

By the Committee on Fiscal Policy and Senator Webster

309-1899-99

1 A bill to be entitled
2 An act relating to state finances; amending s.
3 186.022, F.S.; requiring each state agency
4 annual performance report to include an
5 assessment of performance measures approved by
6 the Legislature and established in the General
7 Appropriations Act or implementing legislation
8 for the General Appropriations Act for the
9 previous fiscal year and a summary of all
10 moneys that were expended or encumbered by the
11 agency, or for which the agency is otherwise
12 responsible, during the preceding fiscal year
13 and an estimate of such moneys for the current
14 fiscal year; providing requirements for the
15 reporting of such information; providing for a
16 reduction in funding for failure to submit the
17 required state agency annual performance
18 report; amending s. 216.0235, F.S.; requiring
19 instructions with respect to such information
20 to be included in the performance-based
21 legislative program budget instructions;
22 requiring the Florida Financial Management
23 Information System Coordinating Council to
24 submit to the Governor and Legislature a
25 report, with recommendations, relating to the
26 reporting of such information; providing an
27 effective date.

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29 Be It Enacted by the Legislature of the State of Florida:
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1 Section 1. Subsection (8) of section 186.022, Florida
2 Statutes, 1998 Supplement, is amended to read:

3 186.022 State agency strategic plans; preparation,
4 form, and review.--

5 (8) Each agency shall submit by September 1 of each
6 year an annual performance report to the Executive Office of
7 the Governor, with copies to the President of the Senate, the
8 Speaker of the House of Representatives, ~~and~~ the Auditor
9 General, and the Office of Program Policy Analysis and
10 Government Accountability. The purpose of this report is to
11 evaluate the attainment of the agency objectives in the agency
12 strategic plan and the performance measures approved by the
13 Legislature pursuant to s. 216.0166(3) and established in the
14 General Appropriations Act or implementing legislation for the
15 General Appropriations Act for the previous fiscal year. In
16 addition, each state agency must include a one-page summary of
17 all moneys that were expended or encumbered by the agency, or
18 for which the agency was otherwise responsible, during the
19 preceding fiscal year and an estimate of such moneys projected
20 by the agency for the current fiscal year. All such
21 expenditures and estimates of such expenditures must be
22 divided by program and expressed in line items by unit costs
23 for each output measure approved pursuant to s. 216.0166(3)
24 for those agencies and programs operating under
25 performance-based program budgeting and for major services and
26 products for those agencies and programs operating under
27 traditional line-item budgeting. Unit-cost totals must equal
28 the total amount of moneys that were expended or projected to
29 be expended by each agency and must include expenditures or
30 projected expenditures of state funds by subordinate
31 governmental entities and contractors, as applicable. Moneys

1 that agencies receive but are not responsible for, such as
2 reversions or pass-throughs to entities over which the agency
3 has no authority or responsibility, shall be shown in separate
4 line items and expressed in total amounts only. At the regular
5 session immediately following the submission of the agency
6 performance report, the Legislature shall reduce in the
7 General Appropriations Act for the ensuing fiscal year, by an
8 amount equal to at least 10 percent of the allocation for the
9 fiscal year preceding the current fiscal year, the funding of
10 each state agency that fails to submit the report required by
11 this subsection. All reports must be submitted in the form and
12 manner prescribed by the instructions prepared pursuant to
13 subsection (2) and s. 216.0235(3).

14 Section 2. Subsection (3) of section 216.0235, Florida
15 Statutes, 1998 Supplement, is amended to read:

16 216.0235 Performance-based legislative program budget
17 requests to be furnished by agencies.--

18 (3) The Executive Office of the Governor and the
19 legislative appropriations committees shall jointly develop
20 legislative program budget instructions from which each agency
21 that has an approved program and the judicial branch, pursuant
22 to ss. 216.0166 and 216.043, shall prepare its legislative
23 program budget request. The program budget instructions must
24 be consistent with s. 216.141 and must be transmitted to each
25 agency and to the judicial branch no later than June 15 of
26 each year. The budget instructions must ~~also~~ include
27 instructions for agencies in submitting performance measures
28 and standards as required by s. 216.0166. The budget
29 instructions must also include instructions for agencies in
30 submitting the assessment of performance measures and the
31 unit-cost information required to be included in the agency

1 annual performance report under s. 186.022(8). The Executive
2 Office of the Governor, in consultation with the Office of
3 Program Policy Analysis and Government Accountability, the
4 Auditor General, the Department of Banking and Finance, and
5 the legislative appropriations committees, shall develop
6 instructions as to the calculation of the unit-cost
7 information and the format and presentation of the summary
8 required under s. 186.022(8).In the event that agreement
9 cannot be reached between the Executive Office of the Governor
10 and the legislative appropriations committees regarding
11 legislative program budget instructions, the issue shall be
12 resolved by the Governor, the President of the Senate, and the
13 Speaker of the House of Representatives.

14 Section 3. The Florida Financial Management
15 Information System Coordinating Council shall submit to the
16 Governor, the President of the Senate, and the Speaker of the
17 House of Representatives by October 1, 1999, a report, with
18 recommendations, on the necessity and feasibility of, and the
19 costs associated with, enhancements to the Florida Accounting
20 Information Resource Subsystem required to support state
21 agencies in providing the unit-cost information required to be
22 reported under s. 186.022(8), Florida Statutes, as amended by
23 this act.

24 Section 4. This act shall take effect July 1, 1999.
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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Bill 228

Agencies operating under performance-based program budgeting are required to report unit costs associated with approved output measures. Agencies not operating under performance-based program budgeting are to define their major products and services and then report the unit costs of these products and services. The required report on agency unit costs is to be provided as part of the agency annual performance report (s. 186.022, F.S.).

Agencies are to evaluate performance against approved standards for performance-based program budgeting measures in the annual performance report. Unit cost information is to appear on a one-page summary.

Budget instructions for agencies, provided by the Executive Office of the Governor after consultation with the Legislature, must include instructions for calculating the required unit cost information as part of the Annual Performance Report.