

By Representative Berfield

1 A bill to be entitled
2 An act relating to legislative oversight of
3 governmental programs; amending s. 11.40, F.S.;
4 authorizing the Legislative Auditing Committee
5 to direct the Auditor General and the Office of
6 Program Policy Analysis and Government
7 Accountability to conduct audits, reviews, and
8 examinations of certain entities; authorizing
9 the Legislative Auditing Committee to conduct
10 investigations; authorizing the Legislative
11 Auditing Committee to hold hearings; amending
12 s. 11.42, F.S.; revising the requirements to
13 become Auditor General; transferring report
14 requirement; revising the employment
15 restrictions for employees of the Auditor
16 General; exempting the Auditor General from
17 certain provisions; amending s. 11.45, F.S.;
18 revising definitions; providing for duties of
19 the Auditor General; transferring certain
20 district school board authority; transferring
21 the requirement that a charter school provide
22 for an annual financial audit; transferring the
23 requirement that certain district school boards
24 have certain financial audits; providing for
25 authority of the Auditor General; providing for
26 scheduling and staffing of audits conducted by
27 the Auditor General; requiring the Legislative
28 Auditing Committee to direct an audit of a
29 municipality by the Auditor General under
30 certain circumstances; authorizing a local
31 governmental entity to request an audit by the

1 Auditor General; transferring the requirement
2 that the Office of Program Policy Analysis and
3 Government Accountability maintain a schedule
4 of performance audits; deleting the requirement
5 that the Office of Program Policy Analysis and
6 Government Accountability identify and comment
7 upon certain alternatives in conducting a
8 performance audit; transferring a report
9 distribution requirement; transferring the
10 annual financial auditing provisions related to
11 local governmental entities; transferring the
12 auditor selection procedures for local
13 governmental entities, district school boards,
14 and charter schools; transferring the penalty
15 provisions for failure to file an annual
16 financial audit; providing for Auditor General
17 reporting requirements; transferring the
18 penalty provisions for failure by a local
19 governmental entity to pay for the cost of an
20 audit by the Auditor General; transferring the
21 Legislative Auditing Committee's authority to
22 conduct investigations; deleting the content
23 required within an audit report issued by the
24 Auditor General; deleting the requirement that
25 an agency head must file a report; deleting a
26 report issued by the Auditor General and the
27 Office of Program Policy Analysis and
28 Government Accountability; transferring the
29 authority for district school boards and
30 district boards of trustees of community
31 colleges for performance audits and financial

1 audits; amending s. 11.47, F.S.; requiring
2 certain officers to provide the Office of
3 Program Policy Analysis and Government
4 Accountability with information; requiring the
5 staff of the Office of Program Policy Analysis
6 and Government Accountability to make proper
7 examinations; providing criminal penalties for
8 false reports; providing penalties for persons
9 who fail to provide the Office of Program
10 Policy Analysis and Government Accountability
11 with records; amending s. 11.51, F.S.; deleting
12 the provision that the Office of Program Policy
13 Analysis and Government Accountability is a
14 unit of the Auditor General; redefining the
15 duties of the office; eliminating the provision
16 requiring the Auditor General to provide
17 administrative support for the office;
18 requiring the office to maintain a schedule of
19 examinations; providing authority to the office
20 to examine certain programs; requiring the
21 office to deliver preliminary findings;
22 providing deadlines for responses to
23 preliminary findings; providing protection for
24 office workpapers; requiring the office to
25 conduct followup reports; amending s. 11.511,
26 F.S.; redefining the duties of the director of
27 the Office of Program Policy Analysis and
28 Government Accountability; revising employment
29 restrictions for the office staff; providing
30 for postponement of examinations; amending s.
31 11.513, F.S.; correcting cross references;

1 transferring the authority of the Legislative
2 Auditing Committee; transferring and rewording
3 the authority of the director of the Office of
4 Program Policy Analysis and Government
5 Accountability to postpone projects; amending
6 ss. 14.29, 20.2551, 288.1226, 320.08058, and
7 943.2569, F.S.; providing for audits of
8 programs; amending s. 20.055, F.S.;
9 transferring the review of state agencies'
10 internal audit reports conducted by the Auditor
11 General; providing responsibilities to
12 agencies' inspectors general; amending s.
13 20.23, F.S.; requiring the Department of
14 Transportation to implement certain
15 recommendations made by the Office of Program
16 Policy Analysis and Government Accountability;
17 amending ss. 24.105, 39.202, 119.07, 195.084,
18 213.053, 944.719, and 948.15, F.S.; providing
19 authority to the Office of Program Policy
20 Analysis and Government Accountability to
21 access confidential records; amending s.
22 24.120, F.S.; requiring the Department of the
23 Lottery to provide access to the facilities of
24 the department to the Office of Program Policy
25 Analysis and Government Accountability;
26 amending s. 27.3455, F.S.; deleting a reporting
27 requirement; correcting cross references;
28 amending ss. 30.51, 116.07, 122.03, 122.08,
29 145.022, 145.14, 154.331, 206.60, 212.08,
30 290.0056, 403.864, 657.008, and 946.31, F.S.;
31 deleting obsolete provisions; amending ss.

1 110.109, 216.177, 216.178, 216.292, 334.0445,
2 and 985.311, F.S.; designating the Office of
3 Program Policy Analysis and Government
4 Accountability as a recipient of information;
5 amending s. 112.313, F.S.; expanding the
6 definition of employees subject to
7 postemployment restrictions to include the
8 director of the Office of Program Policy
9 Analysis and Government Accountability;
10 amending s. 112.324, F.S.; expanding the list
11 of persons subject to consequences regarding a
12 breach of public trust to include the director
13 and staff of the Office of Program Policy
14 Analysis and Government Accountability;
15 amending ss. 112.63, 175.261, 185.221,
16 189.4035, 189.412, 189.418, 189.419, 215.94,
17 230.23025, and 311.07, F.S.; correcting cross
18 references; amending s. 125.01, F.S.; deleting
19 a requirement that the Auditor General retain
20 county audit reports for a specific period of
21 time; amending ss. 154.11, 253.025, and
22 259.041, F.S.; revising provisions related to
23 the Auditor General; amending s. 163.356, F.S.;
24 deleting the Auditor General from the list of
25 entities receiving a report from a community
26 redevelopment agency; amending s. 189.428,
27 F.S.; revising the criteria to be utilized by a
28 local government conducting an oversight review
29 of a special district; amending ss. 193.074 and
30 196.101, F.S.; requiring the Office of Program
31 Policy Analysis and Government Accountability

1 to maintain confidentiality of records;
2 amending ss. 195.096, 228.056, 228.505, 455.32,
3 and 471.038, F.S.; revising provisions related
4 to certain audits; amending s. 215.44, F.S.;
5 deleting the requirement that the Auditor
6 General annually audit the State Board of
7 Administration; revising provisions related to
8 an examination by the Office of Program Policy
9 Analysis and Government Accountability;
10 creating s. 215.86, F.S.; providing for
11 management systems and controls for state
12 agencies; creating s. 215.98, F.S.; providing
13 for audits of direct-support organizations and
14 citizen support organizations; amending ss.
15 229.8021, 237.40, 240.299, 240.2995, 240.331,
16 240.3315, 240.5285, 240.711, 250.115, 266.0018,
17 267.17, 288.1229, 288.809, 372.0215, 413.615,
18 413.87, 446.609, 944.802, 960.002, and
19 985.4145, F.S.; providing for audits of
20 direct-support organizations and citizen
21 support organizations; amending s. 218.31,
22 F.S.; providing additional definitions;
23 amending s. 218.32, F.S.; providing that
24 certain entities file an audit report with the
25 Department of Banking and Finance; correcting a
26 cross reference; providing for the Department
27 of Banking and Finance to prescribe the format
28 of local governmental entities that are
29 required to provide for certain audits;
30 transferring the penalty provisions relating to
31 failure of a local governmental entity to file

1 an annual financial report with the Department
2 of Banking and Finance; amending s. 218.33,
3 F.S.; revising provisions related to the
4 establishment of uniform accounting practices
5 and procedures; amending s. 218.38, F.S.;
6 transferring penalty provisions for failure to
7 verify or provide information to the Division
8 of Bond Finance within the State Board of
9 Administration; creating s. 218.39, F.S.;
10 providing for audits of local governmental
11 entities, district school boards, charter
12 schools, and charter technical career centers;
13 providing for the format of county audits;
14 authorizing dependent special districts to be
15 included within the audit of a county or
16 municipality; prohibiting an independent
17 special district from being included within the
18 audit of a county or municipality; providing
19 for a management letter within each audit
20 report; providing for discussion of the
21 auditor's findings and recommendations;
22 providing for a response to the auditor's
23 findings and recommendations; requiring that a
24 predecessor auditor of a district school board
25 provide the Auditor General with access to the
26 prior year's working papers; requiring certain
27 audits to be conducted in accordance with rules
28 adopted by the Auditor General; creating s.
29 218.391, F.S.; providing for auditor selection
30 procedures; amending s. 218.415, F.S.;
31 correcting a cross reference; transferring

1 responsibilities of the Auditor General;
2 transferring penalty provisions; amending s.
3 228.093, F.S.; providing authority to the
4 Office of Program Policy Analysis and
5 Government Accountability to access records;
6 requiring the Office of Program Policy Analysis
7 and Government Accountability to maintain
8 confidentiality of records; requiring the
9 office to destroy personally identifiable data
10 under certain circumstances; amending s.
11 230.23, F.S.; authorizing school boards to
12 employ an internal auditor; authorizing school
13 boards to hire independent certified public
14 accountants; amending s. 240.214, F.S.;
15 clarifying that accountability reports are to
16 be designed in consultation with the Office of
17 Program Policy Analysis and Government
18 Accountability; amending s. 240.311, F.S.;
19 providing authority to the Office of Program
20 Policy Analysis and Government Accountability
21 to require and receive supplemental data;
22 creating s. 240.3631, F.S.; authorizing
23 district boards of trustees of community
24 colleges to hire an independent certified
25 public accountant to conduct audits; amending
26 s. 240.512, F.S.; providing authority to the
27 Office of Program Policy Analysis and
28 Government Accountability to require and
29 receive supplemental data; providing authority
30 to the Office of Program Policy Analysis and
31 Government Accountability to access

1 confidential records; requiring the office to
2 maintain confidentiality; amending s. 240.551,
3 F.S.; providing for audits of direct-support
4 organizations; deleting a paragraph which
5 provides for audits of direct-support
6 organizations; amending ss. 240.609, 288.9517,
7 296.17, 296.41, 403.1826, 550.125, 601.15, and
8 744.708, F.S.; providing authority to the
9 Office of Program Policy Analysis and
10 Government Accountability to examine programs;
11 amending s. 290.015, F.S.; providing
12 responsibilities to the Office of Program
13 Policy Analysis and Government Accountability
14 regarding the Florida Enterprise Zone Act of
15 1994; amending ss. 320.023, 320.08062, and
16 322.081, F.S.; deleting provisions related to
17 audits of certain organizations; requiring
18 annual attestations of certain organizations;
19 transferring the Auditor General's authority to
20 conduct audits; amending s. 339.406, F.S.;
21 revising provisions related to audits of
22 transportation corporations; providing the
23 Department of Transportation and the Auditor
24 General with the authority to conduct audits of
25 transportation corporations; amending s.
26 365.171, F.S.; revising the provision related
27 to auditing the 911 fees; correcting a cross
28 reference; amending s. 373.45926, F.S.;
29 replacing certain terms; amending s. 373.507,
30 F.S.; deleting an obsolete provision;
31 correcting a cross reference; providing for the

1 distribution of audits of water management
2 districts; amending ss. 402.73, 411.01, and
3 413.88, F.S.; deleting provisions related to an
4 audit by the Auditor General; amending s.
5 403.8532, F.S.; replacing certain terms;
6 amending s. 411.221, F.S.; adding reports
7 issued by the Office of Program Policy Analysis
8 and Government Accountability to the
9 information considered in strategic plan
10 revisions; amending s. 570.903, F.S.;
11 transferring the authority for certain
12 direct-support organizations to conduct
13 business; providing for audits of
14 direct-support organizations; amending s.
15 616.263, F.S.; providing the Auditor General
16 with the authority to conduct audits; amending
17 s. 943.25, F.S.; providing for the conduct of
18 audits of the criminal justice trust fund;
19 amending s. 944.512, F.S.; providing that
20 certain costs are to be certified by a
21 prosecuting attorney and an imprisoning entity
22 and subject to review by the Auditor General;
23 amending s. 957.07, F.S.; providing
24 responsibilities for the Department of
25 Corrections and the Auditor General; amending
26 ss. 957.11 and 985.416, F.S.; transferring
27 duties from the Auditor General to the Office
28 of Program Policy Analysis and Government
29 Accountability; repealing s. 11.149, F.S.,
30 relating to nonapplication of certain
31 provisions to the Legislative Auditing

1 Committee or the Auditor General; repealing s.
2 11.46, F.S., relating to accounting procedures;
3 repealing s. 125.901(2)(e), F.S., relating to
4 audits of independent special districts related
5 to children's services; repealing ss.
6 215.56005(2)(1), 216.2815, 228.053(11),
7 228.082(6), 253.037(3), 288.906(2), 288.9616,
8 298.65, 348.69, 374.987(3), 380.510(8),
9 400.335, 403.1837(14), 440.49(14)(i), and
10 517.1204(14), F.S., relating to authority of
11 the Auditor General to conduct audits;
12 repealing s. 218.415(23), F.S., relating to
13 local government investments; repealing s.
14 265.607, F.S., relating to audits of local
15 cultural sponsoring organizations; repealing s.
16 331.419(3), F.S.; deleting obsolete provisions;
17 repealing s. 339.413, F.S., relating to audits
18 of transportation corporations; repealing s.
19 373.589, F.S., relating to audits of water
20 management districts; repealing s. 388.331,
21 F.S., relating to audits of mosquito control
22 districts and mosquito control programs;
23 repealing ss. 570.912, 581.195, 589.013, and
24 590.612, F.S., relating to direct support
25 organizations within the Department of
26 Agriculture; providing an effective date.

27
28 Be It Enacted by the Legislature of the State of Florida:

29
30 Section 1. Subsections (3), (4), and (5) are added to
31 section 11.40, Florida Statutes, to read:

1 11.40 Legislative Auditing Committee.--
2 (3) The Legislative Auditing Committee may direct the
3 Auditor General or the Office of Program Policy Analysis and
4 Government Accountability to conduct an audit, review, or
5 examination of any entity or record described in s. 11.45(2)
6 or (3).
7 (4) The Legislative Auditing Committee may take under
8 investigation any matter within the scope of an audit, review,
9 or examination either completed or then being conducted by the
10 Auditor General or the Office of Program Policy Analysis and
11 Government Accountability, and, in connection with such
12 investigation, may exercise the powers of subpoena by law
13 vested in a standing committee of the Legislature.
14 (5) Following notification by the Auditor General, the
15 Department of Banking and Finance, or the Division of Bond
16 Finance of the State Board of Administration of the failure of
17 a local governmental entity, district school board, charter
18 school, or charter technical career center to comply with the
19 applicable provisions within s. 11.45(5)-(7), s. 218.32(1), or
20 s. 218.38, the Legislative Auditing Committee may schedule a
21 hearing. If a hearing is scheduled, the committee shall
22 determine if the entity should be subject to further state
23 action. If the committee determines that the entity should be
24 subject to further state action, the committee shall:
25 (a) In the case of a local governmental entity or
26 district school board, request the Department of Revenue and
27 the Department of Banking and Finance to withhold any funds
28 not pledged for bond debt service satisfaction which are
29 payable to such entity until the entity complies with the law.
30 The committee, in its request, shall specify the date such
31 action shall begin, and the request must be received by the

1 Department of Revenue and the Department of Banking and
2 Finance 30 days before the date of the distribution mandated
3 by law. The Department of Revenue and the Department of
4 Banking and Finance are authorized to implement the provisions
5 of this paragraph.

6 (b) In the case of a special district, notify the
7 Department of Community Affairs that the special district has
8 failed to comply with the law. Upon receipt of notification,
9 the Department of Community Affairs shall proceed pursuant to
10 the provisions specified in ss. 189.421 and 189.422.

11 (c) In the case of a charter school or charter
12 technical career center, notify the appropriate sponsoring
13 entity, which may terminate the charter pursuant to ss.
14 228.056 and 228.505.

15 Section 2. Subsections (2), (6), and (8) of section
16 11.42, Florida Statutes, are amended, and subsection (9) is
17 added to said section, to read:

18 11.42 The Auditor General.--

19 (2) The Auditor General shall be appointed to office
20 to serve at the pleasure of the Legislature, by a majority
21 vote of the members of the Legislative Auditing Committee,
22 subject to confirmation by both houses of the Legislature. At
23 the time of her or his appointment, the Auditor General shall
24 have been certified under the Public Accountancy Law in this
25 state for a period of at least 10 years and shall have had not
26 less than 10 years' experience in an accounting or auditing
27 related field ~~a governmental agency or 10 years' experience in~~
28 ~~the private sector or a combination of 10 years' experience in~~
29 ~~government and the private sector.~~ Vacancies in the office
30 shall be filled in the same manner as the original
31 appointment.

1 (6)(a) The headquarters of the Auditor General shall
2 be at the state capital, but to facilitate auditing and to
3 eliminate unnecessary traveling the Auditor General may
4 establish field offices located outside the state capital
5 ~~divisions and assign auditors to each division and determine~~
6 ~~their duties and the areas of the state to be served by the~~
7 ~~respective divisions.~~ The Auditor General shall be provided
8 with adequate quarters to carry out the position's functions
9 in the state capital and in other areas of the state.

10 (b) All payrolls and vouchers for the operations of
11 the Auditor General's office shall be submitted ~~directly~~ to
12 the Comptroller and, if found to be correct, payments state
13 ~~warrants~~ shall be issued therefor.

14 ~~(c) The Auditor General shall transmit to the~~
15 ~~President of the Senate and the Speaker of the House of~~
16 ~~Representatives by January 1 of each year a list of statutory~~
17 ~~and fiscal changes recommended by audit reports. The~~
18 ~~recommendations should be presented in two categories: one~~
19 ~~addressing substantive law and policy issues and the other~~
20 ~~addressing budget issues. The Auditor General may also~~
21 ~~transmit recommendations at other times of the year when the~~
22 ~~information would be timely and useful for the Legislature.~~

23 (8) No officer or salaried full-time employee of the
24 office of Auditor General shall ~~actively engage in any other~~
25 ~~business or profession;~~ serve as the representative of any
26 political party or on any executive committee or other
27 governing body thereof; serve as an executive, officer, or
28 employee of any political party committee, organization, or
29 association; or be engaged on behalf of any candidate for
30 public office in the solicitation of votes or other activities
31 in behalf of such candidacy. Neither the Auditor General nor

1 any employee of the Auditor General may ~~shall~~ become a
2 candidate for election to public office unless she or he ~~shall~~
3 first resigns ~~resign~~ from office or employment. No officer or
4 salaried employee of the Auditor General shall actively engage
5 in any other business or profession or be otherwise employed
6 without the prior written permission of the Auditor General.

7 (9) Sections 11.25(1) and 11.26 shall not apply to the
8 Auditor General.

9 Section 3. Section 11.45, Florida Statutes, is amended
10 to read:

11 11.45 Definitions; duties; authorities audits;
12 reports; rules.--

13 (1) DEFINITIONS.--As used in ss. 11.40-11.515 ~~this~~
14 ~~section~~, the term:

15 (a) "Audit" means a financial audit, operational
16 audit, or performance audit.

17 (b)(a) "County agency," for the exclusive purposes of
18 ~~this section,~~ means a board of county commissioners or other
19 legislative and governing body of a county, however styled,
20 including that of a consolidated or metropolitan government, a
21 clerk of the circuit court, a separate or ex officio clerk of
22 the county court, a sheriff, a property appraiser, a tax
23 collector, a supervisor of elections, or any other officer in
24 whom any portion of the fiscal duties of the above are under
25 law separately placed. ~~Each county agency is a local~~
26 ~~governmental entity for purposes of subparagraph (3)(a)5.~~

27 (c)(b) "Financial audit" means an examination of
28 financial statements in order to express an opinion on the
29 fairness with which they are presented ~~present financial~~
30 ~~position, results of operations, and changes in financial~~
31 ~~position~~ in conformity with generally accepted accounting

1 principles and an examination to determine whether operations
2 are properly conducted in accordance with legal and regulatory
3 requirements. Financial audits must be conducted in accordance
4 with generally accepted auditing standards and government
5 ~~governmental~~ auditing standards as adopted by the Board of
6 Accountancy.

7 (d)~~(c)~~ "Governmental entity" means a state agency, a
8 county agency, or any other entity, however styled, that
9 independently exercises any type of state or local
10 governmental function.

11 (e)~~(d)~~ "Local governmental entity" means a county
12 agency, municipality, or special district as defined in s.
13 189.403, but does not include any housing authority
14 established under chapter 421.

15 (f)~~(e)~~ "Management letter" means a statement of the
16 auditor's comments and recommendations.

17 (g)~~(f)~~ "Operational audit" means a financial-related
18 audit whose purpose is to evaluate management's performance in
19 administering assigned responsibilities in accordance with
20 applicable laws, administrative rules, and other guidelines
21 and to determine the extent to which the internal control, as
22 designed and placed in operation, promotes and encourages the
23 achievement of management's control objectives in the
24 categories of compliance, economic and efficient operations,
25 reliability of financial records and reports, and safeguarding
26 of assets.

27 (h)~~(g)~~ "Performance audit" means an examination of a
28 program, activity, or function of a governmental entity,
29 conducted in accordance with applicable government auditing
30 standards or auditing and evaluation standards of other
31

1 appropriate authoritative bodies. The term includes an
2 examination of issues related to:

- 3 1. Economy, efficiency, or effectiveness of the
4 program.
- 5 2. Structure or design of the program to accomplish
6 its goals and objectives.
- 7 3. Adequacy of the program to meet the needs
8 identified by the Legislature or governing body.
- 9 4. Alternative methods of providing program services
10 or products.
- 11 5. Goals, objectives, and performance measures used by
12 the agency to monitor and report program accomplishments.
- 13 6. The accuracy or adequacy of public documents,
14 reports, or requests prepared under the program by state
15 agencies.
- 16 7. Compliance of the program with appropriate
17 policies, rules, or laws.
- 18 8. Any other issues related to governmental entities
19 as directed by the Legislative Auditing Committee.

20 (i)~~(h)~~ "Political subdivision" means a separate agency
21 or unit of local government created or established by law and
22 includes, but is not limited to, the following and the
23 officers thereof: authority, board, branch, bureau, city,
24 commission, consolidated government, county, department,
25 district, institution, metropolitan government, municipality,
26 office, officer, public corporation, town, or village.

27 (j)~~(i)~~ "State agency" means a separate agency or unit
28 of state government created or established by law and
29 includes, but is not limited to, the following and the
30 officers thereof: authority, board, branch, bureau,
31 commission, department, division, institution, office,

1 officer, or public corporation, as the case may be, except any
2 such agency or unit ~~other than the Florida Public Service~~
3 ~~Commission~~ within the legislative branch of state government
4 other than the Florida Public Service Commission.

5 (2) DUTIES.--The Auditor General shall:

6 (a) Conduct ~~make financial audits and performance~~
7 audits of ~~public~~ records and perform related duties as
8 prescribed by law, ~~or~~ concurrent resolution of the
9 Legislature, or as directed. ~~The Auditor General shall perform~~
10 ~~his or her duties independently but under the general policies~~
11 ~~established by the Legislative Auditing Committee.~~

12 (b) Annually conduct a financial audit of state
13 government.

14 (c) Annually conduct financial audits of all district
15 boards of trustees of community colleges.

16 (d) Annually conduct financial audits of the accounts
17 and records of all district school boards in counties with
18 populations of fewer than 125,000, according to the most
19 recent federal decennial statewide census.

20 (e) Annually conduct an audit of the Wireless
21 Emergency Telephone System Fund as described in s. 365.173.

22 (f) At least every 2 years, conduct operational audits
23 of the accounts and records of state agencies. In connection
24 with these audits, the Auditor General shall give appropriate
25 consideration to reports issued by state agencies' inspectors
26 general and the resolution of findings therein.

27 (g) At least every 2 years, conduct a performance
28 audit of the local government financial reporting system,
29 which, for the purpose of this chapter, means any statutory
30 provisions related to local government financial reporting.
31 The purpose of such an audit is to determine the accuracy,

1 efficiency, and effectiveness of the reporting system in
2 achieving its goals and to make recommendations to the local
3 governments, the Governor, and the Legislature as to how the
4 reporting system can be improved and how program costs can be
5 reduced. The local government financial reporting system
6 should provide for the timely, accurate, uniform, and
7 cost-effective accumulation of financial and other information
8 that can be used by the members of the Legislature and other
9 appropriate officials to accomplish the following goals:
10 1. Enhance citizen participation in local government;
11 2. Improve the financial condition of local
12 governments;
13 3. Provide essential government services in an
14 efficient and effective manner; and
15 4. Improve decisionmaking on the part of the
16 Legislature, state agencies, and local government officials on
17 matters relating to local government.
18 (h) Once every 3 years, conduct performance audits of
19 the Department of Revenue's administration of the ad valorem
20 tax laws as described in s. 195.096.
21 (i) Once every 3 years, conduct financial audits of
22 the accounts and records of all district school boards in
23 counties with populations of 125,000 or more, according to the
24 most recent federal decennial statewide census.
25 (j) Once every 3 years, review a sample of each state
26 agency's internal audit reports to determine compliance with
27 current Standards for the Professional Practice of Internal
28 Auditing or, if appropriate, government auditing standards.
29 (k) Conduct audits of local governmental entities when
30 determined to be necessary by the Auditor General, when
31 directed by the Legislative Auditing Committee, or when

1 otherwise required by law. No later than 18 months after the
2 release of the audit report, the Auditor General shall perform
3 such appropriate followup procedures as he or she deems
4 necessary to determine the audited entity's progress in
5 addressing the findings and recommendations contained within
6 the Auditor General's previous report. The Auditor General
7 shall provide a copy of his or her determination to each
8 member of the audited entity's governing body and to the
9 Legislative Auditing Committee.

10
11 The Auditor General shall perform his or her duties
12 independently but under the general policies established by
13 the Legislative Auditing Committee. This subsection does not
14 limit the Auditor General's discretionary authority to conduct
15 other audits or engagements of governmental entities as
16 authorized in subsection (3).

17 (3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.--

18 (a)1. ~~The Auditor General shall annually make~~
19 ~~financial audits of the accounts and records of all state~~
20 ~~agencies, as defined in this section, of all district school~~
21 ~~boards in counties with populations of fewer than 125,000,~~
22 ~~according to the most recent federal decennial statewide~~
23 ~~census, and of all district boards of trustees of community~~
24 ~~colleges. The Auditor General shall, at least every other~~
25 ~~year, make operational audits of the accounts and records of~~
26 ~~all state agencies, as defined in this section. The Auditor~~
27 ~~General shall, at least once every 3 years, make financial~~
28 ~~audits of the accounts and records of all district school~~
29 ~~boards in counties with populations of 125,000 or more. For~~
30 ~~each of the 2 years that the Auditor General does not make the~~
31 ~~financial audit, each district school board shall contract for~~

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

20 ~~2. Each charter school established under s. 228.056~~
21 ~~shall have an annual financial audit of its accounts and~~
22 ~~records completed within 12 months after the end of its fiscal~~
23 ~~year by an independent certified public accountant retained by~~
24 ~~it and paid from its funds. The independent certified public~~
25 ~~accountant who is selected to perform an annual financial~~
26 ~~audit of the charter school shall provide a copy of the audit~~
27 ~~report to the district school board, the Department of~~
28 ~~Education, and the Auditor General. A management letter must~~
29 ~~be prepared and included as a part of each financial audit~~
30 ~~report. The Auditor General may, pursuant to his or her own~~
31

1 ~~authority or at the direction of the Joint Legislative~~
2 ~~Auditing Committee, conduct an audit of a charter school.~~
3 3. The Auditor General may pursuant to his or her own
4 authority, or at the direction of the Legislative Auditing
5 Committee, conduct at any time make financial audits and
6 performance audits or other engagements as determined
7 appropriate by the Auditor General of:
8 1. The accounts and records of any all governmental
9 entity entities created or established by pursuant to law.
10 2. The information technology programs, activities,
11 functions, or systems of any governmental entity created or
12 established by law.
13 3. The accounts and records of any charter school
14 created or established by law.
15 4. The accounts and records of any direct-support
16 organization or citizen support organization created or
17 established by law. The Auditor General is authorized to
18 require and receive any records from the direct-support
19 organization or citizen support organization, or from its
20 independent auditor.
21 5. The public records associated with any
22 appropriation made by the General Appropriations Act to a
23 nongovernmental agency, corporation, or person. All records of
24 a nongovernmental agency, corporation, or person with respect
25 to the receipt and expenditure of such an appropriation shall
26 be public records and shall be treated in the same manner as
27 other public records are under general law.
28 6. State financial assistance provided to any nonstate
29 entity.
30 7. The Tobacco Settlement Financing Corporation
31 created pursuant to s. 215.56005.

1 8. The Florida On-Line High School created pursuant to
2 s. 228.082.

3 9. Any purchases of federal surplus lands for use as
4 sites for correctional facilities as described in s. 253.037.

5 10. Enterprise Florida, Inc., including any of its
6 boards, advisory committees, or similar groups created by
7 Enterprise Florida, Inc., and programs. The audit report may
8 not reveal the identity of any person who has anonymously made
9 a donation to Enterprise Florida, Inc., pursuant to this
10 subparagraph. The identity of a donor or prospective donor to
11 Enterprise Florida, Inc., who desires to remain anonymous and
12 all information identifying such donor or prospective donor
13 are confidential and exempt from the provisions of s.
14 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
15 anonymity shall be maintained in the auditor's report.

16 11. The Florida Development Finance Corporation or the
17 capital development board or the programs or entities created
18 by the board. The audit or report may not reveal the identity
19 of any person who has anonymously made a donation to the board
20 pursuant to this subparagraph. The identity of a donor or
21 prospective donor to the board who desires to remain anonymous
22 and all information identifying such donor or prospective
23 donor are confidential and exempt from the provisions of s.
24 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
25 anonymity shall be maintained in the auditor's report.

26 12. The records pertaining to the use of funds from
27 voluntary contributions on a motor vehicle registration
28 application or on a driver's license application authorized
29 pursuant to ss. 320.023 and 322.081.

30 13. The records pertaining to the use of funds from
31 the sale of specialty license plates described in chapter 320.

1 14. The transportation corporations under contract
2 with the Department of Transportation that are acting on
3 behalf of the state to secure and obtain rights-of-way for
4 urgently needed transportation systems and to assist in the
5 planning and design of such systems pursuant to ss.
6 339.401-339.421.

7 15. The acquisitions and divestitures related to the
8 Florida Communities Trust Program created pursuant to chapter
9 380.

10 16. The Florida Water Pollution Control Financing
11 Corporation created pursuant to s. 403.1837.

12 17. The Florida Partnership for School Readiness
13 created pursuant to s. 411.01.

14 18. The Occupational Access and Opportunity Commission
15 created pursuant to s. 413.83.

16 19. The Florida Special Disability Trust Fund
17 Financing Corporation created pursuant to s. 440.49.

18 20. Workforce Florida, Inc., or the programs or
19 entities created by Workforce Florida, Inc., created pursuant
20 to s. 445.004.

21 21. The corporation defined in s. 455.32 that is under
22 contract with the Department of Business and Professional
23 Regulation to provide administrative, investigative,
24 examination, licensing, and prosecutorial support services in
25 accordance with the provisions of s. 455.32 and the practice
26 act of the relevant profession.

27 22. The Florida Engineers Management Corporation
28 created pursuant to chapter 471.

29 23. The Investment Fraud Restoration Financing
30 Corporation created pursuant to chapter 517.

31

1 24. The books and records of any permitholder that
2 conducts race meetings or jai alai exhibitions under chapter
3 550.

4 25. The corporation defined in chapter 946, part II,
5 known as the Prison Rehabilitative Industries and Diversified
6 Enterprises, Inc., or PRIDE Enterprises.

7 (b) The Auditor General is also authorized to:

8 1. Promote the building of competent and efficient
9 accounting and internal audit organizations in the offices
10 administered by governmental entities.

11 2. Provide consultation services to governmental
12 entities on their financial and accounting systems,
13 procedures, and related matters.

14 (4) SCHEDULING AND STAFFING OF AUDITS.--

15 (a) Each financial audit required or authorized by
16 this section, when practicable, shall be made and completed
17 within not more than 9 months following the end of each
18 audited fiscal year of the state agency or political
19 subdivision, or at such lesser time which may be provided by
20 law or concurrent resolution or directed by the Legislative
21 Auditing Committee. When the Auditor General determines that
22 conducting any audit or engagement otherwise required by law
23 would not be possible due to workload or would not be an
24 efficient or effective use of his or her resources based on an
25 assessment of risk, then, in his or her discretion, the
26 Auditor General may temporarily or indefinitely postpone such
27 audits or other engagements for such period or any portion
28 thereof, unless otherwise directed by the committee.

29 (b) The Auditor General may, when in his or her
30 judgment it is necessary, designate and direct any auditor
31 employed by the Auditor General to audit any accounts or

1 records within the authority of the Auditor General to audit.
2 The auditor shall report his or her findings for review by the
3 Auditor General, who shall prepare the audit report.

4 (c) The audit report when final shall be a public
5 record. The audit workpapers and notes are not a public
6 record; however, those workpapers necessary to support the
7 computations in the final audit report may be made available
8 by a majority vote of the Legislative Auditing Committee after
9 a public hearing showing proper cause. The audit workpapers
10 and notes shall be retained by the Auditor General until no
11 longer useful in his or her proper functions, after which time
12 they may be destroyed.

13 (d) At the conclusion of the audit, the Auditor
14 General or the Auditor General's designated representative
15 shall discuss the audit with the official whose office is
16 subject to audit and submit to that official a list of the
17 Auditor General's findings which may be included in the audit
18 report. If the official is not available for receipt of the
19 list of audit findings then delivery is presumed to be made
20 when it is delivered to his or her office. The official shall
21 submit to the Auditor General or the designated
22 representative, within 30 days after the receipt of the list
23 of findings, his or her written statement of explanation or
24 rebuttal concerning all of the findings, including corrective
25 action to be taken to preclude a recurrence of all findings.

26 (e) The Auditor General shall provide the successor
27 independent certified public accountant of a district school
28 board with access to the prior year's working papers in
29 accordance with the Statements on Auditing Standards,
30 including documentation of planning, internal control, audit
31 results, and other matters of continuing accounting and

1 auditing significance, such as the working paper analysis of
2 balance sheet accounts and those relating to contingencies.

3 (5) PETITION FOR AN AUDIT BY THE AUDITOR GENERAL.--The
4 Legislative Auditing Committee shall direct the Auditor
5 General to make a financial audit of any municipality whenever
6 petitioned to do so by at least 20 percent of the electors of
7 that municipality. The supervisor of elections of the county
8 in which the municipality is located shall certify whether or
9 not the petition contains the signatures of at least 20
10 percent of the electors of the municipality. After the
11 completion of the audit, the Auditor General shall determine
12 whether the municipality has the fiscal resources necessary to
13 pay the cost of the audit. The municipality shall pay the cost
14 of the audit within 90 days after the Auditor General's
15 determination that the municipality has the available
16 resources. If the municipality fails to pay the cost of the
17 audit, the Department of Revenue shall, upon certification of
18 the Auditor General, withhold from that portion of the
19 distribution pursuant to s. 212.20(6)(e)6. which is
20 distributable to such municipality, a sum sufficient to pay
21 the cost of the audit and shall deposit that sum into the
22 General Revenue Fund of the state.

23 (6) REQUEST BY A LOCAL GOVERNMENTAL ENTITY FOR AN
24 AUDIT BY THE AUDITOR GENERAL.--Whenever a local governmental
25 entity requests the Auditor General to conduct an audit of all
26 or part of its operations and the Auditor General conducts the
27 audit under his or her own authority or at the direction of
28 the Legislative Auditing Committee, the expenses of the audit
29 shall be paid by the local governmental entity. The Auditor
30 General shall estimate the cost of the audit. Fifty percent of
31 the cost estimate shall be paid by the local governmental

1 entity before the initiation of the audit and deposited into
2 the General Revenue Fund of the state. After the completion of
3 the audit, the Auditor General shall notify the local
4 governmental entity of the actual cost of the audit. The local
5 governmental entity shall remit the remainder of the cost of
6 the audit to the Auditor General for deposit into the General
7 Revenue Fund of the state. If the local governmental entity
8 fails to comply with paying the remaining cost of the audit,
9 the Auditor General shall notify the Legislative Auditing
10 Committee. The committee shall proceed in accordance with s.
11 11.40(5).

12 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.--

13 (a) The Auditor General shall notify the Legislative
14 Auditing Committee of any local governmental entity, district
15 school board, charter school, or charter technical career
16 center that does not comply with the reporting requirements of
17 s. 218.39. The committee shall proceed in accordance with s.
18 11.40(5).~~The audits referred to in this subparagraph must be~~
19 ~~made whenever determined by the Auditor General, whenever~~
20 ~~directed by the Legislative Auditing Committee, or whenever~~
21 ~~otherwise required by law or concurrent resolution. A~~
22 ~~district school board, expressway authority, or bridge~~
23 ~~authority may require that the annual financial audit of its~~
24 ~~accounts and records be completed within 12 months after the~~
25 ~~end of its fiscal year. If the Auditor General is unable to~~
26 ~~meet that requirement, the Auditor General shall notify the~~
27 ~~school board, the expressway authority, or the bridge~~
28 ~~authority pursuant to subparagraph 5.~~

29 ~~4. The Office of Program Policy Analysis and~~
30 ~~Government Accountability within the Office of the Auditor~~
31 ~~General shall maintain a schedule of performance audits of~~

1 ~~state programs. In conducting a performance audit of a state~~
2 ~~program, the Office of Program Policy Analysis and Government~~
3 ~~Accountability, when appropriate, shall identify and comment~~
4 ~~upon alternatives for accomplishing the goals of the program~~
5 ~~being audited. Such alternatives may include funding~~
6 ~~techniques and, if appropriate, must describe how other states~~
7 ~~or governmental units accomplish similar goals.~~
8 ~~5. If by July 1 in any fiscal year a district school~~
9 ~~board or local governmental entity has not been notified that~~
10 ~~a financial audit for that fiscal year will be performed by~~
11 ~~the Auditor General pursuant to subparagraph 3., each~~
12 ~~municipality with either revenues or expenditures of more than~~
13 ~~\$100,000, each special district with either revenues or~~
14 ~~expenditures of more than \$50,000, and each county agency~~
15 ~~shall, and each district school board may, require that an~~
16 ~~annual financial audit of its accounts and records be~~
17 ~~completed, within 12 months after the end of its respective~~
18 ~~fiscal year, by an independent certified public accountant~~
19 ~~retained by it and paid from its public funds. An independent~~
20 ~~certified public accountant who is selected to perform an~~
21 ~~annual financial audit of a school district must report~~
22 ~~directly to the district school board or its designee. A~~
23 ~~management letter must be prepared and included as a part of~~
24 ~~each financial audit report. Each local government finance~~
25 ~~commission, board, or council, and each municipal power~~
26 ~~corporation, created as a separate legal or administrative~~
27 ~~entity by interlocal agreement under s. 163.01(7), shall~~
28 ~~provide the Auditor General, within 12 months after the end of~~
29 ~~its fiscal year, with an annual financial audit report of its~~
30 ~~accounts and records and a written statement or explanation or~~
31 ~~rebuttal concerning the auditor's comments, including~~

1 ~~corrective action to be taken. The county audit shall be one~~
2 ~~document that includes a separate audit of each county agency.~~
3 ~~The county audit must include an audit of the deposits into~~
4 ~~and expenditures from the Public Records Modernization Trust~~
5 ~~Fund. The Auditor General shall tabulate the results of the~~
6 ~~audits of the Public Records Modernization Trust Fund and~~
7 ~~report a summary of the audits to the Legislature annually.~~

8 ~~6. The governing body of a municipality, special~~
9 ~~district, or charter school must establish an auditor~~
10 ~~selection committee and competitive auditor selection~~
11 ~~procedures. The governing board may elect to use its own~~
12 ~~competitive auditor selection procedures or the procedures~~
13 ~~outlined in subparagraph 7.~~

14 ~~7. The governing body of a noncharter county or~~
15 ~~district school board that retains a certified public~~
16 ~~accountant must establish an auditor selection committee and~~
17 ~~select an independent certified public accountant according to~~
18 ~~the following procedure:~~

19 ~~a. For each noncharter county, the auditor selection~~
20 ~~committee must consist of the county officers elected pursuant~~
21 ~~to s. 1(d), Art. VIII of the State Constitution, and one~~
22 ~~member of the board of county commissioners or its designee.~~

23 ~~b. The committee shall publicly announce, in a uniform~~
24 ~~and consistent manner, each occasion when auditing services~~
25 ~~are required to be purchased. Public notice must include a~~
26 ~~general description of the audit and must indicate how~~
27 ~~interested certified public accountants can apply for~~
28 ~~consideration.~~

29 ~~c. The committee shall encourage firms engaged in the~~
30 ~~lawful practice of public accounting who desire to provide~~
31

1 ~~professional services to submit annually a statement of~~
2 ~~qualifications and performance data.~~

3 ~~d. Any certified public accountant desiring to provide~~
4 ~~auditing services must first be qualified pursuant to law. The~~
5 ~~committee shall make a finding that the firm or individual to~~
6 ~~be employed is fully qualified to render the required~~
7 ~~services. Among the factors to be considered in making this~~
8 ~~finding are the capabilities, adequacy of personnel, past~~
9 ~~record, and experience of the firm or individual.~~

10 ~~e. The committee shall adopt procedures for the~~
11 ~~evaluation of professional services, including, but not~~
12 ~~limited to, capabilities, adequacy of personnel, past record,~~
13 ~~experience, results of recent external quality control~~
14 ~~reviews, and such other factors as may be determined by the~~
15 ~~committee to be applicable to its particular requirements.~~

16 ~~f. The public must not be excluded from the~~
17 ~~proceedings under this subparagraph.~~

18 ~~g. The committee shall evaluate current statements of~~
19 ~~qualifications and performance data on file with the~~
20 ~~committee, together with those that may be submitted by other~~
21 ~~firms regarding the proposed audit, and shall conduct~~
22 ~~discussions with, and may require public presentations by, no~~
23 ~~fewer than three firms regarding their qualifications,~~
24 ~~approach to the audit, and ability to furnish the required~~
25 ~~services.~~

26 ~~h. The committee shall select no fewer than three~~
27 ~~firms deemed to be the most highly qualified to perform the~~
28 ~~required services after considering such factors as the~~
29 ~~ability of professional personnel; past performance;~~
30 ~~willingness to meet time requirements; location; recent,~~
31 ~~current, and projected workloads of the firms; and the volume~~

1 ~~of work previously awarded to the firm by the agency, with the~~
2 ~~object of effecting an equitable distribution of contracts~~
3 ~~among qualified firms, provided such distribution does not~~
4 ~~violate the principle of selection of the most highly~~
5 ~~qualified firms. If fewer than three firms desire to perform~~
6 ~~the services, the committee shall recommend such firms as it~~
7 ~~determines to be qualified.~~

8 ~~i. If the governing board receives more than one~~
9 ~~proposal for the same engagement, the board may rank, in order~~
10 ~~of preference, the firms to perform the engagement. The firm~~
11 ~~ranked first may then negotiate a contract with the board~~
12 ~~giving, among other things, a basis of its fee for that~~
13 ~~engagement. If the board is unable to negotiate a~~
14 ~~satisfactory contract with that firm, negotiations with that~~
15 ~~firm shall be formally terminated, and the board shall then~~
16 ~~undertake negotiations with the second-ranked firm. Failing~~
17 ~~accord with the second-ranked firm, negotiations shall then be~~
18 ~~terminated with that firm and undertaken with the third-ranked~~
19 ~~firm. Negotiations with the other ranked firms shall be~~
20 ~~undertaken in the same manner. The board, in negotiating with~~
21 ~~firms, may reopen formal negotiations with any one of the~~
22 ~~three top-ranked firms, but it may not negotiate with more~~
23 ~~than one firm at a time. The board shall also negotiate on the~~
24 ~~scope and quality of services. In making such determination,~~
25 ~~the board shall conduct a detailed analysis of the cost of the~~
26 ~~professional services required in addition to considering~~
27 ~~their scope and complexity. For contracts over \$50,000, the~~
28 ~~board shall require the firm receiving the award to execute a~~
29 ~~truth-in-negotiation certificate stating that the rates of~~
30 ~~compensation and other factual unit costs supporting the~~
31 ~~compensation are accurate, complete, and current at the time~~

1 ~~of contracting. Such certificate shall also contain a~~
2 ~~description and disclosure of any understanding that places a~~
3 ~~limit on current or future years' audit contract fees,~~
4 ~~including any arrangements under which fixed limits on fees~~
5 ~~will not be subject to reconsideration if unexpected~~
6 ~~accounting or auditing issues are encountered. Such~~
7 ~~certificate shall also contain a description of any services~~
8 ~~rendered by the certified public accountant or firm of~~
9 ~~certified public accountants at rates or terms that are not~~
10 ~~customary. Any auditing service contract under which such a~~
11 ~~certificate is required must contain a provision that the~~
12 ~~original contract price and any additions thereto shall be~~
13 ~~adjusted to exclude any significant sums by which the board~~
14 ~~determines the contract price was increased due to inaccurate~~
15 ~~or incomplete factual unit costs. All such contract~~
16 ~~adjustments shall be made within 1 year following the end of~~
17 ~~the contract.~~

18 ~~j. If the board is unable to negotiate a satisfactory~~
19 ~~contract with any of the selected firms, the committee shall~~
20 ~~select additional firms, and the board shall continue~~
21 ~~negotiations in accordance with this subsection until an~~
22 ~~agreement is reached.~~

23 ~~8. At the conclusion of the audit field work, the~~
24 ~~independent certified public accountant shall discuss with the~~
25 ~~head of each local governmental entity or the chair's designee~~
26 ~~or with the chair of the district school board or the chair's~~
27 ~~designee, or with the chair of the board of the charter school~~
28 ~~or the chair's designee, as appropriate, all of the auditor's~~
29 ~~comments that will be included in the audit report. If the~~
30 ~~officer is not available to discuss the auditor's comments,~~
31 ~~their discussion is presumed when the comments are delivered~~

1 ~~in writing to his or her office. The auditor shall notify each~~
2 ~~member of the governing body of a local governmental entity~~
3 ~~for which deteriorating financial conditions exist which may~~
4 ~~cause a condition described in s. 218.503(1) to occur if~~
5 ~~actions are not taken to address such conditions.~~

6 ~~9. The officer's written statement of explanation or~~
7 ~~rebuttal concerning the auditor's comments, including~~
8 ~~corrective action to be taken, must be filed with the~~
9 ~~governing body of the local governmental entity, district~~
10 ~~school board, or charter school within 30 days after the~~
11 ~~delivery of the financial audit report.~~

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

25 ~~11. Any local governmental entity or district school~~
26 ~~board financial audit report required under subparagraph 5. or~~
27 ~~charter school financial audit report required under~~
28 ~~subparagraph 2. and the officer's written statement of~~
29 ~~explanation or rebuttal concerning the auditor's comments,~~
30 ~~including corrective action to be taken, must be submitted to~~
31 ~~the Auditor General within 45 days after delivery of the audit~~

1 ~~report to the local governmental entity, district school~~
2 ~~board, or charter school, but no later than 12 months after~~
3 ~~the end of the fiscal year. If the Auditor General does not~~
4 ~~receive the financial audit report within the prescribed~~
5 ~~period, he or she must notify the Legislative Auditing~~
6 ~~Committee that the governmental entity or charter school has~~
7 ~~not complied with this subparagraph. Following notification of~~
8 ~~failure to submit the required audit report or items required~~
9 ~~by rule adopted by the Auditor General, a hearing must be~~
10 ~~scheduled by rule of the committee. After the hearing, the~~
11 ~~committee shall determine which governmental entities or~~
12 ~~charter schools will be subjected to further state action. If~~
13 ~~it finds that one or more governmental entities or charter~~
14 ~~schools should be subjected to further state action, the~~
15 ~~committee shall:~~

16 ~~a. In the case of a local governmental entity,~~
17 ~~district school board, or charter school, request the~~
18 ~~Department of Revenue and the Department of Banking and~~
19 ~~Finance to withhold any funds not pledged for bond debt~~
20 ~~service satisfaction which are payable to such governmental~~
21 ~~entity or charter school until the required financial audit is~~
22 ~~received by the Auditor General. The Department of Revenue and~~
23 ~~the Department of Banking and Finance are authorized to~~
24 ~~implement the provisions of this sub-subparagraph. The~~
25 ~~committee, in its request, shall specify the date such action~~
26 ~~shall begin, and the request must be received by the~~
27 ~~Department of Revenue and the Department of Banking and~~
28 ~~Finance 30 days before the date of the distribution mandated~~
29 ~~by law.~~

30 ~~b. In the case of a special district, notify the~~
31 ~~Department of Community Affairs that the special district has~~

1 ~~failed to provide the required audits. Upon receipt of~~
2 ~~notification, the Department of Community Affairs shall~~
3 ~~proceed pursuant to ss. 189.421 and 189.422.~~

4 (b)12.a. The Auditor General, in consultation with the
5 Board of Accountancy, shall review all audit reports submitted
6 pursuant to s. 218.39 ~~subparagraph 11~~. The Auditor General
7 shall request any significant items that were omitted in
8 violation of a rule adopted by the Auditor General. The items
9 must be provided within 45 days after the date of the request.
10 If the governmental entity does not comply with the Auditor
11 General's request, the Auditor General shall notify the
12 Legislative Auditing Committee. The committee shall proceed in
13 accordance with s. 11.40(5).

14 (c) The Auditor General shall provide annually a list
15 of those special districts which are not in compliance with s.
16 218.39 to the Special District Information Program of the
17 Department of Community Affairs.

18 (d) During the Auditor General's review of audit
19 reports, he or she shall contact those units of local
20 government, as defined in s. 218.403, that are not in
21 compliance with s. 218.415 and request evidence of corrective
22 action. The unit of local government shall provide the Auditor
23 General with evidence of corrective action within 45 days
24 after the date it is requested by the Auditor General. If the
25 unit of local government fails to comply with the Auditor
26 General's request, the Auditor General shall notify the
27 Legislative Auditing Committee. The committee shall proceed
28 in accordance with s. 11.40(5). ~~If the Auditor General does~~
29 ~~not receive the requested items, he or she shall notify the~~
30 ~~Joint Legislative Auditing Committee.~~

31

1 ~~(e)~~b. The Auditor General shall notify the Governor
2 and the ~~Joint~~ Legislative Auditing Committee of any audit
3 report reviewed by the Auditor General pursuant to paragraph
4 (b) which contains a statement that the local governmental
5 entity or district school board is in a state of financial
6 emergency as provided in s. 218.503. If the Auditor General
7 requests a clarification regarding information included in an
8 audit report to determine whether a, ~~in reviewing any audit~~
9 ~~report, identifies additional information which indicates that~~
10 ~~the~~ local governmental entity or district school board is ~~may~~
11 ~~be~~ in a state of financial emergency, ~~as provided in s.~~
12 ~~218.503, the Auditor General shall request appropriate~~
13 ~~clarification from the local governmental entity or district~~
14 ~~school board.~~ the requested clarification must be provided
15 within 45 days after the date of the request. If the local
16 governmental entity or district school board does not comply
17 with the Auditor General's request, the Auditor General ~~does~~
18 ~~not receive the requested clarification, he or she~~ shall
19 notify the ~~Joint~~ Legislative Auditing Committee. If, after
20 obtaining the requested clarification, the Auditor General
21 determines that the local governmental entity or district
22 school board is in a state of financial emergency ~~as provided~~
23 ~~in s. 218.503~~, he or she shall notify the Governor and the
24 ~~Joint~~ Legislative Auditing Committee.

25 ~~(f)~~e. The Auditor General shall annually compile and
26 transmit to the President of the Senate, the Speaker of the
27 House of Representatives, and the ~~Joint~~ Legislative Auditing
28 Committee a summary of significant findings and financial
29 trends identified in audit reports reviewed in paragraph (b)
30 or otherwise identified by the Auditor General's review of
31 such audit reports and financial information, and identified

1 in audits of district school boards conducted by the Auditor
2 General. The Auditor General shall include financial
3 information provided pursuant to s. 218.32(1)(e) for entities
4 with fiscal years ending on or after June 30, 2003, within his
5 or her reports submitted pursuant to this paragraph.

6 (g) If the Auditor General discovers significant
7 errors, improper practices, or other significant discrepancies
8 in connection with his or her audits of a state agency or
9 state officer, the Auditor General shall notify the President
10 of the Senate, the Speaker of the House of Representatives,
11 and the Legislative Auditing Committee. The President of the
12 Senate and the Speaker of the House of Representatives shall
13 promptly forward a copy of the notification to the chairs of
14 the respective legislative committees, which in the judgment
15 of the President of the Senate and the Speaker of the House of
16 Representatives are substantially concerned with the functions
17 of the state agency or state officer involved. Thereafter, and
18 in no event later than the 10th day of the next succeeding
19 legislative session, the person in charge of the state agency
20 involved, or the state officer involved, as the case may be,
21 shall explain in writing to the President of the Senate, the
22 Speaker of the House of Representatives, and to the
23 Legislative Auditing Committee the reasons or justifications
24 for such errors, improper practices, or other significant
25 discrepancies and the corrective measures, if any, taken by
26 the agency.

27 (h) The Auditor General shall transmit to the
28 President of the Senate, the Speaker of the House of
29 Representatives, and the Legislative Auditing Committee by
30 December 1 of each year a list of statutory and fiscal changes
31 recommended by the Auditor General. The Auditor General may

1 also transmit recommendations at other times of the year when
2 the information would be timely and useful for the
3 Legislature.

4 (8) RULES OF THE AUDITOR GENERAL.--The Auditor
5 General, in consultation with the Board of Accountancy, shall
6 adopt rules for the form and conduct of all financial audits
7 performed by independent certified public accountants pursuant
8 to ss. 215.98, 218.39, 237.40, 240.299, and 240.331. The rules
9 for audits of local governmental entities and district school
10 boards must include, but are not limited to, requirements for
11 the reporting of information necessary to carry out the
12 purposes of the Local Government Financial Emergencies Act as
13 stated in s. 218.501.

14 (9) OTHER GUIDANCE PROVIDED BY THE AUDITOR
15 GENERAL.--The Auditor General, in consultation with the
16 Department of Education, shall develop a compliance supplement
17 for the financial audit of a district school board conducted
18 by an independent certified public accountant.~~audits of local~~
19 ~~governmental entities, district school boards, and charter~~
20 ~~schools performed by the independent certified public~~
21 ~~accountants.~~

22 ~~13. In conducting a performance audit of any agency,~~
23 ~~the Auditor General shall use the Agency Strategic Plan of the~~
24 ~~agency in evaluating the performance of the agency.~~

25 ~~(b) The Legislative Auditing Committee shall direct~~
26 ~~the Auditor General to make a financial audit of any~~
27 ~~municipality whenever petitioned to do so by at least 20~~
28 ~~percent of the electors of that municipality. The supervisor~~
29 ~~of elections of the county in which the municipality is~~
30 ~~located shall certify whether or not the petition contains the~~
31 ~~signatures of at least 20 percent of the electors of the~~

1 ~~municipality. After the completion of the audit, the Auditor~~
2 ~~General shall determine whether the municipality has the~~
3 ~~fiscal resources necessary to pay the cost of the audit. The~~
4 ~~municipality shall pay the cost of the audit within 90 days~~
5 ~~after the Auditor General's determination that the~~
6 ~~municipality has the available resources. If the municipality~~
7 ~~fails to pay the cost of the audit, the Department of Revenue~~
8 ~~shall, upon certification of the Auditor General, withhold~~
9 ~~from that portion of the distribution pursuant to s.~~
10 ~~212.20(6)(f)5. which is distributable to such municipality a~~
11 ~~sum sufficient to pay the cost of the audit and shall deposit~~
12 ~~that sum into the General Revenue Fund of the state.~~
13 ~~(c) The Auditor General shall at least every 2 years~~
14 ~~make a performance audit of the local government financial~~
15 ~~reporting system, which, for the purpose of this chapter,~~
16 ~~means the reporting provisions of this subsection and~~
17 ~~subsection (4); s. 27.3455(1) and (2); part VII of chapter~~
18 ~~112; s. 163.05; s. 166.241; chapter 189; parts III and V of~~
19 ~~chapter 218; and s. 925.037(5). The performance audit shall~~
20 ~~analyze each component of the reporting system separately and~~
21 ~~analyze the reporting system as a whole. The purpose of such~~
22 ~~an audit is to determine the accuracy, efficiency, and~~
23 ~~effectiveness of the reporting system in achieving its goals~~
24 ~~and objectives and to make recommendations to the local~~
25 ~~governments, the Governor, and the Legislature as to how the~~
26 ~~reporting system can be improved and how program costs can be~~
27 ~~reduced. Such goals and objectives must include, but need not~~
28 ~~be limited to, the timely, accurate, uniform, and~~
29 ~~cost-effective accumulation of financial and other information~~
30 ~~that can be used by the members of the Legislature and other~~
31 ~~appropriate officials in order to:~~

1 ~~1. Compare and contrast revenue sources and~~
2 ~~expenditures of local governmental entities;~~
3 ~~2. Assess the fiscal impact of the formation,~~
4 ~~dissolution, and activity of special districts;~~
5 ~~3. Evaluate the fiscal impact of state mandates on~~
6 ~~local governmental entities;~~
7 ~~4. Assess financial or economic conditions of local~~
8 ~~governmental entities; and~~
9 ~~5. Improve communication and coordination among state~~
10 ~~agencies and local governmental entities.~~
11 ~~(d) Whenever a local governmental entity requests the~~
12 ~~Auditor General to conduct an audit of all or part of its~~
13 ~~operations and the Auditor General conducts the audit under~~
14 ~~his or her own authority or at the direction of the~~
15 ~~Legislative Auditing Committee, the expenses of the audit~~
16 ~~shall be paid by the local governmental entity. The Auditor~~
17 ~~General shall estimate the cost of the audit. Fifty percent of~~
18 ~~the cost estimate shall be paid by the local governmental~~
19 ~~entity before the initiation of the audit and deposited into~~
20 ~~the General Revenue Fund of the state. After the completion of~~
21 ~~the audit, the Auditor General shall forward the actual cost~~
22 ~~of the audit to the local governmental entity. The local~~
23 ~~governmental entity shall remit the remainder of the cost of~~
24 ~~the audit to the Auditor General for deposit into the General~~
25 ~~Revenue Fund of the state. If the local governmental entity~~
26 ~~fails to pay the cost of the audit, the Auditor General shall~~
27 ~~notify the Legislative Auditing Committee. Following the~~
28 ~~notification, the committee may schedule a hearing. After the~~
29 ~~hearing, the committee shall determine if the local~~
30 ~~governmental entity should be subject to further state action.~~
31 ~~If the committee determines that the local governmental entity~~

1 ~~should be subject to further state action, the committee~~
2 ~~shall:~~

3 ~~1. In the case of a local governmental entity, request~~
4 ~~the Department of Revenue and the Department of Banking and~~
5 ~~Finance to withhold any funds payable to the governmental~~
6 ~~entity until the required payment is received by the Auditor~~
7 ~~General.~~

8 ~~2. In the case of a special district, notify the~~
9 ~~Department of Community Affairs that the special district has~~
10 ~~failed to pay for the cost of the audit. Upon receipt of~~
11 ~~notification, the Department of Community Affairs shall~~
12 ~~proceed pursuant to the provisions specified in ss. 189.421~~
13 ~~and 189.422.~~

14 ~~(4) If the Auditor General conducts an audit of a~~
15 ~~special district which indicates in its findings problems~~
16 ~~related to debt policy or practice, including failure to meet~~
17 ~~debt service payments, failure to comply with significant bond~~
18 ~~covenants, failure to meet bond reserve requirements, and~~
19 ~~significant erosion of a special district's revenue-producing~~
20 ~~capacity, a copy of the audit shall be submitted to the~~
21 ~~Division of Bond Finance of the State Board of Administration~~
22 ~~for review and comment. Upon receipt of this notification~~
23 ~~from the Auditor General, the Division of Bond Finance shall~~
24 ~~prepare a brief report describing the previous debt issued by~~
25 ~~the special district and submit the report to the Legislative~~
26 ~~Auditing Committee for their review and consideration.~~

27 ~~(5) Each audit required or authorized by this section,~~
28 ~~when practicable, shall be made and completed within not more~~
29 ~~than 12 months following the end of each fiscal year of the~~
30 ~~state agency or political subdivision, if an annual audit, or~~
31 ~~at such lesser time which may be provided by law or concurrent~~

1 ~~resolution or directed by the Legislative Auditing Committee.~~
2 ~~When the Auditor General is required by law to make a~~
3 ~~financial audit of the whole or a portion of a fiscal year of~~
4 ~~a political subdivision and his or her current workload of~~
5 ~~audits of state agencies and political subdivisions is so~~
6 ~~great that it is not practicable within the required time to~~
7 ~~perform such audit and also to make financial audits of that~~
8 ~~political subdivision as to any other period not previously~~
9 ~~audited by him or her, then in his or her discretion the~~
10 ~~Auditor General may temporarily or indefinitely postpone~~
11 ~~audits of such other period or any portion thereof unless~~
12 ~~otherwise directed by the committee.~~

13 ~~(6) The Legislative Auditing Committee may at any~~
14 ~~time, without regard to whether the Legislature is then in~~
15 ~~session or out of session, take under investigation any matter~~
16 ~~within the scope of an audit either completed or then being~~
17 ~~conducted by the Auditor General, and in connection with such~~
18 ~~investigation may exercise the powers of subpoena by law~~
19 ~~vested in a standing committee of the Legislature.~~

20 ~~(7)(a) The Auditor General may, when in his or her~~
21 ~~judgment it is necessary, designate and direct any auditor~~
22 ~~employed by the Auditor General to audit any accounts or~~
23 ~~records within the power of the Auditor General to audit. The~~
24 ~~auditor shall report his or her findings for review by the~~
25 ~~Auditor General, who shall prepare the audit report.~~

26 ~~(b) The audit report when final shall be a public~~
27 ~~record. The audit workpapers and notes are not a public~~
28 ~~record; however, those workpapers necessary to support the~~
29 ~~computations in the final audit report may be made available~~
30 ~~by a majority vote of the Legislative Auditing Committee after~~
31 ~~a public hearing showing proper cause. The audit workpapers~~

1 ~~and notes shall be retained by the Auditor General until no~~
2 ~~longer useful in his or her proper functions, after which time~~
3 ~~they may be destroyed.~~

4 ~~(c) The audit report must make special mention of:~~

5 ~~1. Any violation of the laws within the scope of the~~
6 ~~audit; and~~

7 ~~2. Any illegal or improper expenditure, any improper~~
8 ~~accounting procedures, all failures to properly record~~
9 ~~financial transactions, and all other inaccuracies,~~
10 ~~irregularities, shortages, and defalcations.~~

11 ~~(d) At the conclusion of the audit, the Auditor~~
12 ~~General or the Auditor General's designated representative~~
13 ~~shall discuss the audit with the official whose office is~~
14 ~~subject to audit and submit to that official a list of the~~
15 ~~Auditor General's adverse findings which may be included in~~
16 ~~the audit report. If the official is not available for receipt~~
17 ~~of the list of adverse audit findings, clearly designated as~~
18 ~~such, then delivery thereof is presumed to be made when it is~~
19 ~~delivered to his or her office. The official shall submit to~~
20 ~~the Auditor General or the designated representative, within~~
21 ~~30 days after the receipt of the list of findings, his or her~~
22 ~~written statement of explanation or rebuttal concerning all of~~
23 ~~the findings, including therein corrective action to be taken~~
24 ~~to preclude a recurrence of all adverse findings. Whenever~~
25 ~~necessary, the Office of Program Policy Analysis and~~
26 ~~Government Accountability may request the official to submit~~
27 ~~his or her written statement of explanation or rebuttal within~~
28 ~~15 days after the receipt of the list of findings.~~

29 ~~(e) Each agency head shall provide to the Legislative~~
30 ~~Auditing Committee, within 6 months after the published date~~
31

1 ~~of an audit report, a written explanation of the status of~~
2 ~~recommendations contained in the report.~~

3 ~~(f) No later than 18 months after the release of a~~
4 ~~performance audit report, the agencies which are the subject~~
5 ~~of that report shall provide data and other information that~~
6 ~~describes with specificity what the agencies have done to~~
7 ~~respond to the recommendations contained in the report. The~~
8 ~~Auditor General or the Office of Program Policy Analysis and~~
9 ~~Government Accountability may verify the data and information~~
10 ~~provided by the agencies. If the data and information~~
11 ~~provided by the agencies are deemed sufficient and accurate,~~
12 ~~the Auditor General or the Office of Program Policy Analysis~~
13 ~~and Government Accountability shall report to the Joint~~
14 ~~Legislative Auditing Committee and to the legislative standing~~
15 ~~committees concerned with the subject areas of the audit. The~~
16 ~~report shall include a summary of the agencies' responses, the~~
17 ~~evaluation of those responses, and any recommendations deemed~~
18 ~~to be appropriate. The followup report required by this~~
19 ~~paragraph may be waived by joint action of the President of~~
20 ~~the Senate and the Speaker of the House of Representatives~~
21 ~~upon the recommendation of the Director of the Office of~~
22 ~~Program Policy Analysis and Government Accountability.~~

23 ~~(8) If the Auditor General discovers any errors,~~
24 ~~unusual practices, or any other discrepancies in connection~~
25 ~~with his or her audits of a state agency or state officer, the~~
26 ~~Auditor General shall, as soon as practicable, notify in~~
27 ~~writing the President of the Senate and the Speaker of the~~
28 ~~House of Representatives, respectively, who, in turn, shall~~
29 ~~promptly thereafter forward a copy thereof to the chairs of~~
30 ~~the respective legislative committees, which in the judgment~~
31 ~~of the President of the Senate and the Speaker of the House of~~

1 ~~Representatives. Thereafter, and in no event later than the~~
2 ~~10th day of the next succeeding legislative session, the~~
3 ~~person in charge of the state agency involved, or the state~~
4 ~~officer involved, as the case may be, shall explain in writing~~
5 ~~to the President of the Senate and the Speaker of the House of~~
6 ~~Representatives and to the Legislative Auditing Committee the~~
7 ~~reasons or justifications for such errors, unusual practices,~~
8 ~~or discrepancies and the corrective measures, if any, taken by~~
9 ~~the agency.~~

10 ~~(9) All agencies, other than state agencies as defined~~
11 ~~herein, and all district school boards and district boards of~~
12 ~~trustees of community colleges shall have the power to have a~~
13 ~~performance audit or financial audit of their accounts and~~
14 ~~records by an independent certified public accountant retained~~
15 ~~by them and paid from their public funds.~~

16 ~~(10) The Auditor General shall provide annually a list~~
17 ~~of those special districts which are in compliance with this~~
18 ~~section and a list of those special districts which are not in~~
19 ~~compliance with this section for the Special District~~
20 ~~Information Program of the Department of Community Affairs.~~

21 ~~(11) In addition to any other provision of law~~
22 ~~granting access to records and accounts, the Auditor General~~
23 ~~may, pursuant to his or her own authority granted in this~~
24 ~~subsection or at the direction of the Legislative Auditing~~
25 ~~Committee, conduct audits of any direct-support organization~~
26 ~~or citizen-support organization authorized by law. Independent~~
27 ~~audits of direct-support organizations and citizen-support~~
28 ~~organizations conducted by certified public accountants shall~~
29 ~~be performed in accordance with rules adopted by the Auditor~~
30 ~~General.~~

31

1 Section 4. Section 11.47, Florida Statutes, is amended
2 to read:

3 11.47 Penalties; failure to make a proper audit or
4 examination; making a false ~~audit~~ report; failure to produce
5 documents or information.--

6 (1) All officers whose respective offices the Auditor
7 General or the Office of Program Policy Analysis and
8 Government Accountability is authorized to audit or examine
9 shall enter into their public records sufficient information
10 for proper audit or examination, and shall make the same
11 available to the Auditor General or the Office of Program
12 Policy Analysis and Government Accountability on demand.

13 (2) The willful failure or refusal of the Auditor
14 General, director of the Office of Program Policy Analysis and
15 Government Accountability, or any staff auditor employed by
16 the Auditor General or the Office of Program Policy Analysis
17 and Government Accountability to make a proper audit or
18 examination in line with his or her duty, the willful making
19 of a false report as to any audit or examination, or the
20 willful failure or refusal to report a shortage or
21 misappropriation of funds or property shall be cause for
22 removal from such office or employment, and the Auditor
23 General, the director of the Office of Program Policy Analysis
24 and Government Accountability, or a staff member auditor shall
25 be guilty of a misdemeanor of the first degree, punishable as
26 provided in s. 775.082 or s. 775.083.

27 (3) Any person who willfully fails or refuses to
28 furnish or produce any book, record, paper, document, data, or
29 sufficient information necessary to a proper audit or
30 examination which the Auditor General or the Office of Program
31 Policy Analysis and Government Accountability is by law

1 authorized to perform shall be guilty of a misdemeanor of the
2 first degree, punishable as provided in s. 775.082 or s.
3 775.083.

4 (4) Any officer who willfully fails or refuses to
5 furnish or produce any book, record, paper, document, data, or
6 sufficient information necessary to a proper audit or
7 examination which the Auditor General or the Office of Program
8 Policy Analysis and Government Accountability is by law
9 authorized to perform, shall be subject to removal from
10 office.

11 Section 5. Section 11.51, Florida Statutes, is amended
12 to read:

13 11.51 Office of Program Policy Analysis and Government
14 Accountability.--

15 (1) There is hereby created the Office of Program
16 Policy Analysis and Government Accountability ~~as a unit of the~~
17 ~~Office of the Auditor General appointed pursuant to s. 11.42.~~
18 The ~~Such~~ office shall perform independent examinations,
19 program reviews and other projects as provided by general law,
20 concurrent resolution, or as directed by the Legislative
21 Auditing Committee, and shall provide recommendations,
22 training, or other services as may assist the Legislature
23 ~~program evaluation and justification reviews as required by s.~~
24 ~~11.513 and performance audits as defined in s. 11.45 and shall~~
25 ~~contract for performance reviews of school districts pursuant~~
26 ~~to ss. 11.515 and 230.2302.~~

27 (2) The Office of Program Policy Analysis and
28 Government Accountability shall maintain a schedule of
29 examinations of state programs ~~is independent of the Auditor~~
30 ~~General appointed pursuant to s. 11.42 and the Public Counsel~~
31

1 ~~appointed pursuant to s. 350.061 for purposes of general~~
2 ~~policies established by the Legislative Auditing Committee.~~

3 (3) ~~The Auditor General shall provide administrative~~
4 ~~support and services to the~~ Office of Program Policy Analysis
5 and Government Accountability is authorized to examine all
6 entities and records listed in s. 11.45(3)(a) of Program
7 Policy Analysis and Government Accountability to the extent
8 required by the Legislative Auditing Committee.

9 (4) At the conclusion of an examination, the
10 designated representative of the director of the Office of
11 Program Policy Analysis and Government Accountability shall
12 discuss the examination with the official whose office is
13 examined and submit to that official the Office of Program
14 Policy Analysis and Government Accountability's preliminary
15 findings. If the official is not available for receipt of the
16 preliminary findings, clearly designated as such, then
17 delivery thereof is presumed to be made when it is delivered
18 to his or her office. Whenever necessary, the Office of
19 Program Policy Analysis and Government Accountability may
20 request the official to submit his or her written statement of
21 explanation or rebuttal within 15 days after the receipt of
22 the findings. If the response time is not requested to be
23 within 15 days, the official shall submit his or her response
24 within 30 days after receipt of the preliminary findings.

25 (5) The report of the Office of Program Policy
26 Analysis and Government Accountability when final shall be a
27 public record. The office's workpapers and notes are not a
28 public record; however, those workpapers necessary to support
29 the computations in the final report may be made available by
30 a majority vote of the Legislative Auditing Committee after a
31 public hearing showing proper cause. The workpapers and notes

1 shall be retained by the director of the Office of Program
2 Policy Analysis and Government Accountability until no longer
3 useful in his or her proper functions, after which time they
4 may be destroyed.

5 (6) No later than 18 months after the release of a
6 report of the Office of Program Policy Analysis and Government
7 Accountability, the agencies that are the subject of that
8 report shall provide data and other information that describes
9 with specificity what the agencies have done to respond to the
10 recommendations contained in the report. The Office of Program
11 Policy Analysis and Government Accountability may verify the
12 data and information provided by the agencies. If the data and
13 information provided by the agencies are deemed sufficient and
14 accurate, the Office of Program Policy Analysis and Government
15 Accountability shall report to the Legislative Auditing
16 Committee and to the legislative standing committees concerned
17 with the subject areas of the audit. The report shall include
18 a summary of the agencies' responses, the evaluation of those
19 responses, and any recommendations deemed to be appropriate.

20 Section 6. Section 11.511, Florida Statutes, is
21 amended 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 (1)(a) The Legislative Auditing Committee shall
26 appoint a director of the Office of Program Policy Analysis
27 and Government Accountability by majority vote of the
28 committee, subject to confirmation by a majority vote of the
29 Senate and the House of Representatives. At the time of
30 appointment, the director must have had 10 years' experience
31 in policy analysis and program evaluation. The reappointment

1 of a director is subject to confirmation by a majority vote of
2 the Senate and the House of Representatives. The Legislative
3 Auditing Committee may appoint an interim director.

4 (b) The appointment of the director may be terminated
5 at any time by a majority vote of the Senate and the House of
6 Representatives.

7 (2)(a) The director shall take and subscribe to the
8 oath of office required of state officers by the State
9 Constitution.

10 (b) Until such time as each house confirms the
11 appointment of the director, the appointee shall perform the
12 functions as provided by law ~~in this section and s. 11.513~~.

13 (3)(a) The director shall make all spending decisions
14 under the annual operating budget approved by the President of
15 the Senate and the Speaker of the House of Representatives.
16 The director shall employ and set the compensation of such
17 professional, technical, legal, and clerical staff as may be
18 necessary to fulfill the responsibilities of the Office of
19 Program Policy Analysis and Government Accountability ~~perform~~
20 ~~all the requirements of this section and s. 11.513~~, in
21 accordance with the joint policies and procedures of the
22 President of the Senate and the Speaker of the House of
23 Representatives, and may remove these personnel. The staff
24 must be chosen to provide a broad background of experience and
25 expertise and, to the maximum extent possible, to represent a
26 range of disciplines that includes law, engineering, public
27 administration, environmental science, policy analysis
28 ~~science~~, economics, sociology, and philosophy.

29 (b) An officer or full-time employee of the Office of
30 Program Policy Analysis and Government Accountability may not
31 ~~actively engage in any other business or profession~~ serve as

1 the representative of any political party or on any executive
2 committee or other governing body thereof; receive
3 remuneration for activities on behalf of any candidate for
4 public office; or engage, on behalf of any candidate for
5 public office, in the solicitation of votes or other
6 activities in behalf of such candidacy. Neither the director
7 of the Office of Program Policy Analysis and Government
8 Accountability nor any employee of that office may become a
9 candidate for election to public office unless he or she first
10 resigns from office or employment.

11 (4) The director shall perform and/or contract for the
12 performance of examinations ~~program evaluation and~~
13 ~~justification reviews~~ and other ~~related~~ duties as prescribed
14 by law. The director shall perform his or her duties
15 independently but under general policies established by the
16 Legislative Auditing Committee.

17 (5) The director may adopt and enforce reasonable
18 rules necessary to facilitate the examinations ~~studies,~~
19 ~~reviews, and reports,~~ and other tasks that he or she is
20 authorized to perform.

21 (6) When the director determines that conducting an
22 examination would not be possible due to workload limitations
23 or the project does not appear to be of critical interest to
24 the Legislature, then, with the consent of the President of
25 the Senate and the Speaker of the House of Representatives,
26 the director may temporarily or indefinitely postpone such
27 examinations. ~~The director, with the consent of the President~~
28 ~~of the Senate and the Speaker of the House of Representatives,~~
29 ~~may modify the work schedule of the office in order to~~
30 ~~concentrate its efforts on agency programs that are determined~~
31 ~~to have high oversight priority. The modification may include~~

1 ~~reduction or elimination of recurring performance audits~~
2 ~~existing in law on July 1, 1999, but which do not appear to be~~
3 ~~of critical interest to the Legislature.~~The director may at
4 any time conduct a performance review of a governmental entity
5 created by law.

6 Section 7. Section 11.513, Florida Statutes, is
7 amended to read:

8 11.513 Program evaluation and justification review.--

9 (1) Each state agency shall be subject to a program
10 evaluation and justification review by the Office of Program
11 Policy Analysis and Government Accountability ~~in accordance~~
12 ~~with the schedule provided in s. 216.0172 or~~ as determined by
13 the Legislative Auditing Committee. Each state agency shall
14 offer its complete cooperation to the Office of Program Policy
15 Analysis and Government Accountability so that such review may
16 be accomplished.

17 (2) A ~~Prior to the initiation of a state agency's~~
18 ~~program evaluation and justification review and no later than~~
19 ~~July 1 of the year in which a state agency begins operating~~
20 ~~under a performance-based program budget, the state agency's~~
21 ~~inspector general, internal auditor, or other person~~
22 ~~designated by the agency head shall develop, in consultation~~
23 ~~with the Office of Program Policy Analysis and Government~~
24 ~~Accountability, a plan for monitoring and reviewing the state~~
25 ~~agency's major programs to ensure that performance data are~~
26 ~~maintained and supported by agency records.~~

27 (3) The program evaluation and justification review
28 shall be conducted on major programs, but may include other
29 programs. The review shall be comprehensive in its scope but,
30 at a minimum, must be conducted in such a manner as to
31 specifically determine the following, and to consider and

1 determine what changes, if any, are needed with respect
2 thereto:

3 (a) The identifiable cost of each program.

4 (b) The specific purpose of each program, as well as
5 the specific public benefit derived therefrom.

6 (c) Progress toward achieving the outputs and outcomes
7 associated with each program.

8 (d) An explanation of circumstances contributing to
9 the state agency's ability to achieve, not achieve, or exceed
10 its projected outputs and outcomes, as defined in s. 216.011,
11 associated with each program.

12 (e) Alternate courses of action that would result in
13 administration of the same program in a more efficient or
14 effective manner. The courses of action to be considered must
15 include, but are not limited to:

16 1. Whether the program could be organized in a more
17 efficient and effective manner, whether the program's mission,
18 goals, or objectives should be redefined, or, when the state
19 agency cannot demonstrate that its efforts have had a positive
20 effect, whether the program should be reduced in size or
21 eliminated.

22 2. Whether the program could be administered more
23 efficiently or effectively to avoid duplication of activities
24 and ensure that activities are adequately coordinated.

25 3. Whether the program could be performed more
26 efficiently or more effectively by another unit of government
27 or a private entity, or whether a program performed by a
28 private entity could be performed more efficiently and
29 effectively by a state agency.

30 4. When compared to costs, whether effectiveness
31 warrants elimination of the program or, if the program serves

1 a limited interest, whether it should be redesigned to require
2 users to finance program costs.

3 5. Whether the cost to administer the program exceeds
4 license and other fee revenues paid by those being regulated.

5 6. Whether other changes could improve the efficiency
6 and effectiveness of the program.

7 (f) The consequences of discontinuing such program. If
8 any discontinuation is recommended, such recommendation must
9 be accompanied by a description of alternatives to implement
10 such recommendation, including an implementation schedule for
11 discontinuation and recommended procedures for assisting state
12 agency employees affected by the discontinuation.

13 (g) Determination as to public policy, which may
14 include recommendations as to whether it would be sound public
15 policy to continue or discontinue funding the program, either
16 in whole or in part, in the existing manner.

17 (h) Whether the information reported as part of the
18 state's performance based program budgeting system ~~pursuant to~~
19 ~~s. 216.031(5)~~ has relevance and utility for the evaluation of
20 each program.

21 (i) Whether state agency management has established
22 control systems sufficient to ensure that performance data are
23 maintained and supported by state agency records and
24 accurately presented in state agency performance reports.

25 (4) No later than December 1 of the second year
26 following the year in which an agency begins operating under a
27 performance-based program budget, the Office of Program Policy
28 Analysis and Government Accountability shall submit a report
29 of evaluation and justification review findings and
30 recommendations to the President of the Senate, the Speaker of
31 the House of Representatives, the chairpersons of the

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

7 (5) The Legislature intends that the program
8 evaluation and justification review procedure be designed to
9 assess the efficiency, effectiveness, and long-term
10 implications of current or alternative state policies, and
11 that the procedure results in recommendations for the
12 improvement of such policies and state government. To that
13 end, whenever possible, all reports submitted pursuant to
14 subsection (4) must include an identification of the estimated
15 financial consequences, including any potential savings, that
16 could be realized if the recommendations or alternative
17 courses of action were implemented.

18 ~~(6) At any time, the Legislative Auditing Committee~~
19 ~~may direct that a program evaluation and justification review~~
20 ~~be conducted by the Office of Program Policy Analysis and~~
21 ~~Government Accountability. In order to allow the office the~~
22 ~~flexibility in carrying out the provisions of this act and to~~
23 ~~reduce duplicative auditing requirements, the Legislative~~
24 ~~Auditing Committee may waive the requirements of any law~~
25 ~~existing as of the effective date of this act to conduct a~~
26 ~~performance audit.~~

27 (6)(7) Evaluation and justification reviews may
28 include consideration of programs provided by other agencies
29 which are integrally related to the programs administered by
30 the state agency or entity which is scheduled for review as
31

1 ~~pursuant to s. 216.0172 or the schedule~~ determined by the
2 Legislative Auditing Committee.

3 ~~(8) If recommended by the director of the Office of~~
4 ~~Program Policy Analysis and Government Accountability, the~~
5 ~~President of the Senate and the Speaker of the House of~~
6 ~~Representatives may jointly direct that any program evaluation~~
7 ~~and justification review requirement existing on July 1, 1999,~~
8 ~~be postponed to allow the Office of Program Policy Analysis~~
9 ~~and Government Accountability to conduct a review of another~~
10 ~~program considered more urgent.~~

11 Section 8. Subsection (15) of section 14.29, Florida
12 Statutes, is amended to read:

13 14.29 Florida Commission on Community Service.--

14 (15) The direct-support organization shall provide for
15 an annual financial ~~and compliance~~ audit ~~of its financial~~
16 ~~accounts and records by an independent certified public~~
17 ~~accountant in accordance with s. 215.98 rules established by~~
18 ~~the commission. The annual audit report must be submitted to~~
19 ~~the commission for review and approval. Upon approval, the~~
20 ~~board shall certify the audit report to the Auditor General~~
21 ~~for review.~~

22 Section 9. Paragraphs (f) and (g) of subsection (5) of
23 section 20.055, Florida Statutes, are amended to read:

24 20.055 Agency inspectors general.--

25 (5) In carrying out the auditing duties and
26 responsibilities of this act, each inspector general shall
27 review and evaluate internal controls necessary to ensure the
28 fiscal accountability of the state agency. The inspector
29 general shall conduct financial, compliance, electronic data
30 processing, and performance audits of the agency and prepare
31 audit reports of his or her findings. The scope and assignment

1 of the audits shall be determined by the inspector general;
2 however, the agency head may at any time direct the inspector
3 general to perform an audit of a special program, function, or
4 organizational unit. The performance of the audit shall be
5 under the direction of the inspector general, except that if
6 the inspector general does not possess the qualifications
7 specified in subsection (4), the director of auditing shall
8 perform the functions listed in this subsection.

9 (f) The Auditor General, in connection with the
10 independent postaudit of the same agency pursuant to s. 11.45,
11 shall give appropriate consideration to internal audit reports
12 and the resolution of findings therein. The Legislative
13 Auditing Committee may inquire into the reasons or
14 justifications for failure of the agency head to correct the
15 deficiencies reported in internal audits that are also
16 reported by the Auditor General and shall take appropriate
17 action. ~~The Auditor General shall also review a sample of each~~
18 ~~agency's internal audit reports at least once every 3 years to~~
19 ~~determine compliance with current Standards for the~~
20 ~~Professional Practice of Internal Auditing or, if appropriate,~~
21 ~~generally accepted governmental auditing standards. If the~~
22 ~~Auditor General finds that these standards have not been~~
23 ~~complied with, the Auditor General shall include a statement~~
24 ~~of this fact in the audit report of the agency.~~

25 (g) The inspector general shall monitor the
26 implementation of the state agency's response to any report on
27 audit of the state agency issued conducted by the Auditor
28 General or by the Office of Program Policy Analysis and
29 Government Accountability pursuant to s. 11.45. No later than
30 6 months after the Auditor General or the Office of Program
31 Policy Analysis and Government Accountability publishes a

1 report on ~~of the audit of~~ the state agency, the inspector
2 general shall provide a written response ~~report~~ to the agency
3 head on the status of corrective actions taken. The Inspector
4 General shall file a copy of such response ~~report shall be~~
5 ~~filed~~ with the Legislative Auditing Committee.

6 Section 10. Subsection (6) of section 20.23, Florida
7 Statutes, is amended to read:

8 20.23 Department of Transportation.--There is created
9 a Department of Transportation which shall be a decentralized
10 agency.

11 (6) To facilitate the efficient and effective
12 management of the department in a businesslike manner, the
13 department shall develop a system for the submission of
14 monthly management reports to the Florida Transportation
15 Commission and secretary from the district secretaries. The
16 commission and the secretary shall determine which reports are
17 required to fulfill their respective responsibilities under
18 this section. A copy of each such report shall be submitted
19 monthly to the appropriations and transportation committees of
20 the Senate and the House of Representatives. Recommendations
21 made by the Auditor General or the Office of Program Policy
22 Analysis and Government Accountability in their reports on his
23 ~~or her audits~~ of the department that relate to management
24 practices, systems, or reports shall be implemented in a
25 timely manner. However, if the department determines that one
26 or more of the recommendations should be altered or should not
27 be implemented, it shall provide a written explanation of such
28 determination to the Legislative Auditing Committee within 6
29 months after the date the recommendations were published.

30 Section 11. Subsection (3) of section 20.2551, Florida
31 Statutes, is amended to read:

1 20.2551 Citizen support organizations; use of
2 property; audit; public records; partnerships.--
3 (3) ANNUAL AUDIT.--~~Each Any~~ citizen support
4 organization ~~which has annual expenditures of \$100,000 or more~~
5 shall provide for ~~cause~~ an annual financial audit in
6 accordance with s. 215.98 ~~postaudit of its financial accounts~~
7 ~~to be conducted by an independent certified public accountant~~
8 ~~in accordance with rules to be adopted by the department. The~~
9 ~~annual audit report shall be submitted to the Auditor General~~
10 ~~and the department for review. The Auditor General and the~~
11 ~~department are each authorized to require and obtain from the~~
12 ~~citizen support organization, or from its independent auditor,~~
13 ~~such data as may be needed relative to the operation of the~~
14 ~~organization.~~

15 Section 12. Paragraph (c) of subsection (13) of
16 section 24.105, Florida Statutes, is amended to read:

17 24.105 Powers and duties of department.--The
18 department shall:

19 (13)

20 (c) Any information made confidential and exempt from
21 the provisions of s. 119.07(1) under this subsection shall be
22 disclosed to a member of the commission, to the Auditor
23 General, to the Office of Program Policy Analysis and
24 Government Accountability, or to the independent auditor
25 selected under s. 24.123 upon such person's request therefor.
26 If the President of the Senate or the Speaker of the House of
27 Representatives certifies that information made confidential
28 under this subsection is necessary for effecting legislative
29 changes, the requested information shall be disclosed to him
30 or her, and he or she may disclose such information to members
31

1 of the Legislature and legislative staff as necessary to
2 effect such purpose.

3 Section 13. Subsection (4) of section 24.120, Florida
4 Statutes, is amended to read:

5 24.120 Financial matters; Administrative Trust Fund;
6 interagency cooperation.--

7 (4) The department shall cooperate with the State
8 Treasurer, the Comptroller, ~~and the Auditor General~~, and the
9 Office of Program Policy Analysis and Government
10 Accountability by giving employees designated by any of them
11 access to facilities of the department for the purpose of
12 efficient compliance with their respective responsibilities.

13 Section 14. Subsection (1) and paragraph (a) of
14 subsection (2) of section 27.3455, Florida Statutes, are
15 amended to read:

16 27.3455 Annual statement of certain revenues and
17 expenditures.--

18 (1) Each county shall submit annually to the
19 Comptroller ~~and the Auditor General~~ a statement of revenues
20 and expenditures as set forth in this section in the form and
21 manner prescribed by the Comptroller in consultation with the
22 Legislative Committee on Intergovernmental Relations, provided
23 that such statement identify total county expenditures on:

24 (a) Medical examiner services.

25 (b) County victim witness programs.

26 (c) Each of the services outlined in ss. 27.34(2) and
27 27.54(3).

28 (d) Appellate filing fees in criminal cases in which
29 an indigent defendant appeals a judgment of a county or
30 circuit court to a district court of appeal or the Florida
31 Supreme Court.

1 (e) Other court-related costs of the state attorney
2 and public defender that were paid by the county where such
3 costs were included in a judgment or order rendered by the
4 trial court against the county.

5
6 Such statement also shall identify the revenues provided by s.
7 938.05(1) that were used to meet or reimburse the county for
8 such expenditures.

9 (2)(a) Within 6 months of the close of the local
10 government fiscal year, each county shall submit to the
11 Comptroller a statement of compliance from its independent
12 certified public accountant, engaged pursuant to s. 218.39
13 ~~chapter 11~~, that the certified statement of expenditures was
14 in accordance with ss. 27.34(2), 27.54(3), and this section.
15 All discrepancies noted by the independent certified public
16 accountant shall be included in the statement furnished by the
17 county to the Comptroller.

18 Section 15. Subsection (5) of section 30.51, Florida
19 Statutes, is amended to read:

20 30.51 Fees and commissions.--

21 (5) All fees, commissions, or other funds collected by
22 the sheriff for services rendered or performed by his or her
23 office shall be remitted monthly to the county, ~~in the manner~~
24 ~~prescribed by the auditor general.~~

25 Section 16. Paragraph (k) of subsection (2) of section
26 39.202, Florida Statutes, is amended to read:

27 39.202 Confidentiality of reports and records in cases
28 of child abuse or neglect.--

29 (2) Access to such records, excluding the name of the
30 reporter which shall be released only as provided in
31

1 subsection (4), shall be granted only to the following
2 persons, officials, and agencies:

3 (k) Any appropriate official of a Florida advocacy
4 council investigating a report of known or suspected child
5 abuse, abandonment, or neglect; the Auditor General or the
6 Office of Program Policy Analysis and Government
7 Accountability for the purpose of conducting audits or
8 examinations ~~preliminary or compliance reviews~~ pursuant to law
9 ~~s. 11.45~~; or the guardian ad litem for the child.

10 Section 17. Subsection (1) of section 110.109, Florida
11 Statutes, is amended to read:

12 110.109 Productivity improvement and personnel audits
13 of executive branch agencies.--The department shall be
14 responsible for conducting personnel audits of all executive
15 branch agencies, except the State University System, to
16 provide as follows:

17 (1) In order to provide for the improvement of
18 productivity and human resources management, the department
19 shall have the authority to conduct agency personnel
20 administration and management reviews to assist agencies in
21 identifying areas of recommended improvement. Such reviews
22 shall be conducted in cooperation with the internal auditor of
23 the employing agency so as to ascertain the operational
24 necessity and effectiveness of agency personnel programs and
25 human resource management. A copy of any such reviews made by
26 the department shall be submitted to the Legislature, ~~and~~ the
27 Auditor General, and the Office of Program Policy Analysis and
28 Government Accountability.

29 Section 18. Paragraph (a) of subsection (9) of section
30 112.313, Florida Statutes, is amended to read:

31

1 112.313 Standards of conduct for public officers,
2 employees of agencies, and local government attorneys.--

3 (9) POSTEMPLOYMENT RESTRICTIONS; STANDARDS OF CONDUCT
4 FOR LEGISLATORS AND LEGISLATIVE EMPLOYEES.--

5 (a)1. It is the intent of the Legislature to implement
6 by statute the provisions of s. 8(e), Art. II of the State
7 Constitution relating to legislators, statewide elected
8 officers, appointed state officers, and designated public
9 employees.

10 2. As used in this paragraph:

11 a. "Employee" means:

12 (I) Any person employed in the executive or
13 legislative branch of government holding a position in the
14 Senior Management Service as defined in s. 110.402 or any
15 person holding a position in the Selected Exempt Service as
16 defined in s. 110.602 or any person having authority over
17 policy or procurement employed by the Department of the
18 Lottery.

19 (II) The Auditor General, the director of the Office
20 of Program Policy Analysis and Government Accountability, the
21 Sergeant at Arms and Secretary of the Senate, and the Sergeant
22 at Arms and Clerk of the House of Representatives.

23 (III) The executive director of the Legislative
24 Committee on Intergovernmental Relations and the executive
25 director and deputy executive director of the Commission on
26 Ethics.

27 (IV) An executive director, staff director, or deputy
28 staff director of each joint committee, standing committee, or
29 select committee of the Legislature; an executive director,
30 staff director, executive assistant, analyst, or attorney of
31 the Office of the President of the Senate, the Office of the

1 Speaker of the House of Representatives, the Senate Majority
2 Party Office, Senate Minority Party Office, House Majority
3 Party Office, or House Minority Party Office; or any person,
4 hired on a contractual basis, having the power normally
5 conferred upon such persons, by whatever title.

6 (V) The Chancellor and Vice Chancellors of the State
7 University System; the general counsel to the Board of
8 Regents; and the president, vice presidents, and deans of each
9 state university.

10 (VI) Any person having the power normally conferred
11 upon the positions referenced in this sub-subparagraph.

12 b. "Appointed state officer" means any member of an
13 appointive board, commission, committee, council, or authority
14 of the executive or legislative branch of state government
15 whose powers, jurisdiction, and authority are not solely
16 advisory and include the final determination or adjudication
17 of any personal or property rights, duties, or obligations,
18 other than those relative to its internal operations.

19 c. "State agency" means an entity of the legislative,
20 executive, or judicial branch of state government over which
21 the Legislature exercises plenary budgetary and statutory
22 control.

23 3. No member of the Legislature, appointed state
24 officer, or statewide elected officer shall personally
25 represent another person or entity for compensation before the
26 government body or agency of which the individual was an
27 officer or member for a period of 2 years following vacation
28 of office. No member of the Legislature shall personally
29 represent another person or entity for compensation during his
30 or her term of office before any state agency other than
31

1 judicial tribunals or in settlement negotiations after the
2 filing of a lawsuit.

3 4. No agency employee shall personally represent
4 another person or entity for compensation before the agency
5 with which he or she was employed for a period of 2 years
6 following vacation of position, unless employed by another
7 agency of state government.

8 5. Any person violating this paragraph shall be
9 subject to the penalties provided in s. 112.317 and a civil
10 penalty of an amount equal to the compensation which the
11 person receives for the prohibited conduct.

12 6. This paragraph is not applicable to:

13 a. A person employed by the Legislature or other
14 agency prior to July 1, 1989;

15 b. A person who was employed by the Legislature or
16 other agency on July 1, 1989, whether or not the person was a
17 defined employee on July 1, 1989;

18 c. A person who was a defined employee of the State
19 University System or the Public Service Commission who held
20 such employment on December 31, 1994;

21 d. A person who has reached normal retirement age as
22 defined in s. 121.021(29), and who has retired under the
23 provisions of chapter 121 by July 1, 1991; or

24 e. Any appointed state officer whose term of office
25 began before January 1, 1995, unless reappointed to that
26 office on or after January 1, 1995.

27 Section 19. Paragraphs (a) and (c) of subsection (7)
28 of section 112.324, Florida Statutes, are amended to read:

29 112.324 Procedures on complaints of violations.--

30 (7) If, in cases pertaining to complaints other than
31 complaints against impeachable officers or members of the

1 Legislature, upon completion of a full and final investigation
2 by the commission, the commission finds that there has been a
3 violation of this part or of s. 8, Art. II of the State
4 Constitution, it shall be the duty of the commission to report
5 its findings and recommend appropriate action to the proper
6 disciplinary official or body as follows, and such official or
7 body shall have the power to invoke the penalty provisions of
8 this part, including the power to order the appropriate
9 elections official to remove a candidate from the ballot for a
10 violation of s. 112.3145 or s. 8(a) and (i), Art. II of the
11 State Constitution:

12 (a) The President of the Senate and the Speaker of the
13 House of Representatives, jointly, in any case concerning the
14 Public Counsel, members of the Public Service Commission,
15 members of the Public Service Commission Nominating Council,
16 the Auditor General, the director of the Office of Program
17 Policy Analysis and Government Accountability, or members of
18 the Legislative Committee on Intergovernmental Relations.

19 (c) The President of the Senate, in any case
20 concerning an employee of the Senate; the Speaker of the House
21 of Representatives, in any case concerning an employee of the
22 House of Representatives; or the President and the Speaker,
23 jointly, in any case concerning an employee of a committee of
24 the Legislature whose members are appointed solely by the
25 President and the Speaker or in any case concerning an
26 employee of the Public Counsel, Public Service Commission,
27 Auditor General, Office of Program Policy Analysis and
28 Government Accountability, or Legislative Committee on
29 Intergovernmental Relations.

30 Section 20. Subsection (2) of section 112.63, Florida
31 Statutes, is amended to read:

1 112.63 Actuarial reports and statements of actuarial
2 impact; review.--
3 (2) The frequency of actuarial reports must be at
4 least every 3 years commencing from the last actuarial report
5 of the plan or system or October 1, 1980, if no actuarial
6 report has been issued within the 3-year period prior to
7 October 1, 1979. The results of each actuarial report shall be
8 filed with the plan administrator within 60 days of
9 certification. Thereafter, the results of each actuarial
10 report shall be made available for inspection upon request.
11 Additionally, each retirement system or plan covered by this
12 act which is not administered directly by the Department of
13 Management Services shall furnish a copy of each actuarial
14 report to the Department of Management Services within 60 days
15 after receipt from the actuary. The requirements of this
16 section are supplemental to actuarial valuations necessary to
17 comply with the requirements of ss. 218.321 ~~11.45~~ and 218.39
18 ~~218.32~~.

19 Section 21. Section 116.07, Florida Statutes, is
20 amended to read:

21 116.07 Account books to be kept by sheriffs and
22 clerks.--All sheriffs and clerks of the circuit court and ex
23 officio clerks of the boards of county commissioners of this
24 state shall keep books of account and of record in accordance
25 with s. 218.33 ~~forms to be approved by the Auditor General,~~
26 ~~except such books and forms as are now otherwise provided for~~
27 ~~by law.~~

28 Section 22. Subsection (6) of section 119.07, Florida
29 Statutes, is amended to read:

30 119.07 Inspection, examination, and duplication of
31 records; exemptions.--

1 (6) Nothing in subsection (3) or any other general or
2 special law shall limit the access of the Auditor General, the
3 Office of Program Policy Analysis and Government
4 Accountability, or any state, county, municipal, university,
5 board of community college, school district, or special
6 district internal auditor to public records when such person
7 ~~auditor~~ states in writing that such records are needed for a
8 properly authorized audit, examination, or investigation. Such
9 person ~~auditor~~ shall maintain the confidentiality of any
10 public records that are confidential or exempt from the
11 provisions of subsection (1) and shall be subject to the same
12 penalties as the custodians of those public records for
13 violating confidentiality.

14 Section 23. Paragraph (b) of subsection (8) of section
15 122.03, Florida Statutes, is amended to read:

16 122.03 Contributions; participants; prior service
17 credit.--

18 (8) Any surviving spouse of a county official or
19 former county official, who was formerly employed full time in
20 the office of the county official and who is presently
21 employed by the said county official or is a county official
22 of any such county and who did not receive compensation for a
23 period of more than 10 years as such employee, may receive
24 credit for retirement purposes as provided for in this chapter
25 by:

26 (b) Submitting affidavits from ~~one assistant auditor~~
27 ~~general~~ and two county officials or former county officials
28 from any such county to substantiate said employment.

29 Section 24. Subsection (7) of section 122.08, Florida
30 Statutes, is amended to read:

31

1 122.08 Requirements for retirement;
2 classifications.--There shall be two retirement
3 classifications for all state and county officers and
4 employees participating herein as hereafter provided in this
5 section:

6 (7) No state or county official or employee who has a
7 shortage in his or her accounts, ~~as certified by the Auditor~~
8 ~~General~~, may retire or receive any benefits under this chapter
9 so long as such shortage exists.

10 Section 25. Paragraph (x) of subsection (1) of section
11 125.01, Florida Statutes, is amended to read:

12 125.01 Powers and duties.--

13 (1) The legislative and governing body of a county
14 shall have the power to carry on county government. To the
15 extent not inconsistent with general or special law, this
16 power includes, but is not restricted to, the power to:

17 (x) Employ an independent certified public accounting
18 firm to audit any funds, accounts, and financial records of
19 the county and its agencies and governmental subdivisions.
20 Entities that are funded wholly or in part by the county, at
21 the discretion of the county, may be required by the county to
22 conduct a performance audit paid for by the county. An entity
23 shall not be considered as funded by the county by virtue of
24 the fact that such entity utilizes the county to collect
25 taxes, assessments, fees, or other revenue. If an independent
26 special district receives county funds pursuant to a contract
27 or interlocal agreement for the purposes of funding, in whole
28 or in part, a discrete program of the district, only that
29 program may be required by the county to undergo a performance
30 audit. Not fewer than five copies of each complete audit
31 report, with accompanying documents, shall be filed with the

1 clerk of the circuit court and maintained there for public
2 inspection. The clerk shall thereupon forward one complete
3 copy of the audit report with accompanying documents to the
4 Auditor General, ~~who shall retain the same as a public record~~
5 ~~for 10 years from receipt thereof.~~

6 Section 26. Subsection (1) of section 145.022, Florida
7 Statutes, is amended to read:

8 145.022 Guaranteed salary upon resolution of board of
9 county commissioners.--

10 (1) Any board of county commissioners, with the
11 concurrence of the county official involved, shall by
12 resolution guarantee and appropriate a salary to the county
13 official, in an amount specified in this chapter, if all fees
14 collected by such official are turned over to the board of
15 county commissioners. Such a resolution is applicable only
16 with respect to the county official who concurred in its
17 adoption and only for the duration of such official's tenure
18 in his or her current term of office. ~~Copies of the~~
19 ~~resolution adopted shall be filed with the Department of~~
20 ~~Banking and Finance and the Auditor General.~~

21 Section 27. Subsection (2) of section 145.14, Florida
22 Statutes, is amended to read:

23 145.14 Compensation of other county officials;
24 guarantee.--

25 (2) With the concurrence of any county officer
26 described by subsection (1), any board of county commissioners
27 may by resolution guarantee and appropriate to that officer a
28 salary not to exceed \$9,600 in lieu of fees, if all fees
29 collected are turned over to the board of county
30 commissioners. ~~Copies of the resolution shall be filed with~~
31 ~~the Department of Banking and Finance and the Auditor General.~~

1 Section 28. Paragraph (o) of subsection (1) of section
2 154.11, Florida Statutes, is amended to read:

3 154.11 Powers of board of trustees.--

4 (1) The board of trustees of each public health trust
5 shall be deemed to exercise a public and essential
6 governmental function of both the state and the county and in
7 furtherance thereof it shall, subject to limitation by the
8 governing body of the county in which such board is located,
9 have all of the powers necessary or convenient to carry out
10 the operation and governance of designated health care
11 facilities, including, but without limiting the generality of,
12 the foregoing:

13 (o) To employ certified public accountants to audit
14 and analyze the records of the board and to prepare financial
15 or revenue statements of the board; however, this paragraph
16 shall not in any way affect any responsibility of the Auditor
17 General pursuant to s. 11.45 ~~in connection with the records of~~
18 ~~the board.~~

19 Section 29. Paragraph (d) of subsection (2) of section
20 154.331, Florida Statutes, is amended to read:

21 154.331 County health and mental health care special
22 districts.--Each county may establish a dependent special
23 district pursuant to the provisions of chapter 125 or, by
24 ordinance, create an independent special district as defined
25 in s. 200.001(8)(e) to provide funding for indigent and other
26 health and mental health care services throughout the county
27 in accordance with this section. The county governing body
28 shall obtain approval, by a majority vote of the electors, to
29 establish the district with authority to annually levy ad
30 valorem taxes which shall not exceed the maximum millage rate
31 authorized by this section. Any independent health or mental

1 health care special district created by this section shall be
2 required to levy and fix millage subject to the provisions of
3 s. 200.065. Once approved by the electorate, the independent
4 health or mental health care special district shall not be
5 required to seek approval of the electorate in future years to
6 levy the previously approved millage.

7 (2)

8 (d) All financial records and accounts relating to the
9 independent health or mental health care special district
10 shall be available for review by the county governing body ~~and~~
11 ~~for audit by state auditors assigned from time to time to~~
12 ~~audit the affairs of the county officials.~~

13 Section 30. Paragraph (c) of subsection (3) of section
14 163.356, Florida Statutes, is amended to read:

15 163.356 Creation of community redevelopment agency.--

16 (3)

17 (c) The governing body of the county or municipality
18 shall designate a chair and vice chair from among the
19 commissioners. An agency may employ an executive director,
20 technical experts, and such other agents and employees,
21 permanent and temporary, as it requires, and determine their
22 qualifications, duties, and compensation. For such legal
23 service as it requires, an agency may employ or retain its own
24 counsel and legal staff. An agency authorized to transact
25 business and exercise powers under this part shall file with
26 the governing body ~~and with the Auditor General~~, on or before
27 March 31 of each year, a report of its activities for the
28 preceding fiscal year, which report shall include a complete
29 financial statement setting forth its assets, liabilities,
30 income, and operating expenses as of the end of such fiscal
31 year. At the time of filing the report, the agency shall

1 publish in a newspaper of general circulation in the community
2 a notice to the effect that such report has been filed with
3 the county or municipality and that the report is available
4 for inspection during business hours in the office of the
5 clerk of the city or county commission and in the office of
6 the agency.

7 Section 31. Paragraph (b) of subsection (1) of section
8 175.261, Florida Statutes, is amended to read:

9 175.261 Annual report to Division of Retirement;
10 actuarial valuations.--For any municipality, special fire
11 control district, chapter plan, local law municipality, local
12 law special fire control district, or local law plan under
13 this chapter, the board of trustees for every chapter plan and
14 local law plan shall submit the following reports to the
15 division:

16 (1) With respect to chapter plans:

17 (b) In addition to annual reports provided under
18 paragraph (a), by February 1 of each triennial year, an
19 actuarial valuation of the chapter plan must be made by the
20 division at least once every 3 years, as provided in s.
21 112.63, commencing 3 years from the last actuarial valuation
22 of the plan or system for existing plans, or commencing 3
23 years from issuance of the initial actuarial impact statement
24 submitted under s. 112.63 for newly created plans. To that
25 end, the chair of the board of trustees for each firefighters'
26 pension trust fund operating under a chapter plan shall report
27 to the division such data as it needs to complete an actuarial
28 valuation of each fund. The forms for each municipality and
29 special fire control district shall be supplied by the
30 division. The expense of this actuarial valuation shall be
31 borne by the firefighters' pension trust fund established by

1 ss. 175.041 and 175.121. The requirements of this section are
2 supplemental to the actuarial valuations necessary to comply
3 with ss. 218.321 ~~11.45~~ and 218.39 ~~218.32~~.

4 Section 32. Paragraph (b) of subsection (1) of section
5 185.221, Florida Statutes, is amended to read:

6 185.221 Annual report to Division of Retirement;
7 actuarial valuations.--For any municipality, chapter plan,
8 local law municipality, or local law plan under this chapter,
9 the board of trustees for every chapter plan and local law
10 plan shall submit the following reports to the division:

11 (1) With respect to chapter plans:

12 (b) In addition to annual reports provided under
13 paragraph (a), by February 1 of each triennial year, an
14 actuarial valuation of the chapter plan must be made by the
15 division at least once every 3 years, as provided in s.
16 112.63, commencing 3 years from the last actuarial valuation
17 of the plan or system for existing plans, or commencing 3
18 years from the issuance of the initial actuarial impact
19 statement submitted under s. 112.63 for newly created plans.
20 To that end, the chair of the board of trustees for each
21 municipal police officers' retirement trust fund operating
22 under a chapter plan shall report to the division such data as
23 the division needs to complete an actuarial valuation of each
24 fund. The forms for each municipality shall be supplied by
25 the division. The expense of the actuarial valuation shall be
26 borne by the municipal police officers' retirement trust fund
27 established by s. 185.10. The requirements of this section are
28 supplemental to the actuarial valuations necessary to comply
29 with ss. 218.321 ~~11.45~~ and 218.39 ~~218.32~~.

30 Section 33. Subsection (2) of section 189.4035,
31 Florida Statutes, is amended to read:

1 189.4035 Preparation of official list of special
2 districts.--
3 (2) The official list shall be produced by the
4 department after the department has notified each special
5 district that is currently reporting to the department, the
6 Department of Banking and Finance pursuant to s. 218.32, or
7 the Auditor General pursuant to s. 218.39 ~~11.45~~. Upon
8 notification, each special district shall submit, within 60
9 days, its determination of its status. The determination
10 submitted by a special district shall be consistent with the
11 status reported in the most recent local government audit of
12 district activities submitted to the Auditor General pursuant
13 to s. 218.39 ~~11.45~~.

14 Section 34. Subsection (1) of section 189.412, Florida
15 Statutes, is amended to read:

16 189.412 Special District Information Program; duties
17 and responsibilities.--The Special District Information
18 Program of the Department of Community Affairs is created and
19 has the following special duties:

20 (1) The collection and maintenance of special district
21 compliance status reports from the Auditor General, the
22 Department of Banking and Finance, the Division of Bond
23 Finance of the State Board of Administration, the Department
24 of Management Services, the Department of Revenue, and the
25 Commission on Ethics for the reporting required in ss. ~~11.45,~~
26 112.3144, 112.3145, 112.3148, 112.3149, 112.63, 200.068,
27 218.32, 218.34, 218.38, 218.39, and 280.17 and chapter 121 and
28 from state agencies administering programs that distribute
29 money to special districts. The special district compliance
30 status reports must consist of a list of special districts
31 used in that state agency and a list of which special

1 districts did not comply with the reporting statutorily
2 required by that agency.

3 Section 35. Subsections (4) and (5) of section
4 189.418, Florida Statutes, are amended to read:

5 189.418 Reports; audits.--

6 (4) Each special district shall make provisions for an
7 annual independent postaudit of its financial records as
8 provided in s. 218.39 ~~11.45~~. A copy of the report ~~audit~~ shall
9 be filed with the local governing authority or authorities.

10 (5) All reports or information required to be filed
11 with a local governing authority under ss. ~~11.45~~, 189.416,
12 189.417, 218.32, ~~and~~ 218.34, and 218.39 and this section
13 shall:

14 (a) When the local governing authority is a county, be
15 filed with the clerk of the board of county commissioners.

16 (b) When the district is a multicounty district, be
17 filed with the clerk of the county commission in each county.

18 (c) When the local governing authority is a
19 municipality, be filed at the place designated by the
20 municipal governing body.

21 Section 36. Subsections (1) and (3) of section
22 189.419, Florida Statutes, are amended to read:

23 189.419 Effect of failure to file certain reports.--

24 (1) If a special district fails to file the reports
25 required under ~~s. 11.45~~, s. 189.415, s. 189.416, s. 189.417,
26 s. 189.418, s. 218.32, ~~or~~ s. 218.34, or s. 218.39 and a
27 description of all new bonds as provided in s. 218.38(1) with
28 the local governing authority, the person authorized to
29 receive and read the reports shall notify the district's
30 registered agent and the appropriate local governing authority
31 or authorities. At any time, the governing authority may grant

1 an extension of time for filing the required reports, except
2 that an extension may not exceed 30 days.

3 (3) If a special district fails to file the reports
4 required under ~~s. 11.45~~, s. 218.32, s. 218.34, ~~or s. 218.38,~~
5 or s. 218.39 with the appropriate state agency, the agency
6 shall notify the department, and the department may initiate
7 proceedings against the special district in the manner
8 provided in s. 189.421 or assess fines of not more than \$25,
9 with an aggregate total not to exceed \$50, when formal
10 inquiries do not resolve the noncompliance.

11 Section 37. Paragraphs (f) and (g) of subsection (5)
12 of section 189.428, Florida Statutes, are amended to read:

13 189.428 Special districts; oversight review process.--

14 (5) Those conducting the oversight review process
15 shall, at a minimum, consider the listed criteria for
16 evaluating the special district, but may also consider any
17 additional factors relating to the district and its
18 performance. If any of the listed criteria do not apply to
19 the special district being reviewed, they need not be
20 considered. The criteria to be considered by the reviewer
21 include:

22 (f) Whether the Auditor General has notified the
23 Legislative Auditing Committee ~~determined~~ that the special
24 district's audit report, reviewed pursuant to s. 11.45(7),
25 indicates that a deteriorating financial condition exists that
26 may cause a condition described in s. 218.503(1) to occur if
27 actions are not taken to address such condition ~~district is or~~
28 ~~may be in a state of financial emergency or has been~~
29 ~~experiencing financial difficulty during any of the last 3~~
30 ~~fiscal years for which data are available.~~

1 (g) Whether the Auditor General has determined that
2 the special district is in a state of financial emergency as
3 provided in s. 218.503(1), and has notified the Governor and
4 the Legislative Auditing Committee ~~failed to receive an audit~~
5 ~~report and has made a determination that the special district~~
6 ~~was required or may have been required to file an audit report~~
7 ~~during any of the last 3 fiscal years for which the data are~~
8 ~~available.~~

9 Section 38. Section 193.074, Florida Statutes, is
10 amended to read:

11 193.074 Confidentiality of returns.--All returns of
12 property and returns required by s. 201.022 submitted by the
13 taxpayer pursuant to law shall be deemed to be confidential in
14 the hands of the property appraiser, the clerk of the circuit
15 court, the department, the tax collector, ~~and~~ the Auditor
16 General, and the Office of Program Policy Analysis and
17 Government Accountability, and their employees and persons
18 acting under their supervision and control, except upon court
19 order or order of an administrative body having quasi-judicial
20 powers in ad valorem tax matters, and such returns are exempt
21 from the provisions of s. 119.07(1).

22 Section 39. Section 195.084, Florida Statutes, is
23 amended to read:

24 195.084 Information exchange.--

25 (1) The department shall promulgate rules and
26 regulations for the exchange of information among the
27 department, the property appraisers' offices, the tax
28 collector, ~~and~~ the Auditor General, and the Office of Program
29 Policy Analysis and Government Accountability. All records
30 and returns of the department useful to the property appraiser
31 or the tax collector shall be made available upon request but

1 subject to the reasonable conditions imposed by the
2 department. This section shall supersede statutes prohibiting
3 disclosure only with respect to the property appraiser, the
4 tax collector, ~~and~~ the Auditor General, and the Office of
5 Program Policy Analysis and Government Accountability, but the
6 department may establish regulations setting reasonable
7 conditions upon the access to and custody of such information.
8 The Auditor General, the Office of Program Policy Analysis and
9 Government Accountability, the tax collectors, and the
10 property appraisers shall be bound by the same requirements of
11 confidentiality as the Department of Revenue. Breach of
12 confidentiality shall be a misdemeanor of the first degree,
13 punishable as provided by ss. 775.082 and 775.083.

14 (2) All of the records of property appraisers and
15 collectors, including, but not limited to, worksheets and
16 property record cards, shall be made available to the
17 Department of Revenue, the ~~and~~ Auditor General, and the Office
18 of Program Policy Analysis and Government Accountability.
19 Property appraisers and collectors are hereby directed to
20 cooperate fully with representatives of the Department of
21 Revenue, the ~~and~~ Auditor General, and the Office of Program
22 Policy Analysis and Government Accountability in realizing the
23 objectives stated in s. 195.0012.

24 Section 40. Subsection (7) of section 195.096, Florida
25 Statutes, is amended to read:

26 195.096 Review of assessment rolls.--

27 (7) The Auditor General shall conduct a ~~have the~~
28 ~~responsibility to perform~~ performance audit ~~audits~~ of the
29 administration of ad valorem tax laws by the department
30 ~~pursuant to the general authority granted in chapter 11. Such~~
31 ~~performance audits shall be conducted~~ triennially following

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

16 Section 41. Paragraph (c) of subsection (4) of section
17 196.101, Florida Statutes, is amended to read:

18 196.101 Exemption for totally and permanently disabled
19 persons.--

20 (4)

21 (c) The department shall require by rule that the
22 taxpayer annually submit a sworn statement of gross income,
23 pursuant to paragraph (a). The department shall require that
24 the filing of such statement be accompanied by copies of
25 federal income tax returns for the prior year, wage and
26 earnings statements (W-2 forms), and other documents it deems
27 necessary, for each member of the household. The taxpayer's
28 statement shall attest to the accuracy of such copies. The
29 department shall prescribe and furnish a form to be used for
30 this purpose which form shall include spaces for a separate
31 listing of United States Department of Veterans Affairs

1 benefits and social security benefits. All records produced
2 by the taxpayer under this paragraph are confidential in the
3 hands of the property appraiser, the department, the tax
4 collector, ~~and the Auditor General,~~ and the Office of Program
5 Policy Analysis and Government Accountability and shall not be
6 divulged to any person, firm, or corporation except upon court
7 order or order of an administrative body having quasi-judicial
8 powers in ad valorem tax matters, and such records are exempt
9 from the provisions of s. 119.07(1).

10 Section 42. Paragraph (b) of subsection (1) of section
11 206.60, Florida Statutes, is amended to read:

12 206.60 County tax on motor fuel.--

13 (1) The proceeds of the county fuel tax imposed
14 pursuant to s. 206.41(1)(b) are appropriated for public
15 transportation purposes in the manner following:

16 (b)1. The Department of Revenue shall, from month to
17 month, distribute the amount allocated to each of the several
18 counties under paragraph (a) to the board of county
19 commissioners of the county, who shall use such funds solely
20 for the acquisition of rights-of-way; the construction,
21 reconstruction, operation, maintenance, and repair of
22 transportation facilities, roads, and bridges therein; or the
23 reduction of bonded indebtedness of such county or of special
24 road and bridge districts within such county, incurred for
25 road and bridge or other transportation purposes. In the event
26 the powers and duties relating to transportation facilities,
27 roads, and bridges usually exercised and performed by boards
28 of county commissioners are exercised and performed by some
29 other or separate county board, such board shall receive the
30 proceeds, exercise the powers, and perform the duties

31

1 designated in this section to be done by the boards of county
2 commissioners.

3 2. The board of county commissioners of each county,
4 or any separate board or local agency exercising the powers
5 and performing the duties relating to transportation
6 facilities, roads, and bridges usually exercised and performed
7 by the boards of county commissioners, shall be assigned the
8 full responsibility for the maintenance of transportation
9 facilities in the county and of roads in the county road
10 system.

11 ~~3. In calculating the distribution of funds under~~
12 ~~paragraph (a), the Department of Revenue shall obtain from the~~
13 ~~Auditor General the certification of the level of assessment~~
14 ~~in each district and shall pay only the amount of money which~~
15 ~~is derived by multiplying said ratio and the amount which~~
16 ~~would be due a district under paragraph (a). The funds which~~
17 ~~are raised under this section but are not distributed under~~
18 ~~this section shall be deposited in the Fuel Tax Collection~~
19 ~~Trust Fund. All funds placed in the Fuel Tax Collection Trust~~
20 ~~Fund shall be distributed in the same manner as provided in~~
21 ~~paragraphs (a) and (b).~~

22 3.4. Nothing in this paragraph as amended by chapter
23 71-212, Laws of Florida, shall be construed to permit the
24 expenditure of public funds in such manner or for such
25 projects as would violate the State Constitution or the trust
26 indenture of any bond issue or which would cause the state to
27 lose any federal aid funds for highway or transportation
28 purposes; and the provisions of this paragraph shall be
29 applied in a manner to avoid such result.

30 Section 43. Paragraph (ff) of subsection (7) of
31 section 212.08, Florida Statutes, is amended to read:

1 212.08 Sales, rental, use, consumption, distribution,
2 and storage tax; specified exemptions.--The sale at retail,
3 the rental, the use, the consumption, the distribution, and
4 the storage to be used or consumed in this state of the
5 following are hereby specifically exempt from the tax imposed
6 by this chapter.

7 (7) MISCELLANEOUS EXEMPTIONS.--

8 (ff) Certain electricity or steam uses.--

9 1. Subject to the provisions of subparagraph 4.,
10 charges for electricity or steam used to operate machinery and
11 equipment at a fixed location in this state when such
12 machinery and equipment is used to manufacture, process,
13 compound, produce, or prepare for shipment items of tangible
14 personal property for sale, or to operate pollution control
15 equipment, recycling equipment, maintenance equipment, or
16 monitoring or control equipment used in such operations are
17 exempt to the extent provided in this paragraph. If 75 percent
18 or more of the electricity or steam used at the fixed location
19 is used to operate qualifying machinery or equipment, 100
20 percent of the charges for electricity or steam used at the
21 fixed location are exempt. If less than 75 percent but 50
22 percent or more of the electricity or steam used at the fixed
23 location is used to operate qualifying machinery or equipment,
24 50 percent of the charges for electricity or steam used at the
25 fixed location are exempt. If less than 50 percent of the
26 electricity or steam used at the fixed location is used to
27 operate qualifying machinery or equipment, none of the charges
28 for electricity or steam used at the fixed location are
29 exempt.

30 2. This exemption applies only to industries
31 classified under SIC Industry Major Group Numbers 10, 12, 13,

1 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34,
2 35, 36, 37, 38, and 39 and Industry Group Number 212. As used
3 in this paragraph, "SIC" means those classifications contained
4 in the Standard Industrial Classification Manual, 1987, as
5 published by the Office of Management and Budget, Executive
6 Office of the President.

7 3. Possession by a seller of a written certification
8 by the purchaser, certifying the purchaser's entitlement to an
9 exemption permitted by this subsection, relieves the seller
10 from the responsibility of collecting the tax on the
11 nontaxable amounts, and the department shall look solely to
12 the purchaser for recovery of such tax if it determines that
13 the purchaser was not entitled to the exemption.

14 4. Such exemption shall be applied as follows:

15 a. Beginning July 1, 1996, 20 percent of the charges
16 for such electricity shall be exempt.

17 b. Beginning July 1, 1997, 40 percent of the charges
18 for such electricity shall be exempt.

19 c. Beginning July 1, 1998, 60 percent of the charges
20 for such electricity or steam shall be exempt.

21 d. Beginning July 1, 1999, 80 percent of the charges
22 for such electricity or steam shall be exempt.

23 e. Beginning July 1, 2000, 100 percent of the charges
24 for such electricity or steam shall be exempt.

25 5. Notwithstanding any other provision in this
26 paragraph to the contrary, in order to receive the exemption
27 provided in this paragraph a taxpayer must first register with
28 the WAGES Program Business Registry established by the local
29 WAGES coalition for the area in which the taxpayer is located.
30 Such registration establishes a commitment on the part of the
31

1 taxpayer to hire WAGES program participants to the maximum
2 extent possible consistent with the nature of their business.

3 ~~6.a. In order to determine whether the exemption~~
4 ~~provided in this paragraph from the tax on charges for~~
5 ~~electricity or steam has an effect on retaining or attracting~~
6 ~~companies to this state, the Office of Program Policy Analysis~~
7 ~~and Government Accountability shall monitor and report on the~~
8 ~~industries receiving the exemption.~~

9 ~~b. The report shall be submitted no later than January~~
10 ~~1, 2001, and must be comprehensive in scope, but, at a~~
11 ~~minimum, must be conducted in such a manner as to specifically~~
12 ~~determine the number of companies within each SIC Industry~~
13 ~~Major Group receiving the exemption as of September 1, 2000,~~
14 ~~the number of individuals employed by companies within each~~
15 ~~SIC Industry Major Group receiving the exemption as of~~
16 ~~September 1, 2000, whether the change, if any, in such number~~
17 ~~of companies or employees is attributable to the exemption~~
18 ~~provided in this paragraph, whether it would be sound public~~
19 ~~policy to continue or discontinue the exemption, and the~~
20 ~~consequences of doing so.~~

21 ~~c. The report shall be submitted to the President of~~
22 ~~the Senate, the Speaker of the House of Representatives, the~~
23 ~~Senate Minority Leader, and the House Minority Leader.~~

24
25 Exemptions provided to any entity by this subsection shall not
26 inure to any transaction otherwise taxable under this chapter
27 when payment is made by a representative or employee of such
28 entity by any means, including, but not limited to, cash,
29 check, or credit card even when that representative or
30 employee is subsequently reimbursed by such entity.

31

1 Section 44. Subsection (6) of section 213.053, Florida
2 Statutes, is amended to read:
3 213.053 Confidentiality and information sharing.--
4 (6) Any information received by the Department of
5 Revenue in connection with the administration of taxes,
6 including, but not limited to, information contained in
7 returns, reports, accounts, or declarations filed by persons
8 subject to tax, shall be made available by the department to
9 the Auditor General or his or her authorized agent, the
10 director of the Office of Program Policy Analysis and
11 Government Accountability or his or her authorized agent, the
12 Comptroller or his or her authorized agent, the Insurance
13 Commissioner or his or her authorized agent, the Treasurer or
14 his or her authorized agent, or a property appraiser or tax
15 collector or their authorized agents pursuant to s.
16 195.084(1), in the performance of their official duties, or to
17 designated employees of the Department of Education solely for
18 determination of each school district's price level index
19 pursuant to s. 236.081(2); however, no information shall be
20 disclosed to the Auditor General or his or her authorized
21 agent, the director of the Office of Program Policy Analysis
22 and Government Accountability or his or her authorized agent,
23 the Comptroller or his or her authorized agent, the Insurance
24 Commissioner or his or her authorized agent, the Treasurer or
25 his or her authorized agent, or to a property appraiser or tax
26 collector or their authorized agents, or to designated
27 employees of the Department of Education if such disclosure is
28 prohibited by federal law. The Auditor General or his or her
29 authorized agent, the director of the Office of Program Policy
30 Analysis and Government Accountability or his or her
31 authorized agent, the Comptroller or his or her authorized

1 agent, the Treasurer or his or her authorized agent, and the
2 property appraiser or tax collector and their authorized
3 agents, or designated employees of the Department of Education
4 shall be subject to the same requirements of confidentiality
5 and the same penalties for violation of the requirements as
6 the department. For the purpose of this subsection,
7 "designated employees of the Department of Education" means
8 only those employees directly responsible for calculation of
9 price level indices pursuant to s. 236.081(2). It does not
10 include the supervisors of such employees or any other
11 employees or elected officials within the Department of
12 Education.

13 Section 45. Subsection (6) of section 215.44, Florida
14 Statutes, is amended to read:

15 215.44 Board of Administration; powers and duties in
16 relation to investment of trust funds.--

17 (6) ~~The Auditor General shall audit annually the~~
18 ~~entire operation of the board.~~The Office of Program Policy
19 Analysis and Government Accountability shall examine the
20 board's ~~perform or cause to be performed a performance audit~~
21 ~~of the management by the board of investments every 2 years.~~
22 ~~In addition to the duties prescribed in this subsection, the~~
23 ~~Auditor General and the Office of Program Policy Analysis and~~
24 ~~Government Accountability shall annually as part of his or her~~
25 ~~audit conduct performance postaudits of investments under s.~~
26 ~~215.47(6) which are not otherwise authorized under ss.~~
27 ~~215.44-215.53.~~ The Office of Program Policy Analysis and
28 Government Accountability ~~Auditor General~~ shall submit such
29 reports ~~audit report~~ to the board, the President of the
30 Senate, and the Speaker of the House of Representatives and
31 their designees.

1 Section 46. Section 215.86, Florida Statutes, is
2 created to read:

3 215.86 Management systems and controls.--Each state
4 agency and the judicial branch as defined in s. 216.011 shall
5 establish and maintain management systems and controls that
6 promote and encourage compliance; economic, efficient, and
7 effective operations; reliability of records and reports; and
8 safeguarding of assets. Accounting systems and procedures
9 shall be designed to fulfill the requirements of generally
10 accepted accounting principles.

11 Section 47. Subsection (2) of section 215.94, Florida
12 Statutes, is amended to read:

13 215.94 Designation, duties, and responsibilities of
14 functional owners.--

15 (2) The Department of Banking and Finance shall be the
16 functional owner of the Florida Accounting Information
17 Resource Subsystem established pursuant to ss. ~~11.46~~, 17.03,
18 215.86, 216.141, and 216.151 and further developed in
19 accordance with the provisions of ss. 215.90-215.96. The
20 subsystem shall include, but shall not be limited to, the
21 following functions:

22 (a) Accounting and reporting so as to provide timely
23 data for producing financial statements for the state in
24 accordance with generally accepted accounting principles.

25 (b) Auditing and settling claims against the state.

26 Section 48. Section 215.98, Florida Statutes, is
27 created to read:

28 215.98 Audits of state agency direct-support
29 organizations and citizen support organizations.--Each
30 direct-support organization and each citizen support
31 organization, created or authorized pursuant to law, and

1 created, approved, or administered by a state agency, other
2 than a university, district board of trustees of a community
3 college, or district school board, shall provide for an annual
4 financial audit of its accounts and records to be conducted by
5 an independent certified public accountant in accordance with
6 rules adopted by the Auditor General pursuant to s. 11.45(8)
7 and the state agency that created, approved, or administers
8 the direct-support organization or citizen support
9 organization. The audit report shall be submitted within 9
10 months after the end of the fiscal year to the Auditor General
11 and to the state agency responsible for creation,
12 administration, or approval of the direct-support organization
13 or citizen support organization. Such state agency, the
14 Auditor General, and the Office of Program Policy Analysis and
15 Government Accountability shall have the authority to require
16 and receive from the organization or from the independent
17 auditor any records relative to the operation of the
18 organization.

19 Section 49. Subsection (1) of section 216.177, Florida
20 Statutes, is amended to read:

21 216.177 Appropriations acts, statement of intent,
22 violation, notice, review and objection procedures.--

23 (1) When an appropriations act is delivered to the
24 Governor after the Legislature has adjourned sine die, as soon
25 as practicable, but no later than the 10th day before the end
26 of the period allowed by law for veto consideration in any
27 year in which an appropriation is made, the chairs of the
28 legislative appropriations committees shall jointly transmit:

29 (a) The official list of General Revenue Fund
30 appropriations determined in consultation with the Executive
31 Office of the Governor to be nonrecurring; and

1 (b) The documents set forth in s. 216.0442(2)(a) and
2 (c),
3
4 to the Executive Office of the Governor, the Comptroller, the
5 Auditor General, the director of the Office of Program Policy
6 Analysis and Government Accountability, the Chief Justice of
7 the Supreme Court, and each state agency. A request for
8 additional explanation and direction regarding the legislative
9 intent of the General Appropriations Act during the fiscal
10 year may be made only by and through the Executive Office of
11 the Governor for state agencies, and by and through the Chief
12 Justice of the Supreme Court for the judicial branch, as is
13 deemed necessary. However, the Comptroller may also request
14 further clarification of legislative intent pursuant to the
15 Comptroller's responsibilities related to his or her preaudit
16 function of expenditures.

17 Section 50. Subsection (2) of section 216.178, Florida
18 Statutes, is amended to read:

19 216.178 General Appropriations Act; format;
20 procedure.--

21 (2) The Office of Planning and Budgeting shall develop
22 a final budget report that reflects the net appropriations for
23 each budget item. The report shall reflect actual
24 expenditures for each of the 2 preceding fiscal years and the
25 estimated expenditures for the current fiscal year. In
26 addition, the report must contain the actual revenues and cash
27 balances for the preceding 2 fiscal years and the estimated
28 revenues and cash balances for the current fiscal year. The
29 report may also contain expenditure data, program objectives,
30 and program measures for each state agency program. The report
31 must be produced by October 15 each year. A copy of the

1 report must be made available to each member of the
2 Legislature, to the head of each state agency, to the Auditor
3 General, to the director of the Office of Program Policy
4 Analysis and Government Accountability, and to the public.

5 Section 51. Subsection (3) of section 216.292, Florida
6 Statutes, is amended to read:

7 216.292 Appropriations nontransferable; exceptions.--

8 (3) The head of each department or the Chief Justice
9 of the Supreme Court, whenever it is deemed necessary by
10 reason of changed conditions, may transfer appropriations
11 funded from identical funding sources, except appropriations
12 for fixed capital outlay, and transfer the amounts included
13 within the total original approved budget and releases as
14 furnished pursuant to ss. 216.181 and 216.192, as follows:

15 (a) Between categories of appropriations within a
16 budget entity, if no category of appropriation is increased or
17 decreased by more than 5 percent of the original approved
18 budget or \$150,000, whichever is greater, by all action taken
19 under this subsection.

20 (b) Additionally, between budget entities within
21 identical categories of appropriations, if no category of
22 appropriation is increased or decreased by more than 5 percent
23 of the original approved budget or \$150,000, whichever is
24 greater, by all action taken under this subsection.

25 (c) Such authorized revisions must be consistent with
26 the intent of the approved operating budget, must be
27 consistent with legislative policy and intent, and must not
28 conflict with specific spending policies specified in the
29 General Appropriations Act.

30
31

1 Such authorized revisions, together with related changes, if
2 any, in the plan for release of appropriations, shall be
3 transmitted by the state agency or by the judicial branch to
4 the Comptroller for entry in the Comptroller's records in the
5 manner and format prescribed by the Executive Office of the
6 Governor in consultation with the Comptroller. A copy of such
7 revision shall be furnished to the Executive Office of the
8 Governor or the Chief Justice, the chair of the Legislative
9 Budget Commission, the chairs of the legislative committees,
10 ~~and the Auditor General, and the director of the Office of~~
11 Program Policy Analysis and Government Accountability.

12 Section 52. Subsection (1) of section 218.31, Florida
13 Statutes, is amended, and subsections (15), (16), (17), and
14 (18) are added to said section, to read:

15 218.31 Definitions.--As used in this part, except
16 where the context clearly indicates a different meaning:

17 (1) "Local governmental entity" means a county agency
18 ~~as defined in s. 11.45~~, a municipality, or a special district
19 as defined in s. 189.403. For purposes of s. 218.32, the term
20 also includes a housing authority created under chapter 421.

21 (15) "Auditor" means an independent certified public
22 accountant licensed pursuant to chapter 473 and retained by a
23 local governmental entity to perform a financial audit.

24 (16) "County agency" means a board of county
25 commissioners or other legislative and governing body of a
26 county, however styled, including that of a consolidated or
27 metropolitan government, a clerk of the circuit court, a
28 separate or ex officio clerk of the county court, a sheriff, a
29 property appraiser, a tax collector, a supervisor of
30 elections, or any other officer in whom any portion of the
31 fiscal duties of the above are under law separately placed.

1 (17) "Financial audit" means an examination of
2 financial statements in order to express an opinion on the
3 fairness with which they are presented in conformity with
4 generally accepted accounting principles and an examination to
5 determine whether operations are properly conducted in
6 accordance with legal and regulatory requirements. Financial
7 audits must be conducted in accordance with generally accepted
8 auditing standards and government auditing standards as
9 adopted by the Board of Accountancy and as prescribed by rules
10 promulgated by the Auditor General.

11 (18) "Management letter" means a statement of the
12 auditor's comments and recommendations as prescribed by rules
13 adopted by the Auditor General.

14 Section 53. Subsection (1) of section 218.32, Florida
15 Statutes, is amended to read:

16 218.32 Annual financial reports; local governmental
17 entities.--

18 (1)(a) Each local governmental entity that is
19 determined to be a reporting entity, as defined by generally
20 accepted accounting principles, and each independent special
21 district as defined in s. 189.403, shall submit to the
22 department a copy of its annual financial report for the
23 previous fiscal year in a format prescribed by the department.
24 The annual financial report must include a list of each local
25 governmental entity included in the report and each local
26 governmental entity that failed to provide financial
27 information as required by paragraph (b). The chair of the
28 governing body and the chief financial officer of each local
29 governmental entity shall sign the annual financial report
30 submitted pursuant to this subsection attesting to the
31 accuracy of the information included in the report.The county

1 annual financial report must be a single document that covers
2 each county agency.

3 (b) Each component unit, as defined by generally
4 accepted accounting principles, of a local governmental entity
5 shall provide the local governmental entity, within a
6 reasonable time period as established by the local
7 governmental entity, with financial information necessary to
8 comply with the reporting requirements contained in this
9 section.

10 (c) Each regional planning council created under s.
11 186.504, each local government finance commission, board, or
12 council, and each municipal power corporation created as a
13 separate legal or administrative entity by interlocal
14 agreement under s. 163.01(7) shall submit to the department a
15 copy of its audit report and an annual financial report for
16 the previous fiscal year in a format prescribed by the
17 department.

18 (d) Each local governmental entity that is required to
19 provide for an audit ~~report~~ in accordance with s. 218.39(1)
20 ~~11.45(3)(a)5~~ must submit the annual financial report with the
21 audit report. A copy of the audit report and annual financial
22 report must be submitted to the department within 45 days
23 after the completion of the audit report but no later than 12
24 months after the end of the fiscal year.

25 (e) Each local governmental entity that is not
26 required to provide for an audit report in accordance with s.
27 218.39 ~~All other reporting entities~~ must submit the annual
28 financial report to the department no later than April 30 of
29 each year. The department shall consult with the Auditor
30 General in the development of the format of annual financial
31 reports submitted pursuant to this paragraph. The format shall

1 include balance sheet information to be utilized by the
2 Auditor General pursuant to s. 11.45(7)(f). The department
3 must forward the financial information contained within these
4 entities' annual financial reports to the Auditor General in
5 electronic form. This paragraph does not apply to housing
6 authorities created under chapter 421.

7 ~~(f)(e)~~ If the department does not receive a completed
8 annual financial report from a local governmental entity
9 within the required period, it shall notify the Legislative
10 Auditing Committee of the local governmental entity's failure
11 to comply with the reporting requirements. The committee shall
12 proceed in accordance with s. 11.40(5)report. Following
13 ~~receipt of notification of failure to report, the committee~~
14 ~~shall schedule a hearing for the purpose of receiving~~
15 ~~additional testimony addressing the failure of local~~
16 ~~governmental entities to comply with the reporting~~
17 ~~requirements of this section. After the hearing, the~~
18 ~~committee shall determine which local governmental entities~~
19 ~~will be subjected to further state action. If it finds that~~
20 ~~one or more local governmental entities should be subjected to~~
21 ~~further state action, the committee shall:~~

22 1. ~~In the case of a county or municipality, request~~
23 ~~the Department of Revenue and the Department of Banking and~~
24 ~~Finance to withhold any funds not pledged for bond debt~~
25 ~~service satisfaction which are payable to the county or~~
26 ~~municipality until the required annual financial report is~~
27 ~~received by the department. The Department of Revenue and the~~
28 ~~Department of Banking and Finance are authorized to implement~~
29 ~~the provisions of this subparagraph. The committee, in its~~
30 ~~request, shall specify the date such action shall begin, and~~
31 ~~the request must be received by the Department of Revenue and~~

1 ~~the Department of Banking and Finance 30 days before the date~~
2 ~~of distribution mandated by law.~~

3 ~~2. In the case of a special district, notify the~~
4 ~~Department of Community Affairs that the special district has~~
5 ~~failed to provide the required annual financial report. Upon~~
6 ~~notification, the Department of Community Affairs shall~~
7 ~~proceed pursuant to ss. 189.421 and 189.422.~~

8 ~~3. In the case of a special district that is a~~
9 ~~component unit and that did not provide the financial~~
10 ~~information required by paragraph (b) to the applicable~~
11 ~~reporting entity, notify the Department of Community Affairs~~
12 ~~that the special district has failed to provide the required~~
13 ~~financial information. Upon notification, the Department of~~
14 ~~Community Affairs shall proceed pursuant to ss. 189.421 and~~
15 ~~189.422.~~

16 Section 54. Subsection (2) of section 218.33, Florida
17 Statutes, is amended to read:

18 218.33 Local governmental entities; establishment of
19 uniform fiscal years and accounting practices and
20 procedures.--

21 (2) Each local governmental entity shall follow
22 uniform accounting practices and procedures as promulgated by
23 rule of the department to assure the use of proper accounting
24 and fiscal management by such units. Such rules shall include
25 a uniform classification of accounts.~~The department shall~~
26 ~~make such reasonable rules regarding uniform accounting~~
27 ~~practices and procedures by local governmental entities in~~
28 ~~this state, including a uniform classification of accounts, as~~
29 ~~it considers necessary to assure the use of proper accounting~~
30 ~~and fiscal management techniques by such units.~~

31

1 Section 55. Subsection (3) of section 218.38, Florida
2 Statutes, is amended to read:

3 218.38 Notice of bond issues required; verification.--

4 (3) If a unit of local government fails to verify
5 pursuant to subsection (2) the information held by the
6 division, or fails to provide the information required by
7 subsection (1), the division shall notify the Legislative
8 Auditing Committee of such failure to comply. The committee
9 shall proceed in accordance with s. 11.40(5). ~~Following~~
10 ~~receipt of such notification of failure to comply with these~~
11 ~~provisions, a hearing shall be scheduled by the committee for~~
12 ~~the purpose of receiving testimony addressing the failure of~~
13 ~~units of local government to comply with the requirements of~~
14 ~~this section. After the hearing, the committee shall~~
15 ~~determine which units of local government will be subjected to~~
16 ~~further state action. If it finds that one or more units of~~
17 ~~local government should be subjected to further state action,~~
18 ~~the committee shall:~~

19 ~~(a) In the case of a unit of local government, request~~
20 ~~the Department of Revenue and the Department of Banking and~~
21 ~~Finance to withhold any funds not pledged for bond debt~~
22 ~~service satisfaction which are payable to such governmental~~
23 ~~entity. The Department of Revenue and the Department of~~
24 ~~Banking and Finance are authorized to implement the provisions~~
25 ~~of this paragraph. The committee, in its request, shall~~
26 ~~specify the date such action shall begin, and the request must~~
27 ~~be received by the Department of Revenue and the Department of~~
28 ~~Banking and Finance 30 days before the date of the~~
29 ~~distribution mandated by law.~~

30 ~~(b) In the case of a special district, notify the~~
31 ~~Department of Community Affairs that the special district has~~

1 ~~failed to comply. Upon notification, the Department of~~
2 ~~Community Affairs shall proceed pursuant to ss. 189.421 and~~
3 ~~189.422.~~

4 Section 56. Sections 218.39 and 218.391, Florida
5 Statutes, are created to read:

6 218.39 Annual financial audit reports.--

7 (1) If, by the first day in any fiscal year, a local
8 governmental entity, district school board, charter school, or
9 charter technical career center has not been notified that a
10 financial audit for that fiscal year will be performed by the
11 Auditor General, each of the following entities shall have an
12 annual financial audit of its accounts and records completed
13 within 12 months after the end of its fiscal year by an
14 independent certified public accountant retained by it and
15 paid from its public funds:

16 (a) Each county.

17 (b) Any municipality with revenues or the total of
18 expenditures and expenses in excess of \$250,000.

19 (c) Any special district with revenues or the total of
20 expenditures and expenses in excess of \$100,000.

21 (d) Each district school board.

22 (e) Each charter school established under s. 228.056.

23 (f) Each charter technical center established under s.
24 228.505.

25 (g) Each municipality with revenues or the total of
26 expenditures and expenses between \$100,000 and \$250,000 that
27 has not been subject to a financial audit pursuant to this
28 subsection for the 2 preceding fiscal years.

29 (h) Each special district with revenues or the total
30 of expenditures and expenses between \$50,000 and \$100,000 that
31

1 has not been subject to a financial audit pursuant to this
2 subsection for the 2 preceding fiscal years.

3 (2) The county audit report shall be a single document
4 that includes an audit of the county as a whole. Reports on
5 compliance and internal control, management letters, and such
6 other information as required by rules adopted by the Auditor
7 General shall be provided for each county agency.

8 (3) A dependent special district may make provision
9 for an annual financial audit by being included within the
10 audit of another local governmental entity upon which it is
11 dependent. An independent special district may not make
12 provision for an annual financial audit by being included
13 within the audit of another local governmental entity.

14 (4) A management letter shall be prepared and included
15 as a part of each financial audit report.

16 (5) At the conclusion of the audit, the auditor shall
17 discuss with the chair of each local governmental entity or
18 the chair's designee, or with the elected official of each
19 county agency or with the elected official's designee, or with
20 the chair of the district school board or the chair's
21 designee, or with the chair of the board of the charter school
22 or the chair's designee, or with the chair of the charter
23 technical career center or the chair's designee, as
24 appropriate, all of the auditor's comments that will be
25 included in the audit report. If the officer is not available
26 to discuss the auditor's comments, their discussion is
27 presumed when the comments are delivered in writing to his or
28 her office. The auditor shall notify each member of the
29 governing body of a local governmental entity or district
30 school board for which deteriorating financial conditions
31

1 exist that may cause a condition described in s. 218.503(1) to
2 occur if actions are not taken to address such conditions.

3 (6) The officer's written statement of explanation or
4 rebuttal concerning the auditor's findings, including
5 corrective action to be taken, must be filed with the
6 governing body of the local governmental entity, district
7 school board, charter school, or charter technical career
8 center within 30 days after the delivery of the auditor's
9 findings.

10 (7) The predecessor auditor of a district school board
11 shall provide the Auditor General access to the prior year's
12 working papers in accordance with the Statements on Auditing
13 Standards, including documentation of planning, internal
14 control, audit results, and other matters of continuing
15 accounting and auditing significance, such as the working
16 paper analysis of balance sheet accounts and those relating to
17 contingencies.

18 (8) All audits conducted in accordance with this
19 section must be conducted in accordance with the rules of the
20 Auditor General promulgated pursuant to s. 11.45. All audit
21 reports and the officer's written statement of explanation or
22 rebuttal must be submitted to the Auditor General within 45
23 days after delivery of the audit report to the entity's
24 governing body, but no later than 12 months after the end of
25 the fiscal year.

26 (9) Each charter school and charter technical career
27 center must file a copy of its audit report with the
28 sponsoring entity; the local district school board, if not the
29 sponsoring entity; the Auditor General; and with the
30 Department of Education.

31

1 (10) This section does not apply to housing
2 authorities created under chapter 421.

3 (11) Notwithstanding the provisions of any local law,
4 the provisions of this section shall govern.

5 218.391 Auditor selection procedures.--

6 (1) Each local governmental entity, district school
7 board, charter school, or charter technical career center
8 shall use auditor selection procedures when selecting an
9 auditor to conduct the annual financial audit required in s.
10 218.39.

11 (2) The governing body of a charter county,
12 municipality, special district, charter school, or charter
13 technical career center shall establish an auditor selection
14 committee and auditor selection procedures or use the
15 procedures outlined in subsection (3). The purpose of the
16 committee and the procedures is to contract with an auditor to
17 conduct the annual financial audit required in s. 218.39.

18 (3) The governing body of a noncharter county or
19 district school board that retains a certified public
20 accountant shall establish an auditor selection committee and
21 select an auditor according to the following procedure:

22 (a) For each noncharter county, the auditor selection
23 committee shall consist of the county officers elected
24 pursuant to s. 1(d), Art. VIII of the State Constitution, and
25 one member of the board of county commissioners or its
26 designee.

27 (b) The committee shall publicly announce, in a
28 uniform and consistent manner, each occasion when auditing
29 services are required to be purchased. Public notice must
30 include a general description of the audit and must indicate
31

1 how interested certified public accountants can apply for
2 consideration.

3 (c) The committee shall encourage firms engaged in the
4 lawful practice of public accounting who desire to provide
5 professional services to submit annually a statement of
6 qualifications and performance data.

7 (d) Any certified public accountant desiring to
8 provide auditing services shall first be qualified pursuant to
9 law. The committee shall make a finding that the firm or
10 individual to be employed is fully qualified to render the
11 required services. Among the factors to be considered in
12 making this finding are the capabilities, adequacy of
13 personnel, past record, and experience of the firm or
14 individual.

15 (e) The committee shall adopt procedures for the
16 evaluation of professional services, including, but not
17 limited to, capabilities, adequacy of personnel, past record,
18 experience, results of recent external quality control
19 reviews, and such other factors as may be determined by the
20 committee to be applicable to its particular requirements.

21 (f) The public shall not be excluded from the
22 proceedings under this subsection.

23 (g) The committee shall evaluate current statements of
24 qualifications and performance data on file with the
25 committee, together with those that may be submitted by other
26 firms regarding the proposed audit, and shall conduct
27 discussions with, and may require public presentations by, no
28 fewer than three firms regarding their qualifications,
29 approach to the audit, and ability to furnish the required
30 services.

31

1 (h) The committee shall select in order of preference
2 no fewer than three firms deemed to be the most highly
3 qualified to perform the required services after considering
4 the following factors: the ability of professional personnel;
5 past performance; willingness to meet time requirements;
6 location; and recent, current, and projected workloads of the
7 firms. However, such distribution shall not violate the
8 principle of selection of the most highly qualified firms. If
9 fewer than three firms desire to perform the services, the
10 committee shall recommend such firms as it determines to be
11 qualified.

12 (i) The committee may request, accept, and consider
13 proposals for the compensation to be paid only during
14 competitive negotiations under paragraph (h). The firm ranked
15 first may then negotiate a contract with the board giving,
16 among other things, a basis of its fee for that engagement.
17 If the board is unable to negotiate a satisfactory contract
18 with that firm, negotiations with that firm shall be formally
19 terminated, and the board shall then undertake negotiations
20 with the second-ranked firm. Failing accord with the
21 second-ranked firm, negotiations shall then be terminated with
22 that firm and undertaken with the third-ranked firm.
23 Negotiations with the other ranked firms shall be undertaken
24 in the same manner. The board, in negotiating with firms, may
25 reopen formal negotiations with any one of the three
26 top-ranked firms, but it may not negotiate with more than one
27 firm at a time. The board shall also negotiate on the scope
28 and quality of services. In making such determination, the
29 board shall conduct a detailed analysis of the cost of the
30 professional services required in addition to considering
31 their scope and complexity. For contracts over \$50,000, the

1 board shall require the firm receiving the award to execute a
2 truth-in-negotiations certificate stating that the rates of
3 compensation and other factual unit costs supporting the
4 compensation are accurate, complete, and current at the time
5 of contracting. Such certificate shall also contain a
6 description and disclosure of any understanding that places a
7 limit on current or future years' audit contract fees,
8 including any arrangements under which fixed limits on fees
9 will not be subject to reconsideration if unexpected
10 accounting or auditing issues are encountered. Such
11 certificate shall also contain a description of any services
12 rendered by the certified public accountant or firm of
13 certified public accountants at rates or terms that are not
14 customary. Any auditing service contract under which such a
15 certificate is required must contain a provision that the
16 original contract price and any additions thereto shall be
17 adjusted to exclude any significant sums by which the board
18 determines the contract price was increased due to inaccurate
19 or incomplete factual unit costs. All such contract
20 adjustments shall be made within 1 year following the end of
21 the contract.

22 (j) If the board is unable to negotiate a satisfactory
23 contract with any of the selected firms, the committee shall
24 select additional firms, and the board shall continue
25 negotiations in accordance with this subsection until an
26 agreement is reached.

27 Section 57. Subsection (22) of section 218.415,
28 Florida Statutes, is amended to read:

29 218.415 Local government investment
30 policies.--Investment activity by a unit of local government
31 must be consistent with a written investment plan adopted by

1 the governing body, or in the absence of the existence of a
2 governing body, the respective principal officer of the unit
3 of local government and maintained by the unit of local
4 government or, in the alternative, such activity must be
5 conducted in accordance with subsection (17). Any such unit
6 of local government shall have an investment policy for any
7 public funds in excess of the amounts needed to meet current
8 expenses as provided in subsections (1)-(16), or shall meet
9 the alternative investment guidelines contained in subsection
10 (17). Such policies shall be structured to place the highest
11 priority on the safety of principal and liquidity of funds.
12 The optimization of investment returns shall be secondary to
13 the requirements for safety and liquidity. Each unit of local
14 government shall adopt policies that are commensurate with the
15 nature and size of the public funds within its custody.

16 (22) AUDITS.--Certified public accountants conducting
17 audits of units of local government pursuant to s. 218.39
18 ~~11.45~~ shall report, as part of the audit, whether or not the
19 unit of local government has complied with this section.

20 Section 58. Paragraph (g) of subsection (8) of section
21 228.056, Florida Statutes, is amended to read:

22 228.056 Charter schools.--

23 (8) REQUIREMENTS.--

24 (g) A charter school shall provide for ~~be subject to~~
25 an annual financial audit in accordance with s. 218.39 ~~a~~
26 ~~manner similar to that of a school district.~~

27 Section 59. Paragraph (d) of subsection (3) of section
28 228.093, Florida Statutes, is amended to read:

29 228.093 Pupil and student records and reports; rights
30 of parents, guardians, pupils, and students; notification;
31 penalty.--

1 (3) RIGHTS OF PARENT, GUARDIAN, PUPIL, OR
2 STUDENT.--The parent or guardian of any pupil or student who
3 attends or has attended any public school, area
4 vocational-technical training center, community college, or
5 institution of higher education in the State University System
6 shall have the following rights with respect to any records or
7 reports created, maintained, and used by any public
8 educational institution in the state. However, whenever a
9 pupil or student has attained 18 years of age, or is attending
10 an institution of postsecondary education, the permission or
11 consent required of, and the rights accorded to, the parents
12 of the pupil or student shall thereafter be required of and
13 accorded to the pupil or student only, unless the pupil or
14 student is a dependent pupil or student of such parents as
15 defined in 26 U.S.C. s. 152 (s. 152 of the Internal Revenue
16 Code of 1954). The State Board of Education shall formulate,
17 adopt, and promulgate rules whereby parents, guardians,
18 pupils, or students may exercise these rights:

19 (d) Right of privacy.--Every pupil or student shall
20 have a right of privacy with respect to the educational
21 records kept on him or her. Personally identifiable records or
22 reports of a pupil or student, and any personal information
23 contained therein, are confidential and exempt from the
24 provisions of s. 119.07(1). No state or local educational
25 agency, board, public school, area technical center, community
26 college, or institution of higher education in the State
27 University System shall permit the release of such records,
28 reports, or information without the written consent of the
29 pupil's or student's parent or guardian, or of the pupil or
30 student himself or herself if he or she is qualified as
31 provided in this subsection, to any individual, agency, or

1 organization. However, personally identifiable records or
2 reports of a pupil or student may be released to the following
3 persons or organizations without the consent of the pupil or
4 the pupil's parent:

5 1. Officials of schools, school systems, area
6 technical centers, community colleges, or institutions of
7 higher learning in which the pupil or student seeks or intends
8 to enroll; and a copy of such records or reports shall be
9 furnished to the parent, guardian, pupil, or student upon
10 request.

11 2. Other school officials, including teachers within
12 the educational institution or agency, who have legitimate
13 educational interests in the information contained in the
14 records.

15 3. The United States Secretary of Education, the
16 Director of the National Institute of Education, the Assistant
17 Secretary for Education, the Comptroller General of the United
18 States, or state or local educational authorities who are
19 authorized to receive such information subject to the
20 conditions set forth in applicable federal statutes and
21 regulations of the United States Department of Education, or
22 in applicable state statutes and rules of the State Board of
23 Education.

24 4. Other school officials, in connection with a
25 pupil's or student's application for or receipt of financial
26 aid.

27 5. Individuals or organizations conducting studies for
28 or on behalf of an institution or a board of education for the
29 purpose of developing, validating, or administering predictive
30 tests, administering pupil or student aid programs, or
31 improving instruction, if such studies are conducted in such a

1 manner as will not permit the personal identification of
2 pupils or students and their parents by persons other than
3 representatives of such organizations and if such information
4 will be destroyed when no longer needed for the purpose of
5 conducting such studies.

6 6. Accrediting organizations, in order to carry out
7 their accrediting functions.

8 7. School readiness coalitions and the Florida
9 Partnership for School Readiness in order to carry out their
10 assigned duties.

11 8. For use as evidence in pupil or student expulsion
12 hearings conducted by a district school board pursuant to the
13 provisions of chapter 120.

14 9. Appropriate parties in connection with an
15 emergency, if knowledge of the information in the pupil's or
16 student's educational records is necessary to protect the
17 health or safety of the pupil, student, or other individuals.

18 10. The Auditor General and the Office of Program
19 Policy Analysis and Government Accountability in connection
20 with their ~~his or her~~ official functions; however, except when
21 the collection of personally identifiable information is
22 specifically authorized by law, any data collected by the
23 Auditor General and the Office of Program Policy Analysis and
24 Government Accountability is confidential and exempt from the
25 provisions of s. 119.07(1) and shall be protected in such a
26 way as will not permit the personal identification of students
27 and their parents by other than the Auditor General, the
28 Office of Program Policy Analysis and Government
29 Accountability, and their ~~his or her~~ staff, and such
30 personally identifiable data shall be destroyed when no longer
31

1 needed for the Auditor General's and the Office of Program
2 Policy Analysis and Government Accountability's official use.

3 11.a. A court of competent jurisdiction in compliance
4 with an order of that court or the attorney of record pursuant
5 to a lawfully issued subpoena, upon the condition that the
6 pupil or student and the pupil's or student's parent are
7 notified of the order or subpoena in advance of compliance
8 therewith by the educational institution or agency.

9 b. A person or entity pursuant to a court of competent
10 jurisdiction in compliance with an order of that court or the
11 attorney of record pursuant to a lawfully issued subpoena,
12 upon the condition that the pupil or student, or his or her
13 parent if the pupil or student is either a minor and not
14 attending an institution of postsecondary education or a
15 dependent of such parent as defined in 26 U.S.C. s. 152 (s.
16 152 of the Internal Revenue Code of 1954), is notified of the
17 order or subpoena in advance of compliance therewith by the
18 educational institution or agency.

19 12. Credit bureaus, in connection with an agreement
20 for financial aid which the student has executed, provided
21 that such information may be disclosed only to the extent
22 necessary to enforce the terms or conditions of the financial
23 aid agreement. Credit bureaus shall not release any
24 information obtained pursuant to this paragraph to any person.

25 13. Parties to an interagency agreement among the
26 Department of Juvenile Justice, school and law enforcement
27 authorities, and other signatory agencies for the purpose of
28 reducing juvenile crime and especially motor vehicle theft by
29 promoting cooperation and collaboration, and the sharing of
30 appropriate information in a joint effort to improve school
31 safety, to reduce truancy, in-school and out-of-school

1 suspensions, to support alternatives to in-school and
2 out-of-school suspensions and expulsions that provide
3 structured and well-supervised educational programs
4 supplemented by a coordinated overlay of other appropriate
5 services designed to correct behaviors that lead to truancy,
6 suspensions, and expulsions, and which support students in
7 successfully completing their education. Information provided
8 in furtherance of such interagency agreements is intended
9 solely for use in determining the appropriate programs and
10 services for each juvenile or the juvenile's family, or for
11 coordinating the delivery of such programs and services, and
12 as such is inadmissible in any court proceedings prior to a
13 dispositional hearing unless written consent is provided by a
14 parent, guardian, or other responsible adult on behalf of the
15 juvenile.

16
17 This paragraph does not prohibit any educational institution
18 from publishing and releasing to the general public directory
19 information relating to a pupil or student if the institution
20 elects to do so. However, no educational institution shall
21 release, to any individual, agency, or organization which is
22 not listed in subparagraphs 1.-13., directory information
23 relating to the student body in general or a portion thereof
24 unless it is normally published for the purpose of release to
25 the public in general. Any educational institution making
26 directory information public shall give public notice of the
27 categories of information which it has designated as directory
28 information with respect to all pupils or students attending
29 the institution and shall allow a reasonable period of time
30 after such notice has been given for a parent, guardian,
31 pupil, or student to inform the institution in writing that

1 any or all of the information designated should not be
2 released.

3 Section 60. Paragraph (e) of subsection (11) of
4 section 228.505, Florida Statutes, is amended to read:

5 228.505 Charter technical career centers.--

6 (11) FUNDING.--

7 (e) A center shall provide for ~~is subject to~~ an annual
8 financial audit in accordance with s. 218.39 ~~a manner similar~~
9 ~~to that of a school district or community college.~~

10 Section 61. Subsection (4) of section 229.8021,
11 Florida Statutes, is amended to read:

12 229.8021 Direct-support organization; use of property;
13 board of directors; audit.--

14 (4) ANNUAL AUDIT.--The direct-support organization
15 shall provide ~~make provision~~ for an annual financial audit
16 ~~postaudit of its financial accounts to be conducted by an~~
17 ~~independent, certified public accountant in accordance with s.~~
18 218.39 ~~rules to be promulgated by the State Board of~~
19 ~~Education. The annual audit report shall include a management~~
20 ~~letter and shall be submitted to the Auditor General and the~~
21 ~~State Board of Education for review. The State Board of~~
22 ~~Education and the Auditor General have the authority to~~
23 ~~require and receive from the organization or from its~~
24 ~~independent auditor any detail or supplemental data relative~~
25 ~~to the operation of the organization.~~The identity of donors
26 and all information identifying donors and prospective donors
27 is confidential and exempt from the provisions of s.
28 119.07(1), and that anonymity shall be maintained in the
29 auditor's report. All other records and information shall be
30 considered public records for the purposes of chapter 119.

31

1 Section 62. Paragraphs (l) and (m) are added to
2 subsection (10) of section 230.23, Florida Statutes, to read:

3 230.23 Powers and duties of school board.--The school
4 board, acting as a board, shall exercise all powers and
5 perform all duties listed below:

6 (10) FINANCE.--Take steps to assure children adequate
7 educational facilities through the financial procedure
8 authorized in chapters 236 and 237 and as prescribed below:

9 (l) Internal auditor.--The school board may employ an
10 internal auditor to perform ongoing financial verification of
11 the financial records of the school district. The internal
12 auditor shall report directly to the school board or its
13 designee.

14 (m) Financial and performance audits.--In addition to
15 the audits required by ss. 11.45 and 218.39, the school board
16 may contract with an independent certified public accountant
17 to conduct a financial or performance audit of its accounts
18 and records retained by it and paid from its public funds.

19 Section 63. Subsection (4) of section 230.23025,
20 Florida Statutes, is amended to read:

21 230.23025 Best financial management practices;
22 standards; reviews; designation of districts.--

23 (4) District school boards that agree by a majority
24 plus one vote to institute the action plan shall submit an
25 annual report to the Legislature, the Governor, the SMART
26 Schools Clearinghouse, OPPAGA, the Auditor General, and the
27 Commissioner of Education on progress made towards
28 implementing the plan and whether changes have occurred in
29 other areas of operation which would affect compliance with
30 the best practices. Such districts shall be reviewed annually
31 by OPPAGA, in addition to the annual financial audit required

1 under s. 218.39 ~~11.45~~, to determine whether they have attained
2 compliance with the best financial management practices in the
3 areas covered by the plan. Districts that are found to comply
4 with the best financial management practices shall receive a
5 "Seal of Best Financial Management" by the State Board of
6 Education certifying that the district is adhering to the
7 state's best financial management practices. This designation
8 shall be effective for a 5-year period, after which the
9 district school board may reapply for the designation to be
10 granted after another financial management practice review.
11 During the designation period, the district school board shall
12 annually notify the SMART Schools Clearinghouse, OPPAGA, the
13 Auditor General, and the State Board of Education of any
14 changes in policies or operations or any other situations that
15 would not conform to the state's best financial management
16 practices. The State Board of Education may revoke the
17 designation of a district at any time if it determines that a
18 district is no longer complying with the state's best
19 financial management practices.

20 Section 64. Subsection (4) of section 237.40, Florida
21 Statutes, is amended to read:

22 237.40 Direct-support organization; use of property;
23 board of directors; audit.--

24 (4) ANNUAL AUDIT.--~~Each~~ The direct-support
25 organization shall provide ~~make provisions~~ for an annual
26 financial audit ~~postaudit~~ of its ~~financial~~ accounts and
27 records, to be conducted by an independent certified public
28 accountant ~~the district auditor~~ in accordance with rules ~~to be~~
29 adopted by the Auditor General pursuant to s. 11.45(8) and the
30 Commissioner of Education. The annual audit report shall
31 ~~include a management letter and shall be~~ submitted within 9

1 months after the fiscal year's end to ~~filed as a public record~~
2 ~~in~~ the district school board and the Auditor General. The
3 Commissioner of Education, ~~and the Auditor General,~~ and the
4 Office of Program Policy Analysis and Government
5 Accountability have the authority to require and receive from
6 the organization or the district auditor any records ~~detail or~~
7 ~~supplemental data~~ relative to the operation of the
8 organization. The identity of donors and all information
9 identifying donors and prospective donors are confidential and
10 exempt from the provisions of s. 119.07(1), and that anonymity
11 shall be maintained in the auditor's report. All other
12 records and information shall be ~~are~~ considered public records
13 for the purposes of chapter 119.

14 Section 65. Subsection (1) of section 240.214, Florida
15 Statutes, is amended to read:

16 240.214 State University System accountability
17 process.--It is the intent of the Legislature that an
18 accountability process be implemented which provides for the
19 systematic, ongoing evaluation of quality and effectiveness in
20 the State University System. It is further the intent of the
21 Legislature that this accountability process monitor
22 performance at the system level in each of the major areas of
23 instruction, research, and public service, while recognizing
24 the differing missions of each of the state universities. The
25 accountability process shall provide for the adoption of
26 systemwide performance standards and performance goals for
27 each standard identified through a collaborative effort
28 involving the State University System, the Legislature, and
29 the Governor's Office. These standards and goals shall be
30 consistent with s. 216.011(1) to maintain congruity with the
31 performance-based budgeting process. This process requires

1 that university accountability reports reflect measures
2 defined through performance-based budgeting. The
3 performance-based budgeting measures must also reflect the
4 elements of teaching, research, and service inherent in the
5 missions of the institutions in the State University System.

6 (1) By December 31 of each year, the Board of Regents
7 shall submit an annual accountability report providing
8 information on the implementation of performance standards,
9 actions taken to improve university achievement of performance
10 goals, the achievement of performance goals during the prior
11 year, and initiatives to be undertaken during the next year.
12 The accountability reports shall be designed in consultation
13 with the Governor's Office, the Office of Program Policy
14 Analysis and Government Accountability ~~the Auditor General~~,
15 and the Legislature.

16 Section 66. Subsection (5) of section 240.299, Florida
17 Statutes, is amended to read:

18 240.299 Direct-support organizations; use of property;
19 board of directors; activities; audit; facilities.--

20 (5) ANNUAL AUDIT.--Each direct-support organization
21 shall provide ~~make provisions~~ for an annual financial audit
22 postaudit of its ~~financial~~ accounts and records to be
23 conducted by an independent certified public accountant in
24 accordance with rules adopted ~~to be promulgated~~ by the Auditor
25 General pursuant to s. 11.45(8) and by the Board of Regents.
26 The annual audit report ~~shall include a management letter and~~
27 shall be submitted, within 9 months after the end of the
28 fiscal year, to the Auditor General and the Board of Regents
29 for review. The Board of Regents, ~~and~~ the Auditor General,
30 and the Office of Program Policy Analysis and Government
31 Accountability shall have the authority to require and receive

1 from the organization or from its independent auditor any
2 records ~~detail or supplemental data~~ relative to the operation
3 of the organization. The identity of donors who desire to
4 remain anonymous shall be protected, and that anonymity shall
5 be maintained in the auditor's report. All records of the
6 organization other than the auditor's report, management
7 letter, and any supplemental data requested by the Board of
8 Regents, and the Auditor General, and the Office of Program
9 Policy Analysis and Government Accountability shall be
10 confidential and exempt from the provisions of s. 119.07(1).

11 Section 67. Subsection (5) of section 240.2995,
12 Florida Statutes, is amended to read:

13 240.2995 University health services support
14 organizations.--

15 (5) Each university health services support
16 organization shall provide ~~make provisions~~ for an annual
17 financial audit ~~postaudit of its financial accounts to be~~
18 ~~conducted by an independent certified public accountant in~~
19 ~~accordance with s. 240.299(4) rules of the Board of Regents.~~
20 ~~The annual audit report shall include a management letter and~~
21 ~~shall be submitted to the Auditor General and the Board of~~
22 ~~Regents for review. The Board of Regents and the Auditor~~
23 ~~General shall have the authority to require and receive from~~
24 ~~the organization or from its independent auditor any detail or~~
25 ~~supplemental data relative to the operation of the~~
26 ~~organization.~~The auditor's report, management letter, and any
27 supplemental data requested by the Board of Regents and the
28 Auditor General shall be considered public records, pursuant
29 to s. 119.07.

30 Section 68. Paragraph (c) of subsection (8) of section
31 240.311, Florida Statutes, is amended to read:

1 240.311 State Board of Community Colleges; powers and
2 duties.--
3 (8)
4 (c) Any Florida not-for-profit corporation receiving
5 funds pursuant to this section shall make provisions for an
6 annual postaudit of its financial accounts to be conducted by
7 an independent certified public accountant in accordance with
8 rules to be adopted by the board. The annual audit report
9 shall be submitted to the Auditor General and the board for
10 review. The board, ~~and~~ the Auditor General, and the Office of
11 Program Policy Analysis and Government Accountability shall
12 have the authority to require and receive from the
13 organization or from its independent auditor any detail or
14 supplemental data relative to the operation of the
15 organization.

16 Section 69. Subsection (6) of section 240.331, Florida
17 Statutes, is amended to read:

18 240.331 Community college direct-support
19 organizations.--

20 (6) ANNUAL AUDIT.--Each direct-support organization
21 shall provide ~~make provisions~~ for an annual financial audit
22 ~~postaudit of its financial accounts to be conducted by an~~
23 ~~independent certified public accountant~~ in accordance with
24 rules adopted to be promulgated by the Auditor General
25 pursuant to s. 11.45(8) district board of trustees. The annual
26 audit report must be submitted, within 9 months after the end
27 of the fiscal year, to the Auditor General, the State Board of
28 Community Colleges, and the board of trustees for review. The
29 board of trustees, ~~and~~ the Auditor General, and the Office of
30 Program Policy Analysis and Government Accountability may
31 require and receive from the organization or from its

1 independent auditor any detail or supplemental data relative
2 to the operation of the organization. The identity of donors
3 who desire to remain anonymous shall be protected, and that
4 anonymity shall be maintained in the auditor's report. All
5 records of the organization, other than the auditor's report,
6 any information necessary for the auditor's report, any
7 information related to the expenditure of funds, and any
8 supplemental data requested by the board of trustees, and the
9 Auditor General, and the Office of Program Policy Analysis and
10 Government Accountability, shall be confidential and exempt
11 from the provisions of s. 119.07(1).

12 Section 70. Subsection (6) of section 240.3315,
13 Florida Statutes, is amended to read:

14 240.3315 Statewide community college direct-support
15 organizations.--

16 (6) ANNUAL AUDIT.--A statewide community college
17 direct-support organization shall provide ~~make provisions~~ for
18 an annual financial audit ~~postaudit of its financial accounts~~
19 ~~to be conducted by an independent certified public accountant~~
20 ~~in accordance with s. 240.331 rules to be adopted by the State~~
21 ~~Board of Community Colleges. The annual audit report shall be~~
22 ~~submitted to the Auditor General and the State Board of~~
23 ~~Community Colleges for review. The State Board of Community~~
24 ~~Colleges and the Auditor General shall have the authority to~~
25 ~~require and receive from the organization or from its~~
26 ~~independent auditor any detail or supplemental data relative~~
27 ~~to the operation of the organization.~~The identity of a donor
28 or prospective donor who desires to remain anonymous and all
29 information identifying such donor or prospective donor are
30 confidential and exempt from the provisions of s. 119.07(1)

31

1 and s. 24(a), Art. I of the State Constitution. Such anonymity
2 shall be maintained in the auditor's report.

3 Section 71. Section 240.3631, Florida Statutes, is
4 created to read:

5 240.3631 Financial and performance audits.--Each
6 district board of trustees of a community college is
7 authorized to have an audit of their accounts and records by
8 an independent certified public accountant retained by them
9 and paid from their public funds. These audits are in
10 addition to those required by s. 11.45.

11 Section 72. Paragraph (d) of subsection (2) and
12 paragraph (b) of subsection (8) of section 240.512, Florida
13 Statutes, are amended to read:

14 240.512 H. Lee Moffitt Cancer Center and Research
15 Institute.--There is established the H. Lee Moffitt Cancer
16 Center and Research Institute at the University of South
17 Florida.

18 (2) The Board of Regents shall provide in the
19 agreement with the not-for-profit corporation for the
20 following:

21 (d) Preparation of an annual postaudit of the
22 not-for-profit corporation's financial accounts and the
23 financial accounts of any subsidiaries to be conducted by an
24 independent certified public accountant. The annual audit
25 report shall include management letters and shall be submitted
26 to the Auditor General and the Board of Regents for review.
27 The Board of Regents, ~~and~~ the Auditor General, and the Office
28 of Program Policy Analysis and Government Accountability shall
29 have the authority to require and receive from the
30 not-for-profit corporation and any subsidiaries or from their
31 independent auditor any detail or supplemental data relative

1 to the operation of the not-for-profit corporation or
2 subsidiary.
3 (8)
4 (b) Proprietary confidential business information is
5 confidential and exempt from the provisions of s. 119.07(1)
6 and s. 24(a), Art. I of the State Constitution. However, the
7 Auditor General, the Office of Program Policy Analysis and
8 Government Accountability, and Board of Regents, pursuant to
9 their oversight and auditing functions, must be given access
10 to all proprietary confidential business information upon
11 request and without subpoena and must maintain the
12 confidentiality of information so received. As used in this
13 paragraph, the term "proprietary confidential business
14 information" means information, regardless of its form or
15 characteristics, which is owned or controlled by the
16 not-for-profit corporation or its subsidiaries; is intended to
17 be and is treated by the not-for-profit corporation or its
18 subsidiaries as private and the disclosure of which would harm
19 the business operations of the not-for-profit corporation or
20 its subsidiaries; has not been intentionally disclosed by the
21 corporation or its subsidiaries unless pursuant to law, an
22 order of a court or administrative body, a legislative
23 proceeding pursuant to s. 5, Art. III of the State
24 Constitution, or a private agreement that provides that the
25 information may be released to the public; and which is
26 information concerning:
27 1. Internal auditing controls and reports of internal
28 auditors;
29 2. Matters reasonably encompassed in privileged
30 attorney-client communications;
31

- 1 3. Contracts for managed-care arrangements, including
2 preferred provider organization contracts, health maintenance
3 organization contracts, and exclusive provider organization
4 contracts, and any documents directly relating to the
5 negotiation, performance, and implementation of any such
6 contracts for managed-care arrangements;
- 7 4. Bids or other contractual data, banking records,
8 and credit agreements the disclosure of which would impair the
9 efforts of the not-for-profit corporation or its subsidiaries
10 to contract for goods or services on favorable terms;
- 11 5. Information relating to private contractual data,
12 the disclosure of which would impair the competitive interest
13 of the provider of the information;
- 14 6. Corporate officer and employee personnel
15 information;
- 16 7. Information relating to the proceedings and records
17 of credentialing panels and committees and of the governing
18 board of the not-for-profit corporation or its subsidiaries
19 relating to credentialing;
- 20 8. Minutes of meetings of the governing board of the
21 not-for-profit corporation and its subsidiaries, except
22 minutes of meetings open to the public pursuant to subsection
23 (9);
- 24 9. Information that reveals plans for marketing
25 services that the corporation or its subsidiaries reasonably
26 expect to be provided by competitors;
- 27 10. Trade secrets as defined in s. 688.002, including
28 reimbursement methodologies or rates; or
- 29 11. The identity of donors or prospective donors of
30 property who wish to remain anonymous or any information
31 identifying such donors or prospective donors. The anonymity

1 of these donors or prospective donors must be maintained in
2 the auditor's report.

3
4 As used in this paragraph, the term "managed care" means
5 systems or techniques generally used by third-party payors or
6 their agents to affect access to and control payment for
7 health care services. Managed-care techniques most often
8 include one or more of the following: prior, concurrent, and
9 retrospective review of the medical necessity and
10 appropriateness of services or site of services; contracts
11 with selected health care providers; financial incentives or
12 disincentives related to the use of specific providers,
13 services, or service sites; controlled access to and
14 coordination of services by a case manager; and payor efforts
15 to identify treatment alternatives and modify benefit
16 restrictions for high-cost patient care.

17 Section 73. Subsection (3) of section 240.5285,
18 Florida Statutes, is amended to read:

19 240.5285 Florida Atlantic University campuses.--

20 (3) The Board of Regents shall take all actions
21 necessary to assure that Florida Atlantic University Broward
22 and Florida Atlantic University Boca Raton are partners in the
23 overall policymaking and academic governance structures of the
24 university. Annual legislative budget requests for operations
25 and facilities shall separately identify those funds requested
26 for Florida Atlantic University Broward and Florida Atlantic
27 University Boca Raton. Florida Atlantic University Broward
28 and Florida Atlantic University Boca Raton shall have local
29 management authority over their campus faculty, staff, and
30 programs, but there shall be universitywide standards and
31 processes for evaluating requests for promotion and tenure;

1 there shall be complete transferability of credits and uniform
2 programs across campuses; and colleges operating on multiple
3 campuses shall have only one dean for each college. Florida
4 Atlantic University Broward shall establish a faculty senate
5 and may establish a direct-support organization. Any such
6 direct-support organization shall be subject to s. 240.299(4).

7 Section 74. Paragraphs (b), (c), (d), (e), (f), and
8 (g) of subsection (22) of section 240.551, Florida Statutes,
9 are amended to read:

10 240.551 Florida Prepaid College Program.--

11 (22) DIRECT-SUPPORT ORGANIZATION; AUTHORITY.--

12 (b) The direct-support organization shall operate
13 under written contract with the board. The contract must
14 provide for:

15 1. Approval of the articles of incorporation and
16 bylaws of the direct-support organization by the board.

17 2. Submission of an annual budget for the approval of
18 the board. The budget must comply with rules adopted by the
19 board.

20 3. An annual financial ~~and compliance~~ audit of its
21 financial accounts and records by an independent certified
22 public accountant in accordance with s. 215.98 ~~rules adopted~~
23 ~~by the board.~~

24 4. Certification by the board that the direct-support
25 organization is complying with the terms of the contract and
26 in a manner consistent with the goals and purposes of the
27 board and in the best interest of the state. Such
28 certification must be made annually and reported in the
29 official minutes of a meeting of the board.

30 5. The reversion to the board, or to the state if the
31 board ceases to exist, of moneys and property held in trust by

1 the direct-support organization for the benefit of the board
2 or program if the direct-support organization is no longer
3 approved to operate for the board or if the board ceases to
4 exist.

5 6. The fiscal year of the direct-support organization,
6 which must begin July 1 of each year and end June 30 of the
7 following year.

8 7. The disclosure of material provisions of the
9 contract and of the distinction between the board and the
10 direct-support organization to donors of gifts, contributions,
11 or bequests, and such disclosure on all promotional and
12 fundraising publications.

13 ~~(c) An annual financial and compliance audit of the~~
14 ~~financial accounts and records of the direct support~~
15 ~~organization must be performed by an independent certified~~
16 ~~public accountant. The audit must be submitted to the board~~
17 ~~for review and approval. Upon approval, the board shall~~
18 ~~certify the audit report to the Auditor General for review.~~
19 ~~The board and Auditor General shall have the authority to~~
20 ~~require and receive from the organization or its independent~~
21 ~~auditor any detail or supplemental data relative to the~~
22 ~~operation of the organization.~~

23 (c)(d) The identity of donors who desire to remain
24 anonymous shall be confidential and exempt from the provisions
25 of s. 119.07(1) and s. 24(a), Art. I of the State
26 Constitution, and such anonymity shall be maintained in the
27 auditor's report. Information received by the organization
28 that is otherwise confidential or exempt by law shall retain
29 such status. Any sensitive, personal information regarding
30 contract beneficiaries, including their identities, is exempt
31

1 from the provisions of s. 119.07(1) and s. 24(a), Art. I of
2 the State Constitution.

3 (d)~~(e)~~ The chair and the executive director of the
4 board shall be directors of the direct-support organization
5 and shall jointly name three other individuals to serve as
6 directors of the organization.

7 (e)~~(f)~~ The board may authorize the direct-support
8 organization established in this subsection to use program
9 property, except money, and use facilities and personal
10 services subject to the provisions of this section. If the
11 direct-support organization does not provide equal employment
12 opportunities to all persons regardless of race, color,
13 religion, sex, age, or national origin, it may not use the
14 property, facilities, or personal services of the board. For
15 the purposes of this subsection, the term "personal services"
16 includes full-time personnel and part-time personnel as well
17 as payroll processing as prescribed by rule of the board. The
18 board shall adopt rules prescribing the procedures by which
19 the direct-support organization is governed and any conditions
20 with which such a direct-support organization must comply to
21 use property, facilities, or personal services of the board.

22 (f)~~(g)~~ The board may invest funds of the
23 direct-support organization which have been allocated for the
24 purchase of advance payment contracts for scholarships with
25 receipts for advance payment contracts.

26 Section 75. Subsection (6) of section 240.609, Florida
27 Statutes, is amended to read:

28 240.609 Postsecondary endowment grants.--

29 (6) Matching endowment grants made pursuant to this
30 section to a qualified independent nonprofit college or
31 university shall be placed in a separate restricted endowment

1 by such institution. The interest or other income accruing
2 from the endowment shall be expended exclusively for
3 professorships, library resources, scientific and technical
4 equipment, and nonathletic scholarships. Moreover, the funds
5 in the endowment shall not be used for pervasively sectarian
6 instruction, religious worship, or theology or divinity
7 programs or resources. The records of the endowment shall be
8 subject to review by the department and audit or examination
9 by the Auditor General and the Office of Program Policy
10 Analysis and Government Accountability. If any institution
11 receiving a matching endowment grant pursuant to this section
12 ceases operations and undergoes dissolution proceedings, then
13 all funds received pursuant to this section from the state
14 shall be returned.

15 Section 76. Paragraph (h) of subsection (2) of section
16 240.711, Florida Statutes, is amended to read:

17 240.711 Ringling Center for Cultural Arts.--

18 (2)

19 (h) The John and Mable Ringling Museum of Art
20 direct-support organization shall provide for ~~cause~~ an annual
21 financial audit ~~of its financial accounts to be conducted by~~
22 ~~an independent certified public accountant, performed in~~
23 accordance with s. 240.299(4) ~~generally accepted accounting~~
24 ~~standards~~. Florida State University is authorized to require
25 and receive from the direct-support organization, or from its
26 independent auditor, any detail or supplemental data relative
27 to the operation of such organization. Information that, if
28 released, would identify donors who desire to remain
29 anonymous, is confidential and exempt from the provisions of
30 s. 119.07(1). Information that, if released, would identify
31 prospective donors is confidential and exempt from the

1 provisions of s. 119.07(1) when the direct-support
2 organization has identified the prospective donor itself and
3 has not obtained the name of the prospective donor by copying,
4 purchasing, or borrowing names from another organization or
5 source. Identities of such donors and prospective donors shall
6 not be revealed in the auditor's report.

7 Section 77. Subsection (6) of section 250.115, Florida
8 Statutes, is amended to read:

9 250.115 Department of Military Affairs direct-support
10 organization.--

11 (6) ANNUAL AUDIT.--The direct-support organization
12 shall provide ~~make provisions~~ for an annual financial audit
13 ~~postaudit of its financial accounts to be conducted by an~~
14 ~~independent certified public accountant~~ in accordance with s.
15 215.98 ~~rules to be promulgated by the Adjutant General. The~~
16 ~~annual audit report shall be submitted to the Auditor General~~
17 ~~and the Adjutant General. The Adjutant General and the Auditor~~
18 ~~General may require and receive from the organization or its~~
19 ~~independent auditor any detail or supplemental data relative~~
20 ~~to the operation of the organization.~~

21 Section 78. Subsection (11) of section 253.025,
22 Florida Statutes, is amended to read:

23 253.025 Acquisition of state lands for purposes other
24 than preservation, conservation, and recreation.--

25 (11) The Auditor General shall conduct audits
26 ~~performance postaudits~~ of acquisitions and divestitures which,
27 according to his or her preliminary assessments of
28 board-approved acquisitions and divestitures, ~~review of the~~
29 ~~overall land acquisition program~~ he or she deems necessary.
30 These preliminary assessments shall ~~selected reviews will~~ be
31 initiated not later than ~~within~~ 60 days following the final

1 approval by the board of land acquisitions under this section.
2 If an audit is conducted, the Auditor General shall submit an
3 audit report to the board of trustees, the President of the
4 Senate, the Speaker of the House of Representatives, and their
5 designees.

6 Section 79. Subsection (16) of section 259.041,
7 Florida Statutes, is amended to read:

8 259.041 Acquisition of state-owned lands for
9 preservation, conservation, and recreation purposes.--

10 (16) The Auditor General shall conduct audits
11 ~~performance postaudits~~ of acquisitions and divestitures which
12 he or she deems necessary, according to his or her preliminary
13 assessments of board-approved acquisitions and divestitures
14 ~~review of the overall land acquisition program~~. These
15 preliminary assessments shall ~~selected reviews will~~ be
16 initiated not later than ~~within~~ 60 days following the final
17 approval by the board of land acquisitions under this section.
18 If an audit is conducted, the Auditor General shall submit an
19 audit report to the board of trustees, the President of the
20 Senate, the Speaker of the House of Representatives, and their
21 designees.

22 Section 80. Subsection (7) of section 266.0018,
23 Florida Statutes, is amended to read:

24 266.0018 Direct-support organization.--

25 (7) The direct-support organization shall provide for
26 an annual financial and compliance audit of its financial
27 accounts and records by an independent certified public
28 accountant in accordance with s. 215.98 ~~rules established by~~
29 ~~the board~~. The annual audit report must be submitted to the
30 board for review and approval. Upon approval, the board shall
31 certify the audit report to the Auditor General for review.

1 Section 81. Subsection (3) of section 267.17, Florida
2 Statutes, is amended to read:

3 267.17 Citizen support organizations; use of state
4 property; audit.--

5 (3) ANNUAL AUDIT.--Each citizen support organization
6 shall provide for ~~cause~~ an annual financial audit in
7 accordance with s. 215.98 ~~postaudit of its financial accounts~~
8 ~~to be conducted by an independent certified public accountant.~~
9 ~~The annual audit report shall be submitted to the division for~~
10 ~~review. The Auditor General and the division are each~~
11 ~~authorized to require and obtain from the citizen support~~
12 ~~organization, or from its independent auditor, such data as~~
13 ~~may be needed relative to the operation of the organization.~~
14 The identity of donors who desire to remain anonymous shall be
15 confidential and exempt from the provisions of s. 119.07(1),
16 and that anonymity shall be maintained in the auditor's
17 report.

18 Section 82. Subsection (6) of section 288.1226,
19 Florida Statutes, is amended to read:

20 288.1226 Florida Tourism Industry Marketing
21 Corporation; use of property; board of directors; duties;
22 audit.--

23 (6) ANNUAL AUDIT.--The corporation shall provide ~~make~~
24 provision for an annual financial audit in accordance with s.
25 215.98 ~~postaudit of its financial accounts to be conducted by~~
26 ~~an independent certified public accountant.~~ The annual audit
27 report ~~shall be due prior to December 1 of each year, shall~~
28 ~~include a management letter, and~~ shall be submitted to the
29 Auditor General; the Office of Policy Analysis and Government
30 Accountability; and the Office of Tourism, Trade, and Economic
31 Development for review. The Office of Program Policy Analysis

1 and Government Accountability; the Office of Tourism, Trade,
2 and Economic Development; and the Auditor General have the
3 authority to require and receive from the corporation or from
4 its independent auditor any detail or supplemental data
5 relative to the operation of the corporation. The Office of
6 Tourism, Trade, and Economic Development shall annually
7 certify whether the corporation is operating in a manner and
8 achieving the objectives that are consistent with the policies
9 and goals of the commission and its long-range marketing plan.
10 The identity of a donor or prospective donor to the
11 corporation who desires to remain anonymous and all
12 information identifying such donor or prospective donor are
13 confidential and exempt from the provisions of s. 119.07(1)
14 and s. 24(a), Art. I of the State Constitution. Such
15 anonymity shall be maintained in the auditor's report.

16 Section 83. Subsection (5) of section 288.1229,
17 Florida Statutes, is amended to read:

18 288.1229 Promotion and development of sports-related
19 industries and amateur athletics; direct-support organization;
20 powers and duties.--

21 (5) The organization shall provide for an annual
22 financial ~~and compliance~~ audit in accordance with s. 215.98 of
23 ~~its financial accounts and records by an independent certified~~
24 ~~public accountant pursuant to rules established by the Office~~
25 ~~of Tourism, Trade, and Economic Development. The auditor~~
26 ~~shall submit the audit report to the director of the office~~
27 ~~for review and approval. If the audit report is approved, the~~
28 ~~office shall certify the audit report to the Auditor General~~
29 ~~for review.~~

30 Section 84. Subsection (4) of section 288.809, Florida
31 Statutes, is amended to read:

1 288.809 Florida Intergovernmental Relations
2 Foundation; use of property; board of directors; audit.--
3 (4) ANNUAL AUDIT.--The foundation shall provide ~~make~~
4 ~~provision~~ for an annual financial audit in accordance with s.
5 ~~215.98 postaudit of its financial accounts to be conducted by~~
6 ~~an independent, certified public accountant. The annual audit~~
7 ~~report shall include a management letter and shall be~~
8 ~~submitted to the Auditor General and the department for~~
9 ~~review. The department and the Auditor General have the~~
10 ~~authority to require and receive from the foundation or from~~
11 ~~its independent auditor any detail or supplemental data~~
12 ~~relative to the operation of the foundation.~~The identity of a
13 donor or prospective donor to the foundation who desires to
14 remain anonymous and all information identifying such donor or
15 prospective donor are confidential and exempt from the
16 provisions of s. 119.07(1) and s. 24(a), Art. I of the State
17 Constitution. Such anonymity shall be maintained in the
18 auditor's report.

19 Section 85. Section 288.9517, Florida Statutes, is
20 amended to read:

21 288.9517 Audits; confidentiality.--

22 (1) The Auditor General and the director of the Office
23 of Program Policy Analysis and Government Accountability may,
24 pursuant to their ~~his or her~~ own authority or at the direction
25 of the Legislative Auditing Committee, conduct an audit or
26 examination of the technology development board or the
27 programs or entities created by the board. The audit,
28 examination, or report may not reveal the identity of any
29 person who has anonymously made a donation to the board
30 pursuant to subsection (2).
31

1 (2) The identity of a donor, prospective donor, or
2 inventor who contributes to the board who desires to remain
3 anonymous and all information identifying such donor,
4 prospective donor, or inventor who contributes to the board
5 are confidential and exempt from the provisions of s.
6 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
7 anonymity shall be maintained in the ~~auditor's~~ report.

8 Section 86. Subsection (5) of section 290.0056,
9 Florida Statutes, is amended to read:

10 290.0056 Enterprise zone development agency.--

11 (5) The governing body shall designate a chair and
12 vice chair from among the commissioners. An agency may employ
13 an executive director, technical experts, and such other
14 agents and employees, permanent and temporary, as it requires,
15 and determine their qualifications, duties, and compensation.
16 For such legal service as it requires, an agency may employ or
17 retain its own counsel and legal staff. An agency authorized
18 to transact business and exercise powers under this act shall
19 file with the governing body ~~and with the Auditor General~~, on
20 or before March 31 of each year, a report of its activities
21 for the preceding fiscal year, which report shall include a
22 complete financial statement setting forth its assets,
23 liabilities, income, and operating expenses as of the end of
24 such fiscal year. At the time of filing the report, the agency
25 shall publish in a newspaper of general circulation in the
26 community a notice to the effect that such report has been
27 filed with the county or municipality and that the report is
28 available for inspection during business hours in the office
29 of the clerk of the municipality or county and in the office
30 of the agency.

31

1 Section 87. Section 290.015, Florida Statutes, is
2 amended to read:

3 290.015 Evaluation and review.--

4 (1) Prior to January 1, 1995, the department shall
5 prescribe by rule, subject to the approval of the Office of
6 Program Policy Analysis and Government Accountability Auditor
7 ~~General~~, a research design for the review and evaluation of
8 ss. 290.001-290.016, together with the incentives listed in s.
9 290.007. The research design shall set forth the types of
10 additional information necessary to effectuate the research
11 design. Such information shall be provided in the report
12 required pursuant to s. 290.014(2).

13 (2) Prior to the 2000 Regular Session of the
14 Legislature, the Office of Program Policy Analysis and
15 Government Accountability Auditor ~~General~~ shall perform a
16 review and evaluation of ss. 290.001-290.016, together with
17 the incentives listed in s. 290.007, using the research design
18 promulgated pursuant to subsection (1). The report shall
19 critique the enterprise zone program and shall include an
20 analysis of the state incentives listed under s. 290.007. A
21 report of the findings and recommendations of the Office of
22 Program Policy Analysis and Government Accountability Auditor
23 ~~General~~ shall be submitted to the President of the Senate and
24 the Speaker of the House of Representatives prior to the 2000
25 Regular Session. The appropriate committees of the Senate and
26 House of Representatives shall consider legislation to
27 implement the recommendations of the Office of Program Policy
28 Analysis and Government Accountability Auditor ~~General~~.

29 (3) Prior to the 2001 Regular Session of the
30 Legislature, the appropriate substantive committees of both
31 the Senate and the House of Representatives, upon assignment

1 by the President and Speaker, respectively, shall be
2 responsible for the completion of a review and evaluation of
3 ss. 290.001-290.016, together with the incentives listed in s.
4 290.007.

5 Section 88. Section 296.17, Florida Statutes, is
6 amended to read:

7 296.17 Audit; inspection; and standards for the
8 home.--The home shall be open at any time to audit and
9 inspection by the Auditor General and the Office of Program
10 Policy Analysis and Government Accountability, as provided by
11 law in s. 11.45, the Department of Veterans' Affairs, the
12 United States Department of Veterans Affairs, and to any other
13 audits or inspections as required by law to maintain
14 appropriate standards in the home. The standards that the
15 department shall use to regulate the operation of the home
16 shall be those prescribed by the United States Department of
17 Veterans Affairs, provided that where the state's standards
18 are more restrictive, the standards of the state shall apply.

19 Section 89. Section 296.41, Florida Statutes, is
20 amended to read:

21 296.41 Audit; inspection; standards for the home.--The
22 home shall be open at any time to audit and inspection by the
23 Auditor General and the Office of Program Policy Analysis and
24 Government Accountability, as provided by law in s. 11.45, the
25 department, and the United States Department of Veterans
26 Affairs, and to any other audits or inspections as required by
27 law to maintain appropriate standards in the home. The
28 standards that the department shall use to regulate the
29 operation of the home shall be those prescribed by the United
30 States Department of Veterans Affairs, provided that where the
31

1 state's standards are more restrictive, the standards of the
2 state shall apply.

3 Section 90. Paragraph (a) of subsection (3) of section
4 311.07, Florida Statutes, is amended to read:

5 311.07 Florida seaport transportation and economic
6 development funding.--

7 (3)(a) Program funds shall be used to fund approved
8 projects on a 50-50 matching basis with any of the deepwater
9 ports, as listed in s. 403.021(9)(b), which is governed by a
10 public body or any other deepwater port which is governed by a
11 public body and which complies with the water quality
12 provisions of s. 403.061, the comprehensive master plan
13 requirements of s. 163.3178(2)(k), the local financial
14 management and reporting provisions of part III of chapter
15 218, ~~and the auditing provisions of s. 11.45(3)(a)5.~~ Program
16 funds also may be used by the Seaport Transportation and
17 Economic Development Council to develop with the Florida Trade
18 Data Center such trade data information products which will
19 assist Florida's seaports and international trade.

20 Section 91. Subsections (5), (6), and (7) of section
21 320.023, Florida Statutes, are amended to read:

22 320.023 Requests to establish voluntary checkoff on
23 motor vehicle registration application.--

24 (5) A voluntary contribution collected and distributed
25 under this chapter, or any interest earned from those
26 contributions, may not be used for commercial or for-profit
27 activities nor for general or administrative expenses, except
28 as authorized by law, ~~or to pay the cost of the audit or~~
29 ~~report required by law.~~

30
31

1 (a) All organizations that receive annual use fee
2 proceeds from the department are responsible for ensuring that
3 proceeds are used in accordance with law.

4 ~~(b) All organizational recipients of any voluntary~~
5 ~~contributions in excess of \$15,000, not otherwise subject to~~
6 ~~annual audit by the Office of the Auditor General, shall~~
7 ~~submit an annual audit of the expenditures of these~~
8 ~~contributions and interest earned from these contributions, to~~
9 ~~determine if expenditures are being made in accordance with~~
10 ~~the specifications outlined by law. The audit shall be~~
11 ~~prepared by a certified public accountant licensed under~~
12 ~~chapter 473 at that organizational recipient's expense. The~~
13 ~~notes to the financial statements should state whether~~
14 ~~expenditures were made in accordance with law.~~

15 (b)(c) Any organization not subject to ~~In lieu of an~~
16 ~~annual audit pursuant to s. 215.97 shall, any organization~~
17 ~~receiving less than \$15,000 in voluntary contributions~~
18 ~~directly from the department may annually~~ attest report, under
19 penalties of perjury, that such proceeds were used in
20 compliance with law. The attestation shall be made annually in
21 a form and format determined by the department.

22 (c)(d) Any voluntary contributions authorized by law
23 shall only be distributed to an organization under an
24 appropriation by the Legislature.

25 (d)(e) Any organization subject to audit pursuant to
26 s. 215.97 shall submit an audit report in accordance with
27 rules adopted by the Auditor General. ~~The annual~~ attestation
28 ~~audit or report~~ shall be submitted to the department for
29 review within 9 months ~~180 days~~ after the end of the
30 organization's fiscal year.

31

1 (6) Within 90 days after receiving an organization's
2 audit or attestation ~~report~~, the department shall determine
3 which recipients have not complied with subsection (5). If
4 the department determines that an organization has not
5 complied or has failed to use the revenues in accordance with
6 law, the department must discontinue the distribution of the
7 revenues to the organization until the department determines
8 that the organization has complied. If an organization fails
9 to comply within 12 months after the voluntary contributions
10 are withheld by the department, the proceeds shall be
11 deposited into the Highway Safety Operating Trust Fund to
12 offset department costs.

13 (7) The ~~Auditor General and the~~ department has ~~have~~
14 the authority to examine all records pertaining to the use of
15 funds from the voluntary contributions authorized.

16 Section 92. Paragraph (b) of subsection (9) of section
17 320.08058, Florida Statutes, is amended to read:

18 320.08058 Specialty license plates.--

19 (9) FLORIDA PROFESSIONAL SPORTS TEAM LICENSE PLATES.--

20 (b) The license plate annual use fees are to be
21 annually distributed as follows:

22 1. Fifty-five percent of the proceeds from the Florida
23 Professional Sports Team plate must be deposited into the
24 Professional Sports Development Trust Fund within the Office
25 of Tourism, Trade, and Economic Development. These funds must
26 be used solely to attract and support major sports events in
27 this state. As used in this subparagraph, the term "major
28 sports events" means, but is not limited to, championship or
29 all-star contests of Major League Baseball, the National
30 Basketball Association, the National Football League, the
31 National Hockey League, the men's and women's National

1 Collegiate Athletic Association Final Four basketball
2 championship, or a horseracing or dogracing Breeders' Cup. All
3 funds must be used to support and promote major sporting
4 events, and the uses must be approved by the Florida Sports
5 Foundation.

6 2. The remaining proceeds of the Florida Professional
7 Sports Team license plate must be allocated to the Florida
8 Sports Foundation, a direct-support organization of the Office
9 of Tourism, Trade, and Economic Development. These funds must
10 be deposited into the Professional Sports Development Trust
11 Fund within the Office of Tourism, Trade, and Economic
12 Development. These funds must be used by the Florida Sports
13 Foundation to promote the economic development of the sports
14 industry; to distribute licensing and royalty fees to
15 participating professional sports teams; to institute a grant
16 program for communities bidding on minor sporting events that
17 create an economic impact for the state; to distribute funds
18 to Florida-based charities designated by the Florida Sports
19 Foundation and the participating professional sports teams;
20 and to fulfill the sports promotion responsibilities of the
21 Office of Tourism, Trade, and Economic Development.

22 3. The Florida Sports Foundation shall provide an
23 annual financial ~~and compliance~~ audit in accordance with s.
24 215.98 of its financial accounts and records by an independent
25 certified public accountant pursuant to the contract
26 established by the Office of Tourism, Trade, and Economic
27 Development as specified in s. 288.1229(5). The auditor shall
28 submit the audit report to the Office of Tourism, Trade, and
29 Economic Development for review and approval. If the audit
30 report is approved, the office shall certify the audit report
31 to the Auditor General for review.

1 Section 93. Section 320.08062, Florida Statutes, is
2 amended to read:

3 320.08062 Audits and attestations required; annual use
4 fees of specialty license plates.--

5 (1)(a) All organizations that receive annual use fee
6 proceeds from the department are responsible for ensuring that
7 proceeds are used in accordance with ss. 320.08056 and
8 320.08058.

9 ~~(b) All organizational recipients of any specialty
10 license plate annual use fee authorized in this chapter, not
11 otherwise subject to annual audit by the Office of the Auditor
12 General, shall submit an annual audit of the expenditures of
13 annual use fees and interest earned from these fees, to
14 determine if expenditures are being made in accordance with
15 the specifications outlined by law. The audit shall be
16 prepared by a certified public accountant licensed under
17 chapter 473 at that organizational recipient's expense. The
18 notes to the financial statements should state whether
19 expenditures were made in accordance with ss. 320.08056 and
20 320.08058.~~

21 ~~(b)(c) Any organization not subject to~~ In lieu of an
22 annual audit pursuant to s. 215.97 shall, ~~any organization~~
23 ~~receiving less than \$25,000 in annual use fee proceeds~~
24 ~~directly from the department, or from another state agency,~~
25 may annually attest report, under penalties of perjury, that
26 such proceeds were used in compliance with ss. 320.08056 and
27 320.08058. The attestation shall be made annually in a form
28 and format determined by the department.

29 ~~(c)(d) Any organization subject to audit pursuant to~~
30 s. 215.97 shall submit an audit report in accordance with
31 rules adopted by the Auditor General. The annual attestation

1 ~~audit or report~~ shall be submitted to the department for
2 review within 9 months ~~180 days~~ after the end of the
3 organization's fiscal year.

4 (2) Within 90 days after receiving an organization's
5 audit or attestation report, the department shall determine
6 which recipients of revenues from specialty license plate
7 annual use fees have not complied with subsection (1). If the
8 department determines that an organization has not complied or
9 has failed to use the revenues in accordance with ss.

10 320.08056 and 320.08058, the department must discontinue the
11 distribution of the revenues to the organization until the
12 department determines that the organization has complied. If
13 an organization fails to comply within 12 months after the
14 annual use fee proceeds are withheld by the department, the
15 proceeds shall be deposited into the Highway Safety Operating
16 Trust Fund to offset department costs related to the issuance
17 of specialty license plates.

18 (3) The ~~Auditor General and the~~ department has ~~have~~
19 the authority to examine all records pertaining to the use of
20 funds from the sale of specialty license plates.

21 Section 94. Subsections (5), (6), and (7) of section
22 322.081, Florida Statutes, are amended to read:

23 322.081 Requests to establish voluntary checkoff on
24 driver's license application.--

25 (5) A voluntary contribution collected and distributed
26 under this chapter, or any interest earned from those
27 contributions, may not be used for commercial or for-profit
28 activities nor for general or administrative expenses, except
29 as authorized by law, ~~or to pay the cost of the audit or~~
30 ~~report required by law.~~

31

1 (a) All organizations that receive annual use fee
2 proceeds from the department are responsible for ensuring that
3 proceeds are used in accordance with law.

4 ~~(b) All organizational recipients of any voluntary~~
5 ~~contributions in excess of \$15,000, not otherwise subject to~~
6 ~~annual audit by the Office of the Auditor General, shall~~
7 ~~submit an annual audit of the expenditures of these~~
8 ~~contributions and interest earned from these contributions, to~~
9 ~~determine if expenditures are being made in accordance with~~
10 ~~the specifications outlined by law. The audit shall be~~
11 ~~prepared by a certified public accountant licensed under~~
12 ~~chapter 473 at that organizational recipient's expense. The~~
13 ~~notes to the financial statements should state whether~~
14 ~~expenditures were made in accordance with law.~~

15 **(b)(c)** Any organization not subject to ~~In lieu of an~~
16 ~~annual audit pursuant to s. 215.97 shall, any organization~~
17 ~~receiving less than \$15,000 in voluntary contributions~~
18 ~~directly from the department may annually attest report, under~~
19 ~~penalties of perjury, that such proceeds were used in~~
20 ~~compliance with law. The attestation shall be made annually in~~
21 ~~a form and format determined by the department.~~

22 **(c)(d)** Any voluntary contributions authorized by law
23 shall only be distributed to an organization under an
24 appropriation by the Legislature.

25 **(d)(e)** Any organization subject to audit pursuant to
26 s. 215.97 shall submit an audit report in accordance with
27 rules adopted by the Auditor General.The annual attestation
28 ~~audit or report~~ must be submitted to the department for review
29 within 9 months ~~180 days~~ after the end of the organization's
30 fiscal year.

31

1 (6) Within 90 days after receiving an organization's
2 audit or attestation ~~report~~, the department shall determine
3 which recipients have not complied with subsection (5). If
4 the department determines that an organization has not
5 complied or has failed to use the revenues in accordance with
6 law, the department must discontinue the distribution of the
7 revenues to the organization until the department determines
8 that the organization has complied. If an organization fails
9 to comply within 12 months after the voluntary contributions
10 are withheld by the department, the proceeds shall be
11 deposited into the Highway Safety Operating Trust Fund to
12 offset department costs.

13 (7) The ~~Auditor General and the~~ department has ~~have~~
14 the authority to examine all records pertaining to the use of
15 funds from the voluntary contributions authorized.

16 Section 95. Subsection (4) of section 334.0445,
17 Florida Statutes, is amended to read:

18 334.0445 Model career service classification and
19 compensation plan.--

20 (4) The department shall issue a baseline report on
21 the performance measures outlined in subsection (3) within 30
22 days after implementation of this act and shall provide
23 quarterly progress reports to the Department of Management
24 Services, the Executive Office of the Governor, legislative
25 appropriations committees, legislative personnel committees,
26 the Auditor General, the Office of Program Policy Analysis and
27 Government Accountability, and the affected certified
28 bargaining unions. Such reports shall contain the mandatory
29 measures listed in this legislation, as well as other mutually
30 agreed-upon measures between the Department of Transportation,
31 the Department of Management Services, the Executive Office of

1 the Governor, legislative appropriations committees,
2 legislative personnel committees, and the affected certified
3 bargaining unions.

4 Section 96. Subsection (5) of section 339.406, Florida
5 Statutes, is amended, and subsection (7) is added to said
6 section, to read:

7 339.406 Contract between the department and the
8 corporation.--The contract must provide for:

9 (5) ~~The Yearly financial and compliance audits for~~
10 ~~each corporation filing with by the department an annual~~
11 financial audit as defined in s. 11.45 and a management letter
12 ~~and the Auditor General.~~

13 (7) The authority for the department and the Auditor
14 General to conduct audits.

15 Section 97. Paragraph (a) of subsection (13) of
16 section 365.171, Florida Statutes, is amended to read:

17 365.171 Emergency telephone number "911."--

18 (13) "911" FEE.--

19 (a) Following approval by referendum as set forth in
20 paragraph (b), or following approval by a majority vote of its
21 board of county commissioners, a county may impose a "911" fee
22 to be paid by the local exchange subscribers within its
23 boundaries served by the "911" service. Proceeds from the
24 "911" fee shall be used only for "911" expenditures as set
25 forth in subparagraph 6. The manner of imposing and
26 collecting said payment shall be as follows:

27 1. At the request of the county subscribing to "911"
28 service, the telephone company shall, insofar as is
29 practicable, bill the "911" fee to the local exchange
30 subscribers served by the "911" service, on an individual
31 access line basis, at a rate not to exceed 50 cents per month

1 per line (up to a maximum of 25 access lines per account bill
2 rendered). However, the fee may not be assessed on any pay
3 telephone in this state. A county collecting the fee for the
4 first time may collect the fee for no longer than 36 months
5 without initiating the acquisition of its "911" equipment.

6 2. Fees collected by the telephone company pursuant to
7 subparagraph 1. shall be returned to the county, less the
8 costs of administration retained pursuant to paragraph (c).
9 The county shall provide a minimum of 90 days' written notice
10 to the telephone company prior to the collection of any "911"
11 fees.

12 3. Any county that currently has an operational "911"
13 system or that is actively pursuing the implementation of a
14 "911" system shall establish a fund to be used exclusively for
15 receipt and expenditure of "911" fee revenues collected
16 pursuant to this section. All fees placed in said fund, and
17 any interest accrued thereupon, shall be used solely for "911"
18 costs described in subparagraph 6. The money collected and
19 interest earned in this fund shall be appropriated for "911"
20 purposes by the county commissioners and incorporated into the
21 annual county budget. Such fund shall be included within the
22 financial audit performed ~~The county shall annually have a~~
23 ~~financial audit performed on this fund,~~ in accordance with s.
24 218.39 ~~11.45~~. A report of the audit shall be forwarded to the
25 department within 60 days of its completion. A county may
26 carry forward on an annual basis unspent moneys in the fund
27 for expenditures allowed by this section, or it may reduce its
28 fee. However, in no event shall a county carry forward more
29 than 10 percent of the "911" fee billed for the prior year.
30 The amount of moneys carried forward each year may be
31 accumulated in order to allow for capital improvements

1 described in this subsection. The carryover shall be
2 documented by resolution of the board of county commissioners
3 expressing the purpose of the carryover or by an adopted
4 capital improvement program identifying projected expansion or
5 replacement expenditures for "911" equipment and service
6 features, or both. In no event shall the "911" fee carryover
7 surplus moneys be used for any purpose other than for the
8 "911" equipment, service features, and installation charges
9 authorized in subparagraph 6. Nothing in this section shall
10 prohibit a county from using other sources of revenue for
11 improvements, replacements, or expansions of its "911" system.
12 A county may increase its fee for purposes authorized in this
13 section. However, in no case shall the fee exceed 50 cents per
14 month per line. All current "911" fees shall be reported to
15 the department within 30 days of the start of each county's
16 fiscal period. Any fee adjustment made by a county shall be
17 reported to the department. A county shall give the telephone
18 company a 90-day written notice of such fee adjustment.

19 4. The telephone company shall have no obligation to
20 take any legal action to enforce collection of the "911" fee.
21 The telephone company shall provide quarterly to the county a
22 list of the names, addresses, and telephone numbers of any and
23 all subscribers who have identified to the telephone company
24 their refusal to pay the "911" fee.

25 5. The county subscribing to "911" service shall
26 remain liable to the telephone company for any "911" service,
27 equipment, operation, or maintenance charge owed by the county
28 to the telephone company.

29
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1 As used in this paragraph, "telephone company" means an
2 exchange telephone service provider of "911" service or
3 equipment to any county within its certificated area.
4 6. It is the intent of the Legislature that the "911"
5 fee authorized by this section to be imposed by counties will
6 not necessarily provide the total funding required for
7 establishing or providing the "911" service. For purposes of
8 this section, "911" service includes the functions of database
9 management, call taking, location verification, and call
10 transfer. The following costs directly attributable to the
11 establishment and/or provision of "911" service are eligible
12 for expenditure of moneys derived from imposition of the "911"
13 fee authorized by this section: the acquisition,
14 implementation, and maintenance of Public Safety Answering
15 Point (PSAP) equipment and "911" service features, as defined
16 in the Florida Public Service Commission's lawfully approved
17 "911" and related tariffs and/or the acquisition,
18 installation, and maintenance of other "911" equipment,
19 including call answering equipment, call transfer equipment,
20 ANI controllers, ALI controllers, ANI displays, ALI displays,
21 station instruments, "911" telecommunications systems,
22 teleprinters, logging recorders, instant playback recorders,
23 telephone devices for the deaf (TDD) used in the "911" system,
24 PSAP backup power systems, consoles, automatic call
25 distributors, and interfaces (hardware and software) for
26 computer-aided dispatch (CAD) systems; salary and associated
27 expenses for "911" call takers for that portion of their time
28 spent taking and transferring "911" calls; salary and
29 associated expenses for a county to employ a full-time
30 equivalent "911" coordinator position and a full-time
31 equivalent staff assistant position per county for the portion

1 of their time spent administrating the "911" system; training
2 costs for PSAP call takers in the proper methods and
3 techniques used in taking and transferring "911" calls; and
4 expenses required to develop and maintain all information (ALI
5 and ANI databases and other information source repositories)
6 necessary to properly inform call takers as to location
7 address, type of emergency, and other information directly
8 relevant to the "911" call-taking and transferring function.
9 The "911" fee revenues shall not be used to pay for any item
10 not listed, including, but not limited to, any capital or
11 operational costs for emergency responses which occur after
12 the call transfer to the responding public safety entity and
13 the costs for constructing buildings, leasing buildings,
14 maintaining buildings, or renovating buildings, except for
15 those building modifications necessary to maintain the
16 security and environmental integrity of the PSAP and "911"
17 equipment rooms.

18 7. It is the goal of the Legislature that enhanced
19 "911" service be available throughout the state. Expenditure
20 by counties of the "911" fees authorized by this section
21 should support this goal to the greatest extent feasible
22 within the context of local service needs and fiscal
23 capability. Nothing in this section shall be construed to
24 prohibit two or more counties from establishing a combined
25 emergency "911" telephone service by interlocal agreement and
26 utilizing the "911" fees authorized by this section for such
27 combined "911" service.

28 Section 98. Subsection (3) of section 372.0215,
29 Florida Statutes, is amended to read:

30 372.0215 Citizen support organizations; use of state
31 property; audit.--

1 (3) Each citizen support organization shall provide
2 for an annual financial audit in accordance with s. 215.98 ~~of~~
3 ~~its financial records and accounts by an independent certified~~
4 ~~public accountant. A citizen support organization shall~~
5 ~~submit its annual audit report to the commission for review.~~
6 ~~The commission shall submit the audit report to the Auditor~~
7 ~~General. The commission and the Auditor General may obtain~~
8 ~~additional data relative to the operation of a citizen support~~
9 ~~organization from the citizen support organization or from its~~
10 ~~independent auditor. The identity of a donor or prospective~~
11 ~~donor to a citizen support organization who desires to remain~~
12 ~~anonymous and all information identifying such donor or~~
13 ~~prospective donor are confidential and exempt from the~~
14 ~~provisions of s. 119.07(1) and s. 24(a), Art. I of the State~~
15 ~~Constitution. Such anonymity shall be maintained in the~~
16 ~~auditor's report.~~

17 Section 99. Subsection (3) of section 373.45926,
18 Florida Statutes, is amended to read:

19 373.45926 Everglades Trust Fund; allocation of
20 revenues and expenditure of funds for conservation and
21 protection of natural resources and abatement of water
22 pollution.--

23 (3) The South Florida Water Management District shall
24 furnish, on a quarterly basis, a detailed copy of its
25 expenditures from the Everglades Trust Fund to the Governor,
26 the President of the Senate, and the Speaker of the House of
27 Representatives, and shall make copies available to the
28 public. The information shall be provided in a format approved
29 by the Joint Legislative Committee on Everglades Oversight. At
30 the direction of the Joint Legislative Committee on Everglades
31 Oversight, an audit ~~a postaudit~~ may be made from time to time

1 by the Auditor General, and such audit shall be within the
2 authority of said Auditor General, to make.

3 Section 100. Section 373.507, Florida Statutes, is
4 amended to read:

5 373.507 Districts and basins; audits ~~postaudits~~,
6 budgets.--

7 (1) Each basin referred to in this chapter must
8 furnish a detailed copy of its budget and past year's
9 expenditures to the Governor, the Legislature, and the
10 governing body of each county in which the basin has
11 jurisdiction or derives any funds for the operations of the
12 basin.

13 ~~(2) Each district and basin referred to in this~~
14 ~~chapter must make provision for an annual postaudit of its~~
15 ~~financial accounts. The postaudit must be made in accordance~~
16 ~~with the rules of the Auditor General adopted under ss. 11.47~~
17 ~~and 166.241.~~

18 (2)~~(3)~~(a) Each district referred to in this chapter
19 must furnish copies of the following documents to the
20 Governor, the President of the Senate, the Speaker of the
21 House of Representatives, the chairs of all legislative
22 committees and subcommittees with substantive or fiscal
23 jurisdiction over districts, as determined by the President or
24 Speaker as applicable, the secretary of the department, and
25 the governing body of each county in which the district has
26 jurisdiction or derives any funds for the operations of the
27 district:

- 28 1. The tentative budget.
- 29 2. The adopted budget.
- 30 3. The past year's expenditures.

31

1 4. The audit report required ~~postaudit described in s.~~
2 218.39 subsection (2).

3 (b) The documents must be furnished by the earlier of
4 10 days following completion of each document or as otherwise
5 provided by law.

6 (c) If any entity in paragraph (a) provides written
7 comments to the district regarding any document furnished, the
8 district must respond to the comments in writing and furnish
9 copies of the comments and written responses to the other
10 entities.

11 (d) The audit report required in s. 218.39 shall be
12 furnished to the governing board of the district and the
13 clerks of the circuit courts of each county within or partly
14 within the district.

15 Section 101. Subsection (9) of section 402.73, Florida
16 Statutes, is amended to read:

17 402.73 Contracting and performance standards.--

18 (9) The department must implement systems and controls
19 to ensure financial integrity and service provision quality in
20 the developmental services Medicaid waiver service system. ~~The~~
21 ~~Auditor General shall include specific reference to systems~~
22 ~~and controls related to financial integrity in the~~
23 ~~developmental services Medicaid waiver service system in his~~
24 ~~or her audit of the department for each fiscal year.~~

25 Section 102. Subsection (8) of section 403.1826,
26 Florida Statutes, is amended to read:

27 403.1826 Grants, requirements for eligibility.--

28 (8) Any local governmental agency receiving assistance
29 under ss. 403.1821-403.1832 shall keep such records as the
30 department prescribes, including records which fully disclose
31 the amount and disposition by the recipient of the proceeds of

1 such assistance, the total cost of the project or undertaking
2 in connection with such assistance given or used, the amount
3 of that portion of the cost of the project or undertaking
4 supplied by other sources, and such other records as will
5 facilitate an effective audit. The department, ~~and~~ the
6 Auditor General, and the Office of Program Policy Analysis and
7 Government Accountability, or any of their duly authorized
8 representatives, shall have access, for the purpose of audit
9 and examination, to any books, documents, papers, and records
10 of the recipient that are pertinent to grants received under
11 ss. 403.1821-403.1832. Upon project completion, the local
12 governmental agency shall submit to the department a separate
13 audit, by an independent certified public accountant, of the
14 grant expenditures.

15 Section 103. Paragraph (d) of subsection (11) of
16 section 403.8532, Florida Statutes, is amended to read:

17 403.8532 Drinking water state revolving loan fund;
18 use; rules.--

19 (11) Prior to approval of a loan, the local government
20 or public water system shall, at a minimum:

21 (d) Provide assurance that records will be kept using
22 generally accepted government accounting principles standards
23 and that the department or its agents and the Auditor General,
24 ~~or their agents~~ will have access to all records pertaining to
25 the loan.

26 Section 104. Subsection (2) of section 403.864,
27 Florida Statutes, is amended to read:

28 403.864 Public water supply accounting program.--

29 (2) In furtherance of this intent, the Department of
30 Health and, the department, ~~and the Auditor General~~ shall
31 jointly develop an accounting program for use by the

1 department and the Department of Health and its units,
2 including the county health departments, to determine the
3 funds, overhead, personnel, and property used by each of the
4 departments in conducting its respective public water supply
5 functions and responsibilities for each fiscal year. The
6 accounting program shall provide information sufficient to
7 satisfy state auditing and federal grant and aid reporting
8 requirements and shall include provisions requiring the
9 Department of Health to:

10 (a) Segregate, from an accounting standpoint, funds
11 distributed to county health departments for public water
12 supply functions from other county health department trust
13 funds.

14 (b) Segregate, from an accounting standpoint, funds
15 distributed to the central and branch laboratories of the
16 Department of Health for public water supply functions from
17 other laboratory funds.

18 (c) Require each county health department, the central
19 and each branch laboratory of the Department of Health, and
20 any other entity of the Department of Health involved in and
21 carrying out public water supply functions to account to the
22 Department of Health on a semiannual basis for the funds
23 received, from whatever source, and used for public water
24 supply functions.

25 (d) Require each county health department, the central
26 and each branch laboratory of the Department of Health, and
27 any other entity of the Department of Health involved in
28 carrying out public water supply functions either wholly or
29 partially with funds, either federal or state, received from
30 the department through an interagency agreement or other means
31

1 to account to the department on a semiannual basis for such
2 funds received and used for public water supply functions.

3 Section 105. Paragraph (m) of subsection (4) of
4 section 411.01, Florida Statutes, is amended to read:

5 411.01 Florida Partnership for School Readiness;
6 school readiness coalitions.--

7 (4) FLORIDA PARTNERSHIP FOR SCHOOL READINESS.--

8 (m) The Florida Partnership for School Readiness shall
9 have a budget, and shall be financed through an annual
10 appropriation made for this purpose in the General
11 Appropriations Act, ~~and shall be subject to compliance audits~~
12 ~~and annual financial audits by the Auditor General.~~

13
14 To ensure that the system for measuring school readiness is
15 comprehensive and appropriate statewide, as the system is
16 developed and implemented, the partnership must consult with
17 representatives of district school systems, providers of
18 public and private child care, health care providers, large
19 and small employers, experts in education for children with
20 disabilities, and experts in child development.

21 Section 106. Subsection (2) of section 411.221,
22 Florida Statutes, is amended to read:

23 411.221 Prevention and early assistance strategic
24 plan; agency responsibilities.--

25 (2) The strategic plan and subsequent plan revisions
26 shall incorporate and otherwise utilize, to the fullest extent
27 possible, the evaluation findings and recommendations from
28 intraagency, independent third-party, field projects, and
29 reports issued by the Auditor General or the Office of Program
30 Policy Analysis and Government Accountability evaluations, as
31

1 well as the recommendations of the State Coordinating Council
2 for School Readiness Programs.

3 Section 107. Subsection (11) of section 413.615,
4 Florida Statutes, is amended to read:

5 413.615 Florida Endowment for Vocational
6 Rehabilitation.--

7 (11) ANNUAL AUDIT.--The board shall provide for ~~cause~~
8 an annual financial audit of the foundation ~~foundation's~~
9 ~~financial accounts to be conducted by an independent certified~~
10 ~~public accountant in accordance with s. 215.98 rules adopted~~
11 ~~by the division. The annual audit report shall be submitted to~~
12 ~~the Auditor General and to the division for review. The~~
13 ~~Auditor General and the division are each authorized to~~
14 ~~require and receive from the foundation, or from its~~
15 ~~independent auditor, any relevant detail or supplemental data;~~
16 ~~however,~~The identities of donors and prospective donors who
17 desire to remain anonymous shall be protected, and that
18 anonymity shall be maintained in the auditor's report.

19 Section 108. Subsection (1) of section 413.87, Florida
20 Statutes, is amended to read:

21 413.87 Annual audit.--

22 (1) The corporation shall provide ~~make provision~~ for
23 an annual financial audit in accordance with s. 215.98
24 ~~postaudit of its financial accounts to be conducted by an~~
25 ~~independent certified public accountant. The annual audit~~
26 ~~report is due before December 1 of each year, must include a~~
27 ~~management letter, and must be submitted to the commission,~~
28 the Auditor General, and the Office of Program Policy Analysis
29 and Government Accountability for review. The Office of
30 Program Policy Analysis and Government Accountability, the
31 commission, and the Auditor General have the authority to

1 require and receive from the corporation or from its
2 independent auditor any detail or supplemental data relative
3 to the operation of the corporation. The corporation shall
4 annually certify whether the corporation is operating in a
5 manner that is consistent with, and achieving objectives that
6 are consistent with, the policies and goals of the commission
7 and the plan.

8 Section 109. Section 413.88, Florida Statutes, is
9 amended to read:

10 413.88 Annual report of the Occupational Access and
11 Opportunity Commission; audits.--

12 ~~(1)~~ Before January 1 of each year, the commission
13 shall submit to the Governor, the President of the Senate, and
14 the Speaker of the House of Representatives a complete and
15 detailed report setting forth for itself and its designated
16 administrative entity:

17 (1)~~(a)~~ Its operations and accomplishments during the
18 fiscal year.

19 (2)~~(b)~~ Its business and operational plan.

20 (3)~~(c)~~ The assets and liabilities of the designated
21 administrative entity at the end of its most recent fiscal
22 year.

23 (4)~~(d)~~ A copy of the annual financial ~~and compliance~~
24 audit.

25 ~~(2) The Auditor General may, pursuant to his or her~~
26 ~~own authority or at the direction of the Legislative Auditing~~
27 ~~Committee, conduct an audit of the commission or its~~
28 ~~designated administrative entity.~~

29 Section 110. Subsection (12) and paragraph (b) of
30 subsection (13) of section 446.609, Florida Statutes, are
31 amended to read:

1 446.609 Jobs for Florida's Graduates Act.--
2 (12) ANNUAL AUDIT.--The board shall provide for ~~cause~~
3 an annual financial audit of the foundation ~~foundation's~~
4 ~~financial accounts to be conducted by an independent certified~~
5 ~~public accountant~~ in accordance with s. 215.98 ~~rules adopted~~
6 ~~by the department. The annual audit report shall be submitted~~
7 ~~to the Auditor General and the department for review. The~~
8 ~~Auditor General and the department may require and receive~~
9 ~~from the foundation, or from its independent auditor, any~~
10 ~~relevant detail or supplemental data.~~
11 (13) ASSESSMENT OF PROGRAM RESULTS.--The success of
12 the Jobs for Florida's Graduates Program shall be assessed as
13 follows:
14 (b) Beginning in the first year of the Jobs for
15 Florida's Graduates Program, the Office Division of Economic
16 and Demographic Research ~~of the Joint Legislative Management~~
17 ~~Committee~~ shall undertake, during the initial phase, an
18 ongoing longitudinal study of participants to determine the
19 overall efficacy of the program. The division shall transmit
20 its findings each year to the Office of Program Policy
21 Analysis and Government Accountability for inclusion in the
22 report provided for in paragraph (a).
23 Section 111. Subsection (9) of section 455.32, Florida
24 Statutes, is amended to read:
25 455.32 Management Privatization Act.--
26 (9) The corporation shall provide for an annual
27 financial ~~and compliance~~ audit of its financial accounts and
28 records by an independent certified public accountant ~~in~~
29 ~~accordance with generally accepted auditing standards.~~ The
30 annual audit report shall include a management letter in
31 accordance with s. 11.45 and a detailed supplemental schedule

1 of expenditures for each expenditure category ~~and a management~~
2 ~~letter~~. The annual audit report must be submitted to the
3 board, the department, and the Auditor General for review. ~~The~~
4 ~~Auditor General may, pursuant to his or her authority or at~~
5 ~~the direction of the Legislative Auditing Committee, conduct~~
6 ~~an audit of the corporation.~~

7 Section 112. Paragraph (j) of subsection (3) of
8 section 471.038, Florida Statutes, is amended to read:

9 471.038 Florida Engineers Management Corporation.--

10 (3) The Florida Engineers Management Corporation is
11 created to provide administrative, investigative, and
12 prosecutorial services to the board in accordance with the
13 provisions of chapter 455 and this chapter. The management
14 corporation may hire staff as necessary to carry out its
15 functions. Such staff are not public employees for the
16 purposes of chapter 110 or chapter 112, except that the board
17 of directors and the staff are subject to the provisions of s.
18 112.061. The provisions of s. 768.28 apply to the management
19 corporation, which is deemed to be a corporation primarily
20 acting as an instrumentality of the state, but which is not an
21 agency within the meaning of s. 20.03(11). The management
22 corporation shall:

23 (j) Provide for an annual financial ~~and compliance~~
24 audit of its financial accounts and records by an independent
25 certified public accountant ~~in accordance with generally~~
26 ~~accepted auditing standards~~. The annual audit report shall
27 include a management letter in accordance with s. 11.45 and a
28 detailed supplemental schedule of expenditures for each
29 expenditure category ~~and a management letter~~. The annual audit
30 report must be submitted to the board, the department, and the
31 Auditor General for review. ~~The Auditor General may, pursuant~~

1 ~~to his or her own authority or at the direction of the~~
2 ~~Legislative Auditing Committee, conduct an audit of the~~
3 ~~corporation.~~

4 Section 113. Paragraph (c) of subsection (2) of
5 section 550.125, Florida Statutes, is amended to read:

6 550.125 Uniform reporting system; bond requirement.--

7 (2)

8 (c) The Auditor General and the Office of Program
9 Policy Analysis and Government Accountability may, pursuant to
10 their own authority or at the direction of the Legislative
11 Auditing Committee, audit, examine, and check the books and
12 records of any permitholder and, upon the request of the
13 division, shall do so. These audit reports shall become part
14 of, and be maintained in, the division files.

15 Section 114. Subsections (1) and (3) of section
16 570.903, Florida Statutes, are amended to read:

17 570.903 Direct-support organization.--

18 (1) When the Legislature authorizes the establishment
19 of a direct-support organization to provide assistance for the
20 museums, the Florida Agriculture in the Classroom Program, the
21 Florida State Collection of Arthropods, the Friends of the
22 Florida State Forests Program of the Division of Forestry, and
23 the Forestry Arson Alert Program, and other programs of the
24 department, ~~in addition to any specific provisions elsewhere~~
25 ~~stated,~~ the following provisions shall govern the creation,
26 use, powers, and duties of the direct-support organization.

27 (a) The department shall enter into a memorandum or
28 letter of agreement with the direct-support organization,
29 which shall specify the approval of the department, the powers
30 and duties of the direct-support organization, and rules with
31 which the direct-support organization shall comply.

1 (b) The department may permit, without charge,
2 appropriate use of property, facilities, and personnel of the
3 department by a direct-support organization, subject to the
4 provisions of ss. 570.902 and 570.903. The use shall be
5 directly in keeping with the approved purposes of the
6 direct-support organization and shall not be made at times or
7 places that would unreasonably interfere with opportunities
8 for the general public to use department facilities for
9 established purposes.

10 (c) The department shall prescribe by contract or by
11 rule conditions with which a direct-support organization shall
12 comply in order to use property, facilities, or personnel of
13 the department or museum. Such rules shall provide for budget
14 and audit review and oversight by the department.

15 (d) The department shall not permit the use of
16 property, facilities, or personnel of the museum, department,
17 or designated program by a direct-support organization which
18 does not provide equal employment opportunities to all persons
19 regardless of race, color, religion, sex, age, or national
20 origin.

21 (3)~~(a)~~ The direct-support organization shall provide
22 ~~make provisions~~ for an annual financial audit ~~of its financial~~
23 ~~accounts to be conducted by an independent certified public~~
24 ~~accountant in accordance with s. 215.98 generally accepted~~
25 ~~accounting principles; provided that a direct-support~~
26 ~~organization having less than \$25,000 in total assets may be~~
27 ~~audited by the department. The annual audit report shall be~~
28 ~~submitted to the Auditor General and to the department for~~
29 ~~review within 2 months after the end of the direct-support~~
30 ~~organization's fiscal year.~~

31

1 ~~(b) If the direct support organization fails to submit~~
2 ~~the audit report at the appropriate time, the Auditor General~~
3 ~~may, pursuant to her or his own authority, conduct the audit,~~
4 ~~or the Auditor General shall conduct the audit at the~~
5 ~~direction of the Joint Legislative Auditing Committee, or the~~
6 ~~department shall engage an independent certified public~~
7 ~~accountant to conduct the audit. The direct support~~
8 ~~organization shall pay for the entire costs of the audit.~~

9 ~~(c) The Auditor General and the department shall have~~
10 ~~the authority to require and receive from the organization or~~
11 ~~from its independent auditor any detail or supplemental data~~
12 ~~relative to the operation of the direct support organization.~~

13 Section 115. Paragraph (d) of subsection (10) of
14 section 601.15, Florida Statutes, is amended to read:

15 601.15 Advertising campaign; methods of conducting;
16 excise tax; emergency reserve fund; citrus research.--

17 (10) The powers and duties of the Department of Citrus
18 include the following:

19 (d) To keep books, records, and accounts of all of its
20 activities ~~doings~~, which books, records, and accounts shall be
21 open to inspection, and audit, and examination by the Auditor
22 General and the Office of Program Policy Analysis and
23 Government Accountability ~~at all times.~~

24 Section 116. Subsection (2) of section 616.263,
25 Florida Statutes, is amended to read:

26 616.263 Annual reports ~~and audit~~ of authority.--

27 (2) The authority shall at all times maintain proper
28 accounting systems and procedures and shall be subject to
29 audit ~~annual auditing~~ by the Auditor General ~~as provided in s.~~
30 ~~11.45.~~

31

1 Section 117. Subsection (4) of section 657.008,
2 Florida Statutes, is amended to read:

3 657.008 Place of doing business.--

4 (4) Any credit union organized under this state or
5 federal law, the members of which are presently, or were at
6 the time of admission into the credit union, employees of the
7 state or a political subdivision or municipality thereof, or
8 members of the immediate families of such employees, may apply
9 for space in any building owned or leased by the state or
10 respective political subdivision or municipality in the
11 community or district in which the credit union does business.
12 The application shall be addressed to the officer charged with
13 the allotment of space in such building. If space is
14 available, the officer may allot space to the credit union at
15 a reasonable charge for rent or services. If the governing
16 body having jurisdiction over the building determines that the
17 services rendered by the credit union to the employees of the
18 governing body are equivalent to a reasonable charge for rent
19 or services, available space may be allotted to the credit
20 union without charge for rent or services. ~~The officer~~
21 ~~charged with the allotment of space in such building shall~~
22 ~~report annually the terms and conditions of such use of space~~
23 ~~to the Auditor General.~~

24 Section 118. Subsection (5) of section 744.708,
25 Florida Statutes, is amended to read:

26 744.708 Reports and standards.--

27 (5) An independent audit by a qualified certified
28 public accountant shall be performed at least every 2 years.
29 The audit should include an investigation into the practices
30 of the office for managing the person and property of the
31 wards. A copy of the report shall be submitted to the

1 Statewide Public Guardianship Office. In addition, the office
2 of public guardian shall be subject to audits or examinations
3 by the Auditor General and the Office of Program Policy
4 Analysis and Government Accountability pursuant to law s.
5 11.45.

6 Section 119. Subsection (3) of section 943.25, Florida
7 Statutes, is amended to read:

8 943.25 Criminal justice trust funds; source of funds;
9 use of funds.--

10 (3) The Auditor General is directed in her or his
11 ~~financial~~ audit of courts to ascertain that such assessments
12 have been collected and remitted and shall report to the
13 Legislature ~~annually~~. All such records of the courts shall be
14 open for her or his inspection. The Auditor General is further
15 directed to conduct ~~financial~~ audits of the expenditures of
16 the trust funds and to report to the Legislature ~~annually~~.
17 Such audits shall be conducted in accordance with s. 11.45.

18 Section 120. Section 943.2569, Florida Statutes, is
19 amended to read:

20 943.2569 Annual audits of each center.--Each center
21 shall provide for contract with an independent certified
22 public accountant to conduct annual financial audit and a
23 management letter as defined in s. 11.45 ~~audits of the center.~~
24 ~~Each audit must comply with the rules of the Auditor General~~
25 ~~for fiscal audits.~~

26 Section 121. Paragraph (c) of subsection (2) of
27 section 944.512, Florida Statutes, is amended to read:

28 944.512 State lien on proceeds from literary or other
29 type of account of crime for which convicted.--

30 (2) The proceeds of such account shall be distributed
31 in the following order:

1 (c) After payments have been made pursuant to
2 paragraph (a) or paragraph (b), an amount equal to pay all
3 court costs in the prosecution of the convicted felon, which
4 shall include, but not be limited to, jury fees and expenses,
5 court reporter fees, and reasonable per diem for the
6 prosecuting attorneys for the state, shall go to the General
7 Revenue Fund. Additional costs shall be assessed for the
8 computed per capita cost of imprisonment or supervision by the
9 state or county correctional system. Such costs shall be
10 determined and certified by the prosecuting attorney and the
11 imprisoning entity and subject to review by the Auditor
12 General.

13 Section 122. Subsection (3) of section 944.719,
14 Florida Statutes, is amended to read:

15 944.719 Adoption of rules, monitoring, and
16 reporting.--

17 (3) The private vendor shall provide a work area at
18 the private correctional facility for use by the contract
19 monitor appointed by the department and shall provide the
20 monitor with access to all data, reports, and other materials
21 that the monitor, and the Auditor General, and the Office of
22 Program Policy Analysis and Government Accountability
23 determine are necessary to carry out monitoring and auditing
24 responsibilities.

25 Section 123. Subsection (3) of section 944.802,
26 Florida Statutes, is amended to read:

27 944.802 Direct-support organization; definition; use
28 of property; board of directors; audit.--

29 (3) ANNUAL AUDIT.--The direct-support organization
30 shall provide ~~make provision~~ for an any annual financial audit
31 ~~postaudit of its financial accounts to be conducted by an~~

1 ~~independent certified public accountant in accordance with s.~~
2 ~~215.98 rules to be promulgated by the Department of~~
3 ~~Corrections. The annual audit report shall include a~~
4 ~~management letter and shall be submitted to the Auditor~~
5 ~~General and the Department of Corrections for review. The~~
6 ~~Department of Corrections and the Auditor General have the~~
7 ~~authority to require and receive from the organization or from~~
8 ~~its independent auditor any detail or supplemental data~~
9 ~~relative to the operation of the organization.~~

10 Section 124. Section 946.31, Florida Statutes, is
11 amended to read:

12 946.31 Sources of fund.--If any general service
13 operation of an institution is transferred to the work program
14 operation by the Department of Corrections, all assets and
15 liabilities of such operation shall become a part of the
16 Correctional Work Program Trust Fund. All income, receipts,
17 earnings, and profits from work programs operated by the
18 department shall be credited to the Correctional Work Program
19 Trust Fund, to be used for the purposes set forth; however, if
20 the earned surplus in the fund at the end of any fiscal year
21 exceeds \$5 million, one-half of such amount ~~as is determined~~
22 ~~by the Auditor General to be~~ in excess of this amount shall be
23 deposited in the General Revenue Fund, and the other half
24 shall be used by the department for the expansion and
25 improvement of inmate work programs.

26 Section 125. Subsection (3) of section 948.15, Florida
27 Statutes, is amended to read:

28 948.15 Misdemeanor probation services.--

29 (3) Any private entity providing services for the
30 supervision of misdemeanor probationers must contract with the
31 county in which the services are to be rendered. In a county

1 with a population of less than 70,000, the county court judge,
2 or the administrative judge of the county court in a county
3 that has more than one county court judge, must approve the
4 contract. Terms of the contract must state, but are not
5 limited to:

- 6 (a) The extent of the services to be rendered by the
7 entity providing supervision or rehabilitation.
- 8 (b) Staff qualifications and criminal record checks of
9 staff in accordance with essential standards established by
10 the American Correctional Association as of January 1, 1991.
- 11 (c) Staffing levels.
- 12 (d) The number of face-to-face contacts with the
13 offender.
- 14 (e) Procedures for handling the collection of all
15 offender fees and restitution.
- 16 (f) Procedures for handling indigent offenders which
17 ensure placement irrespective of ability to pay.
- 18 (g) Circumstances under which revocation of an
19 offender's probation may be recommended.
- 20 (h) Reporting and recordkeeping requirements.
- 21 (i) Default and contract termination procedures.
- 22 (j) Procedures that aid offenders with job assistance.

23

24 In addition, the entity shall supply the chief judge's office
25 with a quarterly report summarizing the number of offenders
26 supervised by the private entity, payment of the required
27 contribution under supervision or rehabilitation, and the
28 number of offenders for whom supervision or rehabilitation
29 will be terminated. All records of the entity must be open to
30 inspection upon the request of the county, the court, the
31

1 Auditor General, the Office of Program Policy Analysis and
2 Government Accountability, or agents thereof.

3 Section 126. Section 957.07, Florida Statutes, is
4 amended to read:

5 957.07 Cost-saving requirements.--The commission may
6 not enter into a contract or series of contracts unless the
7 commission determines that the contract or series of contracts
8 in total for the facility will result in a cost savings to the
9 state of at least 7 percent over the public provision of a
10 similar facility. Such cost savings as determined by the
11 commission must be based upon the actual costs associated with
12 the construction and operation of similar facilities or
13 services as determined by the Department of Corrections and
14 ~~certified to the commission~~ by the Auditor General. ~~In~~
15 ~~certifying the actual costs for the determination of the cost~~
16 ~~savings required by this section, The~~ Department of
17 Corrections Auditor General shall calculate all of the cost
18 components that determine the inmate per diem in correctional
19 facilities of a substantially similar size, type, and location
20 that are operated by the department, including ~~all~~
21 administrative costs associated with central administration.
22 Services that are provided to the department by other
23 governmental agencies at no direct cost to the department
24 shall be assigned an equivalent cost and included in the per
25 diem. Reasonable projections of payments of any kind to the
26 state or any political subdivision thereof for which the
27 private entity would be liable because of its status as
28 private rather than a public entity, including, but not
29 limited to, corporate income and sales tax payments, shall be
30 included as cost savings in all such determinations. In
31 addition, the costs associated with the appointment and

1 activities of each contract monitor shall be included in such
2 determination. In counties where the Department of Corrections
3 pays its employees a competitive area differential, the cost
4 for the public provision of a similar correctional facility
5 may include the competitive area differential paid by the
6 department. The Department of Corrections Auditor General
7 shall provide a report detailing the state cost to design,
8 finance, acquire, lease, construct, and operate a facility
9 similar to the private correctional facility on a per diem
10 basis. This report shall be provided to the Auditor General
11 ~~commission~~ in sufficient time that it may be certified to the
12 commission to be included in the request for proposals.

13 Section 127. Section 957.11, Florida Statutes, is
14 amended to read:

15 957.11 Evaluation of costs and benefits of
16 contracts.--The Office of Program Policy Analysis and
17 Government Accountability Auditor General shall develop and
18 implement an evaluation of the costs and benefits of each
19 contract entered into under this chapter. This evaluation
20 must include a comparison of the costs and benefits of
21 constructing and operating prisons by the state versus by
22 private contractors. The Office of Program Policy Analysis
23 and Government Accountability Auditor General shall also
24 evaluate the performance of the private contractor at the end
25 of the term of each management contract and make
26 recommendations to the Speaker of the House of Representatives
27 and the President of the Senate on whether to continue the
28 contract.

29 Section 128. Subsection (4) of section 960.002,
30 Florida Statutes, is amended to read:

31

1 960.002 Direct-support organization to assist victims
2 of adult and juvenile crime.--

3 (4) The direct-support organization shall provide ~~make~~
4 ~~provisions~~ for an annual financial ~~and compliance~~ audit of ~~its~~
5 ~~financial accounts and records by an independent certified~~
6 ~~public accountant~~ in accordance with s. 215.98 ~~rules~~
7 ~~established by the Governor. The annual audit report shall be~~
8 ~~submitted to the Governor for review and approval. Upon~~
9 ~~approval, the Governor shall certify the audit report to the~~
10 ~~Auditor General for review and approval.~~

11 Section 129. Paragraph (a) of subsection (1) of
12 section 985.311, Florida Statutes, is amended to read:

13 985.311 Intensive residential treatment program for
14 offenders less than 13 years of age.--

15 (1) ASSESSMENT AND TREATMENT SERVICES.--Pursuant to
16 the provisions of this chapter and the establishment of
17 appropriate program guidelines and standards, contractual
18 instruments, which shall include safeguards of all
19 constitutional rights, shall be developed for intensive
20 residential treatment programs for offenders less than 13
21 years of age as follows:

22 (a) The department shall provide for:

23 1. The oversight of implementation of assessment and
24 treatment approaches.

25 2. The identification and prequalification of
26 appropriate individuals or not-for-profit organizations,
27 including minority individuals or organizations when possible,
28 to provide assessment and treatment services to intensive
29 offenders less than 13 years of age.

30 3. The monitoring and evaluation of assessment and
31 treatment services for compliance with the provisions of this

1 chapter and all applicable rules and guidelines pursuant
2 thereto.

3 4. The development of an annual report on the
4 performance of assessment and treatment to be presented to the
5 Governor, the Attorney General, the President of the Senate,
6 the Speaker of the House of Representatives, ~~and~~ the Auditor
7 General, and the Office of Program Policy Analysis and
8 Government Accountability no later than January 1 of each
9 year.

10 Section 130. Subsection (6) of section 985.4145,
11 Florida Statutes, is amended to read:

12 985.4145 Direct-support organization; definition; use
13 of property; board of directors; audit.--

14 (6) The direct-support organization shall provide for
15 an annual financial audit ~~and compliance postaudit~~ of its
16 ~~financial accounts and records by an independent certified~~
17 ~~public accountant~~ in accordance with s. 215.98 ~~rules of the~~
18 ~~Auditor General. The annual audit report must include a~~
19 ~~management letter and must be submitted to the Auditor General~~
20 ~~and the department for review. The department and the Auditor~~
21 ~~General may require and receive from the direct-support~~
22 ~~organization, or from its independent auditor, any detail or~~
23 ~~supplemental data relative to the operation of the~~
24 ~~organization.~~

25 Section 131. Subsection (3) of section 985.416,
26 Florida Statutes, is amended to read:

27 985.416 Innovation zones.--The department shall
28 encourage each of the juvenile justice circuit boards to
29 propose at least one innovation zone within the circuit for
30 the purpose of implementing any experimental, pilot, or
31 demonstration project that furthers the legislatively

1 established goals of the department. An innovation zone is a
2 defined geographic area such as a circuit, commitment region,
3 county, municipality, service delivery area, school campus, or
4 neighborhood providing a laboratory for the research,
5 development, and testing of the applicability and efficacy of
6 model programs, policy options, and new technologies for the
7 department.

8 (3) Before implementing an innovation zone under this
9 subsection, the secretary shall, in conjunction with the
10 Office of Program Policy Analysis and Government
11 Accountability Auditor General, develop measurable and valid
12 objectives for such zone within a negotiated reasonable period
13 of time. Moneys designated for an innovation zone in one
14 operating circuit may not be used to fund an innovation zone
15 in another operating circuit.

16 Section 132. Sections 11.149 and 11.46; paragraph (e)
17 of subsection (2) of section 125.901; paragraph (1) of
18 subsection (2) of section 215.56005; section 216.2815;
19 subsection (23) of section 218.415; subsection (11) of section
20 228.053; subsection (6) of section 228.082; subsection (3) of
21 section 253.037; section 265.607; subsection (2) of section
22 288.906; sections 288.9616 and 298.65; subsection (3) of
23 section 331.419; sections 339.413, 348.69, and 373.589;
24 subsection (3) of section 374.987; subsection (8) of section
25 380.510; sections 388.331 and 400.335; subsection (14) of
26 section 403.1837; paragraph (i) of subsection (14) of section
27 440.49; subsection (14) of section 517.1204; and sections
28 570.912, 581.195, 589.013, and 590.612, Florida Statutes, are
29 repealed.

30 Section 133. This act shall take effect upon becoming
31 a law.

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HOUSE SUMMARY

Revises auditing duties and responsibilities of the Auditor General, the Office of Program Policy Analysis and Government Accountability, and the Legislative Auditing Committee. Requires annual financial audits, examinations, reports, and attestations. See bill for details.