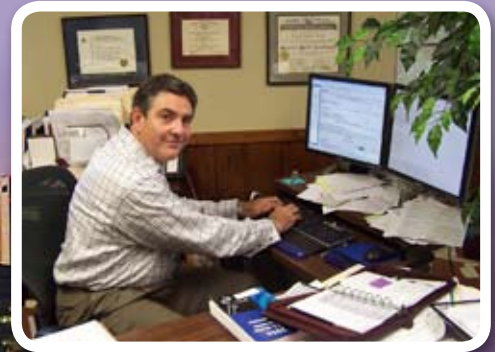
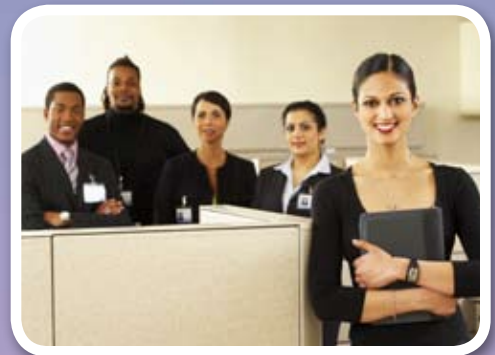




**Divisions of Certified Public Accounting,  
Professions, Regulation and Real Estate**  
**Annual Report** Fiscal Year 2006-2007

**Charlie Crist** Governor  
**Holly Benson** Secretary

Florida Department of  
**Business &  
Professional  
Regulation**





Dear Friends:

The Department of Business and Professional Regulation licenses nearly 1 million businesses and professionals across the state of Florida. From architects to yacht brokers, harbor pilots to horse tracks, this Department and its employees touch more lives than almost any other agency. Our licensees are the essential driver of Florida's economy.

Our annual budget for 2007 is \$153,951,512. We remain one of Florida's only self-sustaining agencies with revenue collected exclusively from those whom we regulate. The Department collects approximately four and a half times more than it expends in the course of its operation. The surplus generated from our tax collections on alcohol, tobacco, pari-mutuel wagering and now slots is then added to the state's treasury, making the Department an important source of revenue for Florida.

At the same time, we work to find ways to minimize the cost of regulation on our licensees. We have worked diligently to decrease the regulatory burden on Florida's professionals, making it easier for licensees to get and stay licensed. To that end, we are reviewing our rules and forms to make sure they only require what is necessary to protect the public and that they are clear and straightforward. We have implemented a new and more streamlined website which will make the renewing process more simplistic. We are initiating rulemaking to reduce fees wherever possible and we are working on a legislative agenda that proposes limiting regulation that is not in the public's best interest.

As an important corollary to that effort, we continue to work on the Governor's Plain Language Initiative to improve the way we communicate with our customers. Currently, we are revising all of the letters we routinely send to our customers, but more importantly, we are reviewing them from every angle to ensure that we are creating a licensing process that makes sense. We want our customers' interaction with us to be as effortless as possible so that they can get to work as soon as possible.

Finally, we want to measure the results and have developed performance measures that will help us better serve our licensees and the public. Currently, our average hold time in the Customer Call Center is 93% shorter than a year ago and we have reduced peak hold times by 87%. Before, every one of the 11.7 million pieces of mail we received was passed through 17 different hands and was not registered into our system until 20 days after receipt. Now, we are implementing a cutting-edge document imaging program that will scan mail as it arrives and enter it into our system no later than 4 days after receipt.

We believe these changes will have a significant impact on the way we serve our licensees and the public. These improvements would not be possible without the generous support of the Legislature and the Governor. Together we can continue to make a difference in the way this Department serves the people of Florida.

Sincerely,

A handwritten signature in black ink that reads "Holly Benson". The signature is written in a cursive, flowing style.

Holly Benson

## Division of Professions



The Division of Professions is responsible for licensing more than 392,000 professionals. The division administers 14 professional boards, one commission, three department-regulated professions and one council. These professionals include: architects and interior designers<sup>1</sup>, asbestos consultants, athlete agents, auctioneers, barbers, boxers and mixed martial arts participants<sup>2</sup>, building code administrators and inspectors, community association managers, the construction industry, cosmetologists, electrical contractors, employee leasing companies, geologists, landscape architects, pilot commissioners, pilotage rate review, surveyors and mappers, talent agencies, and veterinarians. Although not a licensing activity, the pilotage rate review board regulates port pilotage rates in the state of Florida.

Six Executive Directors oversee the professional boards. The Board Executive Director serves as a liaison between the board and the department and is responsible for ensuring the effective operation of board meetings and board business.

## Division of Regulation

The Division of Regulation is the enforcement authority for 18 professions including the Farm and Child Labor Programs, with a total licensee population of over 377,000 professionals. It monitors those professions and related businesses to ensure that the laws, rules and standards set by the Legislature are followed. This is accomplished by proactively monitoring the professionals and related businesses; aggressively pursuing and investigating complaints of wrongdoing; utilizing compliance mechanisms such as notices of noncompliance and citations; and the performance of statutorily mandated inspections.

The division is divided into six program areas and 10 regional offices. The six program areas are: Complaints, Alternative Dispute Resolution, Unlicensed Activity, Compliance, Farm Labor and Child Labor. Regional offices, headed by Regional Program Administrators, are located in Ft. Walton Beach, Tallahassee, Jacksonville, Gainesville, Orlando, Tampa, Ft. Myers, West Palm Beach, Margate (Ft. Lauderdale) and Miami.

Initial determinations regarding complaints are critical. Correct analysis at this stage offers the greatest level of efficiency and enables the division to focus its enforcement efforts on those who pose the greatest threat of harm to the public. The

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<sup>1</sup> Effective October 23, 2002, the enforcement and regulatory responsibilities related to architecture and interior design were privatized, pursuant to Chapter 481, Florida Statutes.

<sup>2</sup> During the 2007 legislative session, the Florida Legislature approved the inclusion of the Florida State Boxing Commission within the Division of Professions.

division also utilizes alternative dispute resolution methods to resolve consumer complaints in lieu of investigation and prosecution, when appropriate.

- Complaints/Investigations – responsible for the intake and initial analysis of all profession-regulated complaints for the determination of legal sufficiency. Investigations are turned over to the department’s Office of General Counsel for prosecution, and in some cases, to the State Attorney’s Office for criminal prosecution.
- Alternative Dispute Resolution (ADR) – responsible for resolving consumer complaints by helping disputing parties reach a mutually acceptable resolution through mediation. This form of resolution greatly reduces the associated costs of processing complaints. In addition to notices of noncompliance and citations, the division places great emphasis on the effective use of alternative enforcement mechanisms, including mediation, alternative dispute resolution, stings, sweeps, industry partnerships and an annual unlicensed activity campaign focused on consumer awareness and public education.
- Unlicensed Activity – responsible for coordinating unlicensed activity stings and sweeps through the Regional Program Administrators, as well as providing information to consumers and other regulators regarding the dangers of using unlicensed individuals.
- Inspections – responsible for performing the statutorily mandated and complaint driven inspections of establishments licensed by the Boards of Cosmetology, Barbers’ and Veterinary Medicine. To increase efficiency, inspectors employ Personal Digital Assistants (PDAs) to conduct inspections.
- Farm Labor – responsible for ensuring, through a system of compliance checks and investigations, that farm workers are protected from harmful work situations and exploitation. The Farm Labor program also issues permits to labor organizations and their business agents.
- Child Labor – responsible for enforcing the child labor law which is designed to protect the health, education and welfare of working minors in Florida. The program has two primary components within its mission: (1) the law limits the amount of hours that minors may work, so that minors will be able to attend school, and (2) the law restricts the types of jobs minors may perform for safety reasons.
- Regional Program Offices – through coordination with the bureaus in Tallahassee, these offices are responsible for conducting inspections, investigations, sweeps and sting operations, and dispute resolutions.

Financial information for the 2006-2007 Fiscal Year for the Divisions of Professions and Regulation:

Revenue	\$64,379,029
Expenditures	\$65,581,028



## Division of Real Estate



The Division of Real Estate (DRE) is responsible for the examination, licensing and regulation of over 360,000 real estate professionals, real property appraisal professionals including corporations, real estate schools and real estate/appraiser instructors pursuant to Chapters 455 and 475, Florida Statutes. Additionally, the division provides administrative support to the Florida Real Estate Commission (FREC) and the Florida Real Estate Appraisal Board (FREAB).

The Division of Real Estate's organizational structure includes the Director's Office, the Bureau of Enforcement, the Legal Section, and the Licensing Support Section.

- The Director's Office provides for the overall management and supervision of the division as well as handling the administrative functions. The director of the division is appointed by the department secretary and approved by a majority vote of the Florida Real Estate Commission.
- The Bureau of Enforcement is responsible for the compliance of licensees and protecting the public by performing timely and efficient investigations of complaints. The bureau investigates applicable complaints regarding the real estate and appraisal professions, as well as, unlicensed activity. Violations that warrant additional action are processed through the division's Legal Section.
- The Legal Section is responsible for processing complaints once an investigation has been completed. The Legal Section presents all investigated complaints before the Probable Cause Panel of the Real Estate Commission or the Real Estate Appraisal Board for a determination as to whether there has been a violation of law or rule. If the probable cause is found, the legal section prosecutes the case before the full Commission or Board.
- The Licensing Support Section is responsible for processing non-routine applications and licensee inquiries that have been forwarded to the division from the department's Division of Service Operations. In most instances, applications sent to DRE require the applicant to appear before the FREC or the FREAB for a determination as to whether or not the applicant will be approved to take the requisite exam for licensure.

The Division of Real Estate headquarters is located in Orlando as required by Section 20.165, Florida Statutes. The division's field offices are located in: Tallahassee, Jacksonville, Tampa, Miami, West Palm Beach, Margate, Ft. Myers, Gainesville and Panama City Beach.

Fiscal Year 2006-2007 Financial Information for the Division of Real Estate:

Revenue	\$12,950,072
Expenditures	\$16,122,633

**Division of Certified Public Accounting**



The Division of Certified Public Accounting is responsible for the licensing of over 33,000 active and inactive Certified Public Accountants (CPAs), and over 5,000 accounting firms. The division provides administrative support to the Florida Board of Accountancy, which consists of nine members: seven CPAs and two consumer members. The board makes final decisions in areas that affect the practice of public accounting, which includes qualifying applicants for the CPA examination, issuing licenses, taking disciplinary action and promulgating rules as needed.

Headquartered in Gainesville, the mission of the division is to promote consumer protection by ensuring that certified public accountants (CPAs) and CPA firms meet and adhere to the statutory requirements for licensure.

The division has three sections:

- Administration Section – is responsible for processing verification of licensure for other states, publishing quarterly newsletters for licensees, and preparing agendas and materials for board meetings.
- Licensing Section – is responsible for processing all first time CPA exam applications, processing all credit transfer CPA exam applications, processing all licensure by endorsement applications, and processing all reactivation applications.
- Enforcement Section – is responsible for conducting investigations, writing investigative reports, and forwarding the file to the Office of the General Counsel.

Financial information for the 2006-2007 Fiscal Year the Division of Certified Public Accounting:

Revenue	\$2,550,862
Expenditures	\$2,247,175

**Licenses by Professional Category<sup>3</sup>**

	<u>ACTIVE</u>	<u>INACTIVE</u>	<u>TOTAL</u>
Accountancy	30,657	2,362	33,019
Architecture and Interior Design	14,685	669	15,354
Asbestos Consultants	455	15	470
Athlete Agents	203	7	210
Auctioneers	2,774	7	2,781
Barbers	12,289	230	12,519
Building Code Administrators/Inspectors	11,354	136	11,490
Child Labor	N/A	N/A	N/A
Community Association Managers	11,253	471	11,724
Construction	109,874	13,703	123,577
Cosmetology	181,329	1,904	183,233
Electrical Contractors	10,236	1,209	11,445
Employee Leasing	701	0	701
Engineers	42,682	603	43,285
Farm Labor Contractors	3,299	N/A	3,299
Florida State Boxing Commission	2,811	N/A	2,811
Geologists	2,113	62	2,175
Landscape Architecture	1,449	82	1,531
Pilot Commissioners	107	0	107
Real Estate Appraisal	11,918	6,775	18,693
Real Estate Commission	270,467	71,771	342,238
Surveyors/Mappers	3,935	143	4,078
Talent Agents	257	0	257
Veterinarians	7,887	234	8,121
<b>TOTAL</b>	<b>732,735</b>	<b>100,383</b>	<b>833,118</b>

<sup>3</sup> The licensure data includes current, probationary, and suspended licenses in a status of active or inactive. Licenses in a status of delinquent or null/void are not included.

**Complaints by Professional Category – Received and Legally Sufficient<sup>4</sup>**

	<b>COMPLAINTS ADDED/RECEIVED</b>	<b>COMPLAINTS LEGALLY SUFFICIENT</b>
Accountancy	248	80
Architecture & Interior Design	570	534
Asbestos Consultants	6	2
Athlete Agents	1	1
Auctioneers	115	83
Barbers	825	584
Building Code Administrators/Inspectors	105	55
Community Association Managers	497	134
Construction	10,498	7,500
Cosmetology	4,326	3,120
Electrical Contractors	953	562
Employee Leasing	144	121
Engineers	227	182
Florida State Boxing Commission	25	24
Geologists	2	1
Landscape Architecture	24	9
Pilot Commissioners	28	26
Real Estate Appraisal	681	320
Real Estate Commission	5,977	2,251
Surveyors/Mappers	95	72
Talent Agents	50	18
Veterinarians	511	368

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<sup>4</sup> The numbers in the "Legally Sufficient" column may pertain to files that were added or received in a prior fiscal year. A "Complaint" is any written communication made to or by the department, alleging that a violation of the laws and rules relating to the regulation of professions has occurred. "Legally Sufficient Complaints" are complaints identified by the department to have potentially violated the laws or rules relating to the regulation of professions and are subject to further investigation.



## Complaints by Professional Category Findings of Probable Cause<sup>5</sup>

	PROBABLE CAUSE FOUND	NO PROBABLE CAUSE FOUND
Accountancy	45	171
Architecture & Interior Design	562	118
Asbestos Consultants	1	3
Athlete Agents	2	2
Auctioneers	58	102
Barbers	505	504
Building Code Administrators/Inspectors	21	91
Child Labor	29	N/A
Community Association Managers	28	454
Construction	2,793	6,736
Cosmetology	2,142	2,523
Electrical Contractors	511	501
Employee Leasing	97	88
Engineers	46	71
Florida State Boxing Commission	2	3
Farm Labor Contractors	71	N/A
Geologists	2	2
Landscape Architecture	4	16
Pilot Commissioners	2	26
Real Estate Appraisal	132	114
Real Estate Commission	449	1,048
Surveyors/Mappers	75	78
Talent Agents	13	50
Veterinarians	76	342

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<sup>5</sup> When an investigation is complete and found legally sufficient, it is submitted to the probable cause panel of the appropriate regulatory board. Determination of whether probable cause exists shall be made by majority vote of a probable cause panel of the board or by the department as appropriate, Section 455.225, Florida Statutes.

## Complaints by Professional Category

	ADMINISTRATIVE COMPLAINTS FILED	FILES CLOSED/ ORDERS OF CLOSURE	DISPOSITIONS OF DISCIPLINARY ACTION	TOTAL # OF DISPOSITIONS
Accountancy	23	1	17	18
Architecture and Interior Design	276	0	166	166
Asbestos Consultants	0	0	1	1
Athlete Agents	1	0	0	0
Auctioneers	23	18	16	34
Barbers	50	8	51	59
Building Code Administrators/Inspectors	19	2	8	10
Child Labor	29	2	27	29
Community Association Managers	9	3	18	21
Construction	1,527	177	1,548	1,725
Cosmetology	200	23	224	247
Engineers	62	8	39	47
Electrical Contractors	161	15	171	186
Employee Leasing	78	1	58	59
Farm Labor	50	2	81	83
Florida State Boxing Commission	2	4	2	6
Geologists	1	0	0	0
Landscape Architecture	2	0	3	3
Pilot Commissioners	1	1	2	3
Real Estate Appraisal	132	28	142	170
Real Estate Commission	449	124	353	477

Surveyors/Mappers	61	7	52	59
Talent Agents	5	1	10	11
Veterinarians	45	11	22	33

**Statutory References**

455.2285(7) Disciplinary actions may include Revocations, Voluntary Relinquishments, Suspensions, Probation, Reprimands, Obligations Imposed, Limitations Imposed, Restitution, Citations or other.

455.2285(8) At the close of the 2006-2007 Fiscal Year, the Division of Regulation had 329 files existing for which an investigation had not been completed within one year after the initial filing of the complaint. These files are identified to the supervisors in the appropriate regional field offices and receive the highest priority for completion. Furthermore, the Division of Regulation continues to emphasize alternative dispute resolution (ADR) as a means of resolving complaints, particularly when the consumer harm is economic in nature or can be remedied by the licensee. By focusing on ADR and other compliance mechanisms, such as the issuance of notices of noncompliance and citations, the division provides avenues for the expeditious processing and resolution of complaints.

455.2285(9) The department has established disciplinary guidelines for professions under our jurisdiction. The following boards/council either updated their disciplinary guideline rules during the fiscal year or promulgated rule making: the Board of Cosmetology, the Board of Pilot Commissioners, the Electrical Contractors’ Licensing Board and the Board of Architecture and Interior Design. The department and the various boards continually review these guidelines for any possible revisions and improvements.

455.2285(10) The department continually reviews its rules and statutory provisions to determine if any regulatory provision or portion thereof, is unnecessary. The department will continue to streamline its business processes to provide Florida’s citizens and visitors with more efficient and effective customer service.

**Key Contacts**

For more information, contact the Office of Communications at 850.922.8981 or the Office of Legislative Affairs at 850.487.4827.

- The Honorable Charlie Crist**, Governor of Florida
- Holly Benson**, Secretary
- Charlie Liem**, Chief of Staff
- Ron Russo**, Acting Deputy Secretary of Professional Regulation
- Veloria Kelly**, Director of Certified Public Accounting
- Tim Vaccaro**, Director of Professions
- Thomas O’Bryant**, Director of Real Estate
- John Washington**, Director of Regulation
- Ned Luczynski**, General Counsel
- James Kotas**, Director of Legislative Affairs
- Vacant**, Director of Communications