

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2023-24	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	CODES
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
EXEC DIRECTION SUPPRT SVC						36101000
GOV OPERATIONS/SUPPORT						16
EXEC LEADERSHIP/SUPPRT SVC						1602.00.00.00
WORKLOAD						3000000
INCREASE TO LOTTERY OTHER PERSONAL						
SERVICES BASE						3007100
OTHER PERSONAL SERVICES						030000
OPERATING TRUST FUND -STATE	131,040	138,343			7,303	2510 1

AGENCY ISSUE NARRATIVE:
 2023-2024 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE:

Increase to Lottery Other Personal Services Base

The Department of the Lottery (department) requests an increase of \$794,930 of recurring budget authority (\$131,432 in the Executive Direction budget entity and \$663,498 in the Lottery Games and Operations budget entity) in the Other Personal Services (OPS) and Human Resource Services appropriation categories to help augment the department's current FTE resources. Currently, the department has a limited amount of OPS funding to fill the significant gaps in each of the program areas to better support the department's workload. This additional funding would enable the department to employ 25 OPS employees in the areas of Administration, Communications, Claims Processing, Gaming Operations, Security and District Office staff.

Administration:

- 1 Human Resource Assistant to provide administrative support to the Human Resources unit who currently does not have a FTE to perform these duties.
- 1 Support Services Specialist to provide operational support in the department's facilities management section.

Communications:

- 1 Contract Coordinator that would be responsible for working with the contract managers in the Partnership and Engagement unit to develop scopes of work for contracts and ensure that the contract requirements/deliverables are being met.
- 1 Strategic Partnership Specialist to be utilized to supplement the efforts of the two FTE's currently working in the Partnership and Engagement unit to better execute the various initiatives for the promotion of the Bright Futures and other educational programs supported by Lottery dollars.

Claims Processing:

- 2 Financial Specialist that will process the increased volume of lottery claims that are received at the Headquarters office.

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE										36000000
PGM: LOTTERY OPERATIONS										36100000
<u>EXEC DIRECTION SUPPRT SVC</u>										36101000
GOV OPERATIONS/SUPPORT										16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>										<u>1602.00.00.00</u>
WORKLOAD										3000000
INCREASE TO LOTTERY OTHER PERSONAL SERVICES BASE										3007100

Gaming Operations:

- 1 Computer Operator to provide information technology (IT) operations scheduling flexibility and needed support with staffing shortages.
- 1 Junior System Quality Assurance(SQA) Testing Tech to increase capacity for the additional volume of testing of IT solutions before turning over to the business.
- 1 Junior IT Business Analyst to aid our current IT Business analysts in requirements gathering and documentation backlog.
- 1 Data Analyst to assist in the public records requests and report generation.
- 1 Cybersecurity Specialist to provide needed capacity for security monitoring and incident responses.
- 1 Games Administration Specialist to assist with higher customer service and retailer related call volumes resulting from increased sales and payment activity.

Security:

- 1 Special Agent I to serve as a Draw Manager for all of the nightly/daily draws.

District Offices:

- 12 Lottery Marketing Specialists III to serve the increased volume of lottery players redeeming winning lottery tickets in the Pensacola (Escambia County), Jacksonville (Duval County), Orlando (Orange County), Tampa (Hillsborough County), Fort Myers (Lee County), West Palm Beach (Palm Beach County) and Miami (Miami-Dade County) District Offices. The additional staff will decrease wait times for players standing in line to redeem their prizes.

Linkage to the Florida Lottery Long Range Program Plan:

Agency Goal #4 - Optimize Business Operations

Linkable to the Florida Strategic Plan for Economic Development:

#5.2 - Improve the efficiency and effectiveness of government agencies at all levels.

COST SUMMARY:

CATEGORY	FY 23/24	FY 23/24	FY 23/24
	Recurring	Nonrecurring	Total
Other Personal Services	\$ 792,480	\$0	\$ 792,480
Human Resource Services	\$ 2,450	\$0	\$ 2,450
	<u>\$ 794,930</u>	<u>\$0</u>	<u>\$ 794,930</u>

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2023-24	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS
						AMOUNT
						CODES
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
EXEC DIRECTION SUPPRT SVC						36101000
GOV OPERATIONS/SUPPORT						16
EXEC LEADERSHIP/SUPPRT SVC						1602.00.00.00
WORKLOAD						3000000
INCREASE TO LOTTERY OTHER PERSONAL						
SERVICES BASE						3007100

Amended 2023-24 Narrative after February 8, 2023

The Department of the Lottery's Amended Legislative Budget Request for Fiscal Year 2023-24 includes an increase in the agency's original request of \$49,314 in Other Personal Services (\$7,303 in Executive Direction and Support Services and \$42,011 in the Lottery Games and Operations budget entity) to accommodate the payments of insurance and Medicare for the 25 employees requested for Fiscal Year 2023-24.

Summary: This amended request increases the total of Other Personal Services budget authority from \$794,930 to \$844,244 due to insurance and Medicare.

INCREASING SALES INITIATIVES						4100000
BANKING SERVICES CONTRACT						4100400
SPECIAL CATEGORIES						100000
CONTRACTED SERVICES						100777

OPERATING TRUST FUND -STATE 257,000 257,000- 2510 1

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AGENCY ISSUE NARRATIVE:

2023-2024 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE:

Banking Services Contract

SUMMARY:

The Department of the Lottery (department) requests an increase of \$257,000 of recurring budget authority in the Contracted Services appropriation category to provide and stabilize the department's banking and financial services for the department. The department will competitively procure a new banking services contract in July 2023 and anticipates the additional fees will be necessary in order to accommodate the services required for the department, our winners and our retailers.

COL A12	COL A14	COL A15	COL A16	COL A14-A12	
AGY FIN REQ FY 2023-24	AGY AMD REQ FY 2023-24	AGY AMD N/R FY 2023-24	AGY AMD ANZ FY 2023-24	AGY AMD REQ FY 2023-24 OVER(UNDER) AGY FIN REQ FY 2023-24	CODES
POS AMOUNT	POS AMOUNT	POS AMOUNT	POS AMOUNT	POS AMOUNT	

LOTTERY, DEPARTMENT OF THE 36000000
 PGM: LOTTERY OPERATIONS 36100000
 EXEC DIRECTION SUPPRT SVC 36101000
 GOV OPERATIONS/SUPPORT 16
 EXEC LEADERSHIP/SUPPRT SVC 1602.00.00.00
 INCREASING SALES INITIATIVES 4100000
 BANKING SERVICES CONTRACT 4100400

Linkage to the Florida Lottery Long Range Program Plan:
 Agency Goal #2 - Uphold the Integrity of Business Operations
 Agency Goal #4 - Optimize Business Operations

Linkable to the Florida Strategic Plan for Economic Development:
 #5.2 - Improve the efficiency and effectiveness of government agencies at all levels.

COST SUMMARY:

CATEGORY	FY 23/24 Recurring	FY 23/24 Nonrecurring	FY 23/24 Total
Contracted Services	\$ 257,000	\$0	\$ 257,000

Amended 2023-24 Narrative after February 8, 2023

Summary: The Department of the Lottery requests to amend the original request to withdraw the issue until a banking services contract is procured at which time a budget amendment will be prepared to increase funding in the Contracted Services appropriation category in the Executive Direction and Support Service budget entity.

INCREASED OPERATING COSTS 4100500
 EXPENSES 040000

OPERATING TRUST FUND -STATE 303,152 135,639 167,513- 2510 1

AGENCY ISSUE NARRATIVE:

2023-2024 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE:

Increased Operating Costs

SUMMARY:

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2023-24	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS
						AMOUNT
						CODES
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
EXEC DIRECTION SUPPRT SVC						36101000
GOV OPERATIONS/SUPPORT						16
EXEC LEADERSHIP/SUPPRT SVC						1602.00.00.00
INCREASING SALES INITIATIVES						4100000
INCREASED OPERATING COSTS						4100500

The Department of the Lottery (department) requests an increase of \$350,639 of recurring budget authority (\$303,152 in the Executive Direction and Support Services budget entity and \$47,487 in the Lottery Games and Operations budget entity) in the Expenses and Contracted Services appropriation categories to support increased operating costs that are a result of fuel price increases, utility and communication price increases, and janitorial increases for the department's Headquarters building and district offices.

In Fiscal Year 2020-21 the department spent a total of \$225,427 in fuel costs to operate our fleet of 183 vehicles. In Fiscal Year 2021-22 the total fuel costs increased to \$436,582, which is an increase of \$211,155. The department requests an increase of \$215,000 to accommodate this increase in fuel costs.

Additionally, since Fiscal Year 2019-20 in our Lottery Games and Operations budget entity, our phones/communications costs have increased by \$31,819 (7.78% increase), janitorial costs for our district offices have increased \$15,668 (14.09% increase), and in our Executive Direction and Support Services budget entity the utility costs have increased \$88,152 (27.98% increase).

Additional budget will support the daily operations of the department's most basic needs since the department is unable to absorb these increases within its existing budget.

Linkage to the Florida Lottery Long Range Program Plan:
 Agency Goal #4 - Optimize Business Operations

Linkable to the Florida Strategic Plan for Economic Development:
 #5.2 - Improve the efficiency and effectiveness of government agencies at all levels.

COST SUMMARY:

CATEGORY	FY 23/24 Recurring	FY 23/24 Nonrecurring	FY 23/24 Total
Expenses	\$ 334,971	\$0	\$ 334,971
Contracted Services	\$ 15,668	\$0	\$ 15,668
	\$ 350,639	\$0	\$ 350,639

Amended 2023-24 Narrative after February 8, 2023

The Department of the Lottery's Amended Legislative Budget Request for Fiscal Year 2023-24 includes a decrease in the

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2023-24	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS
						AMOUNT
						CODES
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
<u>EXEC DIRECTION SUPPRT SVC</u>						36101000
GOV OPERATIONS/SUPPORT						16
EXEC LEADERSHIP/SUPPRT SVC						<u>1602.00.00.00</u>
INCREASING SALES INITIATIVES						4100000
INCREASED OPERATING COSTS						4100500

agency's original request of \$303,152 to \$135,639 in the Expenses appropriation category of the Executive Direction and Support Services budget entity due to rising fuel, utility, and communication costs to support the daily operations of the department's most basic needs since the department is unable to absorb these increases within its existing budget.

Summary: This amended request changes the recurring Expenses budget authority amount from \$303,152 to \$135,639.

ADDITIONAL RESOURCES TO SUPPORT PAY INITIATIVES						4200000
ADDITIONAL RESOURCES TO SUPPORT PAY INITIATIVES						4200A20
SALARY RATE						000000
SALARY RATE.....	137,903				137,903-	
	=====	=====	=====	=====	=====	=====
SALARIES AND BENEFITS						010000
OPERATING TRUST FUND -STATE	164,877				164,877-	2510 1
	=====	=====	=====	=====	=====	=====
TOTAL: ADDITIONAL RESOURCES TO SUPPORT PAY INITIATIVES						4200A20
TOTAL ISSUE.....	164,877				164,877-	
TOTAL SALARY RATE.....	137,903				137,903-	
	=====	=====	=====	=====	=====	=====

AGENCY ISSUE NARRATIVE:
 2023-2024 BUDGET YEAR NARRATIVE:
 ISSUE TITLE:

IT COMPONENT? NO

 Additional Resources to Support Pay Initiatives

SUMMARY:

The Department of the Lottery (department) requests 1,338,240 in Salary Rate (137,903 in the Executive Direction and Support Services budget entity and 1,200,337 in the Lottery Games and Operations budget entity) and \$1,600,000 of

COL A12	COL A14	COL A15	COL A16	COL A14-A12	
AGY FIN REQ FY 2023-24	AGY AMD REQ FY 2023-24	AGY AMD N/R FY 2023-24	AGY AMD ANZ FY 2023-24	AGY AMD REQ FY 2023-24 OVER(UNDER) AGY FIN REQ FY 2023-24	CODES
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
LOTTERY, DEPARTMENT OF THE					36000000
PGM: LOTTERY OPERATIONS					36100000
<u>EXEC DIRECTION SUPPRT SVC</u>					36101000
GOV OPERATIONS/SUPPORT					16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>					<u>1602.00.00.00</u>
ADDITIONAL RESOURCES TO SUPPORT PAY INITIATIVES					4200000
ADDITIONAL RESOURCES TO SUPPORT PAY INITIATIVES					4200A20

recurring budget authority in the Salaries and Benefits appropriation category (\$164,877 in the Executive Direction and Support Services budget entity and \$1,435,123 in the Lottery Games and Operations budget entity) to implement a pay plan to stabilize the department's workforce by reducing excessive turnover and facilitating the recruitment and retention of highly skilled personnel critical to the department's daily operations. Executive leadership and senior management level employees are excluded from this request.

BACKGROUND:

The department's mission is to maximize contributions to public education. The department has transferred over \$42 billion to education enhancement since its inception and, as the primary funding source of the Bright Futures Scholarship Program, has helped more than 955,000 students attend Florida colleges, universities, and technical schools. The department is recognized as an industry leader and one of the most successful lotteries in the nation. The department has contributed over \$2 billion to education each of the past two fiscal years.

The department is statutorily directed to operate "as much as possible in the manner of an entrepreneurial business enterprise" and to be "self-supporting." As such, the department is not funded by general revenue, licensing fees, or taxes. The department's two primary functions are selling tickets and paying prizes. A stable, highly skilled, and highly trained workforce is critical to carrying out these functions and achieving the department's mission.

Over the last two fiscal years the department has experienced an unacceptable employee turnover rate of 28%. Twenty percent (20%) of the departures over the past two fiscal years were for higher paying positions in state government and the private sector. These employee departures represent over 900 years of Florida Lottery-specific experience. Additionally, 18% of the department's current work force is either in DROP or eligible for retirement based on age or years of service. In order to remain the industry standard for state lotteries, the department must be able to stabilize our current work force and recruit highly skilled employees.

The department's contributions to education are directly tied to ticket sales. An increase in ticket sales results in increased transfers to education. The department's sales team establishes sales goal for each district office with the ultimate goal of increasing year-over-year sales when compared to the prior fiscal year. This ensures an increase in transfers to fund education. The department's Sales Representatives (SR's) are essential to working with our retailers and facilitating the sale of lottery tickets. As part of the stabilization plan, the department seeks to increase the minimum salary of SR's from \$33,577.56 to \$40,000.00.

The timely payment of prizes is essential to public confidence in the games offered by the Florida Lottery. Lottery Marketing Specialists (LMS's) in the department's nine district offices are responsible for processing the claims

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY AMD REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
						CODES
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
<u>EXEC DIRECTION SUPPRT SVC</u>						36101000
GOV OPERATIONS/SUPPORT						16
<u>EXEC LEADERSHIP/SUPPRT SVC</u>						<u>1602.00.00.00</u>
ADDITIONAL RESOURCES TO SUPPORT PAY						
INITIATIVES						4200000
ADDITIONAL RESOURCES TO SUPPORT						
PAY INITIATIVES						4200A20

received from players. In addition to processing claims and ensuring players are paid, LMS's are responsible for processing debt owed by winners to state agencies. LMS's are essential to department operations. As part of the stabilization plan, the department seeks to increase the minimum salary of LMS's from \$31,200.00 to \$37,000.00.

The department is constantly seeking technological methods of improving department operations. The department's two core functions, selling tickets and paying prizes, are heavily dependent on the effective operations of multiple systems to collect, analyze, share data; generate reports; operate department games; sell tickets and reconcile ticket books; and pay prizes. Department employees, retailers, and players are all recipients/beneficiaries of the functionality supported by the technology solutions employed by the department. The department's heavy dependence on technological systems requires significant investment in the recruitment and retention of highly skilled information technology personnel. As part of the stabilization plan, the department seeks to increase the minimum salaries of multiple information technology personnel positions, including, but not limited to, Systems Analyst I's and II's, Technical Analyst I's and II's, and Software Quality Assurance Analyst I's.

This plan, which excludes executive leadership and senior management level employees, is expected to increase employee retention, knowledge base, productivity, and efficiency while incurring an approximately 4.8% increase in salary and benefits dollars.

Linkage to the Florida Lottery Long Range Program Plan:
 Agency Goal #4 - Optimize Business Operations

Linkable to the Florida Strategic Plan for Economic Development:
 #1.3 - Increase and retain the number of graduates in high demand fields including science, technology, engineering and mathematics (STEM), health and others to meet Florida's needs.
 #1.4 - Expand recruitment for and access to education and training programs for talent in underserved areas and population to close local workforce skills gaps.
 #5.2 - Improve the efficiency and effectiveness of government agencies at all levels.

COST SUMMARY:

CATEGORY	FY 23/24 Recurring	FY 23/24 Nonrecurring	FY 23/24 Total
Salaries and Benefits	\$ 1,600,000	\$0	\$ 1,600,000

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24	POS AMOUNT	AGY AMD N/R FY 2023-24	POS AMOUNT	AGY AMD ANZ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24 OVER(UNDER)	AGY FIN REQ FY 2023-24	

LOTTERY, DEPARTMENT OF THE 36000000
 PGM: LOTTERY OPERATIONS 36100000
 EXEC DIRECTION SUPPRT SVC 36101000
 GOV OPERATIONS/SUPPORT 16
 EXEC LEADERSHIP/SUPPRT SVC 1602.00.00.00
 ADDITIONAL RESOURCES TO SUPPORT PAY
 INITIATIVES 4200000
 ADDITIONAL RESOURCES TO SUPPORT
 PAY INITIATIVES 4200A20

Amended 2023-24 Narrative after February 8, 2023

Summary: The Department of the Lottery is withdrawing this request for Fiscal Year 2023-24.

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A12 - AGY FIN REQ FY 2023-24						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
RA01 RATE & SALARY ADJ - BENEFITS NO FTE						
C1006 001	0.00	137,903	26,974	164,877	0.00	164,877
TOTALS FOR ISSUE BY FUND						
2510 OPERATING TRUST FUND						
0.00	137,903	26,974	164,877			164,877

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24	POS AMOUNT	AGY AMD N/R FY 2023-24	POS AMOUNT	AGY AMD ANZ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24 OVER(UNDER)	AGY FIN REQ FY 2023-24	
LOTTERY, DEPARTMENT OF THE										36000000
PGM: LOTTERY OPERATIONS										36100000
GAMES AND OPERATIONS										36102000
GOV OPERATIONS/SUPPORT										16
GOVERNMENTAL OPERATIONS										1601.00.00.00
WORKLOAD										3000000
INCREASE TO LOTTERY OTHER PERSONAL										
SERVICES BASE										3007100
OTHER PERSONAL SERVICES										030000
OPERATING TRUST FUND		-STATE		661,440		703,451		42,011		2510 1

AGENCY ISSUE NARRATIVE:
 2023-2024 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE:

Increase to Lottery Other Personal Services Base

The Department of the Lottery (department) requests an increase of \$794,930 of recurring budget authority (\$131,432 in the Executive Direction budget entity and \$663,498 in the Lottery Games and Operations budget entity) in the Other Personal Services (OPS) and Human Resource Services appropriation categories to help augment the department's current FTE resources. Currently, the department has a limited amount of OPS funding to fill the significant gaps in each of the program areas to better support the department's workload. This additional funding would enable the department to employ 25 OPS employees in the areas of Administration, Communications, Claims Processing, Gaming Operations, Security and District Office staff.

Administration:

- 1 Human Resource Assistant to provide administrative support to the Human Resources unit who currently does not have a FTE to perform these duties.
- 1 Support Services Specialist to provide operational support in the department's facilities management section.

Communications:

- 1 Contract Coordinator that would be responsible for working with the contract managers in the Partnership and Engagement unit to develop scopes of work for contracts and ensure that the contract requirements/deliverables are being met.
- 1 Strategic Partnership Specialist to be utilized to supplement the efforts of the two FTE's currently working in the Partnership and Engagement unit to better execute the various initiatives for the promotion of the Bright Futures and other educational programs supported by Lottery dollars.

Claims Processing:

- 2 Financial Specialist that will process the increased volume of lottery claims that are received at the Headquarters office.

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	AGY AMD REQ FY 2023-24	AGY AMD REQ FY 2023-24	AGY AMD N/R FY 2023-24	AGY AMD ANZ FY 2023-24	AGY AMD ANZ FY 2023-24	AGY FIN REQ FY 2023-24	AGY FIN REQ FY 2023-24	AGY AMD REQ FY 2023-24	OVER(UNDER)	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
LOTTERY, DEPARTMENT OF THE										36000000
PGM: LOTTERY OPERATIONS										36100000
GAMES AND OPERATIONS										36102000
GOV OPERATIONS/SUPPORT										16
GOVERNMENTAL OPERATIONS										<u>1601.00.00.00</u>
WORKLOAD										3000000
INCREASE TO LOTTERY OTHER PERSONAL										
SERVICES BASE										3007100

Gaming Operations:

- 1 Computer Operator to provide information technology (IT) operations scheduling flexibility and needed support with staffing shortages.
- 1 Junior System Quality Assurance(SQA) Testing Tech to increase capacity for the additional volume of testing of IT solutions before turning over to the business.
- 1 Junior IT Business Analyst to aid our current IT Business analysts in requirements gathering and documentation backlog.
- 1 Data Analyst to assist in the public records requests and report generation.
- 1 Cybersecurity Specialist to provide needed capacity for security monitoring and incident responses.
- 1 Games Administration Specialist to assist with higher customer service and retailer related call volumes resulting from increased sales and payment activity.

Security:

- 1 Special Agent I to serve as a Draw Manager for all of the nightly/daily draws.

District Offices:

- 12 Lottery Marketing Specialists III to serve the increased volume of lottery players redeeming winning lottery tickets in the Pensacola (Escambia County), Jacksonville (Duval County), Orlando (Orange County), Tampa (Hillsborough County), Fort Myers (Lee County), West Palm Beach (Palm Beach County) and Miami (Miami-Dade County) District Offices. The additional staff will decrease wait times for players standing in line to redeem their prizes.

Linkage to the Florida Lottery Long Range Program Plan:

Agency Goal #4 - Optimize Business Operations

Linkable to the Florida Strategic Plan for Economic Development:

#5.2 - Improve the efficiency and effectiveness of government agencies at all levels.

COST SUMMARY:

CATEGORY	FY 23/24	FY 23/24	FY 23/24
	Recurring	Nonrecurring	Total
Other Personal Services	\$ 792,480	\$0	\$ 792,480
Human Resource Services	\$ 2,450	\$0	\$ 2,450
	<u>\$ 794,930</u>	<u>\$0</u>	<u>\$ 794,930</u>

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY AMD REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
						CODES
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
GAMES AND OPERATIONS						36102000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						<u>1601.00.00.00</u>
WORKLOAD						3000000
INCREASE TO LOTTERY OTHER PERSONAL						
SERVICES BASE						3007100

Amended 2023-24 Narrative after February 8, 2023

The Department of the Lottery's Amended Legislative Budget Request for Fiscal Year 2023-24 includes an increase in the agency's original request of \$49,314 in Other Personal Services (\$7,303 in Executive Direction and Support Services and \$42,011 in the Lottery Games and Operations budget entity) to accommodate the payments of insurance and Medicare for the 25 employees requested for Fiscal Year 2023-24.

Summary: This amended request increases the total of Other Personal Services budget authority from \$794,930 to \$844,244 due to insurance and Medicare.

ADDITIONAL LAW ENFORCEMENT						
POSITIONS						3007200
SALARY RATE						000000
SALARY RATE.....	102,600				102,600-	
	=====	=====	=====	=====	=====	
SALARIES AND BENEFITS						010000
OPERATING TRUST FUND	2.00				2.00-	
-STATE	171,890				171,890-	2510 1
	=====	=====	=====	=====	=====	
EXPENSES						040000
OPERATING TRUST FUND		40,830			40,830-	2510 1
-STATE		=====	=====	=====	=====	
OPERATING CAPITAL OUTLAY						060000
OPERATING TRUST FUND		26,244			26,244-	2510 1
-STATE		=====	=====	=====	=====	

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
	AGY FIN REQ FY 2023-24	AGY AMD REQ FY 2023-24	AGY AMD N/R FY 2023-24	AGY AMD ANZ FY 2023-24	AGY AMD REQ FY 2023-24	AGY FIN REQ FY 2023-24
	POS AMOUNT	POS AMOUNT	POS AMOUNT	POS AMOUNT	POS AMOUNT	POS AMOUNT
	=====	=====	=====	=====	=====	=====
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
GAMES AND OPERATIONS						36102000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						<u>1601.00.00.00</u>
WORKLOAD						3000000
ADDITIONAL LAW ENFORCEMENT						
POSITIONS						3007200
SPECIAL CATEGORIES						100000
ACQUISITION/MOTOR VEHICLES						100021
OPERATING TRUST FUND -STATE	50,000				50,000-	2510 1
CONTRACTED SERVICES						100777
OPERATING TRUST FUND -STATE	14,180				14,180-	2510 1
TR/DMS/HR SVCS/STW CONTRCT						107040
OPERATING TRUST FUND -STATE	684				684-	2510 1
TOTAL: ADDITIONAL LAW ENFORCEMENT						3007200
POSITIONS						
TOTAL POSITIONS.....	2.00				2.00-	
TOTAL ISSUE.....	303,828				303,828-	
TOTAL SALARY RATE.....	102,600				102,600-	
	=====	=====	=====	=====	=====	=====

AGENCY ISSUE NARRATIVE:

2023-2024 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE:

Additional Law Enforcement Positions

SUMMARY:

The Department of the Lottery (department) requests two (2) sworn special agent positions in response to the substantial increase of investigative activities, retailer compliance operations, and inspections due to increased sales. These positions will further enhance the security and integrity of the department and optimize the response times, efficiency, and effectiveness of department law enforcement services throughout the state. This request includes associated salaries and benefits, standard expense packages, human resources services assessments, law enforcement gear, and a vehicle for each officer.

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24	POS AMOUNT	AGY AMD N/R FY 2023-24	POS AMOUNT	AGY AMD ANZ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24 OVER(UNDER)	AGY FIN REQ FY 2023-24	

LOTTERY, DEPARTMENT OF THE										36000000
PGM: LOTTERY OPERATIONS										36100000
GAMES AND OPERATIONS										36102000
GOV OPERATIONS/SUPPORT										16
GOVERNMENTAL OPERATIONS										<u>1601.00.00.00</u>
WORKLOAD										3000000
ADDITIONAL LAW ENFORCEMENT										
POSITIONS										3007200

The Division of Security is required by Section 24.108(2), Florida Statutes, to conduct investigations of alleged violations of the Florida Public Education Lottery Act and other laws of the state to ensure the integrity and security of the operation of the Lottery. The Division of Security's retailer inspections and compliance investigations center around this mandate and by expanding investigative and inspection resources through additional staffing the Division will be better suited to meet the needs of retailers, players, and local law enforcement agency partners.

To fulfill the Division of Security's obligation to ensure the integrity of the Lottery, each of the Lottery's over 13,000 retailers require inspection by a sworn special agent once every four years. Inspecting all retailers at least once during their current four-year contract cycle aids in safeguarding the Lottery's integrity by maintaining a proactive and highly visible presence in retail locations to deter fraud, underage play, and improper management of Lottery-related products. In addition to retailer inspections, timely and frequent undercover compliance operations are also required to ensure accountability of retailers.

To meet this critical need, two additional special agents are needed. One is to be assigned to the Ft. Myers district and the other to the Miami district office. Both of these district offices require an additional \$1,300 per position in order to provide a critical market pay additive. Currently, Ft. Myers is without a dedicated special agent which requires the special agent assigned to the Tampa district office to also cover this area. The special agent assigned to the Miami office will greatly increase the Division of Security's capacity to conduct inspections and criminal and compliance investigations in the Ft Lauderdale (Broward) and Key West (Monroe) counties since these areas do not have a dedicated special agent as well.

In addition to the specialized equipment required for these positions, it is also required to construct secure office space for law enforcement use. The Division of Security's Florida Department of Law Enforcement (FDLE) Criminal Justice User Agreement requires a physically secure location where confidential and sensitive criminal investigation related information is accessed and stored.

To fulfill the Division of Security's mandate to ensure the integrity of the Lottery, these additional special agents will provide a presence in each of the district offices to promote a safer environment for employees and players, conduct fraud investigations, inspections, and retailer compliance operations needed in the area.

Linkage to the Florida Lottery Long Range Program Plan:
 Agency Goal #2 - Uphold the Integrity of Business Operations
 Agency Goal #4 - Optimize Business Operations

Linkable to the Florida Strategic Plan for Economic Development:

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24	POS AMOUNT	AGY AMD N/R FY 2023-24	POS AMOUNT	AGY AMD ANZ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24 OVER(UNDER)	AGY FIN REQ FY 2023-24	
LOTTERY, DEPARTMENT OF THE										36000000
PGM: LOTTERY OPERATIONS										36100000
GAMES AND OPERATIONS										36102000
GOV OPERATIONS/SUPPORT										16
GOVERNMENTAL OPERATIONS										<u>1601.00.00.00</u>
WORKLOAD										3000000
ADDITIONAL LAW ENFORCEMENT										
POSITIONS										3007200

#5.2 - Improve the efficiency and effectiveness of government agencies at all levels.

COST SUMMARY:

CATEGORY	FY 23/24 Recurring	FY 23/24 Nonrecurring	FY 23/24 Total
Salaries and Benefits	\$ 171,890	\$0	\$ 171,890
Expenses (Std Pkg)	\$ 18,180	\$ 10,652	\$ 28,832
Acq of Motor Vehicle	\$0	\$ 50,000	\$ 50,000
(Exp) Operation of MV	\$ 8,000	\$0	\$ 8,000
(Exp) Emergency Equip for Vehicle	\$0	\$ 3,998	\$ 3,998
(Cont Svc) Emerg Equip Install	\$0	\$ 1,360	\$ 1,360
(OCO) SLER Radio for Vehicle/Handheld	\$0	\$ 26,244	\$ 26,244
(Cont Svc) SLER Radio Install	\$0	\$ 820	\$ 820
(Cont Svc) Secure Office Space	\$0	\$ 12,000	\$ 12,000
HR Services	\$684	\$0	\$ 684
Total	\$ 198,754	\$ 105,074	\$ 303,828

Amended 2023-24 Narrative after February 8, 2023

Summary: The Department of the Lottery is withdrawing this request for Fiscal Year 2023-24.

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24	POS AMOUNT	AGY AMD N/R FY 2023-24	POS AMOUNT	AGY AMD ANZ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24 OVER(UNDER)	AGY FIN REQ FY 2023-24	

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
 GAMES AND OPERATIONS
 GOV OPERATIONS/SUPPORT
 GOVERNMENTAL OPERATIONS
 WORKLOAD
 ADDITIONAL LAW ENFORCEMENT
 POSITIONS

36000000
 36100000
 36102000
 16
 1601.00.00.00
 3000000
 3007200

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A12 - AGY FIN REQ FY 2023-24							
NEW POSITIONS							
2608 SPECIAL AGENT II							
N1000 001	1.00	50,000	1,300	34,645	85,945	0.00	85,945
N1001 001	1.00	50,000	1,300	34,645	85,945	0.00	85,945
TOTALS FOR ISSUE BY FUND							
2510 OPERATING TRUST FUND							171,890
	2.00	100,000	2,600	69,290	171,890		171,890

AGENCY-WIDE INFORMATION TECHNOLOGY
 ADDITIONAL INFORMATION TECHNOLOGY
 SUPPORT

3620000
 36237C0
 000000

SALARY RATE
 SALARY RATE..... 340,000 170,000 170,000-

SALARIES AND BENEFITS

OPERATING TRUST FUND -STATE 4.00 2.00 2.00-

472,332 236,166 236,166- 2510 1

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY AMD REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
GAMES AND OPERATIONS						36102000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
ADDITIONAL INFORMATION TECHNOLOGY						
SUPPORT						36237C0
EXPENSES						040000
OPERATING TRUST FUND -STATE	46,960	12,828	10,652		34,132-	2510 1
SPECIAL CATEGORIES						100000
TR/DMS/HR SVCS/STW CONTRCT						107040
OPERATING TRUST FUND -STATE	1,368	684			684-	2510 1
TOTAL: ADDITIONAL INFORMATION TECHNOLOGY						36237C0
SUPPORT						
TOTAL POSITIONS.....	4.00	2.00			2.00-	
TOTAL ISSUE.....	520,660	249,678	10,652		270,982-	
TOTAL SALARY RATE.....	340,000	170,000			170,000-	

AGENCY ISSUE NARRATIVE:

2023-2024 BUDGET YEAR NARRATIVE:

IT COMPONENT? YES

ISSUE TITLE:

Additional Information Technology Support

SUMMARY:

The Department of the Lottery (department) requests four (4) Information Technology (IT) positions to improve information technology within the department. As the department is statutorily mandated to operate as an entrepreneurial business and strives to improve efficiency through innovation, the department's IT staff must be able to proactively lead the business forward and not simply provide the minimum technical support needed to operate. The growing demands on IT necessitate additional IT professionals to promote technical growth and keep the Florida Lottery operating as the number one lottery in the country.

According to Society for Human Resource Management (SHRM), the huge rise in demand for tech employees comes at a time when there is already a major talent shortage. Companies that do not find a way to secure the right talent will soon find themselves unable to compete against businesses that can deploy new technologies more rapidly. The department is seeking to fund the positions at market value for experienced IT professionals based on the latest Mercer/Gartner Information

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24	POS AMOUNT	AGY AMD N/R FY 2023-24	POS AMOUNT	AGY AMD ANZ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24 OVER(UNDER)	AGY FIN REQ FY 2023-24	

LOTTERY, DEPARTMENT OF THE										36000000
PGM: LOTTERY OPERATIONS										36100000
GAMES AND OPERATIONS										36102000
GOV OPERATIONS/SUPPORT										16
GOVERNMENTAL OPERATIONS										<u>1601.00.00.00</u>
AGENCY-WIDE INFORMATION TECHNOLOGY										3620000
ADDITIONAL INFORMATION TECHNOLOGY										
SUPPORT										36237C0

Technology Survey to secure the talent necessary to ensure that the department can perform at optimal levels and remain the number one lottery in the country.

The candidates filling the Network Analyst III, Information Technology Support Supervisor, Cloud Analyst III, and Information Technology Business Analyst III positions would join the department as the most seasoned and technically proficient members of their teams and would be expected to make significant contributions to their areas. The Information Technology Business Analyst III positions will also serve as project managers requiring Project Management Professional (PMP) certification. PMP, cloud, and network resources are highly sought after and expensive. With many of the department's top IT staff already eligible for retirement today, getting highly skilled technicians on staff for knowledge transfer is crucial to maintain our business.

Should the Lottery continue to operate at suboptimal support levels, the department could be unable to support the systems and applications that integrate with our gaming system and prize payment system which are critical in enabling our business units to meet statutory requirements of selling tickets and paying prizes. Any downtime could result in significant loss of revenues.

This request is to hire the following four positions:

- Network Analyst III
- Information Technology Support Supervisor
- Cloud Analyst III
- Information Technology Business Analyst III

The department has seasoned veterans with an abundance of experience and knowledge that have continued to perform duties that are required by more than one individual. It is imperative that the department hire employees in order to facilitate knowledge transfer due to retirements or departures.

Linkage to the Florida Lottery Long Range Program Plan:
 Agency Goal #4 - Optimize Business Operations

Linkable to the Florida Strategic Plan for Economic Development:
 #5.2 - Improve the efficiency and effectiveness of government agencies at all levels.

COST SUMMARY:

CATEGORY	FY 23/24 Recurring	FY 23/24 Nonrecurring	FY 23/24 Total
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COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	AGY AMD REQ FY 2023-24	AGY AMD N/R FY 2023-24	AGY AMD ANZ FY 2023-24	AGY FIN REQ FY 2023-24	AGY AMD REQ FY 2023-24	AGY AMD N/R FY 2023-24	AGY AMD ANZ FY 2023-24	AGY FIN REQ FY 2023-24	AGY AMD REQ FY 2023-24	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
 GAMES AND OPERATIONS
 GOV OPERATIONS/SUPPORT
 GOVERNMENTAL OPERATIONS
 AGENCY-WIDE INFORMATION TECHNOLOGY
 ADDITIONAL INFORMATION TECHNOLOGY
 SUPPORT

36000000
 36100000
 36102000
 16
1601.00.00.00
 3620000
 36237C0

Salaries and Benefits	\$ 472,332	\$ 0	\$ 472,332
Expenses (Std Pkg)	\$ 25,656	\$ 21,304	\$ 46,960
HR Services	\$ 1,368	\$ 0	\$ 1,368
Total	\$ 499,356	\$ 21,304	\$ 520,660

Amended 2023-24 Narrative after February 8, 2023

The Department of the Lottery's Amended Legislative Budget Request for Fiscal Year 2023-24 requests to amend the original submittal to fund four (4) Information Technology (IT) positions, 340,000 in salary rate, and \$520,660 in budget authority to improve information technology within the department to two (2) IT positions, 170,000 in salary rate, and \$249,678 in budget authority. As the department is statutorily mandated to operate as an entrepreneurial business and strives to improve efficiency through innovation, the department's IT staff must be able to proactively lead the business forward and not simply provide the minimum technical support needed to operate.

Summary: This amended request decreases the department's original request from 4 FTE, 340,000 in salary rate, and \$520,660 in budget authority to 2 FTE, 170,000 in salary rate, and \$249,678 in budget authority to add additional resources to support the department's IT staff, along with assisting in the knowledge transfer due to retirements or departures.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A12 - AGY FIN REQ FY 2023-24							
NEW POSITIONS							
P101 PROPOSED CLASS CODE							
N1005 001	4.00	340,000		132,332	472,332	0.00	472,332

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24	POS AMOUNT	AGY AMD N/R FY 2023-24	POS AMOUNT	AGY AMD ANZ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24 OVER(UNDER)	AGY FIN REQ FY 2023-24	

LOTTERY, DEPARTMENT OF THE
 PGM: LOTTERY OPERATIONS
 GAMES AND OPERATIONS
 GOV OPERATIONS/SUPPORT
 GOVERNMENTAL OPERATIONS
 AGENCY-WIDE INFORMATION TECHNOLOGY
 ADDITIONAL INFORMATION TECHNOLOGY
 SUPPORT

36000000
 36100000
 36102000
 16
 1601.00.00.00
 3620000
 36237C0

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A12 - AGY FIN REQ FY 2023-24

NEW POSITIONS

TOTALS FOR ISSUE BY FUND
 2510 OPERATING TRUST FUND

4.00	340,000		132,332	472,332		472,332
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A14 - AGY AMD REQ FY 2023-24

NEW POSITIONS

P101 PROPOSED CLASS CODE
 N1005 001

2.00	170,000		66,166	236,166	0.00	236,166
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TOTALS FOR ISSUE BY FUND
 2510 OPERATING TRUST FUND

2.00	170,000		66,166	236,166		236,166
------	---------	--	--------	---------	--	---------

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2023-24	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	POS
						AMOUNT
						CODES
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
GAMES AND OPERATIONS						36102000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
CLOUD INFRASTRUCTURE IMPLEMENTATION						36240C0
SPECIAL CATEGORIES						100000
CONTRACTED SERVICES						100777
OPERATING TRUST FUND -STATE	964,947				964,947-	2510 1
CLOUD COMP SVCS						100787
OPERATING TRUST FUND -STATE		964,947			964,947	2510 1

AGENCY ISSUE NARRATIVE:

2023-2024 BUDGET YEAR NARRATIVE:

IT COMPONENT? YES

ISSUE TITLE:

Cloud Infrastructure Implementation

SUMMARY:

The Department of the Lottery (department) requests an increase of \$964,947 in recurring budget authority in the Contracted Services appropriation category to transition its core data center infrastructure to the cloud, complying with the state's cloud-first policy (Section 282.206, Florida Statutes) by removing physical information technology hardware from the department and state-owned data centers and migrating to cloud solutions.

In order to support the Governor's vision of a cloud-first approach, the department requires a universal, highly scalable, innovative, and elastic infrastructure and a first-rate technology platform. The department is certain that a hybrid cloud technology approach will suit the department's business needs by using public cloud computing services which are uniquely positioned to support many of the department's strategic technology requirements in the future while maintaining those required technologies onsite with our strategic vendors.

The Lottery has two core functions: selling tickets and paying prizes. The department relies on multiple systems to collect, analyze, share data; generate reports; operate lottery games; sell tickets and reconcile ticket books; and pay prizes. Lottery employees, retailers, and players are all recipients/beneficiaries of the functionality supported by the cloud-based solutions that will be implemented.

A cloud environment will provide the department with a secure, usage-based cost model with greater budget predictability and a number of additional benefits that include:

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY AMD REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
						CODES
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
<u>GAMES AND OPERATIONS</u>						36102000
GOV OPERATIONS/SUPPORT						16
<u>GOVERNMENTAL OPERATIONS</u>						<u>1601.00.00.00</u>
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
CLOUD INFRASTRUCTURE IMPLEMENTATION						36240C0

- Redundancy in the cloud architecture that is built into the service
- Capacity on demand, allowing for quick turn-up
- Improved hardware, software, and storage scalability for the support of and anticipated capacity requirements based on current growth trends and functionality
- Improved system performance from the agility and flexibility of having an external hosting provider who can add capacity and address and resolve performance issues rapidly
- Inclusion of hardware upgrades in the hosting costs
- Reduction in operation risks related to capacity expansion timeframes, disaster recovery and application support
- Ability to leverage virtual and on-demand services for efficient expansion and contraction of application environments
- Reduced downtime and increased level of root cause validation and resolution
- Defined and Enforceable Service Level Agreements (SLAs)
- Continually improved maturity of offerings and service capabilities stemming from competitive pressures on a private cloud vendor

If this issue is not funded, it will be difficult for the department to comply with the cloud-first policy and future funding would be necessary to replace on-premise hardware, which would be provided by the cloud service in the proposed solution.

Linkage to the Florida Lottery Long Range Program Plan:
 Agency Goal #4 - Optimize Business Operations

Linkable to the Florida Strategic Plan for Economic Development:
 #5.2 - Improve the efficiency and effectiveness of government agencies at all levels.

COST SUMMARY:

	FY 23/24	FY 23/24	FY 23/24
CATEGORY	Recurring	Nonrecurring	Total
Contracted Services	\$ 964,947	\$ 0	\$ 964,947

Amended 2023-24 Narrative after February 8, 2023

The Department of the Lottery's Amended Legislative Budget Request for Fiscal Year 2023-24 recommends funding in the Cloud Computing Services appropriation category.

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2023-24	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	CODES
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
GAMES AND OPERATIONS						36102000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
AGENCY-WIDE INFORMATION TECHNOLOGY						3620000
CLOUD INFRASTRUCTURE IMPLEMENTATION						36240C0

Summary: This amended request changes the recurring funding from the Contracted Services appropriation category to the Cloud Computing Services appropriation category.

INCREASING SALES INITIATIVES						4100000
SALES PERFORMANCE REWARD PLAN						4100A10
SALARY RATE						000000
SALARY RATE.....		570,000			570,000	
=====						
SALARIES AND BENEFITS						010000
OPERATING TRUST FUND -STATE		712,500			712,500	2510 1
=====						
TOTAL: SALES PERFORMANCE REWARD PLAN						4100A10
TOTAL ISSUE.....		712,500			712,500	
TOTAL SALARY RATE.....		570,000			570,000	
=====						

AGENCY ISSUE NARRATIVE:

2023-2024 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

Amended 2023-24 Narrative after February 8, 2023

The Department of the Lottery's Amended Legislative Budget Request for Fiscal Year 2023-24 requests \$712,500 for a Sales Representative Reward Plan that will allow the department to implement a tiered reward system for high performing sales representatives. Each of our 114 sales representatives could earn a maximum reward of \$5,000 per year if exceeding established sales goals and Revenue Estimating Conference forecasts.

The Other Salary Amount (OAD) transaction was required to adjust Salaries and Benefits budget authority by \$31,008 to ensure the correct amount is transferred.

Linkage to the Florida Lottery Long Range Program Plan:
 Agency Goal #4 - Optimize Business Operations

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24	POS AMOUNT	AGY AMD N/R FY 2023-24	POS AMOUNT	AGY AMD ANZ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24 OVER(UNDER)	AGY FIN REQ FY 2023-24	

LOTTERY, DEPARTMENT OF THE										36000000
PGM: LOTTERY OPERATIONS										36100000
GAMES AND OPERATIONS										36102000
GOV OPERATIONS/SUPPORT										16
GOVERNMENTAL OPERATIONS										1601.00.00.00
INCREASING SALES INITIATIVES										4100000
SALES PERFORMANCE REWARD PLAN										4100A10

Linkage to the Florida Strategic Plan for Economic Development:
 #5.2 - Improve the efficiency and effectiveness of government agencies at all levels.

COST SUMMARY:

CATEGORY	FY 23/24 Recurring	FY 23/24 Nonrecurring	FY 23/24 Total
Salaries and Benefits	\$712,500	\$0	\$712,500

Summary: This is a new issue.

POSITION DETAIL OF SALARIES AND BENEFITS:

	FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A14 - AGY AMD REQ FY 2023-24							
CHANGES TO CURRENTLY AUTHORIZED POSITIONS							
RA01 RATE & SALARY ADJ - BENEFITS NO FTE							
C1010 001	0.00	570,000		111,492	681,492	0.00	681,492
TOTALS FOR ISSUE BY FUND							
2510 OPERATING TRUST FUND	0.00	570,000		111,492	681,492		681,492

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24	POS AMOUNT	AGY AMD N/R FY 2023-24	POS AMOUNT	AGY AMD ANZ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24 OVER(UNDER)	AGY FIN REQ FY 2023-24	

LOTTERY, DEPARTMENT OF THE										36000000
PGM: LOTTERY OPERATIONS										36100000
GAMES AND OPERATIONS										36102000
GOV OPERATIONS/SUPPORT										16
GOVERNMENTAL OPERATIONS										1601.00.00.00
INCREASING SALES INITIATIVES										4100000
SALES PERFORMANCE REWARD PLAN										4100A10

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
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A14 - AGY AMD REQ FY 2023-24

CHANGES TO CURRENTLY AUTHORIZED POSITIONS
 OTHER SALARY AMOUNT
 2510 OPERATING TRUST FUND

31,008

712,500

ADDITIONAL RESOURCES TO SUPPORT PAY
 INITIATIVES
 ADDITIONAL RESOURCES TO SUPPORT
 PAY INITIATIVES
 SALARY RATE

4200000

4200A20
 000000

SALARY RATE..... 1,200,337
 =====

SALARIES AND BENEFITS

010000

OPERATING TRUST FUND -STATE 1,435,123
 ===== 1,435,123- 2510 1

TOTAL: ADDITIONAL RESOURCES TO SUPPORT
 PAY INITIATIVES

4200A20

TOTAL ISSUE..... 1,435,123
 TOTAL SALARY RATE..... 1,200,337
 ===== 1,435,123-
 ===== 1,200,337-

COL A12	COL A14	COL A15	COL A16	COL A14-A12	COL A14-A12	CODES
AGY FIN REQ FY 2023-24	AGY AMD REQ FY 2023-24	AGY AMD N/R FY 2023-24	AGY AMD ANZ FY 2023-24	AGY AMD REQ FY 2023-24	AGY FIN REQ FY 2023-24	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
GAMES AND OPERATIONS						36102000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
ADDITIONAL RESOURCES TO SUPPORT PAY						
INITIATIVES						4200000
ADDITIONAL RESOURCES TO SUPPORT						
PAY INITIATIVES						4200A20

AGENCY ISSUE NARRATIVE:

2023-2024 BUDGET YEAR NARRATIVE: IT COMPONENT? NO

ISSUE TITLE:

 Additional Resources to Support Pay Initiatives

SUMMARY:

 The Department of the Lottery (department) requests 1,338,240 in Salary Rate (137,903 in the Executive Direction and Support Services budget entity and 1,200,337 in the Lottery Games and Operations budget entity) and \$1,600,000 of recurring budget authority in the Salaries and Benefits appropriation category (\$164,877 in the Executive Direction and Support Services budget entity and \$1,435,123 in the Lottery Games and Operations budget entity) to implement a pay plan to stabilize the department's workforce by reducing excessive turnover and facilitating the recruitment and retention of highly skilled personnel critical to the department's daily operations. Executive leadership and senior management level employees are excluded from this request.

BACKGROUND:

 The department's mission is to maximize contributions to public education. The department has transferred over \$42 billion to education enhancement since its inception and, as the primary funding source of the Bright Futures Scholarship Program, has helped more than 955,000 students attend Florida colleges, universities, and technical schools. The department is recognized as an industry leader and one of the most successful lotteries in the nation. The department has contributed over \$2 billion to education each of the past two fiscal years.

The department is statutorily directed to operate "as much as possible in the manner of an entrepreneurial business enterprise" and to be "self-supporting." As such, the department is not funded by general revenue, licensing fees, or taxes. The department's two primary functions are selling tickets and paying prizes. A stable, highly skilled, and highly trained workforce is critical to carrying out these functions and achieving the department's mission.

Over the last two fiscal years the department has experienced an unacceptable employee turnover rate of 28%. Twenty percent (20%) of the departures over the past two fiscal years were for higher paying positions in state government and the private sector. These employee departures represent over 900 years of Florida Lottery-specific experience. Additionally, 18% of the department's current work force is either in DROP or eligible for retirement based on age or years of service. In order to remain the industry standard for state lotteries, the department must be able to stabilize

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
						CODES
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
GAMES AND OPERATIONS						36102000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						1601.00.00.00
ADDITIONAL RESOURCES TO SUPPORT PAY						
INITIATIVES						4200000
ADDITIONAL RESOURCES TO SUPPORT						
PAY INITIATIVES						4200A20

our current work force and recruit highly skilled employees.

The department's contributions to education are directly tied to ticket sales. An increase in ticket sales results in increased transfers to education. The department's sales team establishes sales goal for each district office with the ultimate goal of increasing year-over-year sales when compared to the prior fiscal year. This ensures an increase in transfers to fund education. The department's Sales Representatives (SR's) are essential to working with our retailers and facilitating the sale of lottery tickets. As part of the stabilization plan, the department seeks to increase the minimum salary of SR's from \$33,577.56 to \$40,000.00.

The timely payment of prizes is essential to public confidence in the games offered by the Florida Lottery. Lottery Marketing Specialists (LMS's) in the department's nine district offices are responsible for processing the claims received from players. In addition to processing claims and ensuring players are paid, LMS's are responsible for processing debt owed by winners to state agencies. LMS's are essential to department operations. As part of the stabilization plan, the department seeks to increase the minimum salary of LMS's from \$31,200.00 to \$37,000.00.

The department is constantly seeking technological methods of improving department operations. The department's two core functions, selling tickets and paying prizes, are heavily dependent on the effective operations of multiple systems to collect, analyze, share data; generate reports; operate department games; sell tickets and reconcile ticket books; and pay prizes. Department employees, retailers, and players are all recipients/beneficiaries of the functionality supported by the technology solutions employed by the department. The department's heavy dependence on technological systems requires significant investment in the recruitment and retention of highly skilled information technology personnel. As part of the stabilization plan, the department seeks to increase the minimum salaries of multiple information technology personnel positions, including, but not limited to, Systems Analyst I's and II's, Technical Analyst I's and II's, and Software Quality Assurance Analyst I's.

This plan, which excludes executive leadership and senior management level employees, is expected to increase employee retention, knowledge base, productivity, and efficiency while incurring an approximately 4.8% increase in salary and benefits dollars.

Linkage to the Florida Lottery Long Range Program Plan:
 Agency Goal #4 - Optimize Business Operations

Linkable to the Florida Strategic Plan for Economic Development:
 #1.3 - Increase and retain the number of graduates in high demand fields including science, technology, engineering and mathematics (STEM), health and others to meet Florida's needs.

COL A12	COL A14	COL A15	COL A16	COL A14-A12	CODES
AGY FIN REQ FY 2023-24	AGY AMD REQ FY 2023-24	AGY AMD N/R FY 2023-24	AGY AMD ANZ FY 2023-24	AGY AMD REQ FY 2023-24 OVER(UNDER) AGY FIN REQ FY 2023-24	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT

LOTTERY, DEPARTMENT OF THE 36000000
 PGM: LOTTERY OPERATIONS 36100000
 GAMES AND OPERATIONS 36102000
 GOV OPERATIONS/SUPPORT 16
 GOVERNMENTAL OPERATIONS 1601.00.00.00
 ADDITIONAL RESOURCES TO SUPPORT PAY
 INITIATIVES 4200000
 ADDITIONAL RESOURCES TO SUPPORT
 PAY INITIATIVES 4200A20

- #1.4 - Expand recruitment for and access to education and training programs for talent in underserved areas and population to close local workforce skills gaps.
- #5.2 - Improve the efficiency and effectiveness of government agencies at all levels.

COST SUMMARY:

CATEGORY	FY 23/24 Recurring	FY 23/24 Nonrecurring	FY 23/24 Total
Salaries and Benefits	\$ 1,600,000	\$0	\$ 1,600,000

Amended 2023-24 Narrative after February 8, 2023

Summary: The Department of the Lottery is withdrawing this request for Fiscal Year 2023-24.

POSITION DETAIL OF SALARIES AND BENEFITS:

FTE	BASE RATE	ADDITIVES	BENEFITS	SUBTOTAL	LAPSE %	LAPSED SALARIES AND BENEFITS
A12 - AGY FIN REQ FY 2023-24						
CHANGES TO CURRENTLY AUTHORIZED POSITIONS						
RA01 RATE & SALARY ADJ - BENEFITS NO FTE						
C1006 001	0.00	1,200,337	234,786	1,435,123	0.00	1,435,123
TOTALS FOR ISSUE BY FUND						
2510 OPERATING TRUST FUND						1,435,123
	0.00	1,200,337	234,786	1,435,123		1,435,123

	COL A12	COL A14	COL A15	COL A16	COL A14-A12	
					AGY AMD REQ	
					FY 2023-24	
					OVER(UNDER)	
	AGY FIN REQ	AGY AMD REQ	AGY AMD N/R	AGY AMD ANZ	AGY FIN REQ	
	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	FY 2023-24	
POS	AMOUNT	POS	AMOUNT	POS	AMOUNT	CODES
LOTTERY, DEPARTMENT OF THE						36000000
PGM: LOTTERY OPERATIONS						36100000
GAMES AND OPERATIONS						36102000
GOV OPERATIONS/SUPPORT						16
GOVERNMENTAL OPERATIONS						<u>1601.00.00.00</u>
FLORIDA LOTTERY OPERATIONS FUNDING						5000000
INCREASE TO GAMING SYSTEM CONTRACT						5000230
SPECIAL CATEGORIES						100000
GAMING SYSTEM CONTRACT						101741
OPERATING TRUST FUND -STATE	3,996,392	5,833,405			1,837,013	2510 1

AGENCY ISSUE NARRATIVE:
 2023-2024 BUDGET YEAR NARRATIVE:

IT COMPONENT? NO

ISSUE TITLE:

 Increase to Gaming System Contract

SUMMARY:

The Department of the Lottery requests an increase of \$3,996,392 of recurring budget authority in the Gaming System Contract appropriation category in order to align appropriations with the anticipated expenditures to the department's gaming system vendor based upon sales amounts adopted by the July 2022 Revenue Estimating Conference (REC). The department's gaming system vendor is compensated based on a percentage of total sales. Based on the July 2022 REC, forecasted total sales in Fiscal Year 2023-24 are \$9.25 billion, resulting in a need of \$69,321,557, or \$3,996,392 more than the department's base appropriation of \$65,325,165.

Linkage to the Florida Lottery Long Range Program Plan:
 Agency Goal #4 - Optimize Business Operations

Linkable to the Florida Strategic Plan for Economic Development:
 #5.2 - Improve the efficiency and effectiveness of government agencies at all levels.

COST SUMMARY:

CATEGORY	FY 23/24 Recurring	FY 23/24 Nonrecurring	FY 23/24 Total
Gaming System Contract	\$3,996,392	\$0	\$3,996,392

Amended 2023-24 Narrative after February 8, 2023

The Department of the Lottery (department) requests an increase of \$5,833,405 of recurring budget authority in the Gaming

COL A12		COL A14		COL A15		COL A16		COL A14-A12		CODES
AGY FIN REQ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24	POS AMOUNT	AGY AMD N/R FY 2023-24	POS AMOUNT	AGY AMD ANZ FY 2023-24	POS AMOUNT	AGY AMD REQ FY 2023-24 OVER(UNDER)	AGY FIN REQ FY 2023-24	
LOTTERY, DEPARTMENT OF THE										36000000
PGM: LOTTERY OPERATIONS										36100000
GAMES AND OPERATIONS										36102000
GOV OPERATIONS/SUPPORT										16
GOVERNMENTAL OPERATIONS										<u>1601.00.00.00</u>
FLORIDA LOTTERY OPERATIONS FUNDING										5000000
INCREASE TO GAMING SYSTEM CONTRACT										5000230

System Contract appropriation category to align appropriations with the anticipated expenditures to the department's gaming system vendor based upon sales amounts adopted by the February 2023 Revenue Estimating Conference (REC). The department's gaming system vendor is compensated based on a percentage of total ticket sales. The February 2023 REC forecasted total ticket sales in Fiscal Year 2023-24 of \$9.45 billion resulting in a need of \$71,158,570 or \$5,833,405 more than the department's base appropriation of \$65,325,165.

Summary: This amended request increases the total of the Gaming System Contract appropriation category request from \$3,996,392 to \$5,833,405.

TOTAL: GOVERNMENTAL OPERATIONS										<u>1601.00.00.00</u>
BY FUND TYPE										
TRUST FUNDS.....	6.00		2.00					4.00-		
		6,917,443		7,499,034		10,652			581,591	2000
SALARY RATE.....		1,642,937		740,000				902,937-		
	=====		=====		=====		=====		=====	