



**Divisions of Certified Public Accounting,  
Professions, Regulation and Real Estate**  
**Annual Report** Fiscal Year 2007-2008

**Charlie Crist** Governor  
**Charles W. Drago** Secretary

Florida Department of  
**Business &  
Professional  
Regulation**





Dear Fellow Floridians,

It is an honor to serve you and Governor Crist as the Secretary of the Department of Business and Professional Regulation. With more than 1,500 employees, DBPR is a \$1.5 billion state agency charged with regulating over one million professionals and businesses, while ensuring the safety of citizens and visitors. Through our licensees, we touch almost every Floridian in one way or another.

The Department is striving to better serve our licensees. Over the past year and a half, we have made tremendous changes that have resulted in improved customer service, more efficient business practices, and enhanced communications with customers and the public. I hope our licensees have seen an improvement in the services they receive.

While we have achieved many successes, we are far from done. This year we will be focusing on helping our licensees contribute to Florida's economy through the Governor's "Accelerate Florida" initiative. "Accelerate Florida" is an economic stimulus plan designed to speed up Florida's economy by getting businesses up and running faster. The Governor has directed the Department to promote less intrusive, more effective government.

We are now working on ways to change our processes to help accelerate the economy and better serve our customers. We have already begun by offering more electronic finger printing locations, simplifying the corporate name change application, providing editable applications online and enhancing our customer relations management software. These are just a few examples of seemingly small changes that make a big difference in the lives of our licensees. We will continue to streamline processes and eliminate red tape to get people licensed more quickly and efficiently.

This year we have also traveled the state to meet with our licensees. During "On the Road to Better Business," we worked from our district offices across the state and provided the opportunity for licensees to meet with me in person. These meetings provided us with invaluable feedback about the Department and our processes, directly from the end-user. I took this feedback back to Tallahassee and immediately began to enhance processes based on the information from our meetings. We will continue to look for ways to eliminate unnecessary regulation and streamline processes while keeping public safety as our first priority.

I am honored to serve you as the Secretary of the Department, and I would like to thank Governor Crist and the Legislature for their support. Most importantly, I thank you for all that you do for the people and economy of our great state.

Sincerely,



Charles W. Drago  
Secretary



## Division of Professions



The Division of Professions is responsible for licensing more than 405,000 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 392,000 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

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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.

enforcement efforts on those who pose the greatest threat of harm to the public. The 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.

## 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.

## Division of Certified Public Accounting



The Division of Certified Public Accounting is responsible for the licensing of over 27,000 active and inactive Certified Public Accountants (CPAs), and over 4,700 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 analyzing complaints and conducting initial investigations, writing investigative reports, and forwarding the file to the Office of the General Counsel.

## Professional Regulation Trust Fund

All moneys collected by the Department from fees, fines and court awarded costs for the professions regulated under Chapter 455 of the Florida statutes, are paid into the Professional Regulation Trust Fund. The Legislature appropriates funds from this trust fund to carry out the regulatory requirements for each profession. The Department is required to maintain separate accounts in the Trust Fund for every profession and, to the maximum extent possible, directly charge all expenses to the account of each profession.

Direct charge expenses include, but are not limited to, costs for investigations, examinations, licensing activities and legal services. For expenses that cannot be charged directly, the Department provides for the proportionate allocation among the accounts of expenses incurred by the Department in the performance of its duties with respect to each regulated profession.

Funds from the account of one profession cannot be used to pay for the expenses incurred on behalf of another profession. It is legislative intent that each profession operate within its anticipated fees and that the Department maintain adequate records to support its allocation of Department expenses.

### Fiscal Year 2007-08 Actual Revenue and Expenditures

Division:	Professions & Regulation	Real Estate	Accountancy	Total Trust Fund
Revenue	33,603,391	7,745,671	2,936,929	44,285,991
Service Charge to GR	<u>(1,928,307)</u>	<u>(820,795)</u>	<u>(211,343)</u>	<u>(2,960,445)</u>
Net Revenue	31,675,084	6,924,876	2,725,586	41,325,546
Division Expenditures	18,838,348	6,075,423	915,783	25,829,554
Allocated Costs	<u>20,180,800</u>	<u>9,279,866</u>	<u>1,614,916</u>	<u>31,075,582</u>
Total Expenditures	39,019,148	15,355,289	2,530,699	56,905,136

#### Note:

Revenue collections were reduced for Professions and Regulation by \$1.2 million due to Fee Holidays for several professions and reduced for Real Estate by \$10.2 million due to a Fee Holiday for the Real Estate Commission.

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

	<u>ACTIVE</u>	<u>INACTIVE</u>	<u>TOTAL</u>
Accountancy	30,334	2,369	32,713
Architecture and Interior Design	15,870	663	16,533
Asbestos Consultants	437	16	453
Athlete Agents	184	5	189
Auctioneers	2,563	6	2,569
Barbers	13,312	230	13,542
Building Code Administrators/Inspectors	9,906	150	10,056
Child Labor <sup>4</sup>	N/A	N/A	N/A
Community Association Managers	13,117	481	13,598
Construction Industry	113,133	14,216	127,349
Cosmetology	186,688	1,506	188,194
Electrical Contractors	10,934	1,270	12,204
Employee Leasing Companies	669	0	669
Engineers	46,213	605	46,818
Farm Labor Contractors <sup>5</sup>	3,830	N/A	3,830
Florida State Boxing Commission	3,512	N/A	3,512
Geologists	2,186	69	2,255
Landscape Architecture	1,374	79	1,453
Pilot Commissioners	108	0	108
Real Estate Appraisal	11,924	3,077	15,001

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<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.

<sup>4</sup> The Child Labor and Farm Labor Programs are not Professions regulated under Chapter 455, Florida Statutes. The Department is authorized at Chapter 450, F.S. to administer the Child Labor and Farm Labor programs.

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Real Estate Commission	250,148	76,869	327,017
Surveyors/Mappers	4,143	147	4,290
Talent Agencies	180	0	180
Veterinarians	7,760	208	7,968
<b>TOTAL</b>	<b>728,535</b>	<b>101,966</b>	<b>830,501</b>

## Complaints by Professional Category – Received and Legally Sufficient<sup>6</sup>

	COMPLAINTS ADDED/RECEIVED	COMPLAINTS LEGALLY SUFFICIENT
Accountancy	334	34
Architecture & Interior Design Asbestos	603	540
Consultants	4	3
Athlete Agents	1	0
Auctioneers	158	53
Barbers	868	797
Building Code Administrators/Inspectors	111	68
Community Association Managers	667	206
Construction Industry	7,998	4,726
Cosmetology	5,086	3,826
Electrical Contractors	994	517
Employee Leasing Companies	79	67
Engineers	163	138
Florida State Boxing Commission	218	218
Geologists	8	4
Landscape Architecture	14	5
Pilot Commissioners	27	20
Real Estate Appraisal	704	390
Real Estate Commission	7,886	2,602
Surveyors/Mappers	247	95
Talent Agencies	89	31
Veterinarians	442	311

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<sup>6</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>7</sup>

	PROBABLE CAUSE FOUND	NO PROBABLE CAUSE FOUND
Accountancy	10	111
Architecture & Interior Design	609	95
Asbestos Consultants	0	3
Athlete Agents	0	1
Auctioneers	23	87
Barbers	378	386
Building Code Administrators/Inspectors	11	76
Child Labor	19	N/A
Community Association Managers	24	432
Construction Industry	2,836	4,888
Cosmetology	1,337	3,324
Electrical Contractors	380	413
Employee Leasing Companies	64	54
Engineers	40	178
Florida State Boxing Commission	217	0
Farm Labor Contractors	70	N/A
Geologists	2	6
Landscape Architecture	3	10
Pilot Commissioners	3	35
Real Estate Appraisal	262	354
Real Estate Commission	392	3,455
Surveyors/Mappers	69	195

<sup>7</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.

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Talent Agencies	11	29
Veterinarians	66	392



## Complaints by Professional Category

	ADMINISTRATIVE COMPLAINTS FILED	FILES CLOSED/ ORDERS OF CLOSURE	DISPOSITIONS OF DISCIPLINARY ACTION	TOTAL # OF DISPOSITIONS
Accountancy	10	0	10	10
Architecture and Interior Design	139	0	227	227
Asbestos Consultants	0	0	0	0
Athlete Agents	0	0	1	1
Auctioneers	14	0	20	20
Barbers	71	4	41	45
Building Code Administrators/Inspectors	9	0	12	12
Child Labor	19	1	23	24
Community Association Managers	13	2	7	9
Construction Industry	1,805	221	1,208	1,429
Cosmetology	199	14	159	173
Engineers	40	2	35	37
Electrical Contractors	99	5	152	157
Employee Leasing Companies	60	13	37	50
Farm Labor	70	3	68	71
Florida State Boxing Commission	217	0	0	0
Geologists	1	0	0	0
Landscape Architecture	2	0	0	0
Pilot Commissioners	2	0	1	1
Real Estate Appraisal	262	45	189	234
Real Estate Commission	304	82	384	466

Surveyors/Mappers	58	14	44	58
Talent Agencies	0	0	2	2
Veterinarians	35	12	49	61

**Statutory References**

455.2285(7) Disciplinary actions may include refusal to certify, or to certify with restrictions, an application for a license; suspension or permanent revocation of a license; restriction of practice, imposition of an administrative fine not to exceed \$5,000 for each count or separate offense; issuance of a reprimand; placement of the license on probation for a period of time and subject to such conditions as specified by the Board or Department, and other corrective action.

455.2285(8) 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. In addition, the Office of the General Counsel continues to emphasize priority resolution of all cases that have not been resolved within one year after the initial filing of the complaint.

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 developed and implemented a plan to streamline its business processes, dedicating specific staff and resources, to provide Florida’s citizens and visitors with more efficient and effective customer service.

450, Part I The department administers the Child Labor program under authority granted at Chapter 450, Part I, Florida Statutes. The Child Labor program monitors the employment of minors for compliance with the provisions of Part I that relate to the health and safety of Florida’s working minors, while working to educate the public about the laws and rules regarding child labor. The department also administers the Farm Labor program under Chapter 450, Part III, Florida Statutes. The Farm Labor program regulates the activities of Florida’s farm labor contractors. The department verifies that minimum health and safety rules are met by farm labor contractors through field inspections and investigations.

**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  
**Charles W. Drago**, Secretary  
**Charlie Liem**, Chief of Staff

**Maureen Olson**, 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

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