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-----
                COL A93
                SCH VIIIB-2
                REDUCTIONS
                POS      AMOUNT
                -----
MANAGEMENT SRVCS, DEPT OF                                72000000
ADMIN HEARINGS                                           72970000
PRG: ADJUDICATION/DISPUTES                               72970100
  PUBLIC PROTECTION                                       12
  ADMINISTRATIVE LAW                                     1210.00.00.00
STATE FUNDING REDUCTIONS                                 3300000
REDUCE TEMPORARY EMPLOYMENT -
ADJUDICATION OF DISPUTES                                3302040
OTHER PERSONAL SERVICES                                 030000

OPERATING TRUST FUND..... 4,521-
                =====
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AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 13-14 NARRATIVE: IT COMPONENT? NO
 PRIORITY #1

The Division proposes to reduce appropriations by \$(4,521) or 25%, in the Other Personal Services (OPS) category. This category has been reduced by 95% since FY 2004-05, and further cuts will result in hiring fewer temporary administrative law judges (ALJs) and office staff. This program has recently been able to handle ALJ vacancies by reassigning cases to other judges. Therefore, the reduction in budget for temporary judges should have minimal impact on operations, but if an extraordinary need arises, it could adversely affect the Division's ability to handle cases in a timely manner. Likewise, the reduction in temporary office staff should have limited impact, unless multiple vacancies of permanent employees occur at one time. For these reasons, this issue has been assigned priority number one.

This reduction affects this program's "Conduct Administrative Hearings and Proceedings" activity. A statutory change is not required to implement this reduction. It is calculated as follows:

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Other Personal Services (OPS): Reduce budget for:
$(4,521) Temporary ALJ services and office staff
-----
$(4,521) Reduce OPS by 25%
=====
  
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REDUCE ALLOCATION FOR EXPENDITURES
 - ADJUDICATION OF DISPUTES
 EXPENSES

3302050
 040000

```

OPERATING TRUST FUND..... 127,097-
                =====
  
```

2510

| COL A93 SCH VIIIB-2 REDUCTIONS | | |
|---|----------|---------------|
| POS | AMOUNT | CODES |
| MANAGEMENT SRVCS, DEPT OF | | 72000000 |
| ADMIN HEARINGS | | 72970000 |
| PRG: ADJUDICATION/DISPUTES | | 72970100 |
| PUBLIC PROTECTION | | 12 |
| ADMINISTRATIVE LAW | | 1210.00.00.00 |
| STATE FUNDING REDUCTIONS | | 3300000 |
| REDUCE ALLOCATION FOR EXPENDITURES | | |
| - ADJUDICATION OF DISPUTES | | 3302050 |
| OPERATING CAPITAL OUTLAY | | 060000 |
| OPERATING TRUST FUND..... | 6,500- | 2510 |
| ===== | | |
| SPECIAL CATEGORIES | | 100000 |
| CONTRACTED SERVICES | | 100777 |
| OPERATING TRUST FUND..... | 7,967- | 2510 |
| ===== | | |
| LEASE/PURCHASE/EQUIPMENT | | 105281 |
| OPERATING TRUST FUND..... | 2,470- | 2510 |
| ===== | | |
| TOTAL: REDUCE ALLOCATION FOR EXPENDITURES | | 3302050 |
| - ADJUDICATION OF DISPUTES | | |
| TOTAL ISSUE..... | 144,034- | |
| ===== | | |

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 13-14 NARRATIVE:
 PRIORITY #2

IT COMPONENT? NO

The Division proposes to reduce discretionary spending totaling \$(127,097) in the Expenses category, \$(6,500) in Operating Capital Outlay, \$(7,967) in Contracted Services and \$(2,470) in the Lease/Purchase Equipment category. This reduction will have a significant impact on the Division's operations. The Expenses category has been reduced by fifteen percent since FY 2004-05. It is also important to note that the cost of leased office space comprises 49% of the Expenses category's current allocations, thereby restricting the Division's efforts to identify budget cuts in this category. The Contracted Services category has been reduced by five percent since FY 2009-10, and further reductions would hinder the program's ability to procure services such as document destruction and data backup storage when needs arise. For these reasons, this issue has been assigned priority number two.

This reduction affects this program's "Conduct Administrative Hearings and Proceedings" activity. A statutory change is not required to implement this reduction. It is calculated as follows:

Expenses: Reduce budget for:
 \$(48,552) travel by 23%
 (40,000) rent cost savings 7%

 COL A93
 SCH VIIIB-2
 REDUCTIONS
 POS AMOUNT

| | |
|------------------------------------|----------------------|
| MANAGEMENT SRVCS, DEPT OF | 72000000 |
| ADMIN HEARINGS | 72970000 |
| PRG: ADJUDICATION/DISPUTES | 72970100 |
| PUBLIC PROTECTION | 12 |
| ADMINISTRATIVE LAW | <u>1210.00.00.00</u> |
| STATE FUNDING REDUCTIONS | 3300000 |
| REDUCE ALLOCATION FOR EXPENDITURES | |
| - ADJUDICATION OF DISPUTES | 3302050 |

(12,500) office supplies by 25%
 (9,709) furniture and equipment by 24%
 (3,028) postage and freight by 35%
 (13,308) miscellaneous expenses

 \$(127,097) Reduce Expenses by 12%

Operating Capital Outlay: Reduce budget for:
 \$(6,500) furniture, equipment and IT equipment

 \$(6,500) Reduce OCO by 10%

Contracted Services: Reduce budget for:
 \$(7,967) miscellaneous services

 \$(7,967) Reduce Contracted Services by 4%

Lease/Purchase Equipment: Reduce budget for:
 \$(2,470) copier rental

 \$(2,470) Reduce Lease/Purchase Equipment by 8%

\$(144,034) Total issue
 =====

| | | |
|------------------------------------|----------|---------|
| WORKFORCE REDUCTION - ADJUDICATION | | 3302070 |
| OF DISPUTES | | 000000 |
| SALARY RATE | | |
| SALARY RATE..... | 174,670- | |
| | ===== | |
| SALARIES AND BENEFITS | | 010000 |
| | 3.00- | |
| OPERATING TRUST FUND..... | 232,508- | 2510 |
| | ===== | |

| COL A93 SCH VIIIB-2 REDUCTIONS | | CODES |
|---|----------|---------------|
| POS | AMOUNT | |
| MANAGEMENT SRVCS, DEPT OF | | 72000000 |
| ADMIN HEARINGS | | 72970000 |
| PRG: ADJUDICATION/DISPUTES | | 72970100 |
| PUBLIC PROTECTION | | 12 |
| ADMINISTRATIVE LAW | | 1210.00.00.00 |
| STATE FUNDING REDUCTIONS | | 3300000 |
| WORKFORCE REDUCTION - ADJUDICATION | | |
| OF DISPUTES | | 3302070 |
| EXPENSES | | 040000 |
| OPERATING TRUST FUND..... | 16,221- | 2510 |
| | ===== | |
| TOTAL: WORKFORCE REDUCTION - ADJUDICATION | | 3302070 |
| OF DISPUTES | | |
| TOTAL POSITIONS..... | 3.00- | |
| TOTAL ISSUE..... | 248,729- | |
| TOTAL SALARY RATE..... | 174,670- | |
| | ===== | |

AGENCY ISSUE NARRATIVE:
 SCH VIIIB-2 NARR 13-14 NARRATIVE:
 PRIORITY #3

IT COMPONENT? NO

Since FY 2003-04, the Adjudication of Disputes program's workforce has been reduced by nineteen percent, and its Salaries and Benefits budget has been reduced by thirteen percent. The Division proposes to further reduce this program's workforce by 5% by deleting one administrative law judge (ALJ) position, one administrative secretary position, and one administrative assistant I position. This reduction of \$(248,729) will negatively impact the Division's operations and will significantly limit its ability to fulfill its mission of impartially adjudicating disputes in a timely fashion. With fewer judges, the cases will be processed more slowly, thereby adversely affecting the Division's performance, which has significantly improved over the past eleven years. Moreover, many of the agencies who use the Division to adjudicate their disputes will not be able to fulfill their objectives of a just and speedy resolution, at an affordable cost, of public disputes. For these reasons, this issue was assigned priority number three.

This reduction affects this program's "Conduct Administrative Hearings and Proceedings" activity. A statutory change is not required to implement this reduction. It is calculated as follows:

Salaries and Benefits:

\$(151,678) Delete one filled ALJ position
 (43,181) Delete one vacant administrative secretary position
 (37,649) Delete one filled administrative assistant I position

 \$(232,508) Delete 3 positions, or 5% of workforce, and Salaries and Benefits by 4%

Expenses:

\$ (6,211) 1 professional standard recurring Expenses package
 (10,010) 2 support staff standard recurring Expenses packages, \$5,005 each

COL A93
 SCH VIIIB-2
 REDUCTIONS
 POS AMOUNT

| | |
|------------------------------------|----------------------|
| MANAGEMENT SRVCS, DEPT OF | 72000000 |
| ADMIN HEARINGS | 72970000 |
| PRG: ADJUDICATION/DISPUTES | 72970100 |
| PUBLIC PROTECTION | 12 |
| ADMINISTRATIVE LAW | <u>1210.00.00.00</u> |
| STATE FUNDING REDUCTIONS | 3300000 |
| WORKFORCE REDUCTION - ADJUDICATION | |
| OF DISPUTES | 3302070 |

\$ (16,221) Reduce Expenses by 2%

\$(248,729) Total Issue
 =====

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|---|-------|-----------|-----------|----------|----------|---------|------------------------------|
| ----- | | | | | | | |
| A93 - SCH VIIIB-2 REDUCTIONS | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| 0108 ADMINISTRATIVE SECRETARY | | | | | | | |
| 02658 001 | 1.00- | 26,000- | | 17,181- | 43,181- | 0.00 | 43,181- |
| 0709 ADMINISTRATIVE ASSISTANT I | | | | | | | |
| 02816 001 | 1.00- | 27,600- | | 10,049- | 37,649- | 0.00 | 37,649- |
| 7722 ADMINISTRATIVE LAW JUDGE | | | | | | | |
| 02795 001 | 1.00- | 121,070- | | 30,608- | 151,678- | 0.00 | 151,678- |
| ----- | | | | | | | |
| TOTALS FOR ISSUE BY FUND | | | | | | | |
| 2510 OPERATING TRUST FUND | | | | | | | 232,508- |
| | 3.00- | 174,670- | | 57,838- | 232,508- | | 232,508- |
| ===== | | | | | | | |

| | | |
|---------------------------|----------|----------------------|
| TOTAL: ADMINISTRATIVE LAW | | <u>1210.00.00.00</u> |
| BY FUND TYPE | | |
| TRUST FUNDS..... | 3.00- | 397,284- |
| SALARY RATE..... | 174,670- | |
| | ===== | |

2000

| COL A93 SCH VIIIB-2 REDUCTIONS | | CODES |
|---------------------------------------|-----------------|---------------|
| POS | AMOUNT | |
| MANAGEMENT SRVCS, DEPT OF | | 72000000 |
| ADMIN HEARINGS | | 72970000 |
| PRG: WORKER COMP/JUDGES | | 72970200 |
| ECONOMIC OPPORTUNITIES | | 11 |
| WORKFORCE SERVICES | | 1102.00.00.00 |
| STATE FUNDING REDUCTIONS | | 3300000 |
| WORKFORCE REDUCTION - WORKERS' | | |
| COMPENSATION APPEALS | | 3302120 |
| SALARY RATE | | 000000 |
| SALARY RATE..... | 464,060- | |
| | ===== | |
| SALARIES AND BENEFITS | | 010000 |
| OPERATING TRUST FUND..... | 17.00- 718,524- | 2510 |
| | ===== | |
| EXPENSES | | 040000 |
| OPERATING TRUST FUND..... | 85,762- | 2510 |
| | ===== | |
| TOTAL: WORKFORCE REDUCTION - WORKERS' | | 3302120 |
| COMPENSATION APPEALS | | |
| TOTAL POSITIONS..... | 17.00- | |
| TOTAL ISSUE..... | 804,286- | |
| TOTAL SALARY RATE..... | 464,060- | |
| | ===== | |

AGENCY ISSUE NARRATIVE:

SCH VIIIB-2 NARR 13-14 NARRATIVE:
 PRIORITY #4

IT COMPONENT? NO

Since FY 2005-06, the Workers' Compensation Appeals program's workforce has been reduced by ten percent, and its Salaries and Benefits budget has been reduced by eleven percent. The Division proposes to further reduce this program's workforce by 10% by deleting 17 executive secretary positions. This reduction of \$(804,286) will negatively impact the Division's operations and will significantly limit its ability to fulfill its mission of efficiently handling its caseload. The Division has made significant strides through the use of electronic filing, and intense training and re-training of key personnel to carry out the daily functions of the office. A reduction in the number of staff will impair or eliminate the excellent trends toward compliance with the time mandates that have been achieved through a monumental cooperative effort between the individuals staffing the district offices and the claimants, attorneys and employers/carriers who bring their cases to the Division for adjudication. The result will be greater delays in the resolution of workers' compensation matters and, ultimately, in the payment of benefits to injured workers who are entitled to receive them. The goal of workers' compensation, to return the injured worker to employment after receiving necessary and appropriate medical treatment and benefits to which he or she is entitled, will be severely undermined by the called for reductions. For these reasons, this issue was assigned priority number four.

It is important to note that the budget of the Office of the Judges of Compensation Claims is funded by the Workers'

| COL A93 SCH VIIIB-2 REDUCTIONS | | CODES |
|--------------------------------------|--------|---------------|
| POS | AMOUNT | |
| MANAGEMENT SRVCS, DEPT OF | | 72000000 |
| ADMIN HEARINGS | | 72970000 |
| PRG: WORKER COMP/JUDGES | | 72970200 |
| ECONOMIC OPPORTUNITIES | | 11 |
| WORKFORCE SERVICES | | 1102.00.00.00 |
| STATE FUNDING REDUCTIONS | | 3300000 |
| WORKFORCE REDUCTION - WORKERS' | | |
| COMPENSATION APPEALS | | 3302120 |

Compensation Administration Trust Fund of the Department of Financial Services. This fund is supported by insurance carrier assessments; Section 440.51, Florida Statutes, specifically sets forth the formula for calculating these assessments. Insurance companies pay only that amount necessary to fund the administration of Chapter 440, Florida Statutes, including programs within the Office of the Judges of Compensation Claims, the Division of Workers' Compensation, the Department of Education and others.

This reduction affects this program's "Adjudicate and Hear Workers' Compensation Disputes" and "Facilitate Mediation of Workers' Compensation Disputes" activities. A statutory change is not required to implement this reduction. It is calculated as follows:

Salaries and Benefits:

\$(718,524) Delete seventeen executive secretary positions, or 10% of workforce, and Salaries and Benefits by 6%

Expenses:

\$ (85,085) 17 support staff standard recurring Expenses packages at \$5,005 each

\$ (677) Miscellaneous expenses

 \$ (85,762) Reduce Expenses by 3%

\$(804,286) Total Issue

=====

POSITION DETAIL OF SALARIES AND BENEFITS:

| | FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|---|-------|-----------|-----------|----------|----------|---------|------------------------------|
| A93 - SCH VIIIB-2 REDUCTIONS | | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | | |
| 0114 EXECUTIVE SECRETARY | | | | | | | |
| 03440 001 | 1.00- | 25,479- | 1,270- | 9,940- | 36,689- | 0.00 | 36,689- |
| 03449 001 | 1.00- | 25,479- | | 13,390- | 38,869- | 0.00 | 38,869- |
| 03456 001 | 1.00- | 25,479- | | 17,114- | 42,593- | 0.00 | 42,593- |
| 03468 001 | 1.00- | 29,778- | | 17,666- | 47,444- | 0.00 | 47,444- |
| 03477 001 | 1.00- | 26,079- | 1,270- | 17,354- | 44,703- | 0.00 | 44,703- |
| 03481 001 | 1.00- | 26,079- | 1,270- | 17,354- | 44,703- | 0.00 | 44,703- |

COL A93
 SCH VIIIB-2
 REDUCTIONS
 POS AMOUNT

CODES
 72000000
 72970000
 72970200
 11
 1102.00.00.00
 3300000
 3302120

MANAGEMENT SRVCS, DEPT OF
 ADMIN HEARINGS
 PRG: WORKER COMP/JUDGES
 ECONOMIC OPPORTUNITIES
 WORKFORCE SERVICES
 STATE FUNDING REDUCTIONS
 WORKFORCE REDUCTION - WORKERS'
 COMPENSATION APPEALS

POSITION DETAIL OF SALARIES AND BENEFITS:

| FTE | BASE RATE | ADDITIVES | BENEFITS | SUBTOTAL | LAPSE % | LAPSED SALARIES AND BENEFITS |
|---|-----------|-----------|----------|----------|---------|------------------------------|
| A93 - SCH VIIIB-2 REDUCTIONS | | | | | | |
| CHANGES TO CURRENTLY AUTHORIZED POSITIONS | | | | | | |
| 03502 001 | 1.00- | 27,056- | | 17,317- | 44,373- | 0.00 44,373- |
| 03517 001 | 1.00- | 25,479- | | 17,114- | 42,593- | 0.00 42,593- |
| 03532 001 | 1.00- | 25,479- | | 13,390- | 38,869- | 0.00 38,869- |
| 03534 001 | 1.00- | 28,755- | | 17,535- | 46,290- | 0.00 46,290- |
| 03541 001 | 1.00- | 25,479- | | 17,114- | 42,593- | 0.00 42,593- |
| 03555 001 | 1.00- | 25,479- | | 13,390- | 38,869- | 0.00 38,869- |
| 03570 001 | 1.00- | 25,479- | 1,270- | 9,940- | 36,689- | 0.00 36,689- |
| 03575 001 | 1.00- | 27,681- | | 10,060- | 37,741- | 0.00 37,741- |
| 03585 001 | 1.00- | 27,379- | | 17,357- | 44,736- | 0.00 44,736- |
| 03587 001 | 1.00- | 32,381- | | 10,662- | 43,043- | 0.00 43,043- |
| 03593 001 | 1.00- | 29,960- | | 17,767- | 47,727- | 0.00 47,727- |
| TOTALS FOR ISSUE BY FUND | | | | | | 718,524- |
| 2510 OPERATING TRUST FUND | | | | | | 718,524- |
| 17.00- | 458,980- | 5,080- | 254,464- | 718,524- | | 718,524- |

 TOTAL: WORKFORCE SERVICES 1102.00.00.00
 BY FUND TYPE
 TRUST FUNDS..... 17.00- 804,286- 2000
 SALARY RATE..... 464,060-
 =====