



Long Range Program Plan

September 29, 2023

Chris Spencer, Director
Office of Policy and Budget
Executive Office of the Governor
1702 Capitol
Tallahassee, Florida 32399-0001

J. Eric Pridgeon, Staff Director
House Appropriations Committee
221 Capitol
Tallahassee, Florida 32399-1300

Tim Sadberry, Staff Director
Senate Committee on Appropriations
201 Capitol
Tallahassee, Florida 32399-1300

Dear Directors:

Pursuant to Chapter 216, Florida Statutes, our Long Range Program Plan (LRPP) for the Florida Gaming Control Commission is submitted in the format prescribed in the budget instructions. The information provided electronically and contained herein is a true and accurate presentation of our mission, goals, objectives and measures for the Fiscal Year 2024-25 through Fiscal Year 2028-29. The internet website address that provides the link to the LRPP located on the Florida Fiscal Portal is <https://flgaming.gov/publications/>.

This submission has been approved by Louis Trombetta, Executive Director.

Sincerely,

A handwritten signature in blue ink, appearing to read "Louis Trombetta".

Louis Trombetta
Executive Director

Florida Gaming Control Commission

LONG RANGE PROGRAM PLAN



FISCAL YEARS

2024-2025 through 2028-2029



Florida Gaming Control Commission

LONG RANGE PROGRAM PLAN FISCAL YEARS 2024-25 THROUGH 2028-29

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AGENCY MISSION and GOALS

| Strategic Attribute | Description | |
|---------------------|-------------|--|
| Our Mission | | Preserve and protect the integrity of gaming activities through fair regulation, licensing, effective criminal investigation, and enforcement. |
| Our Goals | Goal 1 | Provide efficient regulation of licensed activity. |
| | Goal 2 | Investigate, support, and provide information to oppose criminal gambling elements in the State of Florida. |
| | Goal 3 | Protect the health and safety of Floridians. |
| | Goal 4 | Secure state revenues. |



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AGENCY OBJECTIVES

| Service | Objectives | Description |
|---|------------|---|
| Pari-Mutuel and Slot Machine Occupational Licensing | 1-A | Meet or reduce the time needed for licensure from receipt to initial review of all cases. |
| | 1-B | Promote the use of online application processing for efficiency. |
| Gaming Enforcement | 2-A | Detect and investigate criminal gambling activity. |
| | 2-B | Support the prosecution of criminal gambling cases. |
| | 2-C | Support information sharing among state and local partners to prevent criminal gambling activity. |
| Gaming Enforcement | 3-A | Collect statistics on gaming enforcement cases. |
| Pari-Mutuel Wagering | 4-A | Provide Floridians an accurate, fair, and trustworthy reporting process on tax revenue. |
| | 4-B | Reduce costs associated with revenue collection. |



Florida Gaming Control Commission

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AGENCY SERVICE OUTCOMES AND PERFORMANCE PROJECTIONS TABLE

| | | | | | | |
|--|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| GOAL #1: | Provide efficient regulation of licensed activity. | | | | | |
| OBJECTIVE 1-A: | Meet or reduce the time needed for licensure from receipt to initial review of all cases. | | | | | |
| OUTCOME: | Percentage of all completed applications for licensure issued in 6 days or less. | | | | | |
| | Baseline FY 2021-22 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| <i>Pari-Mutuel and Slot Machine Occupational Licensing</i> | N/A | 80% | 85% | 90% | 95% | 95% |
| OBJECTIVE 1-B: | Promote the use of online application processing for efficiency. | | | | | |
| OUTCOME: | Percentage of license applications available online. | | | | | |
| | Baseline FY 2021- 22 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| <i>Pari-Mutuel and Slot Machine Occupational Licensing</i> | N/A | 95% | 95% | 95% | 95% | 95% |



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AGENCY SERVICE OUTCOMES AND PERFORMANCE PROJECTIONS TABLE (continued)

| | | | | | | |
|---------------------------|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| GOAL #2: | Investigate, support, and provide information to oppose criminal gambling elements in the State of Florida. | | | | | |
| OBJECTIVE 2-A: | Detect and investigate criminal gambling activity. | | | | | |
| OUTCOME: | Percentage of investigations which are closed, by arrest or cleared by exceptional means. | | | | | |
| | Baseline FY 2021-22 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Gaming Enforcement | N/A | 60% | 65% | 65% | 70% | 70% |
| OBJECTIVE 2-B: | Support the prosecution of criminal gambling cases. | | | | | |
| OUTCOME: | Number of criminal cases resulting in arrest charges. | | | | | |
| | Baseline FY 2021-22 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Gaming Enforcement | N/A | 75 | 100 | 110 | 125 | 125 |
| OBJECTIVE 2-C: | Support information sharing among state and local partners to prevent criminal gambling activity. | | | | | |
| OUTCOME: | Number of activities in which the FGCC is partnering or supporting other law enforcement agencies. | | | | | |
| | Baseline FY 2021-22 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Gaming Enforcement | N/A | 30 | 36 | 42 | 48 | 48 |



Florida Gaming Control Commission

LONG RANGE PROGRAM PLAN FISCAL YEARS 2024-25 THROUGH 2028-29

AGENCY SERVICE OUTCOMES AND PERFORMANCE PROJECTIONS TABLE (continued)

| | | | | | | |
|-------------------------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| GOAL #3: | Protect the health and safety of Floridians. | | | | | |
| OBJECTIVE 3-A: | Collects statistics on gaming enforcement cases. | | | | | |
| OUTCOME: | Number of days of receiving a complaint to assignment then to investigator. | | | | | |
| | Baseline FY 2021-22 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Gaming Enforcement | N/A | 4 | 3 | 3 | 2 | 2 |

| | | | | | | |
|---------------------------------|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| GOAL #4: | Secure state revenues. | | | | | |
| OBJECTIVE 4-A: | Provide Floridians an accurate, fair, and trustworthy reporting process on tax revenue. | | | | | |
| OUTCOME: | Percentage of state revenue collected to what was owed. | | | | | |
| | Baseline FY 2021-22 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Pari-Mutuel Wagering | N/A | 100% | 100% | 100% | 100% | 100% |
| OBJECTIVE 4-B: | Reduce costs associated with revenue collection. | | | | | |
| OUTCOME: | Tax collections per auditing dollar expended. | | | | | |
| | Baseline FY 2021-22 | FY 2024-25 | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
| Pari-Mutuel Wagering | N/A | \$1,190 | \$1,190 | \$1,190 | \$1,190 | \$1,190 |



Florida Gaming Control Commission

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LINKAGE TO GOVERNOR'S PRIORITIES

As an executive agency of the administration of Governor Ron DeSantis, the Florida Gaming Control Commission is actively coordinating initiatives, planning for operational advancements, and taking regulatory actions that support key pillars of the Governor's priorities, including:

Economic Development and Job Creation

- Maintain Florida's status as a low-tax state and continue to find opportunities to reduce taxes and fees.
- Reduce existing regulations and stop any new regulations that do not serve the public health, safety, and welfare.

Public Safety

- Support local and state law enforcement's ability to investigate and prevent criminal activity.

Public Integrity

- Protect taxpayer resources by ensuring the faithful expenditure of public funds and return funds to taxpayers through tax relief.
- Promote greater transparency at all levels of government and promote the highest standard of ethics for state and local officials.
- Hold public officials and government employees accountable for failure to serve the public interest at all times.

The Governor's priority of Economic Development and Job Creation is supported by the Commission's goals and objectives of reducing the difficulty and complexity of applications.

The Governor's priority of Public Safety is supported by the Commission's goals to preserve and protect the integrity of gaming activities.

The Governor's priority of Public Integrity is supported through operational and fiscal transparency that helps protect taxpayer resources and provides for greater accountability of public officials.



Florida Gaming Control Commission

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TRENDS AND CONDITIONS STATEMENTS

The Florida Gaming Control Commission (FGCC) is committed to ensuring that Florida's gaming industry is one in which licensed entities can produce revenue for the state by providing safe products to consumers while criminal actors conducting illegal gambling activity or are targeted for investigation and prosecution. The goals and objectives listed above, and the overview below are intended to provide the core ideals, mission, goals, and business functions of the FGCC and serves as a resource to policy makers, stakeholders, licensees, and citizens of the State.

a. Agency primary responsibilities - based on statutes

The Florida Gaming Control Commission (FGCC) exercises all the regulatory and executive powers of the state with respect to gambling, pari-mutuel wagering, cardrooms, slot machine facilities, oversight of gaming compacts executed by the state pursuant to the Federal Indian Gaming Regulatory Act, and any other forms of gambling authorized by the State Constitution or law.

FGCC's primary responsibilities are based on the following statutes authority:

- Chapter 16.71: FGCC
- Chapter 24: State Lotteries
- Chapter 285: Indian Reservations and Affairs
- Chapter 550: Pari-Mutuel Wagering
- Chapter 551: Slot Machines
- Chapter 546: Amusement Facilities
- Chapter 849: Gambling

FGCC's administrative rules are contained in the following section of the FAC.

- Chapter 75D

1. Regulation

Florida has a long history of licensed, regulated gaming, on pari-mutuel activities. Pari-mutuel wagering is currently authorized on thoroughbred, harness, and quarter horse racing, as well as, on jai alai games. Licensed pari-mutuels may offer poker games or dominos at the pari-mutuel facility. Additionally, licensed slot machine gaming may be conducted in Broward and Miami-Dade Counties at eligible pari-mutuel facilities.

CS SB4-A (Chapter 2021-269, Laws of Florida) established the Florida Gaming Control Commission, to be administratively housed within the Department of Legal Affairs, Office of the Attorney General and provides for a Type Two transfer pursuant to s. 20.06(2), F.S., effective July 1, 2022, of all powers and duties, personnel, administrative rules, and funding



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TRENDS AND CONDITIONS STATEMENTS (continued)

of the Department of Business and Professional Regulation, relating to the regulation of pari-mutuel wagering, slot machines, cardrooms, and the state compliance agency's oversight responsibilities for authorized gaming compacts. DPMW continues to serve as the licensed pari-mutuel regulator responsible for the duties and activities provided in Chapters 550 and 551, Florida Statutes and Section 849.086, F.S., as well as collecting and safeguarding associated revenues due to the state. FGCC is also now the State Compliance Agency (SCA) pursuant to Section 285.710, F.S., responsible for monitoring compliance with the provisions of the Gaming Compact between the Seminole Tribe of Florida and the State of Florida.

b. What led the agency to select its priorities?

The priorities for FGCC are consistent with the Commission's primary goals of:

1. Provide efficient regulation of licensed activity.
2. Protect the health and safety of Floridians.
3. Secure state revenues.
4. Investigate, support, and provide information to oppose criminal gambling elements in the state.

c. How the agency will generally address the priorities over a five-year period.

Pari-mutuel Regulation

In Fiscal Year 2022-23, the Florida Gaming Control Commission, (FGCC), issued thirty-nine (39) annual pari-mutuel operating licenses. These licenses vary by pari-mutuel activity. Of the thirty-nine (39) operating licenses, three (3) were thoroughbred (one (1) limited), one (1) was harness, six (6) were quarter horse, ten (10) were jai alai and nineteen (19) were greyhound. Please note, greyhound pari-mutuel permitholders are prohibited by law from conducting live greyhound races in Florida. Additionally, quarter horse, jai alai, and harness permitholders are no longer required to run live performances. Twenty-eight of those permitholders issued an operating license were also issued a cardroom license. Also, four (4) slot machine licenses pari-mutuel locations in Broward County and four (4) slot machine licenses pari-mutuel locations in Miami-Dade County were issued.

As the regulatory authority, the FGCC, Division of Pari-Mutuel Wagering's primary responsibilities include the following:

- ensuring the integrity of the gaming activities authorized at pari-mutuel facilities,
- ensuring the safety and welfare of racing animals,
- collecting state revenue accurately and timely,
- issuing occupational licenses and processing permitholders' operating licenses,
- regulating cardroom and slot machine operations, and
- ensuring that permitholders, licensees, and totalisator companies comply with chapters 550 and 551, Florida Statutes and Section 849.086, Florida Statutes (F.S).



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TRENDS AND CONDITIONS STATEMENTS (continued)

Horse Racing Integrity and Safety Act

- The Horseracing Integrity & Safety Act was signed into federal law on December 27, 2020, and established the Horseracing Integrity and Safety Authority (HISA). HISA is responsible for drafting and enforcing uniform safety and integrity rules applicable to thoroughbred racing participants and racetrack facilities in the United States. HISA's Racetrack Safety Program was enacted nationally on July 1, 2022.
- The Anti-Doping program went into effect again on May 22, 2023, which includes rules for prohibited medications and permitted medication levels.

Both programs supersede the state's authority to regulate and enforce thoroughbred racing regarding track safety and anti-doping related issues where HISA has adopted rules. At the June 8th, 2023, FGCC meeting, Commissioners approved a Mutual Cooperation Agreement between HISA and the FGCC.

Compact Oversight

According to section 16.712, F.S., and the language in the Compact, the FGCC is responsible for acting as the state compliance agency (SCA) overseeing the gaming compact with the Seminole Tribe of Florida.

In 2010, the Legislature ratified a gaming compact between the State of Florida and the Seminole Tribe of Florida. On April 7, 2010, the Compact was signed by the Governor and the Seminole Tribe of Florida. The DPMW was identified as the SCA with oversight over the provisions of the Compact.

In addition, chapter 2010-029, Laws of Florida (Senate Bill 622), was passed during the 2010 legislative session, which provided an effective date of July 1, 2010, for the provisions relating to pari-mutuel facilities that were passed in Chapter 2009-169, Laws of Florida (Senate Bill 788) during the prior legislative session. The Compact was approved by the U.S. Secretary of the Interior upon publication of notice of approval in the Federal Register which appeared on July 6, 2010. The Compact provides a cost reimbursement from the Seminole Tribe for costs incurred by the Division for oversight of the Compact, adjusted annually to the Consumer Price Index.

In 2021, the Legislature ratified a new gaming compact between the State of Florida and the Seminole Tribe of Florida. On April 23, 2021, as amended on May 17, 2021, a new Gaming Compact was signed by the Governor and the Seminole Tribe of Florida. August 11, 2021, the Compact was published in the Federal Register.

In August 2021, two (2) pari-mutuel entities in Florida challenged the Secretary of Interior's approval of the 2021 Gaming Compact between the State of Florida and the Seminole Tribe of Florida. On November 22, 2021, the United States District Court for the District of Columbia vacated the Compact. On June 30, 2023, the United States Court of Appeals for the District of Columbia issued an opinion overturning the lower court's ruling and upholding the legality of the Compact. On August 14, 2023, the challengers filed a petition for rehearing en banc with the appellate court. Ultimately, the appellate court denied the petition. But, as of this writing, the appellate court has



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TRENDS AND CONDITIONS STATEMENTS (continued)

not yet issued its mandate in the case. Additionally, the challengers are now seeking further review of the issue from the Supreme Court of the United States.

State Revenue

During Fiscal Year 2022-2023, approximately \$291.7 million in state revenues pertaining to cardroom, pari-mutuel, slot machine gaming, and the compact were collected.

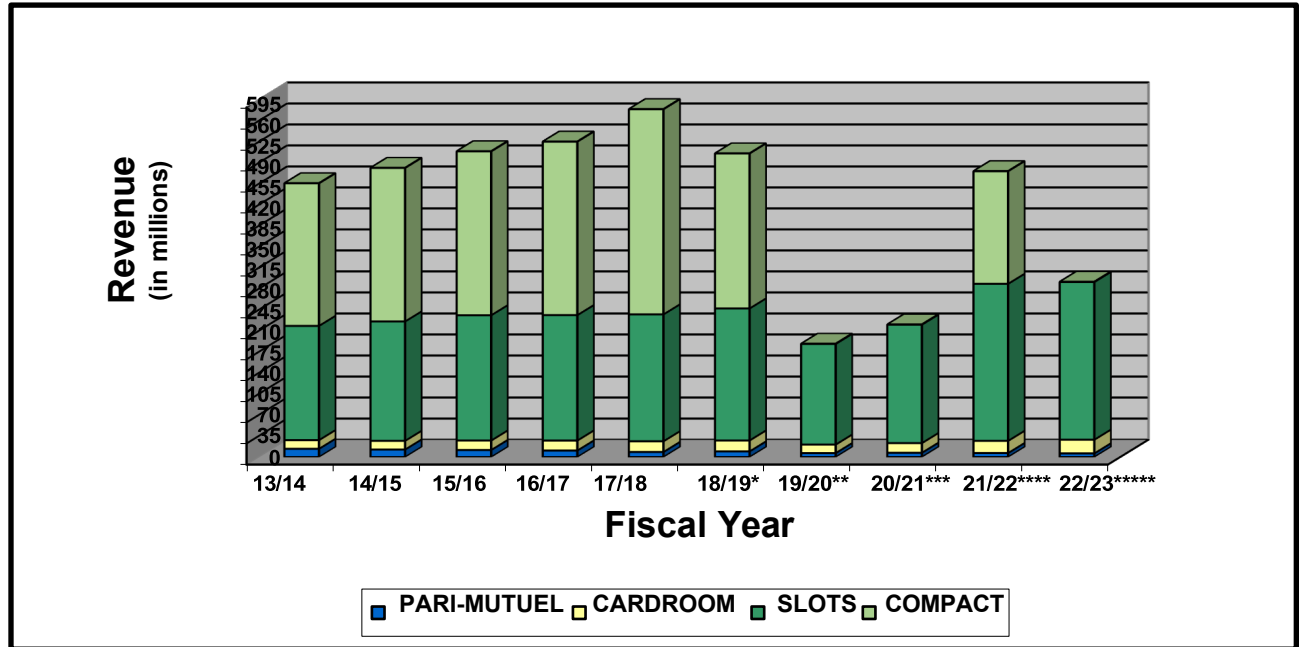
| FISCAL YEAR | PARI-MUTUEL | CARDROOM** | SLOTS* | COMPACT | TOTAL |
|-------------|--------------|--------------|---------------|---------------|---------------|
| 12/13 | \$13,200,709 | \$14,246,997 | \$170,983,965 | \$226,352,068 | \$424,783,739 |
| 13/14 | \$13,785,681 | \$14,453,737 | \$190,162,235 | \$237,582,735 | \$455,984,388 |
| 14/15 | \$12,589,460 | \$14,467,291 | \$198,719,075 | \$255,864,391 | \$481,640,217 |
| 15/16 | \$11,832,484 | \$15,752,771 | \$208,546,530 | \$273,174,566 | \$509,306,351 |
| 16/17 | \$10,926,426 | \$16,624,737 | \$208,770,326 | \$289,119,736 | \$525,441,225 |
| 17/18 | \$8,519,787 | \$17,806,368 | \$211,207,888 | \$341,990,499 | \$579,524,542 |
| 18/19* | \$9,478,392 | \$18,184,435 | \$219,754,082 | \$258,328,038 | \$505,744,947 |
| 19/20** | \$6,673,808 | \$14,150,391 | \$167,544,867 | \$199,865 | \$188,568,931 |
| 20/21*** | \$7,222,927 | \$16,080,558 | \$197,122,583 | \$254,676 | \$220,680,744 |
| 21/22**** | \$6,816,622 | \$20,263,308 | \$261,413,931 | \$187,710,650 | \$476,204,511 |
| 22/23***** | \$6,173,212 | \$22,756,621 | \$262,479,968 | \$303,936 | \$291,713,737 |

*The slot column includes slot machine revenue tax. In accordance with 551.106 (b), F.S., slot machine revenue tax imposed by this chapter shall be deposited into the Pari-mutuel Wagering Trust Fund, for immediate transfer by the Chief Financial Officer for deposit into the Educational Enhancement Trust Fund within the Department of Education.

**The cardroom column includes cardroom gross receipts tax. In accordance with 849.086 (10), F.S. one-half of cardroom gross receipts tax shall be deposited into the General Revenue Fund.

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TRENDS AND CONDITIONS STATEMENTS (continued)



*Fiscal Year 18-19, the Seminole Tribe of Florida ceased revenue-share payments associated with the 2010 Gaming Compact in May 2019. The only payments received afterward were the compact oversight reimbursements.

**Fiscal Year 19-20, due to the COVID-19 pandemic, many pari-mutuel permitholders, cardroom, and slot operators ceased operations between mid-March 2020 and mid-June 2020.

***Fiscal Year 20-21, due to the COVID-19 pandemic, many pari-mutuel permitholders, cardroom, and slot operators reduced or ceased operations throughout the fiscal year.

**** Fiscal Year 21-22, the Seminole Tribe of Florida began making revenue-share payments associated with the 2021 Gaming Compact in October 2021. The Seminole Tribe of Florida ceased revenue-share payments related to the 2021 Compact in March 2022.

***** Fiscal Year 22-23, Preliminary numbers.

2. Law Enforcement

The FGCC is responsible for enforcing the state’s criminal gambling prohibitions.

As the only state law enforcement agency with the primary role of enforcing illegal gambling statutes, the Gaming Enforcement unit will execute and support the mission of the FGCC through various means.

1. The vigorous detection and discovery of illegal gambling – This will be accomplished using:



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TRENDS AND CONDITIONS STATEMENTS (continued)

- a. Independent investigative discovery by special agents of Gaming Enforcement.
 - b. Tip lines – such as, anonymous phone reports or utilization of the FGCC website complaint link,
 - c. Generalized citizen reporting – such as, reports in person, by phone, by mail, by fax or by email, and
 - d. Information received from other agencies – such as, illegal gambling activity which is discovered by an agency through routine police duties or the discovery of illegal gambling activity that falls outside of the agency’s jurisdiction, statutory mandate, or expertise.
2. By conducting thorough investigations of suspected criminal gambling activities. This would include an exhaustive review of:
- a. Physical evidence, to include devices, paraphernalia, and computers,
 - b. Communication methods used to direct, recruit, obtain, mask or otherwise further an illegal gambling enterprise,
 - c. Business and banking records, to including payments to others, employee payroll records, payouts to parties, leased or rented illegal equipment, tax payments,
 - d. Regulatory compliance, such as business licensure, required permitting, necessary regulatory permits, etc.
3. Lastly, by providing knowledgeable and professional testimony in all court proceedings. Agents of the Gaming Enforcement unit will represent the facts of the case in an objective and relevant manner, leveraging their knowledge, skills and aptitude related to enforcement of gambling violations in the State of Florida.
4. In addition, the Gaming Enforcement unit will support the efforts of state and local law enforcement partners in their efforts to investigate, expose and reduce illegal gambling in their jurisdictions. This will be accomplished through information sharing, joint investigative operations, and the collaborative support for efforts which further the mission of the FGCC and the State of Florida.

d. The justification of revised or proposed new programs and/or services.

No new programs or services are proposed currently.

e. The justification of the final projection for each outcome and include an impact statement relating to demand and fiscal implications.

The final projection for each outcome is based on funding and demand for services.

f. List of potential policy changes affecting the agency budget request or Governor’s Recommended Budget.

There are no policy changes affecting the Commission’s budget request.



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TRENDS AND CONDITIONS STATEMENTS (continued)

g. List of changes that would require legislative action, including the elimination of programs, services and/or activities.

There are no changes that would require legislative action.

h. List of all task forces, studies, etc., in progress.

Plans are to be concise and should use charts and diagrams, as needed, to summarize information and illustrate key points.

No task forces or studies are in progress currently.



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FISCAL YEARS 2024-25 THROUGH 2028-29**

**EXHIBIT II – PERFORMANCE MEASURES AND
STANDARDS**



Florida Gaming Control Commission

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EXHIBIT II – PERFORMANCE MEASURES AND STANDARDS

| | | | | | |
|---|---|--|---|--|---|
| Department: Florida Gaming Control Commission | | Department No: 4150 | | | |
| Program: Pari-Mutuel Wagering | | | Code: 41500000 | | |
| Service/Budget Entity: Pari-Mutuel Wagering | | | Code: 41501040 | | |
| Approved Performance Measures for FY 2023-24 | | Approved Standards for FY 2022-23 (Numbers) | Prior Year Actual Standards for FY 2022-23 (Numbers) | Approved Standards for FY 2023-24 (Numbers) | Requested Standards for FY 2024-25 (Numbers) |
| 1 | Percent of races and games that are in compliance with all laws and regulations | NA | 94.18% | 99.5% | 99.5% |
| 2 | Percent of complete Pari-Mutuel Wagering applications approved or denied within 90 days | NA | 99.95% | 100% | 100% |
| 3 | Pari-Mutuel Wagering collections per dollar of revenue unit expenditures | NA | \$66 | \$40 | \$40 |
| 4 | Percent of compliance audits conducted | NA | 100% | 100% | 100% |



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EXHIBIT II – PERFORMANCE MEASURES AND STANDARDS

| | | | | | |
|---|---|--|---|--|---|
| Department: Florida Gaming Control Commission | | Department No: 4150 | | | |
| Program: Pari-Mutuel Wagering | | | Code: 41500000 | | |
| Service/Budget Entity: Slot Machine Regulation | | | Code: 41501050 | | |
| Approved Performance Measures for FY 2023-24 | | Approved Standards for FY 2022-23 (Numbers) | Prior Year Actual Standards for FY 2022-23 (Numbers) | Approved Standards for FY 2023-24 (Numbers) | Requested Standards for FY 2024-25 (Numbers) |
| 5 | Percent of slot tax dollars collected compared to permit holder liability | NA | 100% | 100% | 100% |
| 6 | Percent of complete slot applications approved or denied within 90 days | NA | 99.96% | 100% | 100% |
| 7 | Slot tax collections per dollar of slot revenue unit expenditures | NA | \$1,431 | \$900 | \$1,050 |



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**EXHIBIT III – ASSESSMENT OF PERFORMANCE FOR
APPROVED PERFORMANCE MEASURES**



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THIS IS NOT APPLICABLE THIS YEAR

LRPP Exhibit III: PERFORMANCE MEASURE ASSESSMENT

Department:
Program:
Service/Budget Entity:
Measure:

Action:

- Performance Assessment of Outcome Measure
Performance Assessment of Output Measure
Adjustment of GAA Performance Standards
Revision of Measure
Deletion of Measure

Table with 4 columns: Approved Standard, Actual Performance Results, Difference (Over/Under), Percentage Difference

Factors Accounting for the Difference:

Internal Factors (check all that apply):

- Personnel Factors
Competing Priorities
Previous Estimate Incorrect
Staff Capacity
Level of Training
Other (Identify)

Explanation:

External Factors (check all that apply):

- Resources Unavailable
Legal/Legislative Change
Target Population Change
This Program/Service Cannot Fix the Problem
Current Laws Are Working Against the Agency Mission
Technological Problems
Natural Disaster
Other (Identify)

Explanation:

Management Efforts to Address Differences/Problems (check all that apply):

- Training
Personnel
Technology
Other (Identify)

Recommendations:



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**EXHIBIT IV – PERFORMANCE MEASURES
VALIDITY AND RELIABILITY**



Florida Gaming Control Commission

LONG RANGE PROGRAM PLAN FISCAL YEARS 2024-25 THROUGH 2028-29

LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Florida Gaming Control Commission

Program: Pari-Mutuel Wagering

Service/Budget Entity: Pari-Mutuel Wagering

Measure: Percent of races and games that are in compliance with all laws and regulations (#1)

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

Each statute/rule violation is listed on the Notice of Violation and Hearing form. State stewards and/or hearing officers in each region conduct hearings and issue a ruling or send the respondent a consent order to address racing and jai alai game violations. Each state steward and/or hearing officer is responsible for entering all enforcement actions (i.e. rulings and consent orders) into the Versa Regulation database. Each enforcement case includes the violation and disciplinary action imposed. The Office of Operations refers cases to the Office of Investigations for further action if an investigation is warranted. These violations are documented in a Report of Investigation, which is provided to the appropriate state steward, the Florida Gaming Control Commission (Commission) hearing officer, or the Commission’s Office of the General Counsel. All recommended orders are forwarded for the Commission’s review and final decision.

The state stewards and/or Commissioner’s hearing officers assess penalties for racing and jai alai game-related statute/rule violations, as set forth in law [Section 120.80(4), Florida Statutes], by issuing either a ruling of the judges/stewards, a consent order, or a recommended order. The number of rulings and consent orders issued is added for each facility monthly and forwarded to the respective regional manager who calculates the total number for the region. The regional managers then report the number on the PMW Form 524 - Monthly Reporting Form and forward it to the Office of Operations in Tallahassee. The Chief of Operations adds the number of rulings and consent orders issued by the hearing officers and stewards. The sum is then divided by the number of races and games monitored. The resultant quotient is the percentage of races not in compliance with pari-mutuel statutes or rules. The percentage not in compliance is then subtracted from one, the result is multiplied by 100 to arrive at the percentage in compliance.

Beginning in May 2023, additional sources and methodology is incorporated for violations related to the thoroughbred racing industry. The state stewards and hearing officers also conduct hearings and issue ruling violations of Horseracing Integrity and Safety Authority’s (HISA) track safety rules, but no longer handle any drug violations that were collected after HISA’s implementation.

Validity:

This measure documents the Commission’s, Division of Pari-Mutuel Wagering (Division) regulatory responsibilities in addressing alleged violations of Chapter 550, Florida Statutes, Chapter 75 D, Florida Administrative Code (F.A.C), and HISA track safety rules. The Division has little, if any, control over whether licensees commit violations of the statutes and rules. This measure will indicate the extent to which the Division is able to influence the persons who participate in races (licensees) to comply with the applicable laws and rules.



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Reliability:

This measure is reliable because the data (rulings, consent orders, final orders, etc.) are maintained in the Versa Regulation database.

All violations of Chapters 550, and Chapter 849, Florida Statutes, and Chapter 75 D, F.A.C. are handled by the Commission's hearing officers, state stewards, or the Commission's Office of the General Counsel, and are subject to appeal at all levels. All violations are recorded in the Versa Regulation database for tracking purposes.

The data accumulated by the Office of Operations is reliable because the monthly report generated to extract data from the Versa Regulation computer system.



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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Florida Gaming Control Commission

Program: Pari-Mutuel Wagering

Service/Budget Entity: Pari-Mutuel Wagering

Measure: Percent of complete Pari-Mutuel Wagering applications approved or denied within 90 days (#2)

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

Section 550.105, Florida Statutes, requires each person connected with a pari-mutuel facility to obtain an annual occupational license, valid for three years, from the Division of Pari-mutuel Wagering (Division). Applications received at the field offices or at the Office of Operations' Licensing Section in Tallahassee are reviewed by the chief inspectors or operations analysts, respectively, for completeness. The licensee's history is checked in the agency's database, Versa Regulation, the Horseracing Integrity, and Safety Authority (HISA) database, and the Association of Racing Commissioners' International (ARCI) database for any disqualifying factors. A criminal history background check is conducted upon initial licensure and every three licensing years thereafter. Applicants who report no criminal convictions on their application, and are required to have a criminal history check, receive a 90-day temporary license upon receipt of a completed application and the appropriate fees. Once the results of the criminal history are received, a permanent license is issued if there are no disqualifying convictions. If the criminal history background check results contain a disqualifying conviction, the permanent license is denied, unless a waiver has been granted. Applicants applying to renew their license who report no criminal convictions and have a current criminal history background check on file and a HISA and ARCI ruling report that indicates no new disqualifying factors, receive a permanent license. Applicants who have new disqualifying factors may request a waiver and are not issued a license until a waiver is granted by the Executive Director of the Florida Gaming Control Commission (FGCC). Every application is entered into the Versa Regulation licensing database and is approved or denied within 90 days from which it is deemed complete.

A corresponding cash batch is created daily in Versa Regulation for the fees collected. All cash batches for pari-mutuel occupational license applications processed at the field offices are sent to the Office of Operations' Licensing Section in Tallahassee for deposit. Cash batches received from the field offices or created by Division staff in Tallahassee are reconciled and hand-delivered to the Finance and Accounting Unit.

The Office of Operations' Licensing Section in Tallahassee reviews every application processed for completeness and accuracy and reviews the Auto Apply Cash batch run out of Versa Regulations that automatically assigns the fees paid to the appropriate license issued in the system. The Licensing Section is also responsible for forwarding the fingerprints to the Florida Department of Law Enforcement for processing. Deficient applications are handled appropriately for further action either through direct contact with the licensee via telephone, mail or through the field office (depending on where the licensee is located). Applications requiring a waiver from the Executive Director of FGCC are either approved or denied within 90 days from the date of the waiver interview.



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The Versa Regulation database is queried every month by using two reports: Qlik that provides the number of applications processed within and over 90 days; and a SQL query that identifies the records that were closed (i.e. approved or denied) over 90 days. The report is reviewed to determine whether the action taken on the record was a data correction, a bad check, or an actual approval/denial over 90 days. Most of the records found to be over 90 days are either a data correction or bad check (neither is counted as approved/denied over 90 days). The number of applications processed over 90 days is subtracted from the total number of applications processed and that total is divided by the total number of applications processed. That quotient is then subtracted from one and then multiplied by 100 to produce the percentage of applications processed within 90 days.

Validity:

This measure will determine if the Division met its requested standard for the percentage of pari-mutuel applications processed within 90 days.

Reliability:

This measure is reliable because the licensing data referenced above is maintained in the Versa Regulation database. The data accumulated by the Office of Operations is reliable because the monthly reports generated to extract data from the Versa Regulation computer system have been configured and tested. Chapter 550.105, Florida Statutes, requires that each person who needs access to a restricted area of a pari-mutuel facility as part of his/her job, obtain a pari-mutuel occupational license prior to working. Also, Chapter 120.60(1), Florida Statutes, stipulates that each person who applies for a license must receive it within 90 days of receipt of a completed application.



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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Florida Gaming Control Commission

Program: Pari-Mutuel Wagering

Service/Budget Entity: Pari-Mutuel Wagering

Measure: Pari-Mutuel Wagering collections per dollar of revenue unit expenditures (#3)

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

For pari-mutuel taxes and daily license fees (revenue): On a daily basis, wagering data is entered or downloaded from tote systems into the Division of Pari-Mutuel Wagering (Division) Central Management System (CMS). Division auditors reconcile wagering data for each race and/or game. The tax liability is automatically calculated by CMS based on demographics and wagering data that was input. Actual tax and daily license fees revenue liabilities and revenue collections for each month are extracted from the accounting system (CMS) and reconciled against the Florida Accounting Information Resource (FLAIR) and the monthly remittance reports submitted by pari-mutuel permitholders. Note: Payments are made through Electronic Funds Transfer (EFT) with the Department of Revenue (DOR). Those payments are then sent to Palms and input into FLAIR by the Finance and Accounting Unit at the Florida Gaming Control Commission (FGCC). The DOR files are also sent to the Department of Business and Professional Regulation for upload into Versa Regulation and CMS.

Pari-mutuel taxes are deposited into the Pari-Mutuel Wagering Trust Fund (PMWTF), object code 003001, appropriation category 000300. Pari-mutuel daily license fees are deposited into the PMWTF, object code 001010, appropriation category 000100.

For Cardroom taxes (Revenue): Payments are made through EFT with DOR. Those payments are then sent to the Department of Business and Professional Regulation, split deposit between General Revenue (GR) and the PMWTF in FLAIR and are automatically uploaded into Versa Regulation and CMS. Cardroom operators submit monthly remittance reports (Form FGCC-PMW 3640 Cardroom Monthly remittance report and Form FGCC-OMW 3605 Daily Tracking of Cardroom Jackpots). Once received, Division staff create tax liabilities in CMS and reconcile monthly remittance reports against payments within CMS and FLAIR.

Cardroom taxes are deposited into two accounts: half into the PMWTF, object code 003027, appropriation category 000300, and half into the GR, object code 003028, appropriation category 000300.

For Cardroom table fees (Revenue): Payments are made by check from cardroom licensees. Those payments are processed in Versa Regulation by Division staff and sent to the Finance and Accounting Unit within FGCC to be deposited into the Pari-mutuel Wagering Trust Fund in FLAIR and are automatically uploaded into CMS from Versa Regulations through a batch process. Division staff reconciles CMS to FLAIR.

All other revenue is pulled directly from the Statement of Revenue FLAIR reports: Pari-Mutuel Wagering budget



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entity (BE) 41501040 (includes Pari-Mutuel Wagering Trust Fund, General Revenue Fund, and Collections for other state agencies):

- Pari-Mutuel Fingerprint fees (category 000100);
- Licensing Fees (category 000200);
- Miscellaneous Receipts (category 000400);
- Penalties (category 001202);
- Interest – Investments (category 000502);
- Collections for other agencies (category 000300)
- Refunds (category 001800); and
- Fines and Forfeitures (category 001200).

Fines are reconciled monthly to FLAIR. We ensure that fines were deposited into the correct fund (i.e. GR or PMWTF).

The Pari-Mutuel Wagering Trust Fund monthly and year-end FLAIR Schedule of Allotment Balances by Fund and Budget Entity Reports are used to obtain expense figures. The level 4 Schedule of Allotment Balances by Fund and Budget Entity Tax Collection FLAIR report is used to determine those resources utilized for revenue collection (appropriation category 010000, 030000, 040000). An allocation method is used, and a percent is applied to the expense for CMS – Contract for Pari-Mutuel Wagering Compliance and Audit System (109062) and those additional positions that are utilized for revenue collection which are not included in the level 4 Schedule of Allotment Balances by Fund and Budget Entity Tax Collection FLAIR report, (currently two positions that are paid from the Slot Budget Entity).

Validity:

This measure will allow the Division of Pari-Mutuel Wagering (PMW) to determine its average activity cost: amount of revenue collections versus revenue expenditures.

Reliability:

This measure is reliable because each month the Division reconciles the taxes and daily license fees data in CMS with the Monthly Remittance Reports submitted by each permit holder for both pari-mutuel and cardroom activity. The Division reconciles the data in CMS against FLAIR reports monthly and at year-end. CMS and FLAIR are two separate accounting systems.

Three independent systems are being reconciled: The tote, CMS, and FLAIR.

All other revenue data comes directly from the FLAIR reports, which shows the actual revenue deposited into the Pari-Mutuel Wagering Trust Fund and other funds as applicable. All expense figures (appropriation categories 010000, 030000, 040000) are from the monthly and final year-end FLAIR reports except for the allocation figures.



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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Florida Gaming Control Commission
Program: Pari-Mutuel Wagering
Service/Budget Entity: Pari-Mutuel Wagering
Measure: Percent of compliance audits conducted (#4)

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

Florida statutes and rules provide the guidelines for the types of audits to be performed. Data is provided by the permit holder and audited by the Division of Pari-Mutuel Wagering personnel. The Division uses established audit programs and procedures to perform these functions. The following audits compose the total number of audits:

- **Charity Proceeds** audits ensure that each permit holder that conducted Charity/Scholarship performances distributes the amounts which would otherwise have been tax revenues to a bona-fide charitable organization.

- **30-Day Report** audits include reconciling each permit holder’s monthly remittance reports for pari-mutuel, cardroom, and slot gaming revenue to the Division’s Central Management System (CMS) accounting database to ensure proper gaming data.

- **Uniform Financial Report** reviews ensure compliance with the reporting requirements set forth by rules/statutes.

- **Breeders’ Awards** audits verify statutory requirements and verify the distribution of the paid awards in the applicable association’s accounting records.

- **Pari-Mutuels Compliance*** audits include documentation reviews and on-site monitoring visit inspections and Observations to determine compliance with applicable Florida statutes and rules, which may include, but are not limited to: charging of admission fees; official programs and posted signage; cashiering terminals and ticket information, reports, and storage; electronic or field board display devices; photographs or digital images of the race finish; documented access to secured areas; data and record storage and safeguarding; and other applicable statutory or rule requirements affecting the operations and public welfare.

*Part of the annual Compliance Audit, for which on-site monitoring visits are performed during the meet periods that coincide with the state fiscal year portion of the audit cycle, on permit holders to determine compliance with applicable Florida statutes and rules, for the facilities that hold active pari-mutuel, cardroom, and/or slot licenses.

Cardroom Compliance* audits include documentation and surveillance footage reviews and on-site monitoring



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visit inspections and observations to determine compliance with applicable Florida statutes and rules, which may include, but are not limited to: required cardroom operator displayed signage; availability of the cardroom rules of play, rules of jackpots offered, and tournament procedures; floor plans; cardroom tables and affixed drop box rakes, and tip boxes; cashier's cage currency and imprest trays; vault transfers such as custody and secured storage of chips; playing cards storage, issuance and removal; documented access to secured areas; testing on a sample basis, supporting records for reported daily chip counts and their reconciliation to the amounts reported to the Division on the DBPR PMW Form-3640; winning patron W2G forms review for prohibited gambling; cardroom employee records and rosters; count room procedures; cardroom security and surveillance and security requirements, key access and controls; security plan; exclusions; dealer rotations, and other applicable statutory or rule requirements affecting cardroom operations and public welfare.

Slot Compliance * audits include documentation reviews and on-site monitoring visit inspections and observations to determine compliance with applicable Florida statutes and rules, including, but not limited to: slot machine licensee required posted signage; review of player tracking system, if applicable; compulsive addictive gambling program trainings conducted; slot cashier's cage design and review of cashier's shift documentation; vault security measures; vault documentation of currency transfers and inventory; documented access to secured areas; pre-count, count, and post-count procedures; surveillance equipment, locations, repair records, recordings, and malfunctions; key controls; security plan, slot machine licensee personnel files; and other applicable requirements to ensure compliance with rules and statutes as it relates to slot gaming.

Each year prior to July 1, the audit plan is created which projects audits by type and total, on an annual audit cycle basis and includes an on-site monitoring visit be performed annually during the fiscal year portion of the audit cycle. The audit plan is based on the compliance requirements established by the Florida statutes and rules, the number of operating licenses that have been issued to pari-mutuel permitholders, cardroom licensees, and slot gaming operators for the state fiscal year, and will be conducted for the upcoming audit cycle. Audits planned in the cycle will be started during the audit cycle and completed after all the fieldwork has been finalized at which time a final audit report will be issued.

Validity:

This measure will determine the percentage of on-site monitoring visits performed during the fiscal year, in comparison to the planned number of on-site monitoring visits projected to be conducted during the fiscal year.

Reliability:

This measure is reliable because daily pari-mutuel wagering activity is recorded into the Central Management System (CMS). Permitholders also file a 30-day report monthly, which includes races and games. PMW revenue employees compare and reconcile with the CMS database system again, and any discrepancies are handled appropriately with required amendments to CMS or the permitholder's 30-day report. This procedure would indicate that the 30-day report reconciliation process is a highly accurate and reliable measure.

The number of all other audits is maintained in Microsoft Excel spreadsheets and in the OnBase document imaging/filing system. The number is highly accurate due to on-going management review.



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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Florida Gaming Control Commission

Program: Pari-Mutuel Wagering

Service/Budget Entity: Slot Machine Regulation

Measure: Percent of slot tax dollars collected compared to permitholder liability (#5)

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

The Division of Pari-Mutuel Wagering (PMW) slot auditor obtains daily slot activity reports from the slot monitoring systems located at each slot facility. The slot auditor analyzes each report and enters the information into the Division’s Central Management System (CMS). CMS automatically calculates a daily tax liability for each slot licensee based on demographics.

Each slot facility provides monthly slot remittance reports (Form FGCC PMW-3660 – Slot Operations Monthly Remittance Report and Form FGCC PMW-3670 – Slot Operations Cumulative Monthly Remittance Report) to the Tallahassee PMW revenue staff which includes daily slot revenue activity and amount of taxes to be paid and submits slot tax payments. Note: Payments are made through electronic funds transfer (EFT) with the Department of Revenue (DOR). Those payments are then sent to Florida Planning, Accounting, and Ledger Management (PALM) System and input into FLAIR by Finance and Accounting team at the Florida Gaming Control Commission (FGCC). The DOR file is also sent to the Department of Business and Professional Regulation (DBPR) and uploaded into Versa Reg and CMS. PMW Tallahassee revenue staff reconciles the monthly slot remittance reports, the CMS taxes, and fees liability reports against the payments made by slot licensees’ payments.

If discrepancies exist between these reports, Tallahassee revenue staff will contact the field slot auditors to determine whether the slot facility’s data on the monthly remittance report or CMS data is correct. If the slot facility’s data is incorrect on the monthly slot remittance reports, Tallahassee revenue personnel will contact the slot facility and ask them to submit a revised monthly slot remittance report to Tallahassee. Once received reconciliation process will continue. If in balance the reconciliation will be completed and finalized. If the CMS data is incorrect and slot auditors verified data from the slot monitoring system, the slot auditors will make the corrections in CMS and Tallahassee revenue staff will rerun the corrected CMS reports and complete the reconciliation process.

Actual revenue collections for each month are extracted from CMS and reconciled against FLAIR, including a year-end reconciliation.

Validity:

This measure will allow the Division to determine slot revenue collected compared to slot licensee liability and Ensure 100 percent collection.



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Reliability:

This measure is reliable because division field personnel enter slot activity information into Division's accounting system CMS daily. Slot licensees submit monthly slot activity reports.

These figures are reviewed and reconciled by in-house revenue accounting personnel to ensure accurate revenue reporting. Once reconciled and balanced, Division revenue staff will utilize actual tax and fee data from CMS and will reconcile this data against monthly revenue FLAIR reports, including a year-end reconciliation.

The information is very reliable because three independent systems are being reconciled: the slot monitoring system, CMS, and FLAIR.



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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Florida Gaming Control Commission

Program: Pari-Mutuel Wagering

Service/Budget Entity: Slot Machine Regulation

Measure: Percent of complete slot applications approved or denied within 90 days (#6)

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

Each person who works at a slot machine facility must obtain a slot machine occupational license, valid for three years, from the Division of Pari-Mutuel Wagering (PMW). Chapter 551.107, Florida Statutes (F.S.), requires that each person who needs access to a slot facility as part of his/her job, obtain a slot machine occupational license prior to working. Also, Chapter 120.60(1), F.S., stipulates that each person who applies for a license must receive it within 90 days from which it is deemed complete.

Applications received at the field offices or at the Office of Operations' Licensing Section in Tallahassee are reviewed by the Slot Operations Specialists or Operations Analysts, respectively, for completeness. The licensee's history is checked in the agency's database, Versa Regulation, and when applicable, the other gaming jurisdictions where the applicant was previously licensed, for any disqualifying factors. A criminal history background check is conducted upon initial licensure and every three licensing years thereafter. Applicants who report no disqualifying convictions on their application and are required to have a criminal history background check, receive a 30-day temporary license upon receipt of a completed application, and appropriate fees. Once the results of the criminal history are received, a permanent license is issued if there are no disqualifying convictions. If the criminal history results contain a disqualifying conviction, which could result in denial, the application for licensure is forwarded for the Commission's review and decision.

Applicants who apply to renew their license, report no criminal convictions, and have a current criminal history background check on file containing no disqualifying factors, receive a permanent license. Each application is entered into the Versa Regulation licensing database and is approved or denied within 90 days from which it is deemed complete.

A corresponding cash batch is also created daily in Versa Regulation for the fees collected. Cash batches for slot occupational license applications processed at the field offices are deposited at a local Wells Fargo Bank in Broward or Miami-Dade County. Cash batches for slot occupational license applications processed at the Office of Operations' Licensing Section in Tallahassee are hand-delivered to the Finance and Accounting Unit for deposit. Upon receipt of the application, the applicant's criminal history results are matched to their application which is either approved, denied, or forwarded to Legal for further review if it contains disqualifying factors.

The Office of Operations' Licensing Section reviews every application processed for completeness and accuracy and reviews the Auto Apply Cash batch run that automatically assigns the fees paid to the appropriate license issued in the system. The Licensing Section is also responsible for matching the criminal history results from the Florida Department of Law Enforcement. Deficient applications are handled appropriately for further action either through direct contact with the licensee via telephone, mail or through the field office (depending on where the



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licensee is located).

The Versa Regulation database is queried every month by using a QLIK report that provides the number of applications processed within and over 90 days (i.e. approved or denied). The report is reviewed to determine whether action taken on the record was a data correction, payment on a bad check, or an actual approval/denial over 90 days. Most records found to be over 90 days are either a data correction or bad check. The number of applications processed over 90 days is subtracted from the total number of applications processed and that total is divided by the total number of applications processed. That quotient is then subtracted from one and then multiplied by 100 to produce the percentage of applications processed within 90 days.

Validity:

This measure will determine if the Division met its requested standard for percentage of pari- mutuel applications processed within 90 days.

Reliability:

Licensing data referenced above in the Methodology Section is maintained in the Versa Regulation database. The data accumulated by the Office of Operations is reliable because the monthly reports generated to extract data from the Versa Regulation computer system have been configured and tested.



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LRPP EXHIBIT IV: Performance Measure Validity and Reliability

Department: Florida Gaming Control Commission

Program: Pari-Mutuel Wagering

Service/Budget Entity: Slot Machine Regulation

Measure: Slot tax collections per dollar of revenue unit expenditures (#7)

Action (check one):

- Requesting revision to approved performance measure.
- Change in data sources or measurement methodologies.
- Requesting new measure.
- Backup for performance measure.

Data Sources and Methodology:

On a daily basis, slot auditors reconcile slot wagering data that comes from the slot facility-based monitoring system. The slot wagering data is then manually entered into the Division of Pari-Mutuel’s Central Monitoring System (CMS). Revenue collections are automatically uploaded into the CMS from Versa Regulation. Actual revenue collections are extracted from CMS and reconciled against the Florida Accounting Information Resource (FLAIR) system and the Statement of Revenue report. The monthly and year-end FLAIR Schedule of Allotment Balances by Fund and Budget Entity reports are used to obtain expense figures. An expense allocation is calculated to determine only those resources utilized for revenue collection by dividing the number of slot full-time positions associated with slot revenue collection by the average number of slot full-time positions from the previous year. That allocation method is applied to the level two Schedule of Allotment Balances by Fund and Budget Entity slot machine FLAIR report for slot expenses (040000), slot OPS expense (030000), and the expense for CMS – Contract for Pari-Mutuel Wagering Compliance and Audit System (109062).

A percentage is determined based on each full-time position revenue collection responsibility and then is applied to actual salary and benefits expense of each of those full-time positions. This calculation is total revenue collected per CMS/FLAIR, divided by adjusted revenue expenditures per FLAIR reports. The output for the calculation will be a dollar collected per dollar expended amount.

Validity:

This measure will allow the Division to determine its average activity cost: amount of revenue collections versus revenue expenditures.

Reliability:

This measure is reliable because the Division reconciles the data in CMS against the monthly remittance reports submitted by each slot machine licensee. The Division reconciles the data in CMS against the FLAIR reports. CMS and FLAIR are two separate accounting systems.

Three independent systems are being reconciled: the Facility’s slot monitoring system, CMS, and FLAIR.



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**EXHIBIT V – ASSOCIATED ACTIVITIES CONTRIBUTING
TO PERFORMANCE MEASURES**



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| LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures | | |
|---|---|---------------------------------------|
| Measure Number | Approved Performance Measures for FY 2023-24 | Associated Activities Title |
| 1 | Percent of races and games that are in compliance with all laws and regulations | Compliance and Enforcement Activities |
| 2 | Percent of complete Pari-Mutuel Wagering applications approved or denied within 90 days | Standards and Licensure Activities |
| 3 | Pari-Mutuel Wagering collections per dollar of revenue unit expenditures | Tax Collection and Auditing |
| 4 | Percent of compliance audits conducted | Tax Collection and Auditing |



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| LRPP Exhibit V: Identification of Associated Activity Contributing to Performance Measures | | |
|---|---|---|
| Measure Number | Approved Performance Measures for FY 2023-24 | Associated Activities Title |
| 5 | Percent of slot tax dollars collected compared to permit holder liability | Tax Collection and Auditing |
| 6 | Percent of complete slot applications approved or denied within 90 days | Pari-Mutuel Number of Slot Applications Processed |
| 7 | Slot tax collections per dollar of slot revenue unit expenditures | Tax Collection and Auditing |



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EXHIBIT VI – AGENCY LEVEL UNIT COST SUMMARY



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NUCSSP03 LAS/PBS SYSTEM

SP 09/13/2023 10:56

BUDGET PERIOD: 2014-2025

SCHED XI: AGENCY-LEVEL UNIT COST SUMMARY

STATE OF FLORIDA

AUDIT REPORT FL GAMING CONTROL COMM

SECTION III - PASS THROUGH ACTIVITY ISSUE CODES SELECTED:

TRANSFER-STATE AGENCIES ACTIVITY ISSUE CODES SELECTED:

1-8:

AID TO LOCAL GOVERNMENTS ACTIVITY ISSUE CODES SELECTED:

1-8:

AUDIT #1: THE FOLLOWING STATEWIDE ACTIVITIES (ACT0010 THROUGH ACT0490) HAVE AN OUTPUT STANDARD (RECORD TYPE 5) AND SHOULD NOT:

*** NO ACTIVITIES FOUND ***

AUDIT #2: THE FCO ACTIVITY (ACT0210) CONTAINS EXPENDITURES IN AN OPERATING CATEGORY AND SHOULD NOT: (NOTE: THIS ACTIVITY IS ROLLED INTO EXECUTIVE DIRECTION, ADMINISTRATIVE SUPPORT AND INFORMATION TECHNOLOGY)

*** NO OPERATING CATEGORIES FOUND ***

AUDIT #3: THE ACTIVITIES LISTED IN AUDIT #3 DO NOT HAVE AN ASSOCIATED OUTPUT STANDARD. IN ADDITION, THE ACTIVITIES WERE NOT IDENTIFIED AS A TRANSFER-STATE AGENCIES, AS AID TO LOCAL GOVERNMENTS, OR A PAYMENT OF PENSIONS, BENEFITS AND CLAIMS (ACT0430). ACTIVITIES LISTED HERE SHOULD REPRESENT TRANSFERS/PASS THROUGH THAT ARE NOT REPRESENTED BY THOSE ABOVE OR ADMINISTRATIVE COSTS THAT ARE UNIQUE TO THE AGENCY AND ARE NOT APPROPRIATE TO BE ALLOCATED TO ALL OTHER ACTIVITIES.

*** NO ACTIVITIES FOUND ***

AUDIT #4: TOTALS FROM SECTION I AND SECTIONS II + III:

| DEPARTMENT: 4150 | EXPENDITURES | FCO |
|--|--------------|-------|
| FINAL BUDGET FOR AGENCY (SECTION I): | 27,708,426 | |
| TOTAL BUDGET FOR AGENCY (SECTIONS II + III): | 27,708,435 | |
| | ----- | ----- |
| DIFFERENCE: | 9- | |
| (MAY NOT EQUAL DUE TO ROUNDING) | ===== | ===== |



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GLOSSARY OF TERMS AND ACRONYMS

Activity: A set of transactions within a budget entity that translates inputs into outputs using resources in response to a business requirement. Sequences of activities in logical combinations form services. Unit cost information is determined using the outputs of activities.

Appropriation Category: The lowest level line item of funding in the General Appropriations Act which represents a major expenditure classification of the budget entity. Within budget entities, these categories may include: salaries and benefits, other personal services (OPS), expenses, operating capital outlay, data processing services, fixed capital outlay, etc. These categories are defined within this glossary under individual listings. For a complete listing of all appropriation categories, please refer to the ACTR section in the LAS/PBS User's Manual for instructions on ordering a report.

Auditor General: The Florida Auditor General is a constitutional officer appointed by the Joint Legislative Auditing Committee. The Auditor General provides unbiased, timely, and relevant information which can be used by the Legislature, Florida's citizens, public entity management, and other stakeholders to promote government accountability and stewardship and improve government operations.

Baseline Data: Indicators of a state agency's current performance level, pursuant to guidelines established by the Executive Office of the Governor in consultation with legislative appropriations and appropriate substantive committees.

Budget: The totality of appropriations measures passed by the Legislature. The detailed spending plan submitted by the Governor to the Legislature which recommends monetary allocations for each of the departments of the state for the next fiscal year is also known as a "budget." Using recommendations from the Governor and individual departments, each house prepares its own version of the budget.

Budget Entity: A unit or function at the lowest level to which funds are specifically appropriated in the appropriations act. "Budget entity" and "service" have the same meaning.

Demand: The number of output units that are eligible to benefit from a service or activity.

Cardroom: A room for gambling on card games.

Central Management System: The Division of Pari-Mutuel Wagering system to track revenue for the Florida Gaming Control Commission.

Compact: See Seminole Tribe of Florida Compact.

Crystal Reports: A business intelligence solution that provides end users with reports informed decision making.

EOG: Executive Office of the Governor

Estimated Expenditures: Includes the amount estimated to be expended during the current fiscal year. These amounts will be computer generated based on the current year appropriations adjusted for vetoes and special appropriations bills.



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FLAIR: Florida Accounting Information Resource Subsystem. F.S.: Florida Statutes.

Fiscal Year: The period used for budgeting and accounting. In Florida state government, this is the period from July 1st of one calendar year to June 30th of the next calendar year.

Florida Administrative Code: The Florida Administrative Code (F.A.C.) contains all rules adopted by each agency, citing the grant of rulemaking authority and the specific law implemented pursuant to which each rule was adopted, all history notes as authorized in Section 120.545(7), Florida Statutes, complete indexes to all rules contained in the Code, and any other material required or authorized by law or deemed useful by the Department of State.

Florida Gaming Control Commission: This is a five-member regulatory body that is responsible for exercising all regulatory and executive powers of the state with respect to gambling, including pari-mutuel wagering, cardrooms, slot machine facilities, oversight of gaming compacts, and other forms of gambling authorized by the State Constitution or law, excluding the state lottery. The FGCC will assume all statutory powers, including those matters currently within the scope of the jurisdiction of the Division of Pari-Mutuel Wagering, on July 1, 2022.

Florida Statutes: An edited compilation of general laws of the state.

GAA: General Appropriations Act

General Appropriations Act: The conference committee's report resolving the differences between the separate appropriation bills of the Florida House and the Florida Senate. The committee report must be passed by both chambers of the Florida Legislature.

Governor: The Governor of the State of Florida.

Information Technology Resources: Includes data processing-related hardware, software, services, telecommunications, supplies, personnel, facility resources, maintenance, and training.

LAS/PBS: Legislative Appropriation System/Planning and Budgeting Subsystem. The statewide appropriations and budgeting system owned and maintained by the Executive Office of the Governor.

Legislature: Florida's bicameral legislature composed of the 40-member Senate and the 120-member House of Representatives. Either house may initiate legislation on any subject. Senators serve four-year, staggered terms and representatives serve two-year terms.

LRPP: Long Range Program Plan.

Long Range Program Plan: A plan developed on an annual basis by each state agency that is policy-based, priority-driven, accountable, and developed through careful examination and justification of all programs and their associated costs. Each plan is developed by examining the needs of agency customers and clients and proposing programs and associated costs to address those needs based on state priorities as established by law, the agency mission, and legislative authorization. The plan provides the framework and context for preparing the legislative budget request and includes performance indicators for evaluating the impact of programs and agency performance.



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OnBase: An enterprise content management software suite that enables the Florida Gaming Control Commission to manage the capture, storage, delivery and retrieval of documents electronically.

OPB: Office of Policy and Budget, Executive Office of the Governor.

OPS: Other Personal Services.

Outcome: See Performance Measure.

Output: See Performance Measure.

Pari-mutuel facilities: A facility for betting on races whereby the winners divide the total amount bet, after deducting management expenses, in proportion to the sums they have wagered individually.

Pari-Mutuel Wagering, Division of: A division of the Florida Gaming Control Commission that is charged with the regulation of Florida's pari-mutuel, cardroom, and slot gaming industries, as well as collecting and safeguarding associated revenues due to the state. The Division has been designated by the Florida Legislature as the State Compliance Agency (SCA) with the authority to carry out the State's oversight responsibilities in accordance with the provisions outlined in the compact between the Seminole Tribe of Florida and the State of Florida.

Performance Measure: A quantitative or qualitative indicator used to assess state agency performance.

- Input means the quantities of resources used to produce goods or services and the demand for those goods and services.
- Outcome means an indicator of the actual impact or public benefit of a service.
- Output means the actual service or product delivered by a state agency.

Program: A set of activities undertaken in accordance with a plan of action organized to realize identifiable goals based on legislative authorization (a program can consist of single or multiple services). For purposes of budget development, programs are identified in the General Appropriations Act by a title that begins with the word "Program." In some instances, a program consists of several services, and in other cases the program has no services delineated within it; the service is the program in these cases. The LAS/PBS code is used for purposes of both program identification and service identification. "Service" is a "budget entity" for purposes of the Long-Range Program Plan.

Program Component: An aggregation of generally related objectives which, because of their special character, related workload and interrelated output, can logically be considered an entity for purposes of organization, management, accounting, reporting, and budgeting.

Reliability: The extent to which the measuring procedure yields the same results on repeated trials and data are complete and sufficiently error free for the intended use.

Seminole Tribe of Florida: The Seminole Tribe of Florida is a federally recognized American Indian tribe. The Tribal Council is the chief governing body, composed of a Chairman, a Vice- Chairman and Council Representatives from each reservation.



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Seminole Tribe of Florida Compact: An agreement between the State of Florida and the Seminole Tribe of Florida governing various gaming activities at the Seminole Tribe's gaming facilities.

Service: See Budget Entity.

Standard: The level of performance of an outcome or output.

Trends and Conditions Statement: A narrative explanation of agency priorities and policies for the future as they relate to the agency's goals and objectives.

Totalisator: The computer system used to accumulate wagers, record sales, calculate payoffs, and display wagering data on a display device that is located at a pari-mutuel facility.

Trust Fund: A special account into which certain funds are deposited and out of which funds are disbursed for a specific and exclusive purpose.

Unit Cost: The average total cost of producing a single unit of output – goods and services for a specific agency activity.

Validity: The appropriateness of the measuring instrument in relation to the purpose for which it is being used.

Versa Regulation: The Department of Business and Professional Regulation's primary database application system supporting all licensing, enforcement, inspection, investigation, and complaint activities.