

By the Committees on Fiscal Policy; Governmental Oversight and Productivity; and Senator Rossin

309-2136-99

1 A bill to be entitled
2 An act relating to legislative oversight of
3 governmental programs; amending ss. 11.42,
4 11.45, F.S.; defining the term "operational
5 audit"; revising the duties of the Auditor
6 General; requiring district school boards to
7 conduct certain financial audits; transferring
8 the Division of Public Assistance Fraud from
9 the Auditor General to the Department of Law
10 Enforcement; transferring, renumbering, and
11 amending s. 11.50, F.S.; conforming provisions
12 to the transfer of the Division of Public
13 Assistance Fraud; amending ss. 402.3015,
14 414.33, 414.34, 414.39, 414.40, 951.28, F.S.;
15 conforming provisions to the transfer of the
16 Division of Public Assistance Fraud; amending
17 ss. 373.589, 195.096, 232.44, 946.516, 283.31,
18 F.S.; revising the duties of the Auditor
19 General; providing for audits by independent
20 certified public accountants; amending s.
21 944.719, F.S.; transferring duties from the
22 Auditor General to the Office of Program Policy
23 Analysis and Government Accountability;
24 amending ss. 11.511, 11.513, F.S.; revising the
25 duties of the Office of Program Policy Analysis
26 and Government Accountability; amending ss.
27 112.3187, 112.3188, 112.31895, F.S.;
28 eliminating the Public Counsel's
29 responsibilities associated with the
30 Whistle-blower's Act; transferring such
31 responsibilities to the Florida Commission on

1 Human Relations; amending s. 985.401, F.S.;
2 providing for the composition of the Juvenile
3 Justice Accountability Board; reassigning the
4 board from the Joint Legislative Auditing
5 Committee to the Department of Juvenile
6 Justice; amending s. 218.502, F.S.; redefining
7 the term "local governmental entity"; repealing
8 s. 284.50(4), F.S., which provides for the
9 Auditor General to audit state agency
10 loss-prevention programs; repealing s.
11 475.045(1)(f), F.S., which provides for the
12 Auditor General to audit the financial
13 transactions of the Florida Real Estate
14 Commission Education and Research Foundation;
15 repealing s. 985.07, F.S., which provides for
16 the Auditor General to examine some
17 information-sharing efforts; amending s.
18 760.06, F.S.; authorizing the Florida
19 Commission on Human Relations to receive and
20 coordinate whistle-blowers' complaints;
21 providing an effective date.

22
23 Be It Enacted by the Legislature of the State of Florida:

24
25 Section 1. Subsections (3), (6), (8), and (9) of
26 section 11.42, Florida Statutes, are amended to read:

27 11.42 The Auditor General.--

28 (3)(a) To carry out her or his duties the Auditor
29 General shall make all spending decisions within the annual
30 operating budget approved by the President of the Senate and
31 the Speaker of the House of Representatives. The Auditor

1 General shall employ qualified persons necessary for the
2 efficient operation of the Auditor General's office and shall
3 fix their duties and compensation and, with the approval of
4 the Legislative Auditing Committee, shall adopt and administer
5 a uniform personnel, job classification, and pay plan for such
6 employees.

7 (b)1. No person shall be employed as a financial
8 auditor who does not possess the qualifications to take the
9 examination for a certificate as certified public accountant
10 under the laws of this state, and no person shall be employed
11 or retained as legal adviser, on either a full-time or a
12 part-time basis, who is not a member of The Florida Bar.

13 2. Notwithstanding the provisions of subparagraph 1.,
14 employees in the positions associated with the Florida
15 Education Finance Program full-time enrollment verification
16 function that is assigned to the Auditor General pursuant to
17 s. 229.565(2) may continue to meet the job qualifications that
18 existed prior to such transfer for a period of 3 years after
19 such transfer. Thereafter, they shall meet the requirements of
20 subparagraph 1. This subparagraph is repealed on July 1, 1998.

21 (6)(a) The headquarters of the Auditor General shall
22 be at the state capital, but to facilitate auditing and to
23 eliminate unnecessary traveling the Auditor General may
24 establish divisions and assign auditors to each division and
25 determine their duties and the areas of the state to be served
26 by the respective divisions. The Auditor General shall be
27 provided with adequate quarters to carry out the position's
28 functions in the state capital and in other areas of the
29 state.

30 (b) All payrolls and vouchers ~~prepared by the Auditor~~
31 ~~General~~ for the operations of the Auditor General's ~~her or his~~

1 office shall be submitted directly to the Comptroller and, if
2 found to be correct, state warrants shall be issued therefor.

3 (c) The Auditor General shall transmit to the
4 President of the Senate and the Speaker of the House of
5 Representatives by January 1 of each year a list of statutory
6 and fiscal changes recommended by audit reports. The
7 recommendations should be presented in two categories: one
8 addressing substantive law and policy issues and the other
9 addressing budget issues. The Auditor General may also
10 transmit recommendations at other times of the year when the
11 information would be timely and useful for the Legislature.

12 ~~(8) When authorized to audit the administrative~~
13 ~~services functions of any state agency, the Auditor General~~
14 ~~shall include, as a part of that review, a statement regarding~~
15 ~~agency compliance with the minority business enterprise~~
16 ~~procurement goals set forth in s. 287.0945.~~

17 (8)(9) No officer or full-time employee of the office
18 of Auditor General shall actively engage in any other business
19 or profession; serve as the representative of any political
20 party or on any executive committee or other governing body
21 thereof; serve as an executive, officer, or employee of any
22 political party committee, organization, or association; or be
23 engaged on behalf of any candidate for public office in the
24 solicitation of votes or other activities in behalf of such
25 candidacy. Neither the Auditor General nor any employee of the
26 Auditor General shall become a candidate for election to
27 public office unless she or he shall first resign from office
28 or employment.

29 Section 2. Subsections (1) and (3) and paragraph (f)
30 of subsection (7) of section 11.45, Florida Statutes, are
31 amended to read:

1 11.45 Definitions; duties; audits; reports.--
2 (1) As used in this section, the term:
3 (a) "County agency," for the exclusive purposes of
4 this section, means a board of county commissioners or other
5 legislative and governing body of a county, however styled,
6 including that of a consolidated or metropolitan government, a
7 clerk of the circuit court, a separate or ex officio clerk of
8 the county court, a sheriff, a property appraiser, a tax
9 collector, a supervisor of elections, or any other officer in
10 whom any portion of the fiscal duties of the above are under
11 law separately placed. Each county agency is a local
12 governmental entity for purposes of subparagraph (3)(a)4.
13 (b) "Financial audit" means an examination of
14 financial statements in order to express an opinion on the
15 fairness with which they present financial position, results
16 of operations, and changes in financial position in conformity
17 with generally accepted accounting principles and an
18 examination to determine whether operations are properly
19 conducted in accordance with legal and regulatory
20 requirements. Financial audits must be conducted in accordance
21 with generally accepted auditing standards and governmental
22 auditing standards as adopted by the Board of Accountancy.
23 (c) "Governmental entity" means a state agency, a
24 county agency, or any other entity, however styled, that
25 independently exercises any type of state or local
26 governmental function.
27 (d) "Local governmental entity" means a county agency,
28 municipality, or special district as defined in s. 189.403,
29 but does not include any housing authority established under
30 chapter 421.
31

1 (e) "Management letter" means a statement of the
2 auditor's comments and recommendations.

3 (f) "Operational audit" means a financial-related
4 audit whose purpose is to evaluate management's performance in
5 administering assigned responsibilities in accordance with
6 applicable laws, administrative rules, and other guidelines
7 and to determine the extent to which the internal control, as
8 designed and placed in operation, promotes and encourages the
9 achievement of management's control objectives in the
10 categories of compliance, economic and efficient operations,
11 reliability of financial records and reports, and safeguarding
12 of assets.

13 ~~(g)~~(f) "Performance audit" means an examination of a
14 program, activity, or function of a governmental entity,
15 conducted in accordance with applicable government auditing
16 standards or auditing and evaluation standards of other
17 appropriate authoritative bodies. The term includes an
18 examination of issues related to:

19 1. Economy, efficiency, or effectiveness of the
20 program.

21 2. Structure or design of the program to accomplish
22 its goals and objectives.

23 3. Adequacy of the program to meet the needs
24 identified by the Legislature or governing body.

25 4. Alternative methods of providing program services
26 or products.

27 5. Goals, objectives, and performance measures used by
28 the agency to monitor and report program accomplishments.

29 6. The accuracy or adequacy of public documents,
30 reports, or requests prepared under the program by state
31 agencies.

1 7. Compliance of the program with appropriate
2 policies, rules, or laws.

3 8. Any other issues related to governmental entities
4 as directed by the Legislative Auditing Committee.

5 (h)~~(g)~~ "Political subdivision" means a separate agency
6 or unit of local government created or established by law and
7 includes, but is not limited to, the following and the
8 officers thereof: authority, board, branch, bureau, city,
9 commission, consolidated government, county, department,
10 district, institution, metropolitan government, municipality,
11 office, officer, public corporation, town, or village.

12 (i)~~(h)~~ "State agency" means a separate agency or unit
13 of state government created or established by law and
14 includes, but is not limited to, the following and the
15 officers thereof: authority, board, branch, bureau,
16 commission, department, division, institution, office,
17 officer, or public corporation, as the case may be, except any
18 such agency or unit other than the Florida Public Service
19 Commission within the legislative branch of state government.

20 (3)(a)1. The Auditor General, in consultation with the
21 Department of Education, shall develop a compliance supplement
22 for the ~~shall annually make~~ financial audits of the accounts
23 and records of all state agencies, as defined in this section,
24 of all district school boards in counties with populations of
25 fewer than 125,000, according to the most recent federal
26 decennial statewide census, and of all district boards of
27 trustees of community colleges. The Auditor General shall, at
28 least every other year, make operational audits of the
29 accounts and records of all state agencies, as defined in this
30 section. The Auditor General shall, at least once every 3
31 years, make financial audits of the accounts and records of

1 all district school boards in counties with populations of
2 125,000 or more. For each of the 2 years that the Auditor
3 General does not make the financial audit, each district
4 school board shall contract for an independent certified
5 public accountant to perform a financial audit as defined in
6 paragraph (1)(b). This section does not limit the Auditor
7 General's discretionary authority to conduct performance
8 audits of these governmental entities as authorized in
9 subparagraph 3.2-A a district school board may select an
10 independent certified public accountant ~~auditor~~ to perform a
11 financial audit as defined in paragraph (1)(b) notwithstanding
12 the notification provisions of this section. In addition, a
13 district school board may employ an internal auditor to
14 perform ongoing financial verification of the financial
15 records of a school district, who must report directly to the
16 district school board or its designee. The Auditor General
17 shall, at a minimum, provide to the successor independent
18 certified public accountant of a district school board the
19 prior year's working papers, including documentation of
20 planning, internal control, audit results, and other matters
21 of continuing accounting and auditing significance, such as
22 the working paper analysis of balance sheet accounts and those
23 relating to contingencies.

24 2. Each charter school established under s. 228.056
25 shall have an annual financial audit of its accounts and
26 records completed within 12 months after the end of its fiscal
27 year by an independent certified public accountant retained by
28 it and paid from its funds. The independent certified public
29 accountant who is selected to perform an annual financial
30 audit of the charter school shall provide a copy of the audit
31 report to the district school board, the Department of

1 Education, and the Auditor General. A management letter must
2 be prepared and included as a part of each financial audit
3 report. The Auditor General may, pursuant to his or her own
4 authority or at the direction of the Joint Legislative
5 Auditing Committee, conduct an audit of a charter school.

6 ~~3.2.~~ The Auditor General may at any time make
7 financial audits and performance audits of the accounts and
8 records of all governmental entities created pursuant to law.
9 The audits referred to in this subparagraph must be made
10 whenever determined by the Auditor General, whenever directed
11 by the Legislative Auditing Committee, or whenever otherwise
12 required by law or concurrent resolution. A district school
13 board, expressway authority, or bridge authority may require
14 that the annual financial audit of its accounts and records be
15 completed within 12 months after the end of its fiscal year.
16 If the Auditor General is unable to meet that requirement, the
17 Auditor General shall notify the school board, the expressway
18 authority, or the bridge authority pursuant to subparagraph 5.
19 ~~4.~~

20 ~~4.3.~~ The Office of Program Policy Analysis and
21 Government Accountability within the Office of the Auditor
22 General shall maintain a schedule of performance audits of
23 state programs. In conducting a performance audit of a state
24 program, the Office of Program Policy Analysis and Government
25 Accountability, when appropriate, shall identify and comment
26 upon alternatives for accomplishing the goals of the program
27 being audited. Such alternatives may include funding
28 techniques and, if appropriate, must describe how other states
29 or governmental units accomplish similar goals.

30 ~~5.4.~~ If by July 1 in any fiscal year a district school
31 board or local governmental entity has not been notified that

1 a financial audit for that fiscal year will be performed by
2 the Auditor General pursuant to subparagraph 3.2, each
3 municipality with either revenues or expenditures of more than
4 \$100,000, each special district with either revenues or
5 expenditures of more than \$50,000, and each county agency
6 shall, and each district school board may, require that an
7 annual financial audit of its accounts and records be
8 completed, within 12 months after the end of its respective
9 fiscal year, by an independent certified public accountant
10 retained by it and paid from its public funds. An independent
11 certified public accountant who is selected to perform an
12 annual financial audit of a school district must report
13 directly to the district school board or its designee. A
14 management letter must be prepared and included as a part of
15 each financial audit report. Each local government finance
16 commission, board, or council, and each municipal power
17 corporation, created as a separate legal or administrative
18 entity by interlocal agreement under s. 163.01(7), shall
19 provide the Auditor General, within 12 months after the end of
20 its fiscal year, with an annual financial audit report of its
21 accounts and records and a written statement or explanation or
22 rebuttal concerning the auditor's comments, including
23 corrective action to be taken. The county audit shall be one
24 document that includes a separate audit of each county agency.
25 The county audit must include an audit of the deposits into
26 and expenditures from the Public Records Modernization Trust
27 Fund. The Auditor General shall tabulate the results of the
28 audits of the Public Records Modernization Trust Fund and
29 report a summary of the audits to the Legislature annually.
30 6.5. The governing body of a municipality, ~~or a~~
31 special district, or charter school must establish an auditor

1 selection committee and competitive auditor selection
2 procedures. The governing board may elect to use its own
3 competitive auditor selection procedures or the procedures
4 outlined in subparagraph ~~7.6~~.

5 ~~7.6~~. The governing body of a noncharter county or
6 district school board that retains ~~elects to use~~ a certified
7 public accountant must establish an auditor selection
8 committee and select ~~other than the Auditor General is~~
9 ~~responsible for selecting~~ an independent certified public
10 accountant ~~to audit the county agencies of the county or~~
11 ~~district school board~~ according to the following procedure:

12 a. For each noncharter county, the ~~an~~ auditor
13 selection committee must consist ~~be established, consisting~~ of
14 the county officers elected pursuant to s. 1(d), Art. VIII of
15 the State Constitution, and one member of the board of county
16 commissioners or its designee.

17 b. The committee shall publicly announce, in a uniform
18 and consistent manner, each occasion when auditing services
19 are required to be purchased. Public notice must include a
20 general description of the audit and must indicate how
21 interested certified public accountants can apply for
22 consideration.

23 c. The committee shall encourage firms engaged in the
24 lawful practice of public accounting who desire to provide
25 professional services to submit annually a statement of
26 qualifications and performance data.

27 d. Any certified public accountant desiring to provide
28 auditing services must first be qualified pursuant to law. The
29 committee shall make a finding that the firm or individual to
30 be employed is fully qualified to render the required
31 services. Among the factors to be considered in making this

1 finding are the capabilities, adequacy of personnel, past
2 record, and experience of the firm or individual.

3 e. The committee shall adopt procedures for the
4 evaluation of professional services, including, but not
5 limited to, capabilities, adequacy of personnel, past record,
6 experience, results of recent external quality control
7 reviews, and such other factors as may be determined by the
8 committee to be applicable to its particular requirements.

9 f. The public must not be excluded from the
10 proceedings under this subparagraph.

11 g. The committee shall evaluate current statements of
12 qualifications and performance data on file with the
13 committee, together with those that may be submitted by other
14 firms regarding the proposed audit, and shall conduct
15 discussions with, and may require public presentations by, no
16 fewer than three firms regarding their qualifications,
17 approach to the audit, and ability to furnish the required
18 services.

19 h. The committee shall select no fewer than three
20 firms deemed to be the most highly qualified to perform the
21 required services after considering such factors as the
22 ability of professional personnel; past performance;
23 willingness to meet time requirements; location; recent,
24 current, and projected workloads of the firms; and the volume
25 of work previously awarded to the firm by the agency, with the
26 object of effecting an equitable distribution of contracts
27 among qualified firms, provided such distribution does not
28 violate the principle of selection of the most highly
29 qualified firms. If fewer than three firms desire to perform
30 the services, the committee shall recommend such firms as it
31 determines to be qualified.

1 i. If the governing board receives more than one
2 proposal for the same engagement, the board may rank, in order
3 of preference, the firms to perform the engagement. The firm
4 ranked first may then negotiate a contract with the board
5 giving, among other things, a basis of its fee for that
6 engagement. If the board is unable to negotiate a
7 satisfactory contract with that firm, negotiations with that
8 firm shall be formally terminated, and the board shall then
9 undertake negotiations with the second-ranked firm. Failing
10 accord with the second-ranked firm, negotiations shall then be
11 terminated with that firm and undertaken with the third-ranked
12 firm. Negotiations with the other ranked firms shall be
13 undertaken in the same manner. The board, in negotiating with
14 firms, may reopen formal negotiations with any one of the
15 three top-ranked firms, but it may not negotiate with more
16 than one firm at a time. The board shall also negotiate on the
17 scope and quality of services. In making such determination,
18 the board shall conduct a detailed analysis of the cost of the
19 professional services required in addition to considering
20 their scope and complexity. For contracts over \$50,000, the
21 board shall require the firm receiving the award to execute a
22 truth-in-negotiation certificate stating that the rates of
23 compensation and other factual unit costs supporting the
24 compensation are accurate, complete, and current at the time
25 of contracting. Such certificate shall also contain a
26 description and disclosure of any understanding that places a
27 limit on current or future years' audit contract fees,
28 including any arrangements under which fixed limits on fees
29 will not be subject to reconsideration if unexpected
30 accounting or auditing issues are encountered. Such
31 certificate shall also contain a description of any services

1 rendered by the certified public accountant or firm of
2 certified public accountants at rates or terms that are not
3 customary. Any auditing service contract under which such a
4 certificate is required must contain a provision that the
5 original contract price and any additions thereto shall be
6 adjusted to exclude any significant sums by which the board
7 determines the contract price was increased due to inaccurate
8 or incomplete factual unit costs. All such contract
9 adjustments shall be made within 1 year following the end of
10 the contract.

11 j. If the board is unable to negotiate a satisfactory
12 contract with any of the selected firms, the committee shall
13 select additional firms, and the board shall continue
14 negotiations in accordance with this subsection until an
15 agreement is reached.

16 ~~8.7.~~ At the conclusion of the audit field work, the
17 independent certified public accountant shall discuss with the
18 head of each local governmental entity or the chair's designee
19 or with the chair of the district school board or the chair's
20 designee, or with the chair of the board of the charter school
21 or the chair's designee, as appropriate, all of the auditor's
22 comments that will be included in the audit report. If the
23 officer is not available to discuss the auditor's comments,
24 their discussion is presumed when the comments are delivered
25 in writing to his or her office. The auditor shall notify each
26 member of the governing body of a local governmental entity
27 for which deteriorating financial conditions exist which may
28 cause a condition described in s. 218.503(1) to occur if
29 actions are not taken to address such conditions.

30 ~~9.8.~~ The officer's written statement of explanation or
31 rebuttal concerning the auditor's comments, including

1 corrective action to be taken, must be filed with the
2 governing body of the local governmental entity, ~~or~~ district
3 school board, or charter school within 30 days after the
4 delivery of the financial audit report.

5 ~~10.9.~~ The Auditor General, in consultation with the
6 Board of Accountancy, shall adopt rules for the form and
7 conduct of all financial audits subject to this section and
8 conducted by independent certified public accountants local
9 governmental entity audits. The Department of Education, in
10 consultation with the Auditor General, shall develop a
11 compliance supplement for the financial audit of a district
12 school board conducted by an independent certified public
13 accountant. The rules for audits of local governmental
14 entities and district school boards must include, but are not
15 limited to, requirements for the reporting of information
16 necessary to carry out the purposes of the Local Government
17 Financial Emergencies Act as stated in s. 218.501.

18 ~~11.10.~~ Any local governmental entity or district
19 school board financial audit report required under
20 subparagraph 5.4, ~~or charter school financial audit report~~
21 required under subparagraph 2. and the officer's written
22 statement of explanation or rebuttal concerning the auditor's
23 comments, including corrective action to be taken, must be
24 submitted to the Auditor General within 45 days after delivery
25 of the audit report to the local governmental entity, ~~or~~
26 district school board, or charter school, but no later than 12
27 months after the end of the fiscal year. If the Auditor
28 General does not receive the financial audit report within the
29 prescribed period, he or she must notify the Legislative
30 Auditing Committee that the governmental entity or charter
31 school has not complied with this subparagraph. Following

1 notification of failure to submit the required audit report or
2 items required by rule adopted by the Auditor General, a
3 hearing must be scheduled by rule of the committee. After the
4 hearing, the committee shall determine which ~~local~~
5 governmental entities or charter schools will be subjected to
6 further state action. If it finds that one or more ~~local~~
7 governmental entities or charter schools should be subjected
8 to further state action, the committee shall:

9 a. In the case of a local governmental entity,
10 district school board, or charter school, request the
11 Department of Revenue and the Department of Banking and
12 Finance to withhold any funds payable to such governmental
13 entity or charter school until the required financial audit is
14 received by the Auditor General.

15 b. In the case of a special district, notify the
16 Department of Community Affairs that the special district has
17 failed to provide the required audits. Upon receipt of
18 notification, the Department of Community Affairs shall
19 proceed pursuant to ss. 189.421 and 189.422.

20 ~~12.11~~.a. The Auditor General, in consultation with the
21 Board of Accountancy, shall review all audit reports submitted
22 ~~by local governmental entities~~ pursuant to subparagraph 11.9.
23 The Auditor General shall request any significant items that
24 were omitted in violation of a rule adopted by the Auditor
25 General. The items must be provided within 45 days after the
26 date of the request. If the Auditor General does not receive
27 the requested items, he or she shall notify the Joint
28 Legislative Auditing Committee.

29 b. The Auditor General shall notify the Governor and
30 the Joint Legislative Auditing Committee of any audit report
31 reviewed by the Auditor General which contains a statement

1 that the local governmental entity or district school board is
2 in a state of financial emergency as provided in s. 218.503.
3 If the Auditor General, in reviewing any audit report,
4 identifies additional information which indicates that the
5 local governmental entity or district school board may be in a
6 state of financial emergency as provided in s. 218.503, the
7 Auditor General shall request appropriate clarification from
8 the local governmental entity or district school board. The
9 requested clarification must be provided within 45 days after
10 the date of the request. If the Auditor General does not
11 receive the requested clarification, he or she shall notify
12 the Joint Legislative Auditing Committee. If, after obtaining
13 the requested clarification, the Auditor General determines
14 that the local governmental entity or district school board is
15 in a state of financial emergency as provided in s. 218.503,
16 he or she shall notify the Governor and the Joint Legislative
17 Auditing Committee.

18 c. The Auditor General shall annually compile and
19 transmit to the President of the Senate, the Speaker of the
20 House of Representatives, and the Joint Legislative Auditing
21 Committee a summary of significant findings and financial
22 trends identified in audits of local governmental entities,
23 district school boards, and charter schools performed by the
24 independent certified public accountants.

25 ~~13.12.~~ In conducting a performance audit of any
26 agency, the Auditor General shall use the Agency Strategic
27 Plan of the agency in evaluating the performance of the
28 agency.

29 (b) The Legislative Auditing Committee ~~may authorize~~
30 ~~and direct the Auditor General to make a financial audit of~~
31 ~~any municipality or independent agency or authority of any~~

1 ~~municipality within the state, and the committee~~ shall direct
2 the Auditor General to make a financial audit of any
3 municipality ~~such audit~~ whenever petitioned to do so by at
4 least 20 percent of the electors of that ~~any~~ municipality.
5 The supervisor of elections of the county in which the
6 municipality is located shall certify whether or not the
7 petition contains the signatures of at least 20 percent of the
8 electors of the municipality. After the completion of the
9 audit, the Auditor General shall determine whether the
10 municipality has the fiscal resources necessary to pay the
11 cost of the audit. The municipality shall pay the cost of the
12 audit within 90 days after the Auditor General's determination
13 that the municipality has the available resources. If ~~The~~
14 ~~expenses of such audit shall be paid by the municipality and,~~
15 ~~in the event~~ the municipality fails to pay the cost of the
16 audit, the Department of Revenue shall, upon certification of
17 the Auditor General, withhold from that portion of the
18 municipal financial assistance trust fund for municipalities
19 which is derived from the cigarette tax imposed under chapter
20 210, and which is distributable to such municipality, a sum
21 sufficient to pay the cost of the audit and shall deposit that
22 sum into the General Revenue Fund of the state.

23 (c) The Auditor General shall at least every 2 years
24 make a performance audit of the local government financial
25 reporting system, which, for the purpose of this chapter,
26 means the reporting provisions of this subsection and
27 subsection (4); s. 27.3455(1) and (2); part VII of chapter
28 112; s. 163.05; s. 166.241; chapter 189; parts III and V of
29 chapter 218; and s. 925.037(5). The performance audit shall
30 analyze each component of the reporting system separately and
31 analyze the reporting system as a whole. The purpose of such

1 an audit is to determine the accuracy, efficiency, and
2 effectiveness of the reporting system in achieving its goals
3 and objectives and to make recommendations to the local
4 governments, the Governor, and the Legislature as to how the
5 reporting system can be improved and how program costs can be
6 reduced. Such goals and objectives must include, but need not
7 be limited to, the timely, accurate, uniform, and
8 cost-effective accumulation of financial and other information
9 that can be used by the members of the Legislature and other
10 appropriate officials in order to:

- 11 1. Compare and contrast revenue sources and
12 expenditures of local governmental entities;
- 13 2. Assess the fiscal impact of the formation,
14 dissolution, and activity of special districts;
- 15 3. Evaluate the fiscal impact of state mandates on
16 local governmental entities;
- 17 4. Assess financial or economic conditions of local
18 governmental entities; and
- 19 5. Improve communication and coordination among state
20 agencies and local governmental entities.

21 (d) Whenever a local governmental entity requests the
22 Auditor General to conduct an audit of all or part of its
23 operations and the Auditor General conducts the audit under
24 his or her own authority or at the direction of the
25 Legislative Auditing Committee ~~conducts the audit~~, the
26 expenses of the audit shall be paid ~~for~~ by the local
27 governmental entity. The Auditor General shall estimate the
28 cost of the audit. Fifty percent of the cost estimate shall be
29 paid by the local governmental entity before the initiation of
30 the audit and deposited into the General Revenue Fund of the
31 state. After the completion of the audit, the Auditor General

1 shall forward the actual cost of the audit to the local
2 governmental entity. The local governmental entity shall remit
3 the remainder of the cost of the audit to the Auditor General
4 for deposit into the General Revenue Fund of the state. If the
5 local governmental entity fails to pay the cost of the audit,
6 the Auditor General shall notify the Legislative Auditing
7 Committee. Following the notification, the committee may
8 schedule a hearing. After the hearing, the committee shall
9 determine which local governmental entities should be subject
10 to further state action. If the committee finds that one or
11 more local governmental entities should be subject to further
12 state action, the committee shall:

13 1. In the case of a local governmental entity, request
14 the Department of Revenue and the Department of Banking and
15 Finance to withhold any funds payable to the governmental
16 entity until the required payment is received by the Auditor
17 General.

18 2. In the case of a special district, notify the
19 Department of Community Affairs that the special district has
20 failed to pay for the cost of the audit. Upon receipt of
21 notification, the Department of Community Affairs shall
22 proceed pursuant to the provisions specified in ss. 189.421
23 and 189.422.

24 (7)

25 (f) No later than 18 months after the release of a
26 performance audit report, the agencies which are the subject
27 of that report shall provide data and other information that
28 describes with specificity what the agencies have done to
29 respond to the recommendations contained in the report. The
30 Auditor General or the Office of Program Policy Analysis and
31 Government Accountability may verify the data and information

1 provided by the agencies. If the data and information
2 provided by the agencies are deemed sufficient and accurate,
3 the Auditor General or the Office of Program Policy Analysis
4 and Government Accountability shall report to the Joint
5 Legislative Auditing Committee and to the legislative standing
6 committees concerned with the subject areas of the audit. The
7 report shall include a summary of the agencies' responses, the
8 evaluation of those responses, and any recommendations deemed
9 to be appropriate. The follow-up report required by this
10 paragraph may be waived by joint action of the President of
11 the Senate and the Speaker of the House of Representatives
12 upon the recommendation of the Director of the Office of
13 Program Policy Analysis and Government Accountability.

14 Section 3. All statutory powers, duties, and functions
15 related to investigating public assistance fraud are
16 transferred from the Auditor General to the Department of Law
17 Enforcement by a type one transfer, as defined in section
18 20.06, Florida Statutes, effective October 1, 1999.

19 Section 4. Section 11.50, Florida Statutes, is
20 transferred, renumbered as section 943.401, Florida Statutes,
21 and amended to read:

22 943.401 ~~11.50~~ ~~Division of Public Assistance Fraud.--~~

23 (1)(a) The Department of Law Enforcement ~~Auditor~~
24 ~~General~~ shall investigate, ~~on his or her own initiative or~~
25 ~~when required by the Legislative Auditing Committee,~~ public
26 assistance made under the provisions of chapter 409 or chapter
27 414. In the course of such investigation the Department of Law
28 Enforcement ~~Auditor General~~ shall examine all records,
29 including electronic benefits transfer records and make
30 inquiry of all persons who may have knowledge as to any
31 irregularity incidental to the disbursement of public moneys,

1 food stamps, or other items or benefits authorizations to
2 recipients.

3 (b) All public assistance recipients, as a condition
4 precedent to qualification for assistance under the provisions
5 of chapter 409 or chapter 414, shall first give in writing, to
6 the Agency for Health Care Administration, ~~or~~ the Department
7 of Health, and the Department of Children and Family
8 ~~Rehabilitative~~ Services, as appropriate, and to the Department
9 of Law Enforcement Division of Public Assistance Fraud,
10 consent to make inquiry of past or present employers and
11 records, financial or otherwise.

12 (2) In the conduct of such investigation the
13 Department of Law Enforcement Auditor General may employ
14 persons having such qualifications as are useful in the
15 performance of this duty, ~~and those individuals shall be~~
16 ~~assigned to the Division of Public Assistance Fraud which is~~
17 ~~hereby created within the office of the Auditor General.~~

18 (3) The results of such investigation shall be
19 reported by the Department of Law Enforcement Auditor General
20 to the appropriate legislative committees Auditing Committee,
21 the Agency for Health Care Administration, the Department of
22 Health, and the Department of Children and Family
23 ~~Rehabilitative~~ Services, and to such others as the Department
24 of Law Enforcement Legislative Auditing Committee ~~or the~~
25 ~~Auditor General~~ may determine.

26 (4) The Department of Health and the Department of
27 Children and Family Rehabilitative Services shall report to
28 the Department of Law Enforcement Auditor General the final
29 disposition of all cases wherein action has been taken
30 pursuant to s. 414.39, based upon information furnished by the
31

1 Department of Law Enforcement ~~Division of Public Assistance~~
2 ~~Fraud.~~

3 (5) All lawful fees and expenses of officers and
4 witnesses, expenses incident to taking testimony and
5 transcripts of testimony and proceedings are requested by the
6 ~~Legislative Auditing Committee or the Auditor General shall be~~
7 a proper charge to the Department of Law Enforcement
8 ~~appropriation of the Auditor General. All payments for these~~
9 ~~purposes shall be on vouchers approved by the Auditor General.~~

10 (6) The provisions of this section shall be liberally
11 construed in order to carry out effectively the purposes of
12 this section in the interest of protecting public moneys and
13 other public property.

14 Section 5. Paragraph (b) of subsection (6) of section
15 402.3015, Florida Statutes, is amended to read:

16 402.3015 Subsidized child care program; purpose; fees;
17 contracts.--

18 (6)

19 (b) Child care services, unless directly operated by a
20 community child care coordinating agency, shall be provided
21 under a service agreement or by voucher, which ensures, to the
22 maximum extent possible, parental choice through flexibility
23 in child care arrangements and payment arrangements. When
24 used, a voucher must bear the name of the beneficiary and the
25 child care provider and, when redeemed, must bear the
26 signature of both the beneficiary and an authorized
27 representative of the child care provider. If it is determined
28 that a child care provider has provided any cash to the
29 beneficiary in return for receiving the voucher, the license
30 for each child care facility operated by the provider shall be
31 immediately revoked and any facility operated by the provider

1 is ineligible for relicensure for 3 years. Whether or not the
2 provider is licensed, the department shall refer the matter to
3 the Department of Law Enforcement ~~Division of Public~~
4 ~~Assistance Fraud of the Office of the Auditor General~~ for
5 investigation.

6 Section 6. Subsection (2) of section 414.33, Florida
7 Statutes, is amended to read:

8 414.33 Violations of food stamp program.--

9 (2) In addition, the department shall establish
10 procedures for referring to the Department of Law Enforcement
11 ~~Division of Public Assistance Fraud within the Office of the~~
12 ~~Auditor General~~ any case that involves a suspected violation
13 of federal or state law or rules governing the administration
14 of the food stamp program.

15 Section 7. Section 414.34, Florida Statutes, is
16 amended to read:

17 414.34 Annual report concerning administrative
18 complaints and disciplinary actions involving food stamp
19 program violations.--The department shall prepare and submit a
20 report to the President of the Senate, the Speaker of the
21 House of Representatives, the chairs of the appropriate
22 legislative ~~Health and Rehabilitative Services~~ committees, and
23 the Department of Law Enforcement ~~Division of Public~~
24 ~~Assistance Fraud~~ by January 1 of each year. In addition to
25 any other information the Legislature may require, the report
26 must include statistics and relevant information detailing:

27 (1) The number of complaints received and
28 investigated.

29 (2) The number of findings of probable cause made.

30 (3) The number of findings of no probable cause made.

31 (4) The number of administrative complaints filed.

1 (5) The disposition of all administrative complaints.
2 (6) The number of criminal complaints brought under s.
3 414.39, and their disposition.

4 (7) The status of the development and implementation
5 of rules governing the electronic benefits transfer program,
6 including any recommendations for statutory changes.

7 Section 8. Subsection (9) of section 414.39, Florida
8 Statutes, is amended to read:

9 414.39 Fraud.--

10 (9) All records relating to investigations of public
11 assistance fraud in the custody of the department and the
12 Agency for Health Care Administration are available for
13 examination by the Department of Law Enforcement ~~Division of~~
14 ~~Public Assistance Fraud of the office of the Auditor General~~
15 pursuant to s. 11.50 and are admissible into evidence in
16 proceedings brought under this section as business records
17 within the meaning of s. 90.803(6).

18 Section 9. Section 414.40, Florida Statutes, is
19 amended to read:

20 414.40 Stop Inmate Fraud Program established;
21 guidelines.--

22 (1) There is created within the Department of Law
23 Enforcement ~~Division of Public Assistance Fraud of the Office~~
24 ~~of the Auditor General~~ a Stop Inmate Fraud Program.

25 (2) The Department of Law Enforcement ~~division~~ is
26 directed to implement the Stop Inmate Fraud Program in
27 accordance with the following guidelines:

28 (a) The program shall establish procedures for sharing
29 public records not exempt from the public records law among
30 social services agencies regarding the identities of persons
31 incarcerated in state correctional institutions, as defined in

1 s. 944.02(6), or in county, municipal, or regional jails or
2 other detention facilities of local governments under chapter
3 950 or chapter 951 who are wrongfully receiving public
4 assistance benefits or entitlement benefits.

5 (b) Pursuant to these procedures, the program shall
6 have access to records containing correctional information not
7 exempt from the public records law on incarcerated persons
8 which have been generated as criminal justice information. As
9 used in this paragraph, the term "record" is defined as
10 provided in s. 943.045(7), and the term "criminal justice
11 information" is defined as provided in s. 943.045(3).

12 (c) Database searches shall be conducted of the inmate
13 population at each correctional institution or other detention
14 facility. A correctional institution or a detention facility
15 shall provide the Stop Inmate Fraud Program with the
16 information necessary to identify persons wrongfully receiving
17 benefits in the medium requested by the Stop Inmate Fraud
18 Program if the correctional institution or detention facility
19 maintains the information in that medium.

20 (d) Data obtained from correctional institutions or
21 other detention facilities shall be compared with the client
22 files of the Department of Children and Family Services, the
23 Department of Labor and Employment Security, and other state
24 or local agencies as needed to identify persons wrongfully
25 obtaining benefits. Data comparisons shall be accomplished
26 during periods of low information demand by agency personnel
27 to minimize inconvenience to the agency.

28 (e) Results of data comparisons shall be furnished to
29 the appropriate office for use in the county in which the data
30 originated. The program may provide reports of the data it
31 obtains to appropriate state, federal, and local government

1 agencies or governmental entities, including, but not limited
2 to:

3 1. The Child Support Enforcement Program of the
4 Department of Revenue, so that the data may be used as locator
5 information on persons being sought for purposes of child
6 support.

7 2. The Social Security Administration, so that the
8 data may be used to reduce federal entitlement fraud within
9 the state.

10 (f) Reports by the program to another agency or entity
11 shall be generated bimonthly, or as otherwise directed, and
12 shall be designed to accommodate that agency's or entity's
13 particular needs for data.

14 (g) Only those persons with active cases, or with
15 cases that were active during the incarceration period, shall
16 be reported, in order that the funding agency or entity, upon
17 verification of the data, may take whatever action is deemed
18 appropriate.

19 (h) For purposes of program review and analysis, each
20 agency or entity receiving data from the program shall submit
21 reports to the program which indicate the results of how the
22 data was used.

23 Section 10. Section 951.28, Florida Statutes, is
24 amended to read:

25 951.28 Transmitting prisoner information to reduce
26 public assistance fraud.--Upon consultation with the
27 Department of Law Enforcement ~~Division of Public Assistance~~
28 ~~Fraud of the Office of the Auditor General~~ and the Social
29 Security Administration, the county sheriff or chief
30 correctional officer or his or her designee shall establish
31 and implement a process to submit to the Social Security

1 Administration, directly or indirectly, sufficient and
2 necessary information to identify incarcerated persons who are
3 wrongfully receiving entitlement benefits and payments.

4 Section 11. Section 373.589, Florida Statutes, is
5 amended to read:

6 373.589 Water management district audit ~~by Auditor~~
7 ~~General.~~--Each water management district shall have an annual
8 financial audit of its accounts and records as provided in s.
9 11.45. A copy of the audit shall be filed with the Governor,
10 the Department of Environmental Protection, the Auditor
11 General, the governing board of the district, and the clerks
12 of the circuit courts of each county within or partly within
13 the district.~~At the direction of the Governor, audit of the~~
14 ~~district's accounts may be made from time to time by the~~
15 ~~Auditor General, and such audit shall be within the authority~~
16 ~~of said Auditor General, to make. Copy of such audit shall be~~
17 ~~furnished the Governor and the governing board of the~~
18 ~~district, and a copy shall be filed with the clerks of the~~
19 ~~circuit courts of each county within or partly within said~~
20 ~~district. The expense of said audit shall be paid by the~~
21 ~~district upon a statement thereof rendered to the district by~~
22 ~~the Auditor General. Payment of the amount thereof shall be~~
23 ~~made to the State Department of Banking and Finance to be~~
24 ~~entered in and to reimburse the account of the Auditor General~~
25 ~~so as not to reduce the legislative appropriation for said~~
26 ~~Auditor General.~~

27 Section 12. Subsection (7) of section 195.096, Florida
28 Statutes, is amended to read:

29 195.096 Review of assessment rolls.--

30 (7) The Auditor General shall have the responsibility
31 to perform performance audits of the administration of ad

1 | valorem tax laws by the department pursuant to the general
2 | authority granted in chapter 11. Such performance audits
3 | shall be conducted triennially ~~biennially~~ following completion
4 | of reviews pursuant to this section. The performance audit
5 | conducted pursuant to this subsection shall be formally
6 | submitted to the Legislature no later than April 1, on a
7 | triennial ~~biennial~~ basis, reporting on the activities of the
8 | ad valorem tax program of the Department of Revenue related to
9 | the ad valorem tax rolls. The Auditor General shall include,
10 | for at least four counties so reviewed, findings as to the
11 | accuracy of assessment procedures, projections, and
12 | computations made by the division, utilizing the same
13 | generally accepted appraisal standards and procedures to which
14 | the division and the property appraisers are required to
15 | adhere. However, the report shall not include any findings or
16 | statistics related to any ad valorem tax roll which is in
17 | litigation between the state and county officials at the time
18 | the report is to be issued.

19 | Section 13. Subsection (1) of section 232.44, Florida
20 | Statutes, is amended to read:

21 | 232.44 Audit of records of nonprofit corporations and
22 | associations handling interscholastic activities.--

23 | (1) Each ~~The Auditor General shall, at least every 6~~
24 | ~~months, audit the books and records of any nonprofit~~
25 | association or corporation that ~~which~~ operates for the purpose
26 | of supervising and controlling interscholastic activities of
27 | the public high schools in the state and whose membership is
28 | composed of duly certified representatives of public high
29 | schools in the state, and whose rules and regulations are
30 | established by members thereof, shall have an annual financial
31 | audit of its accounts and records by an independent certified

1 public accountant retained by it and paid from its funds. The
2 accountant shall furnish a copy of the audit report to the
3 Auditor General for review.

4 Section 14. Section 946.516, Florida Statutes, is
5 amended to read:

6 946.516 Report to Governor, and Legislature, and
7 Auditor General by the corporation; Department of Corrections
8 report; annual financial audit report to Governor and
9 ~~Legislature by Auditor General.~~--

10 (1) The corporation shall submit to the Governor and
11 the Legislature, on or before January 1 of each year, a report
12 on the status of the correctional work programs, including,
13 but not limited to, the proposed use of the profits from such
14 programs, a breakdown of the amount of noninmate labor used,
15 work subcontracted to other vendors, use of consultants,
16 finished goods purchased for resale, and the number of inmates
17 working in the correctional work programs at the time of such
18 report. In addition, the corporation shall submit to the
19 department, the Governor, and the Legislature, and the Auditor
20 General an annual ~~independently audited~~ financial audit report
21 ~~statement~~ and such other information as may be requested by
22 the Legislature, together with recommendations relating to
23 provisions for reasonable tax incentives to private
24 enterprises which employ inmates, parolees, or former inmates
25 who have participated in correctional work programs.

26 (2) The department shall include, as a portion of its
27 annual report, a report on postrelease job placement and the
28 rate of subsequent contact with the correctional system for
29 those inmates who have participated in the correctional work
30 programs operated by the corporation and by the department.

31

1 (3) The corporation shall have an annual financial
2 audit of its accounts and records by an independent certified
3 public accountant retained by it and paid from its funds. The
4 Auditor General or the director of the Office of Program
5 Policy Analysis and Government Accountability may, pursuant to
6 his or her own authority or at the direction of the Joint
7 Legislative Auditing Committee, conduct an audit of the
8 corporation. The Auditor General shall biennially conduct a
9 financial and performance audit of the corporation, which
10 shall be conducted in conjunction with an independent audit
11 conducted by the auditors of the corporation. The Auditor
12 General shall conduct additional audits upon the request of
13 the Joint Legislative Auditing Committee.

14 (4) The corporation shall be governed by the generally
15 accepted accounting principles as established by the Financial
16 Accounting Standards Board (FASB) in order to carry out the
17 intent of s. 946.502(2) and (5).

18 Section 15. Section 283.31, Florida Statutes, is
19 amended to read:

20 283.31 Records of executive agency publications.--Each
21 agency shall maintain a record of any publication the printing
22 of which costs in excess of the threshold amount provided in
23 s. 287.017 for CATEGORY THREE, at least part of which is paid
24 for by state funds appropriated by the Legislature. Such
25 record shall also contain the following: written
26 justification of the need for such publication, purpose of
27 such publication, legislative or administrative authority,
28 sources of funding, frequency and number of issues, and
29 reasons for deciding to have the publication printed in-house,
30 by another agency or the Legislature, or purchased on bid. In
31 addition, such record shall contain the comparative costs of

1 alternative printing methods when such costs were a factor in
2 deciding upon a method. The record of the corporation
3 operating the correctional industry printing program
4 ~~Compliance with the provisions of this section shall be~~
5 ~~included within the scope of audits performed by the Auditor~~
6 ~~General on each agency, and such audits shall be performed not~~
7 ~~less than once every 3 years. The Auditor General shall also~~
8 ~~conduct a financial-related and performance audit of the~~
9 ~~corporation operating the correctional industry program. Such~~
10 ~~audit shall be conducted once every 3 years, and the first~~
11 ~~audit shall be for the period July 1, 1988, through June 30,~~
12 ~~1990, to be completed prior to the 1991 regular legislative~~
13 ~~session. Such audit shall include a review of the printing~~
14 ~~that the corporation has done for state agencies. This review~~
15 ~~shall include the cost of materials used, the cost of labor,~~
16 ~~the cost of overhead, the amount of profit made by the~~
17 ~~corporation for such printing, and whether the state agencies~~
18 ~~that contract with the corporation for printing are prudently~~
19 ~~determining the price paid for such printing. Such audits~~
20 ~~shall be completed no later than the first day of the regular~~
21 ~~legislative session.~~

22 Section 16. Subsection (5) of section 944.719, Florida
23 Statutes, is amended to read:

24 944.719 Adoption of rules, monitoring, and
25 reporting.--

26 (5) The Office of Program Policy Analysis and
27 Government Accountability Auditor General shall conduct a
28 performance audit, including a review of the annual financial
29 audit of the private entity and shall deliver a report to the
30 Legislature by February ~~April~~ 1 of the third ~~first~~ year

31

1 following any contract awarded by the department for the
2 operation of a correctional facility by a private vendor.

3 (a) The report shall determine the reasonableness of
4 the cost analysis procedures used by the department for
5 comparing services provided under the contract and for
6 comparing the quality of the services provided under the
7 contract with the costs and quality of similar services
8 provided by the department.

9 (b) In preparing the report, the office Auditor
10 ~~General~~ shall consider, in addition to other factors he or she
11 determines are significant:

12 1. The extent to which the private vendor and the
13 department have complied with the terms of the contract and
14 ss. 944.710-944.719.

15 2. The wages and benefits that are provided to the
16 staff of the private correctional facility as compared to
17 wages and benefits provided to employees of the department
18 performing comparable tasks.

19 Section 17. Paragraph (a) of subsection (3) and
20 subsection (6) of section 11.511, Florida Statutes, are
21 amended and subsection (7) is added to that section, to read:

22 11.511 Director of the Office of Program Policy
23 Analysis and Government Accountability; appointment;
24 employment of staff; powers and duties.--

25 (3)(a) ~~Within available funds,~~The director shall make
26 all spending decisions under the annual operating budget
27 approved by the President of the Senate and the Speaker of the
28 House of Representatives. The director shall employ and set
29 the compensation of such professional, technical, legal, and
30 clerical staff as may be necessary to perform all the
31 requirements of this section and s. 11.513, in accordance with

1 the policies and procedures of the Legislative Auditing
2 Committee, and may remove these personnel. The staff must be
3 chosen to provide a broad background of experience and
4 expertise and, to the maximum extent possible, to represent a
5 range of disciplines that includes law, engineering, public
6 administration, environmental science, policy science,
7 economics, sociology, and philosophy.

8 (6) The director, with the consent of the Legislative
9 Auditing Committee, may enter into contracts on behalf of the
10 Office of Program Policy Analysis and Government
11 Accountability. However, the director may enter into contracts
12 that have been approved in the annual operating budget without
13 the consent of the committee.

14 (7) The director, with the consent of the President of
15 the Senate and the Speaker of the House of Representatives,
16 may modify the work schedule of the office in order to
17 concentrate its efforts on agency programs that are determined
18 to have high oversight priority. The modification may include
19 reduction or elimination of recurring performance audits
20 existing in law on July 1, 1999, but which do not appear to be
21 of critical interest to the Legislature. The director may at
22 any time conduct a performance review of a governmental entity
23 created by law.

24 Section 18. Subsection (4) of section 11.513, Florida
25 Statutes, is amended, and subsection (8) is added to that
26 section, to read:

27 11.513 Program evaluation and justification review.--

28 (4) No later than December ~~July~~ 1 of the second year
29 following the year in which an agency begins operating under a
30 performance-based program budget, the Office of Program Policy
31 Analysis and Government Accountability shall submit a report

1 of evaluation and justification review findings and
2 recommendations to the President of the Senate, the Speaker of
3 the House of Representatives, the chairpersons of the
4 appropriate substantive committees, the chairpersons of the
5 appropriations committees, the Legislative Auditing Committee,
6 the Governor, the head of each state agency that was the
7 subject of the evaluation and justification review, and the
8 head of any state agency that is substantially affected by the
9 findings and recommendations.

10 (8) If recommended by the director of the Office of
11 Program Policy Analysis and Government Accountability, the
12 President of the Senate and the Speaker of the House of
13 Representatives may jointly direct that any program evaluation
14 and justification review requirement existing on July 1, 1999,
15 be postponed to allow the Office of Program Policy Analysis
16 and Government Accountability to conduct a review of another
17 program considered more urgent.

18 Section 19. Subsections (6) and (7), paragraph (a) of
19 subsection (8), and paragraph (f) of subsection (9) of section
20 112.3187, Florida Statutes, are amended to read:

21 112.3187 Adverse action against employee for
22 disclosing information of specified nature prohibited;
23 employee remedy and relief.--

24 (6) TO WHOM INFORMATION DISCLOSED.--The information
25 disclosed under this section must be disclosed to any agency
26 or federal government entity having the authority to
27 investigate, police, manage, or otherwise remedy the violation
28 or act, including, but not limited to, the Office of the Chief
29 Inspector General, an agency inspector general or the employee
30 designated as agency inspector general under s. 112.3189(1) or
31 inspectors general under s. 20.055, the Florida Commission on

1 ~~Human Relations Office of the Public Counsel~~, and the
2 whistle-blower's hotline created under s. 112.3189. However,
3 for disclosures concerning a local governmental entity,
4 including any regional, county, or municipal entity, special
5 district, community college district, or school district or
6 any political subdivision of any of the foregoing, the
7 information must be disclosed to a chief executive officer as
8 defined in s. 447.203(9) or other appropriate local official.

9 (7) EMPLOYEES AND PERSONS PROTECTED.--This section
10 protects employees and persons who disclose information on
11 their own initiative in a written and signed complaint; who
12 are requested to participate in an investigation, hearing, or
13 other inquiry conducted by any agency or federal government
14 entity; who refuse to participate in any adverse action
15 prohibited by this section; or who initiate a complaint
16 through the whistle-blower's hotline; or employees who file
17 any written complaint to their supervisory officials or
18 employees who submit a complaint to the Chief Inspector
19 General in the Executive Office of the Governor, to the
20 employee designated as agency inspector general under s.
21 112.3189(1), or to the Florida Commission on Human Relations
22 ~~Office of the Public Counsel~~. The provisions of this section
23 may not be used by a person while he or she is under the care,
24 custody, or control of the state correctional system or, after
25 release from the care, custody, or control of the state
26 correctional system, with respect to circumstances that
27 occurred during any period of incarceration. No remedy or
28 other protection under ss. 112.3187-112.31895 applies to any
29 person who has committed or intentionally participated in
30 committing the violation or suspected violation for which
31 protection under ss. 112.3187-112.31895 is being sought.

1 (8) REMEDIES.--

2 (a) Any employee of or applicant for employment with
3 any state agency, as the term "state agency" is defined in s.
4 216.011, who is discharged, disciplined, or subjected to other
5 adverse personnel action, or denied employment, because he or
6 she engaged in an activity protected by this section may file
7 a complaint, which complaint must be made in accordance with
8 s. 112.31895. Upon receipt of notice from the Florida
9 Commission on Human Relations ~~Public Counsel~~ of termination of
10 the investigation, the complainant may elect to pursue the
11 administrative remedy available under s. 112.31895 or bring a
12 civil action within 180 days after receipt of the notice.

13 (9) RELIEF.--In any action brought under this section,
14 the relief must include the following:

15 (f) Temporary reinstatement to the employee's former
16 position or to an equivalent position, pending the final
17 outcome on the complaint, if an employee complains of being
18 discharged in retaliation for a protected disclosure and if a
19 court of competent jurisdiction or the Florida Commission on
20 Human Relations ~~Public Counsel~~, as applicable under s.
21 112.31895, determines that the disclosure was not made in bad
22 faith or for a wrongful purpose or occurred after an agency's
23 initiation of a personnel action against the employee which
24 includes documentation of the employee's violation of a
25 disciplinary standard or performance deficiency. This
26 paragraph does not apply to an employee of a municipality.

27 Section 20. Paragraph (a) of subsection (2) of section
28 112.3188, Florida Statutes, is amended to read:

29 112.3188 Confidentiality of information given to the
30 Chief Inspector General, internal auditors, inspectors

31

1 general, local chief executive officers, or other appropriate
2 local officials.--

3 (2)(a) Except as specifically authorized by s.
4 112.3189, all information received by the Chief Inspector
5 General or an agency inspector general or information produced
6 or derived from fact-finding or other investigations conducted
7 by the Florida Commission on Human Relations ~~Department of~~
8 ~~Legal Affairs, the Office of the Public Counsel,~~ or the
9 Department of Law Enforcement is confidential and exempt from
10 s. 119.07(1) if the information is being received or derived
11 from allegations as set forth in paragraph (1)(a) or paragraph
12 (1)(b), and an investigation is active.

13 Section 21. Section 112.31895, Florida Statutes, is
14 amended to read:

15 112.31895 Investigative procedures in response to
16 prohibited personnel actions.--

17 (1)(a) If a disclosure under s. 112.3187 includes or
18 results in alleged retaliation by an employer, the employee or
19 former employee of, or applicant for employment with, a state
20 agency, as defined in s. 216.011, that is so affected may file
21 a complaint alleging a prohibited personnel action, which
22 complaint must be made by filing a written complaint with the
23 Office of the Chief Inspector General in the Executive Office
24 of the Governor, ~~the Department of Legal Affairs,~~ or the
25 Florida Commission on Human Relations ~~Office of the Public~~
26 ~~Counsel,~~ no later than 60 days after the prohibited personnel
27 action.

28 (b) Within three working days after receiving a
29 complaint under this section, the office or officer receiving
30 the complaint shall acknowledge receipt of the complaint and
31 provide copies of the complaint and any other preliminary

1 information available concerning the disclosure of information
2 under s. 112.3187 to each of the other parties named in
3 paragraph (a), which parties shall each acknowledge receipt of
4 such copies to the complainant.

5 (2) FACT FINDING.--The Florida Commission on Human
6 Relations ~~Department of Legal Affairs~~ shall:

7 (a) Receive any allegation of a personnel action
8 prohibited by s. 112.3187, including a proposed or potential
9 action, and conduct informal fact finding regarding any
10 allegation under this section, to the extent necessary to
11 determine whether there are reasonable grounds to believe that
12 a prohibited personnel action under s. 112.3187 has occurred,
13 is occurring, or is to be taken.

14 (b) Notify the complainant, within 15 days after
15 receiving a complaint, that the complaint has been received by
16 the department.

17 (c) Within 90 days after receiving the complaint,
18 provide ~~the Public Counsel~~, the agency head, and the
19 complainant with a fact-finding report that may include
20 recommendations to the parties or proposed resolution of the
21 complaint. The fact-finding report shall be presumed
22 admissible in any subsequent or related administrative or
23 judicial review.

24 (3) CORRECTIVE ACTION AND TERMINATION OF
25 INVESTIGATION.--

26 (a) The Florida Commission on Human Relations ~~Public~~
27 ~~Counsel established by s. 350.061~~, in accordance with this act
28 and for the sole purpose of this act, is empowered to:

29 1. Receive and investigate complaints from employees
30 alleging retaliation by state agencies, as the term "state
31 agency" is defined in s. 216.011.

1 2. Protect employees and applicants for employment
2 with such agencies from prohibited personnel practices under
3 s. 112.3187.

4 3. Petition for stays and petition for corrective
5 actions, including, but not limited to, temporary
6 reinstatement.

7 4. Recommend disciplinary proceedings pursuant to
8 investigation and appropriate agency rules and procedures.

9 5. Coordinate with the Chief Inspector General in the
10 Executive Office of the Governor and the Florida Commission on
11 Human Relations ~~Department of Legal Affairs~~ to receive,
12 review, and forward to appropriate agencies, legislative
13 entities, or the Department of Law Enforcement disclosures of
14 a violation of any law, rule, or regulation, or disclosures of
15 gross mismanagement, malfeasance, misfeasance, nonfeasance,
16 neglect of duty, or gross waste of public funds.

17 6. Review rules pertaining to personnel matters issued
18 or proposed by the Department of Management Services, the
19 Public Employees Relations Commission, and other agencies,
20 and, if the Florida Commission on Human Relations ~~Public~~
21 ~~Counsel~~ finds that any rule or proposed rule, on its face or
22 as implemented, requires the commission of a prohibited
23 personnel practice, provide a written comment to the
24 appropriate agency.

25 7. Investigate, request assistance from other
26 governmental entities, and, if appropriate, bring actions
27 concerning, allegations of retaliation by state agencies under
28 subparagraph 1.

29 8. Administer oaths, examine witnesses, take
30 statements, issue subpoenas, order the taking of depositions,
31 order responses to written interrogatories, and make

1 appropriate motions to limit discovery, pursuant to
2 investigations under subparagraph 1.

3 9. Intervene or otherwise participate, as a matter of
4 right, in any appeal or other proceeding arising under this
5 section before the Public Employees Relations Commission or
6 any other appropriate agency, except that the Florida
7 Commission on Human Relations ~~Public Counsel~~ must comply with
8 the rules of the commission or other agency and may not seek
9 corrective action or intervene in an appeal or other
10 proceeding without the consent of the person protected under
11 ss. 112.3187-112.31895.

12 10. Conduct an investigation, in the absence of an
13 allegation, to determine whether reasonable grounds exist to
14 believe that a prohibited action or a pattern of prohibited
15 action has occurred, is occurring, or is to be taken.

16 (b) Within 15 days after receiving a complaint that a
17 person has been discharged from employment allegedly for
18 disclosing protected information under s. 112.3187, the
19 Florida Commission on Human Relations ~~Public Counsel~~ shall
20 review the information and determine whether temporary
21 reinstatement is appropriate under s. 112.3187(9)(f). If the
22 Florida Commission on Human Relations ~~Public Counsel~~ so
23 determines, it ~~he or she~~ shall apply for an expedited order
24 from the appropriate agency or circuit court for the immediate
25 reinstatement of the employee who has been discharged
26 subsequent to the disclosure made under s. 112.3187, pending
27 the issuance of the final order on the complaint.

28 (c) The Florida Commission on Human Relations ~~Public~~
29 ~~Counsel~~ shall notify a complainant of the status of the
30 investigation and any action taken ~~by the Public Counsel~~ at
31

1 such times as the commission ~~Public Counsel~~ considers
2 appropriate.

3 ~~(d) The Public Counsel shall review the fact-finding~~
4 ~~reports submitted by the Department of Legal Affairs and may~~
5 ~~rely upon the findings and recommendations of those reports.~~

6 (d)(e) If the Florida Commission on Human Relations
7 ~~Public Counsel~~ is unable to conciliate a complaint within 60
8 days after receipt of the fact-finding report, the Florida
9 Commission on Human Relations ~~Public Counsel~~ shall terminate
10 the investigation. Upon termination of any investigation, the
11 Florida Commission on Human Relations ~~Public Counsel~~ shall
12 notify the complainant and the agency head of the termination
13 of the investigation, providing a summary of relevant facts
14 found during the investigation and the reasons for terminating
15 the investigation. A written statement under this paragraph
16 is presumed admissible as evidence in any judicial or
17 administrative proceeding but is not admissible without the
18 consent of the complainant.

19 (e)(f)1. The Florida Commission on Human Relations
20 ~~Public Counsel~~ may request an agency or circuit court to order
21 a stay, on such terms as the court requires, of any personnel
22 action for 45 days if the Florida Commission on Human
23 Relations ~~Public Counsel~~ determines that reasonable grounds
24 exist to believe that a prohibited personnel action has
25 occurred, is occurring, or is to be taken. The Florida
26 Commission on Human Relations ~~Public Counsel~~ may request that
27 such stay be extended for appropriate periods of time.

28 2. If, in connection with any investigation, the
29 Florida Commission on Human Relations ~~Public Counsel~~
30 determines that reasonable grounds exist to believe that a
31 prohibited action has occurred, is occurring, or is to be

1 taken which requires corrective action, the Florida Commission
2 on Human Relations ~~Public Counsel~~ shall report the
3 determination together with any findings or recommendations to
4 the agency head and may report that determination and those
5 findings and recommendations to the Governor and the
6 Comptroller. The Florida Commission on Human Relations ~~Public~~
7 ~~Counsel~~ may include in the report recommendations for
8 corrective action to be taken.

9 3. If, after 20 days, the agency does not implement
10 the recommended action, the Florida Commission on Human
11 Relations ~~Public Counsel~~ shall terminate the investigation and
12 notify the complainant of the right to appeal under subsection
13 (4), or may petition the agency for corrective action under
14 this subsection.

15 4. If the Florida Commission on Human Relations ~~Public~~
16 ~~Counsel~~ finds, in consultation with the ~~Department of Legal~~
17 ~~Affairs or the~~ individual subject to the prohibited action,
18 that the agency has implemented the corrective action, the
19 commission ~~Public Counsel~~ shall file such finding with the
20 agency head, together with any written comments that the
21 individual provides, and terminate the investigation.

22 ~~(f)(g)~~ If the Florida Commission on Human Relations
23 ~~Public Counsel~~ finds that there are no reasonable grounds to
24 believe that a prohibited personnel action has occurred, is
25 occurring, or is to be taken, the commission ~~he or she~~ shall
26 terminate the investigation.

27 ~~(g)(h)~~1. If, in connection with any investigation
28 under this section, it is determined that reasonable grounds
29 exist to believe that a criminal violation has occurred which
30 has not been previously reported, the Florida Commission on
31 Human Relations ~~Public Counsel~~ shall report this determination

1 to the Department of Law Enforcement and to the state attorney
2 having jurisdiction over the matter.

3 2. If an alleged criminal violation has been reported,
4 the Florida Commission on Human Relations ~~Public Counsel~~ shall
5 confer with the Department of Law Enforcement and the state
6 attorney before proceeding with the investigation of the
7 prohibited personnel action and may defer the investigation
8 pending completion of the criminal investigation and
9 proceedings. The Florida Commission on Human Relations ~~Public~~
10 ~~Counsel~~ shall inform the complainant of the decision to defer
11 the investigation and, if appropriate, of the confidentiality
12 of the investigation.

13 (h)~~(i)~~ If, in connection with any investigation under
14 this section, the Florida Commission on Human Relations ~~Public~~
15 ~~Counsel~~ determines that reasonable grounds exist to believe
16 that a violation of a law, rule, or regulation has occurred,
17 other than a criminal violation or a prohibited action under
18 this section, the commission ~~Public Counsel~~ may report such
19 violation to the head of the agency involved. Within 30 days
20 after the agency receives the report, the agency head shall
21 provide to the commission ~~Public Counsel~~ a certification that
22 states that the head of the agency has personally reviewed the
23 report and indicates what action has been or is to be taken
24 and when the action will be completed.

25 (i)~~(j)~~ During any investigation under this section,
26 disciplinary action may not be taken against any employee of a
27 state agency, as the term "state agency" is defined in s.
28 216.011, for reporting an alleged prohibited personnel action
29 that is under investigation, or for reporting any related
30 activity, or against any employee for participating in an
31

1 investigation without notifying the Florida Commission on
2 Human Relations ~~Public Counsel~~.

3 ~~(j)(k)~~ The Florida Commission on Human Relations
4 ~~Public Counsel~~ may also petition for an award of reasonable
5 attorney's fees and expenses from a state agency, as the term
6 "state agency" is defined in s. 216.011, pursuant to s.
7 112.3187(9).

8 (4) RIGHT TO APPEAL.--

9 (a) Not more than 60 days after receipt of a notice of
10 termination of the investigation from the Florida Commission
11 on Human Relations ~~Public Counsel~~, the complainant may file,
12 with the Public Employees Relations Commission, a complaint
13 against the employer-agency regarding the alleged prohibited
14 personnel action. The Public Employees Relations Commission
15 shall have jurisdiction over such complaints under ss.
16 112.3187 and 447.503(4) and (5).

17 (b) Judicial review of any final order of the
18 commission shall be as provided in s. 120.68.

19 Section 22. Section 985.401, Florida Statutes, 1998
20 Supplement, is amended to read:

21 985.401 Juvenile Justice Accountability Board.--

22 (1) The Juvenile Justice Accountability Board shall be
23 composed of seven ~~nine~~ members appointed by the Governor.
24 Members of the board shall have direct experience and a strong
25 interest in juvenile justice issues. ~~The authority to appoint~~
26 ~~the board is allocated as follows:~~

27 ~~(a) Three members appointed by the Governor.~~

28 ~~(b) Three members appointed by the President of the~~
29 ~~Senate.~~

30 ~~(c) Three members appointed by the Speaker of the~~
31 ~~House of Representatives.~~

1 (2)(a) A full term shall be 3 years, and the term for
2 each seat on the board commences on October 1 and expires on
3 September 30, without regard to the date of appointment. Each
4 appointing authority shall appoint a member to fill one of the
5 three vacancies that occurs with the expiration of terms on
6 September 30 of each year. A member is not eligible for
7 appointment to more than two full, consecutive terms. A
8 vacancy on the board shall be filled within 60 days after the
9 date on which the vacancy occurs. The Governor ~~appointing~~
10 ~~authority that made the original appointment~~ shall make the
11 appointment to fill a vacancy that occurs for any reason other
12 than the expiration of a term, and the appointment shall be
13 for the remainder of the unexpired term. For the purpose of
14 implementing the provisions of this paragraph, vacancies that
15 occur before October 1, 1999, shall not be filled until
16 October 1, 1999, and the Governor shall make only one
17 appointment to fill the vacancies that result from expiration
18 of terms on September 30, 1999.

19 (b) The composition of the board must be broadly
20 reflective of the public and must include minorities and
21 women. The term "minorities" as used in this paragraph means a
22 member of a socially or economically disadvantaged group and
23 includes African Americans, Hispanics, and American Indians.

24 (c)~~(b)~~ The board shall annually select a chairperson
25 from among its members.

26 (d)~~(c)~~ The board shall meet at least once each
27 quarter. A member may not authorize a designee to attend a
28 meeting of the board in place of the member. A member who
29 fails to attend two consecutive regularly scheduled meetings
30 of the board, unless the member is excused by the chairperson,
31

1 shall be deemed to have abandoned the position, and the
2 position shall be declared vacant by the board.

3 (3)(a) The board members shall serve without
4 compensation, but are entitled to reimbursement for per diem
5 and travel expenses pursuant to s. 112.061.

6 ~~(b) The board shall appoint an executive director and
7 other personnel who are exempt from part II of chapter 110,
8 relating to the Career Service System.~~

9 (b)(c) Effective July 1, 1999, the board and its staff
10 are assigned, for the purpose of general oversight, to the
11 Department of Juvenile Justice Joint Legislative Auditing
12 Committee. The board shall develop a budget pursuant to
13 procedures established by the Joint Legislative Auditing
14 Committee. For the purpose of implementing this paragraph, all
15 of the duties and functions, records, personnel, property, and
16 unexpended balances of appropriations, allocations, or other
17 funds of the board are transferred to the Department of
18 Juvenile Justice. The transfer of segregated funds shall be
19 made in such a manner that the relation between program and
20 revenue source, as provided in law, is maintained.

21 ~~(d) The composition of the board shall be broadly
22 reflective of the public and shall include minorities and
23 women. The term "minorities" as used in this paragraph means a
24 member of a socially or economically disadvantaged group that
25 includes African Americans, Hispanics, and American Indians.
26 Members of the board shall have direct experience and a strong
27 interest in juvenile justice issues.~~

28 (4)(a) The board shall establish and operate a
29 comprehensive system to annually measure and report program
30 outcomes and effectiveness for each program operated by the
31 Department of Juvenile Justice or operated by a provider under

1 contract with the department. The system shall include a
2 standard methodology for interpreting the board's outcome
3 evaluation reports, using, where appropriate, the
4 performance-based program budgeting measures approved by the
5 Legislature. The methodology must include:

6 1. Common terminology and operational definitions for
7 measuring the performance of system administration, program
8 administration, program outputs, and client outcomes.

9 2. Program outputs for each group of programs within
10 each level of the juvenile justice continuum and specific
11 program outputs for each program or program type.

12 3. Specification of desired client outcomes and
13 methods by which to measure client outcomes for each program
14 operated by the department or by a provider under contract
15 with the department.

16 4. Recommended annual minimum thresholds of
17 satisfactory performance for client outcomes and program
18 outputs.

19
20 For the purposes of this section, the term "program" or
21 "program type" means an individual state-operated or
22 contracted facility, site, or service delivered to at-risk or
23 delinquent youth as prescribed in a contract, program
24 description, or program services manual; and the term "program
25 group" means a collection of programs or program types with
26 sufficient similarity of function, services, and clientele to
27 permit appropriate comparisons among programs within the
28 program group.

29 (b) In developing the standard methodology, the board
30 shall consult with the department, the Office ~~Division~~ of
31 Economic and Demographic Research, contract service providers,

1 and other interested parties. It is the intent of the
2 Legislature that this effort result in consensus
3 recommendations, and, to the greatest extent possible,
4 integrate the goals and legislatively approved measures of
5 performance-based program budgeting provided in chapter
6 94-249, Laws of Florida, the quality assurance program
7 provided in s. 985.412, and the cost-effectiveness model
8 provided in s. 985.404(11). The board shall notify the Office
9 of Program Policy Analysis and Government Accountability of
10 any meetings to develop the methodology.

11 (c) The board shall annually submit its outcome
12 evaluation report to the Secretary of the Department of
13 Juvenile Justice, the Governor, and the Legislature by
14 February 15, which must describe:

15 1. The methodology for interpreting outcome
16 evaluations, including common terminology and operational
17 definitions.

18 2. The recommended minimum thresholds of satisfactory
19 performance for client outcomes and program outputs applicable
20 to the year for which the data are reported.

21 3. The actual client outcomes and program outputs
22 achieved by each program operated by the department or by a
23 provider under contract with the department, compared with the
24 recommended minimum thresholds of satisfactory performance for
25 client outcomes and program outputs for the year under review.
26 The report shall group programs or program types with
27 similarity of function and services and make appropriate
28 comparisons between programs within the program group.

29 (d) The board shall use its evaluation research to
30 make advisory recommendations to the Legislature, the
31

1 Governor, and the department concerning the effectiveness and
2 future funding priorities of juvenile justice programs.

3 (e) The board shall annually review and revise the
4 methodology as necessary to ensure the continuing improvement
5 and validity of the evaluation process.

6 (5) The board shall:

7 (a) Review and recommend programmatic and fiscal
8 policies governing the operation of programs, services, and
9 facilities for which the Department of Juvenile Justice is
10 responsible.

11 (b) Monitor the development and implementation of
12 long-range juvenile justice policies, including prevention,
13 early intervention, diversion, adjudication, and commitment.

14 (c) Monitor all activities of the executive and
15 judicial branch and their effectiveness in implementing
16 policies pursuant to this chapter.

17 (d) Advise the President of the Senate, the Speaker of
18 the House of Representatives, the Governor, and the department
19 on matters relating to this chapter.

20 (e) In coordination with the Department of Juvenile
21 Justice, serve as a clearinghouse to provide information and
22 assistance to the district juvenile justice boards and county
23 juvenile justice councils.

24 (f) Hold public hearings and inform the public of
25 activities of the board and of the Department of Juvenile
26 Justice, as appropriate.

27 (g) Monitor the delivery and use of services,
28 programs, or facilities operated, funded, regulated, or
29 licensed by the Department of Juvenile Justice for juvenile
30 offenders or alleged juvenile offenders, and for prevention,
31 diversion, or early intervention of delinquency, and to

1 develop programs to educate the citizenry about such services,
2 programs, and facilities and about the need and procedure for
3 siting new facilities.

4 ~~(h) Contract for consultants as necessary and~~
5 ~~appropriate. The board may apply for and receive grants for~~
6 ~~the purposes of conducting research and evaluation activities.~~

7 (h)(i) Conduct such other activities as the board may
8 determine are necessary and appropriate to monitor the
9 effectiveness of the delivery of juvenile justice programs and
10 services under this chapter.

11 (i)(j) ~~The board shall~~ Submit an annual report to the
12 President of the Senate, the Speaker of the House of
13 Representatives, the Governor, and the secretary of the
14 department not later than February 15 of each calendar year,
15 summarizing the activities and reports of the board for the
16 preceding year, and any recommendations of the board for the
17 following year.

18 ~~(6) Each state agency shall provide assistance when~~
19 ~~requested by the board.~~ The board shall have access to all
20 records, files, and reports that are material to its duties
21 and that are in the custody of a school board, a law
22 enforcement agency, a state attorney, a public defender, the
23 court, the Department of Children and Family Services, and the
24 department.

25 (7) Unless reenacted by the Legislature, this section
26 expires June 30, 2001.

27 Section 23. Section 218.502, Florida Statutes, is
28 amended to read:

29 218.502 Definition.--As used in ss. 218.50-218.504,
30 the term "local governmental entity" means a county,
31 municipality, ~~or~~ special district, or district school board.

1 Section 24. Subsection (4) of section 284.50,
2 paragraph (f) of subsection (1) of section 475.045, and
3 section 985.07, Florida Statutes, are repealed.

4 Section 25. Subsection (13) is added to section
5 760.06, Florida Statutes, to read:

6 760.06 Powers of the commission.--Within the
7 limitations provided by law, the commission shall have the
8 following powers:

9 (13) To receive complaints and coordinate all
10 activities as required by the Whistle-blower's Act pursuant to
11 ss. 112.3187-112.31895.

12 Section 26. This act shall take effect July 1, 1999.
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1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 CS/SB 2426

4 Retains annual audit by the Auditor General of school
5 districts in counties with a population of less than 125,000.
6 Requires Auditor General to audit school districts in counties
7 with population of 125,000 or more at least once every 3
8 years. Directs school districts to contract with private
9 independent CPA for annual financial audit in intervening
10 years. Requires the Auditor General to provide records and
11 work papers to the independent CPA who succeeds his staff in
12 auditing a given school district school. Conforms language
13 relating to district school boards establishing an auditor
14 selection committee for an independent CPA with the new
15 mandatory provisions in the bill.

16 Requires Auditor General to make operational audits of all
17 state agencies at least every other year, rather than
18 annually. Maintains the Auditor General's authority to audit
19 any state agency when he or she deems necessary or at the
20 direction of the Joint Legislative Management Committee.

21 Requires the Auditor General to consult with the Department of
22 Education to develop a compliance supplement for annual
23 financial audits of school districts. Clarifies that the
24 independent CPA that performs the financial audit of a charter
25 school is to provide a copy of the audit report to the
26 district school board, Department of Education, and Auditor
27 General. Provides that the Auditor General may conduct an
28 audit of a charter school.

29 Applies existing procedures taken by the Auditor General when
30 he or she does not receive copies of local government entities
31 audits to audits of district school boards and charter schools
to conform with the changes in the bill.

Requires the Auditor General to provide a summary report to
the Legislature on audits of local governmental entities,
district school boards and charter schools.

Subjects district school boards and charter schools to actions
currently applicable to local governmental entities that fail
to pay the Auditor General an appropriate share of cost for a
requested audit.

Makes the transfer of the public assistance fraud function
from the Auditor General to the Florida Department of Law
Enforcement by a type "one" transfer.

Clarifies that the report of independent audits of high school
interscholastic entities are to be provided to Auditor
General.

Clarifies that presiding officers may direct that the
requirement for a program evaluation and justification review
be postponed.

Transfers the functions performed by the Office of the Public
Counsel relating to the Whistle-Blowers Protection Act to the

1 Commission on Human Relations.
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