....	726,800-					

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SFTY & SOUND ST BKG SYST		43900530
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
(OPS) EXAMINERS AND ASSOCIATED		
EXPENSES		33V0510

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PROPOSED REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation - Safety and Soundness of State Banking System

Issue Title: Reduction in OPS Contract Examiners and Related Expenses

Priority #10

- Reference to Long-Range Program Plan:
- Goal #1: Improve Taxpayer Value
 - Goal #2: Deliver Value to Businesses
 - Goal #3: Promote a Safe and Sound Financial Marketplace
 - Goal #4: Register companies and individuals

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

A reduction within the OPS Contract Examiner Program will limit the Division's ability to effectively provide financial institution examinations in accordance with the statutory mandate and will critically impact the Division's ability to promote and provide oversight for a safe and sound financial institutions marketplace. Further, public confidence in

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: FINANCIAL SVCS COMM	43900000
OFFICE OF FINANCIAL REG	43900500
SFTY & SOUND ST BKG SYST	43900530
PUBLIC PROTECTION	12
REGULATION AND LICENSING	<u>1204.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCE OTHER PERSONAL SERVICES (OPS) EXAMINERS AND ASSOCIATED EXPENSES	33V0510

Florida's financial institution industry will be significantly eroded, which will have a direct impact on Florida's ability to assist the private sector to create jobs and attract new industry.

The Division of Financial Institutions has been accredited with the Conference of State Bank Supervisors (CSBS) since 1986 and accredited with the National Association of State Credit Union Supervisors (NASCUS) since 2004. The status of both the CSBS and NASCUS accreditations will be at risk due to the reductions in regulatory resources and inability to meet our accreditation "Best Practice" standards. It is imperative that this status of good standing be maintained in order to satisfy the regulatory requirements of our federal counterparts (FDIC, Federal Reserve Bank (FRB), Office of the Comptroller of the Currency (OCC) and the National Credit Union Association (NCUA).

Ultimate Outcome: A reduction of funds within the OPS Contract Examiner Program would have a moderate impact on the Division's ability to provide financial institution examinations according to the statutory mandate and promote a safe and sound financial marketplace in Florida.

Detail of Costs:

OPS:

Quantity	Description	Amount	Non-Recurring
	Reduction in the contract examiner program	(\$604,100)	\$0

Expenses:

Quantity	Description	Amount	Non-Recurring
	Reduction in expenses	(\$122,700)	\$0

Issue Total (\$726,800)

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES

FINANCIAL SERVICES			
			43000000
PGM: FINANCIAL SVCS COMM			
			43900000
OFFICE OF FINANCIAL REG			
			43900500
SFTY & SOUND ST BKG SYST			
			43900530
PUBLIC PROTECTION			
			12
REGULATION AND LICENSING			
			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			
			33V0000
REDUCE EXAMINER(S) - OFFICE OF			
FINANCIAL REGULATION - FINANCIAL			
INSTITUTIONS			
			33V0550
SALARY RATE			
			000000
	SALARY RATE.....	72,310-	
		=====	
SALARIES AND BENEFITS			
			010000
		2.00-	
	FINANCIAL INST REG TF	-STATE 115,514-	2275 1
		=====	
EXPENSES			
			040000
			2275 1
	FINANCIAL INST REG TF	-STATE 3,600-	
		=====	
TOTAL: REDUCE EXAMINER(S) - OFFICE OF			
			33V0550
FINANCIAL REGULATION - FINANCIAL			
INSTITUTIONS			
	TOTAL POSITIONS.....	2.00-	
	TOTAL ISSUE.....	119,114-	
	TOTAL SALARY RATE.....	72,310-	
		=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation - Safety and Soundness of State Banking System

Issue Title: Deletion of two examiner positions

Priority #14

Reference to Long-Range Program Plan:

Goal #1: Improve Taxpayer Value

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>SFTY & SOUND ST BKG SYST</u>		43900530
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXAMINER(S) - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INSTITUTIONS		33V0550

- Goal #2: Deliver Value to Businesses
- Goal #3: Promote a Safe and Sound Financial Marketplace
- Goal #4: Register companies and individuals.

Issue Description/Need: This issue proposes a reduction of two positions and the associated budget from the Division of Financial Institutions. The Division is responsible for examining all state chartered financial institutions to ensure they are operating in a safe and sound manner. Examinations are mandated by statute and can also occur due to a decline in economic conditions, or elevated risks in a financial institution or the financial institutions industry. The Division's examination team is a key part in meeting examination mandates and needs. According to F.S. 655.045, "The Office may accept an examination of a state financial institution made by an appropriate federal regulatory agency or may conduct a joint or concurrent examination of the institution with the federal agency." The Division works to minimize the impact on financial institutions by coordinating examination schedules with our Federal counterparts, and alternating examinations whenever possible. More recently our Federal counterparts reprioritized their examination priorities and have not been conducting as many examinations on smaller institutions located in Florida. Currently, the inflation and rise in rates in the financial institutions industry are continuing to be monitored for potential impact to the financial institutions industry and examination requirements. Due to the reprioritization to a true alternating examination schedule by our Federal counterparts, and inflation, more independent examinations will be required by the Division in order to meet the mandated examination requirements.

Ultimate Outcome: The loss of these two positions would have a critical impact on this Division. Since the "Great Recession" financial institutions have strengthened their capital levels and overall performance. These improvements have led to more independent examinations. Currently, we and the financial institutions we regulate continue to assess the current stresses on the local, state, national and global economy. Depending on the impact there may be increased demand of examiners in the future. In addition, in the last few years, the Division transferred ten vacant positions to other divisions within OFR. Retaining a strong examination team is crucial in overseeing the safety and soundness of the financial institutions industry and associated salaries and benefits expenditure authority is a key part to retention.

Detail of Costs:

SALARIES and BENEFITS:

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: FINANCIAL SVCS COMM	43900000
OFFICE OF FINANCIAL REG	43900500
SFTY & SOUND ST BKG SYST	43900530
PUBLIC PROTECTION	12
REGULATION AND LICENSING	1204.00.00.00
PROGRAM REDUCTIONS	33V0000
REDUCE EXAMINER(S) - OFFICE OF FINANCIAL REGULATION - FINANCIAL INSTITUTIONS	33V0550

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
TOTALS FOR ISSUE BY FUND						
						115,514-
2.00-	72,310-		43,204-	115,514-		115,514-
=====	=====	=====	=====	=====		=====

REDUCE CONTRACTED SERVICES
 APPROPRIATION - OFFICE OF FINANCIAL
 REGULATION - BANKING 33V0630
 SPECIAL CATEGORIES 100000
 CONTRACTED SERVICES 100777

FINANCIAL INST REG TF -STATE 235,142- 2275 1
 =====

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PROPOSED REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation - Safety and Soundness of State Banking System

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SFTY & SOUND ST BKG SYST		43900530
<u>PUBLIC PROTECTION</u>		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES		
APPROPRIATION - OFFICE OF FINANCIAL		
REGULATION - BANKING		33V0630

Issue Title: Reduction in Contracted Services

Priority #4

Reference to Long-Range Program Plan:

- Goal #1: Improve Taxpayer Value
- Goal #2: Deliver Value to Businesses
- Goal #3: Promote a Safe and Sound Financial Marketplace
- Goal #4: Register companies and individuals.

Issue Description/Need: Contracted Services The Division of Financial Institutions contains a Licensing and Chartering section which receives and processes new charters and licenses of state-chartered financial institutions which include banks, credit unions, international banking corporation offices, trust companies, family trust companies and qualified limited service affiliates. This chartering and licensing process requires the parties to submit an application for charter or licensure for consideration and approval by the Division. A critical component to this application process is a background check of all parties who are substantially involved with the financial institution for whom the application has been received. Applications are received for (1) changes in control of ownership, (2) new financial institutions, (3) charter conversions from national to state charter, (4) mergers and acquisitions of institutions, (5) change of officers and directors of the institution, and (6) new appointment of officers and directors of the institution.

These background checks are a critical component in the application process to assure that the individuals who own or manage a state financial institution are of good moral and ethical character and without a criminal history or a history of causing financial loss to a financial institution. In addition to the chartering and licensing duties, Contracted Services also includes costs associated with legal matters such as expert witnesses, court reporting and required public notifications regarding applications filed with the Office. Expert witnesses are a key component when the Division is involved with litigation, with court reporting a required part of litigation. Public notifications are required by law when processing applications filed with the Office.

A reduction within the Contracted Services will limit the Division's ability to thoroughly conduct application background

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SFTY & SOUND ST BKG SYST		43900530
<u>PUBLIC PROTECTION</u>		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES		
APPROPRIATION - OFFICE OF FINANCIAL		
REGULATION - BANKING		33V0630

checks which would compromise the ability of the Division to assure that state-chartered institutions are held and managed in a safe and sound manner. A reduction would impact the ability of the Office to verify that individuals who have a criminal or questionable history or are of unethical, immoral, or questionable character are excluded from holding or managing a financial institution. The Division of Financial Institutions has experienced an increase in the number of background checks performed due to ongoing merger and acquisition activity, conversions of charters, and new charter activity in Florida. The Division expects the increase in application activity to continue. A reduction within contracted services at a time when licensing and chartering activities are expected to increase will have a significant impact on the ability of the staff to perform their duties and may jeopardize the safety and soundness of Florida's financial institutions.

Ultimate Outcome: The loss or reduction of regulatory resources such as background checks will imminently result in a number of moderate undesired outcomes and increased exposure to risk for state chartered financial institutions. Inadequate regulatory oversight of Florida's financial institution industry will moderately impact the citizens of Florida and the industry as a whole; increase the likelihood of unsafe and unsound institutions; erode general confidence in Florida's financial institution industry; and jeopardize regulatory accreditations which will damage the working relationship between Federal regulators and the Division. Ultimately, the regulatory reputation of the Division will be harmed by its failure to comply with the requirements of statute related to background checks and processing applications before the Office.

Detail of Costs:

CONTRACTED SERVICES:

Quantity	Description	Amount	Non-Recurring
	Reduction in the Contracted services	(\$235,142)	\$0

Issue Total (\$235,142) \$0

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SFTY & SOUND ST BKG SYST		43900530
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN EXPENSES BUDGET		
AUTHORITY - OFFICE OF FINANCIAL		
REGULATION - FINANCIAL INSTITUTIONS		33V0740
EXPENSES		040000
FINANCIAL INST REG TF	-STATE	80,557-
		2275 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PROPOSED REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation - Safety and Soundness of State Banking System

Issue Title: Reduction in Expenses

Priority #7

Reference to Long-Range Program Plan:

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

Issue Description/Need: Expenses The expense category is used for travel, association dues, training, etc.

Travel has always been an extensive part of the Division of Financial Institutions expense budget. In the last two years the division has followed suite with our federal counterparts with a more offsite examination approach due to the pandemic. However, during recent conversations, it has been made clear that our institutions expect to start seeing us onsite and face to face again. With this in mind, the division plans more of a hybrid examination where not all of the exam will be conducted in the institution but rather the main components that have been more cumbersome lately. While this plan will reduce the travel costs to a certain extent, training has not stopped and actually has increased. The initial examiner training takes 3 years minimum and more training is required by those that we hold accreditations with.

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SFTY & SOUND ST BKG SYST		43900530
<u>PUBLIC PROTECTION</u>		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN EXPENSES BUDGET		
AUTHORITY - OFFICE OF FINANCIAL		
REGULATION - FINANCIAL INSTITUTIONS		33V0740

The Division of Financial Institutions has been accredited with the Conference of State Bank Supervisors (CSBS) since 1986 and accredited with the National Association of State Credit Union Supervisors (NASCUS) since 2004. The accreditation process entails yearly surveys and an in depth audit every five years. In order to uphold the accreditation, yearly dues are required above and beyond the audits. Further, to achieve accreditation the Division is required to maintain certain standards regarding the ability to conduct quality examinations and maintain teams of trained examiners. Portions of the accreditation recommended best practices related to budget and expenditures committed to education and training.

In order for an examiner to have a full understanding of the entire examination process, they must complete a combination of on the job training and federally sponsored schools. In the best scenarios, this takes 2 - 3 years depending on the examiner and training schedules. The Division of Financial Institutions has always relied heavily on the NCUA and FDIC Examiner Training Programs to complete this training. These training programs are recognized by CSBS and NASCUS as important to maintaining trained examiners. A recommended best practice by CSBS is to dedicate 10 percent of the Division's expense budget to training. The Division has enhanced its examinations of regulated financial institutions to include a component related to cybersecurity and information technology risk management practices. The training associated with this oversight will increase the Division's training expenditures, but is a necessary cost to incur, due to increased and prevalent risks associated with cybersecurity and information technology impacting the financial services industry.

Ultimate Outcome: A reduction of funding designated for expenses of Division staff will have a moderate impact to the Division of Financial Institutions. The Division's federal counterparts have reprioritized their examination process and will not be conducting as many examinations on the smaller institutions that are located in Florida. Therefore, more examinations will be required by the Division to meet the statutorily mandated 18-month time frame between examinations. In addition, federal counterparts rely on the Division to examine institutions and will periodically accept our reports of examination instead of conducting their own examination of an institution. Without the funds, examiners would not be able to travel and would not be properly trained. Additionally, with a decline in the ability to conduct examinations and a decline in the quality of examinations, the Division would be at risk to lose the long-standing accreditation with CSBS and NASCUS. Inadequate regulatory oversight of Florida's financial services industry will significantly impact the citizens of Florida and the industry as a whole; increase the likelihood of unsafe and unsound financial institutions and erode general confidence in Florida's financial institution industry.

COL A10		
SCH VIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SFTY & SOUND ST BKG SYST		43900530
<u>PUBLIC PROTECTION</u>		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCTION IN EXPENSES BUDGET		
AUTHORITY - OFFICE OF FINANCIAL		
REGULATION - FINANCIAL INSTITUTIONS		33V0740

Detail of Costs:

Expenses:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Reduction in the		
	examiner training program	(\$80,557)	\$0

Issue Total (\$80,557) \$0

TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	4.00- 1,277,985-	2000
SALARY RATE.....	141,351-	
	=====	
<u>FINANCIAL INVESTIGATIONS</u>		43900540
<u>PUBLIC PROTECTION</u>		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS(S) - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		33V0520
SALARY RATE		000000
SALARY RATE.....	170,908-	
	=====	
SALARIES AND BENEFITS		010000
ADMINISTRATIVE TRUST FUND -STATE	4.00- 262,458-	2021 1
	=====	

COL A10		
SCH VIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>FINANCIAL INVESTIGATIONS</u>		43900540
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS(S) - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		33V0520
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	7,200-	2021 1
	=====	
TOTAL: REDUCE POSITIONS(S) - OFFICE OF		33V0520
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		
TOTAL POSITIONS.....	4.00-	
TOTAL ISSUE.....	269,658-	
TOTAL SALARY RATE.....	170,908-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 23-24 NARRATIVE:

IT COMPONENT? NO

PROPOSED 10% REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation - Bureau of Financial Investigations

Issue Title: Reduction of Four Financial Investigators

Priority #17

Reference to Long-Range Program Plan:

Goal #1: Improve Taxpayer Value

Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need: The Bureau of Financial Investigations (Bureau) conducts criminal investigations into allegations of fraudulent and unlicensed activity under the jurisdiction of the Office of Financial Regulation (OFR). A reduction in four (4) Financial Investigators (2 SFI and 2 FI) would reduce recurring program costs by a total of \$269,458. The Bureau currently has 44 total FTEs (9 vacant-2 FI, 5 SFI, 2 FICE). In the 2012 GAA, the Bureau's budget was reduced by 34% (from \$4,564,720 to \$3,013,227) and its FTEs were cut by 43% (from 63 to 36). The reduction of four

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>FINANCIAL INVESTIGATIONS</u>		43900540
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS(S) - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		33V0520

(4) additional investigators would critically impact the Bureau's ability to combat investment fraud due to the reduction in resources.

Ultimate Outcome: The reduction of four (4) FTEs would have a critical impact on the bureau. It could decrease the number of investigations completed and the number of perpetrators sent to prison. The Bureau is also embarking on a new proactive enforcement initiative, involving creation of an Emergent Financial Crimes Unit (EFCU), as well as pursuing a law enforcement initiative to convert the Bureau to Law Enforcement Organization (LEO) status. These initiatives (particularly the EFCU) are expected to dramatically increase the Bureau's caseload (from 20-50%) and will require additional expenditures for personnel, training, computers, software and other equipment. Most of the Bureau's resources are used to combat investment fraud. Retirees and senior citizen are commonly targeted by financial conmen because they have large nest eggs. It is estimated that over 25% of Florida citizens are over age 65. However, the Bureau would continue to prioritize its resources such that it focuses on cases that pose the highest risks to Florida citizens including cases involving egregious conduct, on-going harm and/or those cases that are broader in scope in terms of the number of victims and the dollar amounts involved.

Detail of Costs:

SALARIES and BENEFITS:

Quantity	Description	Amount	Non-Recurring
(2)	Reduce Senior Financial Investigator, PG 025 @\$70,244	(\$140,488)	\$0
(2)	Reduce Financial Investigator, PG 021 @\$60,985	(\$121,970)	\$0
	Total Salaries and Benefits	(\$262,458)	\$0

EXPENSES:

Quantity	Description	Amount	Non-Recurring
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COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
FINANCIAL INVESTIGATIONS		43900540
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS(S) - OFFICE OF FINANCIAL REGULATION - FINANCIAL INVESTIGATIONS		33V0520

(4) Reduce Expenses @ \$1,800 (\$7,200) \$0

Issue Total (\$269,658) \$0

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
8324 FINANCIAL INVESTIGATOR							
N0008 001	2.00-	76,418-	1,292-	44,260-	121,970-	0.00	121,970-
8325 FINANCIAL INVESTIGATOR-CRIMINAL ENFORCE							
N0009 001	2.00-	93,198-		47,290-	140,488-	0.00	140,488-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							262,458-
	4.00-	169,616-	1,292-	91,550-	262,458-		262,458-

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: FINANCIAL SVCS COMM	43900000
OFFICE OF FINANCIAL REG	43900500
FINANCIAL INVESTIGATIONS	43900540
PUBLIC PROTECTION	12
REGULATION AND LICENSING	1204.00.00.00
PROGRAM REDUCTIONS	33V0000
REDUCE EXPENSE - OFFICE OF	
FINANCIAL REGULATION - FINANCIAL	
INVESTIGATIONS	33V0530
EXPENSES	040000
ADMINISTRATIVE TRUST FUND -STATE 134,295-	2021 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Bureau of Financial Investigations
 43900540

Issue Title: Reduction of Expense Allocation

Priority #2

Reference to Long-Range Program Plan:

- Goal #1: Improve Taxpayer Value
- Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need: The Bureau of Financial Investigations (Bureau) conducts investigations into allegations of fraudulent and unlicensed activity under the jurisdiction of the Office of Financial Regulation (OFR). The Bureau's expenses had been reduced by \$83,641 (15.22%) from \$549,715 in FY 2021-2022 to \$466,074 for FY 2022-2023. The Bureau proposes a \$134,295 (28.8% of Expenses category \$466,074 allocated for 2022/2023 FY) reduction to Expenses. While the Expense category reverted 44.9% (\$246,569 of \$ 549,715 allocated for FY 21/22) of its allocation in FY 21/22, the additional funding is necessary to allow immediate reaction to emergent issues. The Bureau is also embarking on a new proactive enforcement initiative, involving creation of an Emergent Financial Crimes Unit, as well as pursuing a law enforcement initiative to convert the Bureau to LEO status. These initiatives (particularly the Emergent Financial Crimes Unit) are expected to dramatically increase the Bureau's caseload (from 20-50%) and will require additional expenditures for personnel, training, computers, software and other equipment. This reduction would have a moderate impact to its investigations.

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
FINANCIAL INVESTIGATIONS		43900540
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSE - OFFICE OF		
FINANCIAL REGULATION - FINANCIAL		
INVESTIGATIONS		33V0530

Ultimate Outcome: The reduction of expense funding will a minimal impact. It will reduce funds available for staff training, lessen the bureau's ability to equip its computer forensics lab and Emergent Financial Crimes Unit and hinder the bureau's ability to pay for subpoenaed records and investigator travel. However, the Bureau would continue to prioritize its resources and apply them to areas that pose the highest risks to Florida citizens.

Expenses:

Quantity	Description	Amount	Non-Recurring
	Expense	(\$134,295)	\$0
	Total Expense	(\$134,295)	\$0
	Issue Total	(\$134,295)	\$0

REDUCE OPERATING CAPITAL OUTLAY
 AUTHORITY IN THE FINANCIAL
 INVESTIGATIONS BUDGET ENTITY
 OPERATING CAPITAL OUTLAY

33V0650
 060000

ADMINISTRATIVE TRUST FUND -STATE 15,600-

2021 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

IT COMPONENT? NO

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Bureau of Financial Investigations

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>FINANCIAL INVESTIGATIONS</u>		43900540
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OPERATING CAPITAL OUTLAY		
AUTHORITY IN THE FINANCIAL		
INVESTIGATIONS BUDGET ENTITY		33V0650

43900540

Issue Title: Reduction of Operating Capital Outlay

Priority #1

Reference to Long-Range Program Plan:

Goal #1: Improve Taxpayer Value

Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need: The Bureau of Financial Investigations (Bureau) conducts investigations into allegations of fraudulent and unlicensed activity under the jurisdiction of the Office of Financial Regulation (OFR). The Bureau is embarking on a new proactive enforcement initiative, involving creation of an Emergent Financial Crimes Unit, as well as pursuing a law enforcement initiative to convert the Bureau to LEO status. These initiatives (particularly the Emergent Financial Crimes Unit) are expected to dramatically increase the Bureau's caseload (from 20-50%) and will require additional expenditures for computers, software and other equipment. This reduction would have a moderate impact to its investigations.

Ultimate Outcome: The reduction of Operating Capital Outlay funding would have a minimal impact on the bureau. Since the threshold for Other Capital Outlay increased from \$1,000 to \$5,000 per item, expense funds are available to purchase computers, equipment and software needed for the bureau's operational needs. The remaining balance of \$5,000 will be available in Category 060000 if an item is required to be purchased.

Detail of Costs:

Other Capital Outlay:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Other Capital Outlay (OCO)	(\$15,600)	\$0
	Total OCO	(\$15,600)	\$0

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
FINANCIAL INVESTIGATIONS		43900540
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OPERATING CAPITAL OUTLAY		
AUTHORITY IN THE FINANCIAL		
INVESTIGATIONS BUDGET ENTITY		33V0650

Issue Total (\$15,600) \$0

TOTAL: REGULATION AND LICENSING		<u>1204.00.00.00</u>
BY FUND TYPE		
TRUST FUNDS.....	4.00- 419,553-	2000
SALARY RATE.....	170,908-	
	=====	

EXEC DIR & SUPPORT SERVICE		43900550
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE RECURRING COSTS TO OPERATE		
AND MAINTAIN THE REAL SYSTEM		33V0080
DATA PROCESSING SERVICES		210000
REAL SYSTEM - OFR		210016
ADMINISTRATIVE TRUST FUND -STATE	650,000-	2021 1
	=====	

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Executive Direction and Support Services
 43900550

Issue Title: Reduction of the Regulatory Enforcement and Licensing (REAL) System recurring budget authority.

Priority #6

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>EXEC DIR & SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE RECURRING COSTS TO OPERATE AND MAINTAIN THE REAL SYSTEM		33V0080

Reference to Long-Range Program Plan:

- Goal #1: Improve Taxpayer Value
- Goal #2: Deliver Value to Businesses
- Goal #3: Promote a Safe and Sound Financial Marketplace
- Goal #4: Register companies and individuals

Issue Description/Need: The Regulatory Enforcement and Licensing (REAL) System provides the Office of Financial Regulation (OFR) with an integrated financial regulatory management system that combines core processes for examination, investigation, consumer complaint, licensing, legal and fiscal functions. The REAL System contains all activities related to the entity (i.e., legal cases, investigative cases, examinations, complaints, business relationships and other licenses held). REAL also provides a tracking mechanism for unlicensed entities. Due to federal requirements to share information with other states and regulatory bodies, the REAL System also allows data to be imported from other systems outside OFR to support the licensing and enforcement programs. The OFR has reverted an average of approximately \$1.5M of the authority over the last three years. A reduction of roughly 1/3 of the historical reversion amount will only impact our ability to cover unanticipated costs and will not jeopardize the day-to-day operations of the system or the cost of the associated base contracts.

Ultimate Outcome: The reduction of \$650,000 in the REAL System operations and maintenance category would have a moderate impact on the agency.

Detail of Costs:

REAL System	OFR (210016):		
Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
1	REAL Reduction	(\$650,000)	\$0
	Total	(\$650,000)	\$0

COL A10 SCH VIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: FINANCIAL SVCS COMM	43900000
OFFICE OF FINANCIAL REG	43900500
<u>EXEC DIR & SUPPORT SERVICE</u>	43900550
PUBLIC PROTECTION	12
<u>REGULATION AND LICENSING</u>	<u>1204.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCE OTHER PERSONAL SERVICES (OPS) APPROPRIATION - OFFICE OF FINANCIAL REGULATION - EXECUTIVE DIRECTION AND SUPPORT SERVICES	33V0640
OTHER PERSONAL SERVICES	030000
ADMINISTRATIVE TRUST FUND -STATE 25,000-	2021 1
=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO

REDUCTION 10% EXERCISE FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Executive Direction and Support Services
 43900550

Issue Title: Reduction of Executive Direction's Other Personal Services

Priority #11

Reference to Long-Range Program Plan:

- Goal #1: Improve Taxpayer Value
- Goal #2: Deliver Value to Businesses
- Goal #3: Promote a Safe and Sound Financial Marketplace
- Goal #4: Register companies and individuals

Issue Description/Need: Following an 18.5% FTE reduction for OFR in FY 2012-13, Executive Direction was given \$150,000 in Other Personal Services to allow flexibility for unforeseen circumstances arising in Executive Direction and throughout the OFR. In FY 2013-14, an additional \$100,000 was moved from Safety and Soundness of State Banking System funding to Executive Direction's OPS funding to be used when peak workloads are encountered in OFR that the current staffing levels are not able to handle. Additionally, almost all data related to the OFR's licensees and their examinations is stored in the Regulatory Enforcement and Licensing (REAL) System. If an issue arises with REAL, OPS allocation must be available for unanticipated expenses associated with peak period maintenance or the need to hire temporary workers to bring the REAL system back online. Should REAL not work, the OFR will not be able to perform it's

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>EXEC DIR & SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE OTHER PERSONAL SERVICES		
(OPS) APPROPRIATION - OFFICE OF		
FINANCIAL REGULATION - EXECUTIVE		
DIRECTION AND SUPPORT SERVICES		33V0640

statutorily mandated regulatory and enforcement duties without access to this data. Reducing the Executive Direction's OPS budget allocation by \$25,000 will leave Executive Direction with an annual allocation of \$229,518 and may not give Executive Direction the flexibility to handle normal OPS hires, temporary personnel hires associated with emergent issues, nor the capability to handle any peak period.

Ultimate Outcome: This reduction will moderately impact Executive Direction. Reducing the Other Personal Services budget allocation by \$25,000, may not give OFR's Executive Direction the flexibility to handle the normal OPS workloads, peak workloads, or emergent issues as they arise in OFR, Executive Direction.

Detail of Costs:

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Reduce OPS Allocation	(\$25,000)	\$0
	Total	(\$25,000)	\$0

REDUCE EXPENSES APPROPRIATION
 - OFFICE OF FINANCIAL REGULATION -
 EXECUTIVE DIRECTION AND SUPPORT
 SERVICES
 EXPENSES

33V0660
 040000

ADMINISTRATIVE TRUST FUND -STATE 95,000-
 =====

2021 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

IT COMPONENT? NO

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

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

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Executive Direction and Support Services
 43900550

Issue Title: Reduction of Executive Direction's Expense Category Allocation

Priority #9

Reference to Long-Range Program Plan:

- Goal #1: Improve Taxpayer Value
- Goal #2: Deliver Value to Businesses
- Goal #3: Promote a Safe and Sound Financial Marketplace
- Goal #4: Register companies and individuals

Issue Description/Need: Following an 18.5% reduction in FTE for OFR in FY 2012-13, Executive Direction was given additional funding in Expenses to allow flexibility for unforeseen circumstances arising in Executive Direction and throughout the OFR. Executive Direction has approximately \$275,000 in additional funding in the Expense category to pay for unanticipated expenses, such as the need to hire OPS or contractors during peak workloads or emergency situations that the current staffing levels are not able to handle. Additionally, almost all data related to the OFR's licensees and their examinations is stored in the Regulatory Enforcement and Licensing (REAL) System. If an issue arises with REAL, Expense allocation must be available for unanticipated expenses associated with peak period maintenance or the need to hire temporary contracted workers to bring the REAL system back online. Should REAL not work, the OFR will not be able to perform its statutorily mandated regulatory and enforcement duties without access to this data. Reducing the Executive Direction's Expense allocation by \$95,000 will leave Executive Direction with an annual allocation of \$378,616. This will not give Executive Direction the flexibility to handle emergent issues as they arise nor the capability to handle any peak period emergencies with REAL, effectively shutting down the OFR. It will also reduce the Office's capability to pay for normal operating expenses.

Ultimate Outcome: This reduction will moderately impact Executive Direction. Reducing the Expense allocation by

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>EXEC DIR & SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSES APPROPRIATION		
- OFFICE OF FINANCIAL REGULATION -		
EXECUTIVE DIRECTION AND SUPPORT		
SERVICES		33V0660

\$95,000, may not give OFR's Executive Direction the flexibility to pay for normal operating expenses.

Expenses:	Description	Amount	Non-Recurring
Quantity			
1	Reduce Expenses Allocation	(\$95,000)	\$0
Total		(\$95,000)	\$0

REDUCE POSITIONS AND FUNDING FROM THE EXECUTIVE DIRECTION AND SUPPORT SERVICES BUDGET ENTITY WITHIN THE OFFICE OF FINANCIAL REGULATION			33V0670
SALARY RATE			000000
SALARY RATE.....	90,836-		
	=====		
SALARIES AND BENEFITS			010000
	2.00-		
ADMINISTRATIVE TRUST FUND -STATE	140,000-		2021 1
	=====		
EXPENSES			040000
ADMINISTRATIVE TRUST FUND -STATE	3,600-		2021 1
	=====		
TOTAL: REDUCE POSITIONS AND FUNDING FROM THE EXECUTIVE DIRECTION AND SUPPORT SERVICES BUDGET ENTITY WITHIN THE OFFICE OF FINANCIAL REGULATION			33V0670
TOTAL POSITIONS.....	2.00-		
TOTAL ISSUE.....	143,600-		
TOTAL SALARY RATE.....	90,836-		

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: FINANCIAL SVCS COMM	43900000
OFFICE OF FINANCIAL REG	43900500
<u>EXEC DIR & SUPPORT SERVICE</u>	43900550
PUBLIC PROTECTION	12
<u>REGULATION AND LICENSING</u>	<u>1204.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCE POSITIONS AND FUNDING FROM THE EXECUTIVE DIRECTION AND SUPPORT SERVICES BUDGET ENTITY WITHIN THE OFFICE OF FINANCIAL REGULATION	33V0670

=====

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:

IT COMPONENT? NO

PROPOSED 10% REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation - Executive Direction and Support Services
43900550

Issue Title: Eliminating two (2) FTEs within Executive Direction and Support Services

Priority #19

Reference to Long-Range Program Plan:

- Goal #1: Improve Taxpayer Value
- Goal #2: Deliver Value to Businesses
- Goal #3: Promote a Safe and Sound Financial Marketplace
- Goal #4: Register companies and individuals

Issue Description/Need:

This issue would reduce two (2) FTE from the Executive Direction and Support Services budget entity. One in the Office of General Counsel and one in the Office of the Commissioner. The Senior Attorney and Communications Coordinator included in this issue serve in key support roles for our General Counsel (OGC) and Communications Director. Elimination of these positions would create a situation where critical activities of the Office would be delayed or not be able to be

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>EXEC DIR & SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS AND FUNDING FROM THE EXECUTIVE DIRECTION AND SUPPORT SERVICES BUDGET ENTITY WITHIN THE OFFICE OF FINANCIAL REGULATION		33V0670

done at all. In particular, the Communications Office only has two assigned FTE and the ability to operate efficiently and effectively is severely jeopardized if one was eliminated. Similarly, the OGC is small staff, where even a single individual attorney position being eliminated could result in significant delays in processing cases.

Ultimate Outcome: Eliminating two FTE positions would critically impact the offices (FILL IN)

Detail of Costs:

Salaries and Benefits:			
Position	Title and Pay Grade	Amount	Non-Recurring
(1)	Senior Attorney PG 230 \$75,000 each	(\$75,000)	\$0
(1)	Communications Coordinator PG 520	(\$65,000)	\$0
Salary and Benefits Total		(\$140,000)	\$0
EXPENSES:			
Quantity	Description	Amount	Non-Recurring
(2)	Reduce Expenses @ \$1,800	(\$3,600)	\$0
Issue Total		(\$143,600)	\$0

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>EXEC DIR & SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITIONS AND FUNDING FROM THE EXECUTIVE DIRECTION AND SUPPORT SERVICES BUDGET ENTITY WITHIN THE OFFICE OF FINANCIAL REGULATION		33V0670

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
7596 COMMUNICATIONS COORDINATOR							
N0004 001	1.00-	41,237-		23,763-	65,000-	0.00	65,000-
7738 SENIOR ATTORNEY							
N0005 001	1.00-	49,599-		25,401-	75,000-	0.00	75,000-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							140,000-
	2.00-	90,836-		49,164-	140,000-		140,000-

REDUCE ADMINISTRATIVE OVERHEAD
 FINANCIAL REGULATION (OFR)
 EXECUTIVE DIRECTION AND SUPPORT
 SERVICES

SALARY RATE		33V1080
SALARY RATE.....	46,255-	000000
=====		

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES

FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>EXEC DIR & SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE ADMINISTRATIVE OVERHEAD		
FINANCIAL REGULATION (OFR)		
EXECUTIVE DIRECTION AND SUPPORT SERVICES		33V1080
SALARIES AND BENEFITS		010000
	2.00-	
ADMINISTRATIVE TRUST FUND -STATE	84,362-	2021 1
	=====	
EXPENSES		040000
ADMINISTRATIVE TRUST FUND -STATE	3,600-	2021 1
	=====	
TOTAL: REDUCE ADMINISTRATIVE OVERHEAD		33V1080
FINANCIAL REGULATION (OFR)		
EXECUTIVE DIRECTION AND SUPPORT SERVICES		
TOTAL POSITIONS.....	2.00-	
TOTAL ISSUE.....	87,962-	
TOTAL SALARY RATE.....	46,255-	
	=====	

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:

IT COMPONENT? NO

PROPOSED 10% REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation - Executive Direction and Support Services
 43900550

Issue Title: Deletion of two administrative positions

Priority #18

Reference to Long-Range Program Plan:

Goal #1: Improve Taxpayer Value

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>EXEC DIR & SUPPORT SERVICE</u>		43900550
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE ADMINISTRATIVE OVERHEAD		
FINANCIAL REGULATION (OFR)		
EXECUTIVE DIRECTION AND SUPPORT SERVICES		33V1080

Goal #2: Deliver Value to Businesses
 Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need:

This issue proposes a reduction of two positions and the associated budget from the Executive Direction and Support Services. With the consolidation of administrative functions within the Office of Financial Regulation's (OFR or Office) Operation Team, the Office has either reduced, or reclassified multiple similar positions over the last few years. Further reduction of staff from the Executive Direction would prevent critical support activities from being accomplished. These staff are the only administrative support in each of the four regional offices and provide all operational support.

Ultimate Outcome: The loss of these positions will have a critical impact on the Division.

Detail of Costs:

SALARIES and BENEFITS:

Quantity	Description	Amount	Non-Recurring
(2)	Reduce Admin II, PG 018 @ \$42,181 Salaries and Benefits	(\$84,362)	\$0

EXPENSES:

Quantity	Description	Amount	Non-Recurring
(2)	Reduce Expenses @ \$1,800	(\$3,600)	\$0

COL A10	AMOUNT	CODES
SCH VIIIIB-2		
RED FY23-24		
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
EXEC DIR & SUPPORT SERVICE		43900550
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE ADMINISTRATIVE OVERHEAD		
FINANCIAL REGULATION (OFR)		
EXECUTIVE DIRECTION AND SUPPORT SERVICES		33V1080

Issue Total (\$87,962) \$0

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
0712 ADMINISTRATIVE ASSISTANT II							
N0006 001	1.00-	21,857-	1,270-	19,053-	42,180-	0.00	42,180-
N0007 001	1.00-	23,128-		19,054-	42,182-	0.00	42,182-
TOTALS FOR ISSUE BY FUND							
2021 ADMINISTRATIVE TRUST FUND							84,362-
	2.00-	44,985-	1,270-	38,107-	84,362-		84,362-

TOTAL: REGULATION AND LICENSING							<u>1204.00.00.00</u>
BY FUND TYPE							
TRUST FUNDS.....	4.00-	1,001,562-					2000
SALARY RATE.....		137,091-					
	=====						

COL A10			
SCH VIIIIB-2			
RED FY23-24			
POS	AMOUNT		CODES
FINANCIAL SERVICES			43000000
PGM: FINANCIAL SVCS COMM			43900000
OFFICE OF FINANCIAL REG			43900500
FINANCE REGULATION			43900560
<u>PUBLIC PROTECTION</u>			12
<u>REGULATION AND LICENSING</u>			<u>1204.00.00.00</u>
PROGRAM REDUCTIONS			33V0000
REDUCE EXPENSES BUDGET AUTHORITY IN			
FINANCE REGULATION			33V0370
EXPENSES			040000
REGULATORY TRUST FUND	-STATE	308,288-	2573 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Consumer Finance
 43900560 502573002

Issue Title: Expense reduction in Consumer Finance Recurring Program Costs

Priority #13

Reference to Long-Range Program Plan:

- Goal #1: Improve Taxpayer Value
- Goal #2: Deliver Value to Businesses
- Goal #3: Promote a Safe and Sound Financial Marketplace
- Goal #4: Register companies and individuals

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

Impact: The Division is charged with examining seven (7) different financial services industries in order to determine compliance with Florida laws and rules. The examinations also further the agency's mission to protect citizens and promote a safe and sound financial marketplace. Reducing funding in this category would critically impair the Division's ability to conduct examinations of financial services companies under the Division's regulatory responsibilities. The division is required to conduct in-state and out-of-state examinations of money services businesses including payday lenders under Chapter 560, Florida Statutes, on a mandated five (5) year cycle. This reduction could critically impact

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
FINANCE REGULATION		43900560
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSES BUDGET AUTHORITY IN		
FINANCE REGULATION		33V0370

the division's ability to comply with the mandated examination cycle resulting in little to no examinations being conducted in the other five (5) industries where an exam is not mandated. This could leave the division without the resources to handle unforeseen circumstances or trends and prevent it from protecting consumers.

Ultimate Outcome: Reducing Expense funds by \$308,288 from recurring program costs would have a moderate impact on the division's ability to travel and perform examinations to ensure compliance with Florida laws as well as handle any unforeseen circumstances or emergent issues. Overall, these limitations would reduce the division's ability to protect the consumers it serves and comply with statutorily mandated examinations.

Detail of Costs:

Expenses:			
Quantity	Description	Amount	Non-Recurring
	Reduce Expenses	(\$308,288)	\$0
	Issue Total	(\$308,288)	\$0

ELIMINATE OPERATING CAPITAL OUTLAY
 AUTHORITY IN THE FINANCE REGULATION
 BUDGET ENTITY
 OPERATING CAPITAL OUTLAY

33V0460
 060000

REGULATORY TRUST FUND -STATE 35,631-
 =====

2573 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

IT COMPONENT? NO

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>FINANCE REGULATION</u>		43900560
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
ELIMINATE OPERATING CAPITAL OUTLAY		
AUTHORITY IN THE FINANCE REGULATION		
BUDGET ENTITY		33V0460

Budget Entity: Office of Financial Regulation Division of Consumer Finance
 43900560 502573002

Issue Title: Operating Capital Outlay reduction in Consumer Finance Recurring Program Costs

Priority #1

Reference to Long-Range Program Plan:

- Goal #1: Improve Taxpayer Value
- Goal #2: Deliver Value to Businesses
- Goal #3: Promote a Safe and Sound Financial Marketplace
- Goal #4: Register companies and individuals

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

Impact: The Division's Operating Capital Outlay (OCO) budget of \$35,631 was previously established to support the Division's effort to periodically replace computer equipment to maintain up-to-date technology in support of the Division's required operational activities. Previously, purchasing rules required the use of OCO funds for technology equipment (i.e. laptop computers) of a cost of \$1,000 or more. These rules have been relaxed thereby allowing the use of expense funds for the purchase of technology equipment in excess of the previous threshold. Consequently, the division is no longer in need of OCO funding.

Ultimate Outcome: Reducing OCO funds by \$35,631 from recurring program costs would be a minimal impact to the Division's operations.

Detail of Costs:

COL A10 SCH VIIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: FINANCIAL SVCS COMM	43900000
OFFICE OF FINANCIAL REG	43900500
FINANCE REGULATION	43900560
PUBLIC PROTECTION	12
REGULATION AND LICENSING	<u>1204.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
ELIMINATE OPERATING CAPITAL OUTLAY AUTHORITY IN THE FINANCE REGULATION BUDGET ENTITY	33V0460

Other Capital Outlay: Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
	Other Capital Outlay	(\$35,631)	\$0
	Issue Total	(\$35,631)	\$0

REDUCE APPROPRIATION IN THE DEFERRED PRESENTMENT PROVIDER DATABASE CONTRACT CATEGORY SPECIAL CATEGORIES DEFER PRESENTMENT CONTRACT	33V0540 100000 100513
REGULATORY TRUST FUND -STATE 800,000-	2573 1

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Consumer Finance
 43900560 502573002

Issue Title: Deferred Presentment Program (DPP) Database Reduction in Consumer Finance Recurring Program Costs

Priority #3

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>FINANCE REGULATION</u>		43900560
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE APPROPRIATION IN THE		
DEFERRED PRESENTMENT PROVIDER		
DATABASE CONTRACT CATEGORY		33V0540

Reference to Long-Range Program Plan:

- Goal #1: Improve Taxpayer Value
- Goal #2: Deliver Value to Businesses
- Goal #3: Promote a Safe and Sound Financial Marketplace
- Goal #4: Register companies and individuals

Issue Description/Need: The Division of Consumer Finance proposes to decrease its recurring program costs by reducing its DPP Database allocation. The division is statutorily mandated to maintain a common database with real-time access through an Internet connection for deferred presentment providers. The database is accessible to the office and the deferred presentment providers to verify a consumer's eligibility to obtain a deferred presentment transaction by determining whether or not a consumer has an outstanding deferred presentment transaction. There is a \$1.00 fee imposed per transaction for data that must be submitted by a deferred presentment provider. Payments to the vendor for use and support of the DPP database are based on a contractual agreement for payment based on a tiered pricing scale, which averaged \$0.58 per transaction for 4th quarter of FY 2021-22.

Impact: This reduction would have a minimal impact. As a continued result of the COVID-19 pandemic and stimulus payments from the federal government, the DPP transaction volume had decreased by 55% between Fiscal Year 2018-19 and 2020-21. Fiscal Year 2021-22 transaction volume reflected only a minimal recovery with an increase of 5%. The Division projects a continued unstable market for deferred presentment transactions (A.K.A. payday loans) for the next fiscal year. Reducing funds in this category could limit the division's ability to properly make contractual payments to vendor, Veritec Solutions, Inc., in the event of sudden increase in transactions.

Ultimate Outcome: Reducing DPP Database funds by \$800,000 would have a minimal impact on the division's ability to properly make contractual payments to vendor, Veritec Solutions, Inc., in the event of a sudden increase in transactions.

Detail of Costs:

Deferred
 Presentment
 Database:

Quantity	Description	Amount	Non-Recurring
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 COL A10
 SCH VIIIIB-2
 RED FY23-24
 POS AMOUNT CODES

FINANCIAL SERVICES 43000000
 PGM: FINANCIAL SVCS COMM 43900000
 OFFICE OF FINANCIAL REG 43900500
 FINANCE REGULATION 43900560
 PUBLIC PROTECTION 12
 REGULATION AND LICENSING 1204.00.00.00
 PROGRAM REDUCTIONS 33V0000
 REDUCE APPROPRIATION IN THE
 DEFERRED PRESENTMENT PROVIDER
 DATABASE CONTRACT CATEGORY 33V0540

 DPP Database (\$800,000) \$0
 Total DPP Database (\$800,000) \$0

Issue Total (\$800,000)

TOTAL: REGULATION AND LICENSING 1204.00.00.00
 BY FUND TYPE
 TRUST FUNDS..... 1,143,919- 2000
 =====

SECURITIES REGULATION 43900570
 PUBLIC PROTECTION 12
 REGULATION AND LICENSING 1204.00.00.00
 PROGRAM REDUCTIONS 33V0000
 REDUCE CONTRACTED SERVICES BUDGET
 AUTHORITY IN SECURITIES REGULATION 33V0350
 SPECIAL CATEGORIES 100000
 CONTRACTED SERVICES 100777
 REGULATORY TRUST FUND -STATE 289,447- 2573 1
 =====

AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Securities

43900570 502573005

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>SECURITIES REGULATION</u>		43900570
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE CONTRACTED SERVICES BUDGET		
AUTHORITY IN SECURITIES REGULATION		33V0350

Issue Title: Decrease Contracted Services Allocation in the Regulatory Trust Fund

Priority #5

Reference to Long-Range Program Plan:

Goal #3: Promote a Safe and Sound Financial Marketplace

Issue Description/Need: Reduction of the Division's contracted services fund that provides necessary operational resources to support items including, but not limited to, court reporters, subpoena and research services, and legal contract services, would have a significant adverse impact on the Division's operating budget with a reduction in the amount of \$289,447. The Bureau of Enforcement is responsible for ensuring compliance with Chapter 517, Florida Statutes, the Florida Securities and Investor Protection Act (Act). Securities examinations are commonly broad in scope, complex and time-consuming. To address the complexity of these examinations, the Bureau of Enforcement may utilize the Regulatory Trust fund to pay for these specialized services. The Division of Securities generally goes first to the Anti-Fraud Trust fund to cover these services. But, due to limited budget in this area, the Division finds it necessary to maintain sufficient budget in the Regulatory Trust fund to ensure adequate resources are available to support the complexity of these examinations. Contractors utilized in these cases provide assistance during the examination process by providing technical assistance and investigative guidance. This assistance has become particularly valuable in a world of increasingly complex financial products. The use of outside experts and contracted services strengthens the ability of the Bureau of Enforcement by providing expertise, knowledge and experience that are beyond the skill set of the examiners. Having adequate funding in contracted services is critical to the operations of the Division of Securities and its ability to bring enforcement actions against those who violate the law. A reduction in the amount of \$289,447 would have a moderate impact on the Division's operations.

Ultimate Outcome: A decrease in the appropriation for contracted services would have a moderate impact. It may lessen the Office's enforcement ability to handle unforeseen circumstances and emergent situations. Consumer protections, restitutions and fines, along with consumer confidence in the Office's ability to regulate the securities industry, are certain to decrease if fewer resources are available.

Detail of Costs:

Contracted Services:

Quantity	Description	Amount	Non-Recurring
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 COL A10
 SCH VIIIIB-2
 RED FY23-24
 POS AMOUNT CODES

FINANCIAL SERVICES 43000000
 PGM: FINANCIAL SVCS COMM 43900000
 OFFICE OF FINANCIAL REG 43900500
 SECURITIES REGULATION 43900570
 PUBLIC PROTECTION 12
 REGULATION AND LICENSING 1204.00.00.00
 PROGRAM REDUCTIONS 33V0000
 REDUCE CONTRACTED SERVICES BUDGET
 AUTHORITY IN SECURITIES REGULATION 33V0350

1 Contracted (\$289,447) \$0
 Services

Total (\$289,447) \$0

REDUCE EXPENSES BUDGET AUTHORITY IN
 SECURITIES REGULATION 33V0360
 EXPENSES 040000

REGULATORY TRUST FUND -STATE 72,945- 2573 1

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AGENCY ISSUE NARRATIVE:
 SCH VIIIIB-2 NARR 23-24 NARRATIVE: IT COMPONENT? NO
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

D-3A ISSUE FORM

Budget Entity: Office of Financial Regulation Division of Securities
 43900570 502573005

Issue Title: Reduction in Expense Recurring Program Costs in the Regulatory Trust Fund

Priority #8

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

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>SECURITIES REGULATION</u>		43900570
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE EXPENSES BUDGET AUTHORITY IN		
SECURITIES REGULATION		33V0360

Issue Description/Need: The Division proposes reduction of the Expense category which includes rent, travel and training. This would have a critical impact on the Division's operating budget with a reduction in the amount of \$72,945. Chapter 517, Florida Statutes, requires that the Division of Securities examine the books and records of each registered entity and individual to determine compliance with this act. As the sole regulator of state registered investment advisory firms with up to \$100 million in assets under management, the Bureau of Enforcement ("Enforcement") has undertaken an initiative to examine all registered investment advisory firms on a ten year cycle beginning fiscal year 2019-20, while still conducting regular examinations of registered broker dealer firms, their branch office locations and associated persons. During the preceding two fiscal years, the Bureau of Enforcement has experienced significant staff turnover. Enforcement must have well-trained examiners and attorneys that can identify and assess matters involving significant complexity. Enforcement has a need to compress the amount of time it takes to fully train an examiner and must continue to have the resources to provide for staff training and development. Adequate resources to provide for staff training and travel are essential to the Division fulfilling this responsibility.

The Bureau of Registration processes applications of individuals, companies and branches to promote growth in the securities industry. Chapter 517, Florida Statutes, requires applications to be processed in a timely manner. The Bureau of Registration must have well-trained analysts to process applications and ensure compliance with Chapter 517, Florida Statutes. The Division uses internal and external virtual and on-line training resources; however, in-person training and physical visits to regional offices are necessary.

Ultimate Outcome: A decrease in the appropriation for expenses would have a moderate impact on the Office's enforcement ability by hindering staff training and staff travel to examine registered entities and individuals. A decrease in the appropriation for expenses moderately reduces the Bureau of Registration's ability to have the resources to have well-trained analysts and ensure applications are processed in a timely manner to promote growth in the securities industry. Consumer protections, restitutions and fines, along with consumer confidence in the Office's ability to regulate the securities industry, are certain to decrease if fewer resources are available.

Detail of Costs:

Expenses:

COL A10
 SCH VIIIIB-2
 RED FY23-24
 POS AMOUNT

CODES

FINANCIAL SERVICES 43000000
 PGM: FINANCIAL SVCS COMM 43900000
 OFFICE OF FINANCIAL REG 43900500
 SECURITIES REGULATION 43900570
 PUBLIC PROTECTION 12
 REGULATION AND LICENSING 1204.00.00.00
 PROGRAM REDUCTIONS 33V0000
 REDUCE EXPENSES BUDGET AUTHORITY IN
 SECURITIES REGULATION 33V0360

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
1	Expense	(\$72,945)	\$0

Total (\$72,945) \$0

REDUCE POSITION(S) - OFFICE OF FINANCIAL REGULATION - SECURITIES SALARY RATE 33V0590
 SALARY RATE..... 117,109- 000000
 =====
 SALARIES AND BENEFITS 010000
 REGULATORY TRUST FUND -STATE 2.00- 2573 1
 169,076-
 =====
 EXPENSES 040000
 REGULATORY TRUST FUND -STATE 3,600- 2573 1
 =====
 TOTAL: REDUCE POSITION(S) - OFFICE OF FINANCIAL REGULATION - SECURITIES 33V0590
 TOTAL POSITIONS..... 2.00-
 TOTAL ISSUE..... 172,676-
 TOTAL SALARY RATE..... 117,109-
 =====

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PROPOSED REDUCTIONS FOR FY 2023-24

IT COMPONENT? NO

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
<u>SECURITIES REGULATION</u>		43900570
PUBLIC PROTECTION		12
<u>REGULATION AND LICENSING</u>		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF		
FINANCIAL REGULATION - SECURITIES		33V0590

Budget Entity: Office of Financial Regulation Division of Securities
 43900570 502573005

Issue Title: Eliminating two (2) FTEs within the Division of Securities

Priority #16

Reference to Long-Range Program Plan:

- Goal #1: Improve Taxpayer Value
- Goal #2: Deliver Value to Businesses
- Goal #3: Promote a Safe and Sound Financial Marketplace
- Goal #4: Register companies and individuals

Issue Description/Need: The loss of two FTE positions in the Bureau of Enforcement and the Bureau of Registration would hamper the Division of Securities' ability to protect the public. The public will be more vulnerable to fraudulent and unlawful conduct and schemes by unscrupulous firms and individuals. The division's Bureau of Enforcement protects Florida's citizens by handling consumer complaints, conducting examinations and investigations to detect violations before they result in investor harm, and bringing enforcement actions to stop the unlawful conduct and penalize the violators. Remedies include denial, revocation, or suspension of a registration, a civil or administrative fine or penalty, and injunctive remedies such as freezing assets or appointment of a receiver.

The Bureau of Registration ensures that only applicants who meet the registration requirements and who do not have serious disciplinary history are allowed to conduct business in Florida. Through its substantive review process, regulatory staff acts to prevent firms and individuals who are threats to the public from being registered to do business in Florida. Registration with the Office is required prior to conducting business in Florida. Delay in approval of applications prevents qualified applicants from beginning work and earning a living.

Ultimate Outcome: Eliminating two FTE positions would have a critical impact on the division's ability to promote growth in the securities industry, conduct examinations, investigations, and to bring enforcement actions to protect investors from unlawful activity and fraudulent schemes by unscrupulous firms and individuals.

COL A10		
SCH VIIIIB-2		
RED FY23-24		
POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SECURITIES REGULATION		43900570
PUBLIC PROTECTION		12
REGULATION AND LICENSING		<u>1204.00.00.00</u>
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF		
FINANCIAL REGULATION - SECURITIES		33V0590

Detail of Costs:

Salaries and Benefits:

Position	Title and Pay Grade	Amount	Non-Recurring
(1)	Financial Examiner/Analyst II PG 023	(\$113,298)	\$0
(1)	Financial Examiner/Analyst I PG 020	(\$55,778)	\$0
Salary and Benefits Total		(\$169,076)	\$0

EXPENSES:

Quantity	Description	Amount	Non-Recurring
(2)	Reduce Expenses @ \$1,800	(\$3,600)	\$0
Issue Total		(\$172,676)	\$0

COL A10 SCH VIIIIB-2 RED FY23-24 POS	AMOUNT	CODES
FINANCIAL SERVICES		43000000
PGM: FINANCIAL SVCS COMM		43900000
OFFICE OF FINANCIAL REG		43900500
SECURITIES REGULATION		43900570
PUBLIC PROTECTION		12
REGULATION AND LICENSING		1204.00.00.00
PROGRAM REDUCTIONS		33V0000
REDUCE POSITION(S) - OFFICE OF FINANCIAL REGULATION - SECURITIES		33V0590

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A10 - SCH VIIIIB-2 RED FY23-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
1554 FINANCIAL EXAMINER/ANALYST I N0010 001	1.00-	34,500-		21,278-	55,778-	0.00	55,778-
1564 FINANCIAL EXAMINER/ANALYST II N0012 001	1.00-	82,609-		30,689-	113,298-	0.00	113,298-
TOTALS FOR ISSUE BY FUND							
2573 REGULATORY TRUST FUND							169,076-
	2.00-	117,109-		51,967-	169,076-		169,076-

REDUCE ANTI-FRAUD FUND INVESTOR OUTREACH AND EDUCATION WITHIN THE OFFICE OF FINANCIAL REGULATION							33V0710
SPECIAL CATEGORIES							100000
ANTI-FRAUD INV & EDU							100531
REGULATORY TRUST FUND -STATE	20,000-						2573 1

AGENCY ISSUE NARRATIVE:

SCH VIIIIB-2 NARR 23-24 NARRATIVE:
 PROPOSED 10% REDUCTIONS FOR FY 2023-24

IT COMPONENT? NO

COL A10 SCH VIIIB-2 RED FY23-24 POS AMOUNT	CODES
FINANCIAL SERVICES	43000000
PGM: FINANCIAL SVCS COMM	43900000
OFFICE OF FINANCIAL REG	43900500
<u>SECURITIES REGULATION</u>	43900570
PUBLIC PROTECTION	12
<u>REGULATION AND LICENSING</u>	<u>1204.00.00.00</u>
PROGRAM REDUCTIONS	33V0000
REDUCE ANTI-FRAUD FUND INVESTOR	
OUTREACH AND EDUCATION WITHIN THE	
OFFICE OF FINANCIAL REGULATION	33V0710

Budget Entity: Office of Financial Regulation Division of Securities
43900570 502038001

Issue Title: Reducing Anti-Fraud Fund Investor Outreach and Education

Priority #12

Reference to Long-Range Program Plan:

Goal #3: Promote a Safe and Sound Financial Marketplace

Goal #4: Register companies and individuals

Issue Description/Need: Funds deposited in the Anti-Fraud Trust Fund may be used to improve the public's awareness and understanding of prudent investing. The agency has proposed creating a series of investor education videos designed to provide investor education and protection tips to the public. The agency has also proposed contracting for services to create monthly content to share on OFR's website and social media channels to increase investor awareness and outreach in the state. In addition, the agency has proposed producing materials to give out to attendees at in-person investor education events. These materials would provide Floridians with information so they could quickly reach out to OFR to ask questions related to investing, file a complaint, or report an investment scam. The goal of these planned activities is to educate the investing public and to protect themselves from becoming victims of investment scams. Reduction in the Anti-Fraud Trust Fund would moderately impact the agency's ability to educate and protect the public from investment fraud.

Ultimate Outcome: A reduction of in the amount of \$20,000 from the Anti-Fraud Investment Outreach and Education funds would have a moderate impact on the agency's ability to educate and protect the investing public and, especially, the elderly from investment fraud.

Detail of Costs:

Investor Outreach and Education:

COL A10
 SCH VIIIIB-2
 RED FY23-24
 POS AMOUNT

CODES

FINANCIAL SERVICES 43000000
 PGM: FINANCIAL SVCS COMM 43900000
 OFFICE OF FINANCIAL REG 43900500
 SECURITIES REGULATION 43900570
 PUBLIC PROTECTION 12
 REGULATION AND LICENSING 1204.00.00.00
 PROGRAM REDUCTIONS 33V0000
 REDUCE ANTI-FRAUD FUND INVESTOR
 OUTREACH AND EDUCATION WITHIN THE
 OFFICE OF FINANCIAL REGULATION 33V0710

Quantity	Description	Amount	Non-Recurring
-----	-----	-----	-----
1	Inv. Outreach And Education	(\$20,000)	\$0

Total Issue (\$20,000) \$0

TOTAL: REGULATION AND LICENSING 1204.00.00.00
 BY FUND TYPE

TRUST FUNDS..... 2.00- 555,068- 2000
 SALARY RATE..... 117,109-
 =====

TOTAL: FINANCIAL SERVICES 43000000
 BY FUND TYPE

GENERAL REVENUE FUND 2,749,984- 1000
 TRUST FUNDS 35,505,513- 2000

TOTAL POSITIONS..... 238.00-
 TOTAL DEPARTMENT..... 38,255,497-
 TOTAL SALARY RATE..... 10,618,655-
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* BPEADL01                               STATISTICAL INFORMATION                               10/14/2022 08:15:31 *
* BUDGET PERIOD: 2013-2024                EXHIBIT A, D AND D-3A LIST REQUEST                TJM 43      SP      *
* COMPILE DATE: 09/16/2015                COMPILE TIME: 09:40:41                                PAGE:      1      *
*****
*                                     SAVE INITIALS:          SAVE DEPARTMENT: 07      SAVE ID: S8B2
* -----
* SELECT CODES AND ACCUMULATION LEVELS WHERE ALLOWED.  WHEN NO CODE IS SELECTED, ALL CODES WILL BE REPORTED.
* ITEMIZATION OF EXPENDITURE:                IOE ACCUMULATION LEVEL: 0 (1=OPER/FCO, 2=IOE, 0=MERGED)
* MERGE GROUPS (Y/N): Y
* BUDGET ENTITY OR GROUP/ACCUMULATION LEVEL (DEP, DIV, BUR, SUB, LBE, MRG):
*   1-7:                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: A10                CODES
* 1=EAD REPORT
* 2=SCHEDULE IV/IT ISSUES          REPORT COLUMNS WITH CALCULATION DIFFERENCE ONLY (Y/N): N  THAT EXCEED:
* 3=STATEWIDE ISSUES
* 4=SCHEDULE VIIIA ISSUES
* SCHEDULE VIIIA ISSUES SPREADSHEET (Y/N): N
*
* LEVELS OF TOTALS:  (N=NO TOTAL, L=LINE TOTAL, T=BY FUND TYPE, D=BY DETAIL FUND, B=BY DETAIL FUND AND FUND TYPE,
* G=FUND GROUP LINE TOTALS, E=BY DETAIL FUND AND FUND GROUP)
* RUN: N          ITEM OF EXP: N          GROUP: N          DEPARTMENT: T          DIVISION: N          BUREAU: N
* SUB-BUREAU: N          LBE: T          POLICY AREA: N          PROG COMP: T          D3A SUM ISSUE: N          D3A DETAIL ISSUE: L
* MAJOR APP CAT: N          MINOR APP CAT: D
*
* APPROPRIATION CATEGORY TITLES: S (S=SHORT, L=LONG)          REPORT SEQUENCE: DEPT/BUDGET ENTITY: N  A=ALPHABETICAL
*                                     PROGRAM COMPONENT: N  N=NUMERICAL
* -----
* DEPARTMENT NARRATIVE SET:
* BUDGET ENTITY NARRATIVE SET:                PROGRAM COMPONENT NARRATIVE (Y/N): N
*
* ISSUE/ACTIVITY NARRATIVE SET: A5          PRIORITY ISSUE NARRATIVE SET (1-9):
*
* INCLUDE POSITION DATA (Y/N): Y
*
* INCLUDE COLUMN CODES (Y/N): Y
*
* OUTPUT FORMAT: L          PAGE BREAKS:
* L=LANDSCAPE                (IOE, GRP, DEP, DIV,          REPORT HEADING:                SCHEDULE VIIIB-2
* P=PORTRAIT                BUR, SUB, LBE, PRC,          PRIORITY LISTING FOR POSSIBLE REDUCTION
*                                     SIS, ISC)                FOR REQUEST YEAR
* -----

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* BPEADL01                               STATISTICAL INFORMATION                10/14/2022 08:15:31 *
* BUDGET PERIOD: 2013-2024              EXHIBIT A, D AND D-3A LIST REQUEST        TJM 43      SP   *
* COMPILE DATE: 09/16/2015              COMPILE TIME: 09:40:41                    PAGE:      2   *
*****
*
* TOTAL RECORDS READ FROM SORT:          198
* TOTAL RECORDS READ FROM CARD:          43
* TOTAL PAF RECORDS READ:                59
* TOTAL OAF RECORDS READ:                0
* TOTAL IEF RECORDS READ:                0
* TOTAL BGF RECORDS READ:                0
* TOTAL BEF RECORDS READ:                65
* TOTAL PCF RECORDS READ:                60
* TOTAL ICF RECORDS READ:                112
* TOTAL INF RECORDS READ:                2,249
* TOTAL ACF RECORDS READ:                21
* TOTAL FCF RECORDS READ:                11
* TOTAL FSF RECORDS READ:                10
* TOTAL PCN RECORDS READ:                0
* TOTAL BEN RECORDS READ:                0
* TOTAL DPC RECORDS READ:                116
* TOTAL RECORDS IN ERROR:                0
*
*****
*
* BUDGET ENTITIES SELECTED:
*   1-9: 43
*  10-18:
*  19-27:
*
*****

```