

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.;
12 redefining the duties of the office;
13 eliminating the provision requiring the Auditor
14 General to provide administrative support for
15 the office; requiring the office to maintain a
16 schedule of examinations; providing authority
17 to the office to examine certain programs;
18 requiring the office to deliver preliminary
19 findings; providing deadlines for responses to
20 preliminary findings; requiring the office to
21 conduct followup reports; amending s. 11.511,
22 F.S.; redefining the duties of the director of
23 the Office of Program Policy Analysis and
24 Government Accountability; revising employment
25 restrictions for the office staff; providing
26 for postponement of examinations; amending s.
27 11.513, F.S.; correcting cross references;
28 transferring the authority of the Legislative
29 Auditing Committee; transferring and rewording
30 the authority of the director of the Office of
31 Program Policy Analysis and Government

1 Accountability to postpone projects; amending
2 ss. 14.29, 20.2551, 288.1226, 320.08058, and
3 943.2569, F.S.; providing for audits of
4 programs; amending s. 20.055, F.S.;
5 transferring the review of state agencies'
6 internal audit reports conducted by the Auditor
7 General; providing responsibilities to
8 agencies' inspectors general; amending ss.
9 24.105, 39.202, 119.07, 195.084, 213.053,
10 944.719, and 948.15, F.S.; providing authority
11 to the Office of Program Policy Analysis and
12 Government Accountability to access
13 confidential records; amending s. 24.120, F.S.;
14 requiring the Department of the Lottery to
15 provide access to the facilities of the
16 department to the Office of Program Policy
17 Analysis and Government Accountability;
18 amending s. 27.3455, F.S.; deleting a reporting
19 requirement; correcting cross references;
20 amending ss. 30.51, 116.07, 122.03, 122.08,
21 145.022, 145.14, 154.331, 206.60, 212.08,
22 290.0056, 403.864, 657.008, and 946.31, F.S.;
23 deleting obsolete provisions; amending ss.
24 110.109, 216.177, 216.178, 216.292, 334.0445,
25 and 985.311, F.S.; designating the Office of
26 Program Policy Analysis and Government
27 Accountability as a recipient of information;
28 amending s. 112.313, F.S.; expanding the
29 definition of employees subject to
30 postemployment restrictions to include the
31 director of the Office of Program Policy

1 Analysis and Government Accountability;
2 amending s. 112.324, F.S.; expanding the list
3 of persons subject to consequences regarding a
4 breach of public trust to include the director
5 and staff of the Office of Program Policy
6 Analysis and Government Accountability;
7 amending ss. 112.63, 175.261, 185.221,
8 189.4035, 189.412, 189.418, 189.419, 215.94,
9 230.23025, and 311.07, F.S.; correcting cross
10 references; amending s. 125.01, F.S.; deleting
11 a requirement that the Auditor General retain
12 county audit reports for a specific period of
13 time; amending s. 125.0104, F.S.; providing for
14 reimposition of a tourist development tax
15 without referendum approval under certain
16 conditions; amending ss. 154.11, 253.025, and
17 259.041, F.S.; revising provisions related to
18 the Auditor General; amending s. 163.356, F.S.;
19 deleting the Auditor General from the list of
20 entities receiving a report from a community
21 redevelopment agency; amending s. 189.428,
22 F.S.; revising the criteria to be utilized by a
23 local government conducting an oversight review
24 of a special district; amending ss. 193.074 and
25 196.101, F.S.; requiring the Office of Program
26 Policy Analysis and Government Accountability
27 to maintain confidentiality of records;
28 amending ss. 195.096, 228.056, 228.505, 455.32,
29 and 471.038, F.S.; revising provisions related
30 to certain audits; amending s. 215.44, F.S.;
31 deleting the requirement that the Auditor

1 General annually audit the State Board of
 2 Administration; revising provisions related to
 3 an examination by the Office of Program Policy
 4 Analysis and Government Accountability;
 5 creating s. 215.86, F.S.; providing for
 6 management systems and controls for state
 7 agencies; creating s. 215.98, F.S.; providing
 8 for audits of direct-support organizations and
 9 citizen support organizations; amending ss.
 10 229.8021, 237.40, 240.299, 240.2995, 240.331,
 11 240.3315, 240.5285, 240.711, 250.115, 266.0018,
 12 267.17, 288.1229, 288.809, 372.0215, 413.615,
 13 413.87, 446.609, 944.802, 960.002, and
 14 985.4145, F.S.; providing for audits of
 15 direct-support organizations and citizen
 16 support organizations; amending s. 218.31,
 17 F.S.; providing additional definitions;
 18 amending s. 218.32, F.S.; providing that
 19 certain entities file an audit report with the
 20 Department of Banking and Finance; correcting a
 21 cross reference; providing for the Department
 22 of Banking and Finance to prescribe the format
 23 of local governmental entities that are
 24 required to provide for certain audits;
 25 transferring the penalty provisions relating to
 26 failure of a local governmental entity to file
 27 an annual financial report with the Department
 28 of Banking and Finance; amending s. 218.33,
 29 F.S.; revising provisions related to the
 30 establishment of uniform accounting practices
 31 and procedures; amending s. 218.38, F.S.;

1 transferring penalty provisions for failure to
 2 verify or provide information to the Division
 3 of Bond Finance within the State Board of
 4 Administration; creating s. 218.39, F.S.;
 5 providing for audits of local governmental
 6 entities, district school boards, charter
 7 schools, and charter technical career centers;
 8 providing for the format of county audits;
 9 authorizing dependent special districts to be
 10 included within the audit of a county or
 11 municipality; prohibiting an independent
 12 special district from being included within the
 13 audit of a county or municipality; providing
 14 for a management letter within each audit
 15 report; providing for discussion of the
 16 auditor's findings and recommendations;
 17 providing for a response to the auditor's
 18 findings and recommendations; requiring that a
 19 predecessor auditor of a district school board
 20 provide the Auditor General with access to the
 21 prior year's working papers; requiring certain
 22 audits to be conducted in accordance with rules
 23 adopted by the Auditor General; creating s.
 24 218.391, F.S.; providing for auditor selection
 25 procedures; amending s. 218.415, F.S.;
 26 correcting a cross reference; transferring
 27 responsibilities of the Auditor General;
 28 transferring penalty provisions; amending s.
 29 228.093, F.S.; providing authority to the
 30 Office of Program Policy Analysis and
 31 Government Accountability to access records;

1 requiring the Office of Program Policy Analysis
 2 and Government Accountability to maintain
 3 confidentiality of records; requiring the
 4 office to destroy personally identifiable data
 5 under certain circumstances; amending s.
 6 230.23, F.S.; authorizing school boards to
 7 employ an internal auditor; authorizing school
 8 boards to hire independent certified public
 9 accountants; amending s. 240.214, F.S.;
 10 clarifying that accountability reports are to
 11 be designed in consultation with the Office of
 12 Program Policy Analysis and Government
 13 Accountability; amending s. 240.311, F.S.;
 14 providing authority to the Office of Program
 15 Policy Analysis and Government Accountability
 16 to require and receive supplemental data;
 17 creating s. 240.3631, F.S.; authorizing
 18 district boards of trustees of community
 19 colleges to hire an independent certified
 20 public accountant to conduct audits; amending
 21 s. 240.512, F.S.; providing authority to the
 22 Office of Program Policy Analysis and
 23 Government Accountability to require and
 24 receive supplemental data; providing authority
 25 to the Office of Program Policy Analysis and
 26 Government Accountability to access
 27 confidential records; requiring the office to
 28 maintain confidentiality; amending s. 240.551,
 29 F.S.; providing for audits of direct-support
 30 organizations; deleting a paragraph which
 31 provides for audits of direct-support

1 organizations; amending ss. 240.609, 288.9517,
 2 296.17, 296.41, 403.1826, 550.125, 601.15, and
 3 744.708, F.S.; providing authority to the
 4 Office of Program Policy Analysis and
 5 Government Accountability to examine programs;
 6 amending s. 290.015, F.S.; providing
 7 responsibilities to the Office of Program
 8 Policy Analysis and Government Accountability
 9 regarding the Florida Enterprise Zone Act of
 10 1994; amending ss. 320.023, 320.08062, and
 11 322.081, F.S.; deleting provisions related to
 12 audits of certain organizations; requiring
 13 annual attestations of certain organizations;
 14 transferring the Auditor General's authority to
 15 conduct audits; amending s. 339.406, F.S.;
 16 revising provisions related to audits of
 17 transportation corporations; providing the
 18 Department of Transportation and the Auditor
 19 General with the authority to conduct audits of
 20 transportation corporations; amending s.
 21 365.171, F.S.; revising the provision related
 22 to auditing the 911 fees; correcting a cross
 23 reference; amending s. 373.45926, F.S.;
 24 replacing certain terms; amending s. 373.507,
 25 F.S.; deleting an obsolete provision;
 26 correcting a cross reference; providing for the
 27 distribution of audits of water management
 28 districts; amending ss. 402.73, 411.01, and
 29 413.88, F.S.; deleting provisions related to an
 30 audit by the Auditor General; amending s.
 31 403.8532, F.S.; replacing certain terms;

1 amending s. 411.221, F.S.; adding reports
 2 issued by the Office of Program Policy Analysis
 3 and Government Accountability to the
 4 information considered in strategic plan
 5 revisions; amending s. 570.903, F.S.;
 6 transferring the authority for certain
 7 direct-support organizations to conduct
 8 business; providing for audits of
 9 direct-support organizations; amending s.
 10 616.263, F.S.; providing the Auditor General
 11 with the authority to conduct audits; amending
 12 s. 943.25, F.S.; providing for the conduct of
 13 audits of the criminal justice trust fund;
 14 amending s. 944.512, F.S.; providing that
 15 certain costs are to be certified by a
 16 prosecuting attorney and an imprisoning entity
 17 and subject to review by the Auditor General;
 18 amending s. 957.07, F.S.; providing
 19 responsibilities for the Department of
 20 Corrections and the Auditor General; amending
 21 ss. 957.11 and 985.416, F.S.; transferring
 22 duties from the Auditor General to the Office
 23 of Program Policy Analysis and Government
 24 Accountability; repealing s. 11.149, F.S.,
 25 relating to nonapplication of certain
 26 provisions to the Legislative Auditing
 27 Committee or the Auditor General; repealing s.
 28 11.46, F.S., relating to accounting procedures;
 29 repealing s. 125.901(2)(e), F.S., relating to
 30 audits of independent special districts related
 31 to children's services; repealing ss.

1 215.56005(2)(1), 216.2815, 228.053(11),
 2 228.082(6), 253.037(3), 288.906(2), 288.9616,
 3 298.65, 348.69, 374.987(3), 380.510(8),
 4 400.335, 403.1837(14), 440.49(14)(i), and
 5 517.1204(14), F.S., relating to authority of
 6 the Auditor General to conduct audits;
 7 repealing s. 218.415(23), F.S., relating to
 8 local government investments; repealing s.
 9 265.607, F.S., relating to audits of local
 10 cultural sponsoring organizations; repealing s.
 11 331.419(3), F.S.; deleting obsolete provisions;
 12 repealing s. 339.413, F.S., relating to audits
 13 of transportation corporations; repealing s.
 14 373.589, F.S., relating to audits of water
 15 management districts; repealing s. 388.331,
 16 F.S., relating to audits of mosquito control
 17 districts and mosquito control programs;
 18 repealing ss. 570.912, 581.195, 589.013, and
 19 590.612, F.S., relating to direct support
 20 organizations within the Department of
 21 Agriculture; amending s. 189.4042, F.S.;
 22 providing that an inactive independent special
 23 district that was created by a county or
 24 municipality through a referendum may be
 25 dissolved by the county or municipality after
 26 publication of notice as required for the
 27 declaration of the inactive status of a special
 28 district; amending s. 189.4044, F.S.; reducing
 29 the number of weeks such notice of declaration
 30 of inactive status must be published; amending
 31 s. 189.418, F.S.; providing that a dependent

1 special district may only be budgeted
2 separately with concurrence of the local
3 governing authority upon which said dependent
4 special district is dependent; deleting a
5 requirement that the proposed budget of an
6 independent special district located in one
7 county be filed with the county; deleting
8 requirements for each special district to file
9 certain reports, information, and audits with
10 the local governing authority; amending s.
11 189.419, F.S., to conform; amending s. 189.429,
12 F.S.; providing the effect of the reenactment
13 of existing law pursuant to the required
14 codification of a special district charter;
15 repealing s. 218.34, F.S.; providing an
16 effective date.

17
18 Be It Enacted by the Legislature of the State of Florida:

19
20 Section 1. Subsections (3), (4), and (5) are added to
21 section 11.40, Florida Statutes, to read:

22 11.40 Legislative Auditing Committee.--

23 (3) The Legislative Auditing Committee may direct the
24 Auditor General or the Office of Program Policy Analysis and
25 Government Accountability to conduct an audit, review, or
26 examination of any entity or record described in s. 11.45(2)
27 or (3).

28 (4) The Legislative Auditing Committee may take under
29 investigation any matter within the scope of an audit, review,
30 or examination either completed or then being conducted by the
31 Auditor General or the Office of Program Policy Analysis and

1 Government Accountability, and, in connection with such
2 investigation, may exercise the powers of subpoena by law
3 vested in a standing committee of the Legislature.

4 (5) Following notification by the Auditor General, the
5 Department of Banking and Finance, or the Division of Bond
6 Finance of the State Board of Administration of the failure of
7 a local governmental entity, district school board, charter
8 school, or charter technical career center to comply with the
9 applicable provisions within s. 11.45(5)-(7), s. 218.32(1), or
10 s. 218.38, the Legislative Auditing Committee may schedule a
11 hearing. If a hearing is scheduled, the committee shall
12 determine if the entity should be subject to further state
13 action. If the committee determines that the entity should be
14 subject to further state action, the committee shall:

15 (a) In the case of a local governmental entity or
16 district school board, request the Department of Revenue and
17 the Department of Banking and Finance to withhold any funds
18 not pledged for bond debt service satisfaction which are
19 payable to such entity until the entity complies with the law.
20 The committee, in its request, shall specify the date such
21 action shall begin, and the request must be received by the
22 Department of Revenue and the Department of Banking and
23 Finance 30 days before the date of the distribution mandated
24 by law. The Department of Revenue and the Department of
25 Banking and Finance are authorized to implement the provisions
26 of this paragraph.

27 (b) In the case of a special district, notify the
28 Department of Community Affairs that the special district has
29 failed to comply with the law. Upon receipt of notification,
30 the Department of Community Affairs shall proceed pursuant to
31 the provisions specified in ss. 189.421 and 189.422.

1 (c) In the case of a charter school or charter
2 technical career center, notify the appropriate sponsoring
3 entity, which may terminate the charter pursuant to ss.
4 228.056 and 228.505.

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

8 11.42 The Auditor General.--

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

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

31

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

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

14 (8) No officer or salaried ~~full-time~~ employee of the
15 office of Auditor General shall ~~actively engage in any other~~
16 ~~business or profession~~; serve as the representative of any
17 political party or on any executive committee or other
18 governing body thereof; serve as an executive, officer, or
19 employee of any political party committee, organization, or
20 association; or be engaged on behalf of any candidate for
21 public office in the solicitation of votes or other activities
22 in behalf of such candidacy. Neither the Auditor General nor
23 any employee of the Auditor General may ~~shall~~ become a
24 candidate for election to public office unless she or he ~~shall~~
25 first resigns ~~resign~~ from office or employment. No officer or
26 salaried employee of the Auditor General shall actively engage
27 in any other business or profession or be otherwise employed
28 without the prior written permission of the Auditor General.

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

31

1 Section 3. Section 11.45, Florida Statutes, is amended
2 to read:

3 11.45 Definitions; duties; authorities ~~audits;~~
4 ~~reports; rules.~~--

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

7 (a) "Audit" means a financial audit, operational
8 audit, or performance audit.

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

19 (c) ~~(b)~~ "Financial audit" means an examination of
20 financial statements in order to express an opinion on the
21 fairness with which they are presented ~~present financial~~
22 ~~position, results of operations, and changes in financial~~
23 ~~position~~ in conformity with generally accepted accounting
24 principles and an examination to determine whether operations
25 are properly conducted in accordance with legal and regulatory
26 requirements. Financial audits must be conducted in accordance
27 with generally accepted auditing standards and government
28 ~~governmental~~ auditing standards as adopted by the Board of
29 Accountancy.

30 (d) ~~(c)~~ "Governmental entity" means a state agency, a
31 county agency, or any other entity, however styled, that

1 independently exercises any type of state or local
2 governmental function.

3 (e)~~(d)~~ "Local governmental entity" means a county
4 agency, municipality, or special district as defined in s.
5 189.403, but does not include any housing authority
6 established under chapter 421.

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

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

19 (h)~~(g)~~ "Performance audit" means an examination of a
20 program, activity, or function of a governmental entity,
21 conducted in accordance with applicable government auditing
22 standards or auditing and evaluation standards of other
23 appropriate authoritative bodies. The term includes an
24 examination of issues related to:

- 25 1. Economy, efficiency, or effectiveness of the
26 program.
- 27 2. Structure or design of the program to accomplish
28 its goals and objectives.
- 29 3. Adequacy of the program to meet the needs
30 identified by the Legislature or governing body.

31

1 4. Alternative methods of providing program services
2 or products.

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

5 6. The accuracy or adequacy of public documents,
6 reports, or requests prepared under the program by state
7 agencies.

8 7. Compliance of the program with appropriate
9 policies, rules, or laws.

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

12 (i)~~(h)~~ "Political subdivision" means a separate agency
13 or unit of local government created or established by law and
14 includes, but is not limited to, the following and the
15 officers thereof: authority, board, branch, bureau, city,
16 commission, consolidated government, county, department,
17 district, institution, metropolitan government, municipality,
18 office, officer, public corporation, town, or village.

19 (j)~~(i)~~ "State agency" means a separate agency or unit
20 of state government created or established by law and
21 includes, but is not limited to, the following and the
22 officers thereof: authority, board, branch, bureau,
23 commission, department, division, institution, office,
24 officer, or public corporation, as the case may be, except any
25 such agency or unit ~~other than the Florida Public Service~~
26 ~~Commission~~ within the legislative branch of state government
27 other than the Florida Public Service Commission.

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

29 (a) Conduct ~~make financial audits and performance~~
30 audits of ~~public~~ records and perform related duties as
31 prescribed by law, ~~or~~ concurrent resolution of the

1 Legislature, or as directed. ~~The Auditor General shall perform~~
2 ~~his or her duties independently but under the general policies~~
3 ~~established by the Legislative Auditing Committee.~~

4 (b) Annually conduct a financial audit of state
5 government.

6 (c) Annually conduct financial audits of all
7 universities and district boards of trustees of community
8 colleges.

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

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

15 (f) At least every 2 years, conduct operational audits
16 of the accounts and records of state agencies and
17 universities. In connection with these audits, the Auditor
18 General shall give appropriate consideration to reports issued
19 by state agencies' inspectors general or universities'
20 inspectors general and the resolution of findings therein.

21 (g) At least every 2 years, conduct a performance
22 audit of the local government financial reporting system,
23 which, for the purpose of this chapter, means any statutory
24 provisions related to local government financial reporting.
25 The purpose of such an audit is to determine the accuracy,
26 efficiency, and effectiveness of the reporting system in
27 achieving its goals and to make recommendations to the local
28 governments, the Governor, and the Legislature as to how the
29 reporting system can be improved and how program costs can be
30 reduced. The local government financial reporting system
31 should provide for the timely, accurate, uniform, and

1 cost-effective accumulation of financial and other information
2 that can be used by the members of the Legislature and other
3 appropriate officials to accomplish the following goals:

4 1. Enhance citizen participation in local government;

5 2. Improve the financial condition of local
6 governments;

7 3. Provide essential government services in an
8 efficient and effective manner; and

9 4. Improve decisionmaking on the part of the
10 Legislature, state agencies, and local government officials on
11 matters relating to local government.

12 (h) Once every 3 years, conduct performance audits of
13 the Department of Revenue's administration of the ad valorem
14 tax laws as described in s. 195.096.

15 (i) Once every 3 years, conduct financial audits of
16 the accounts and records of all district school boards in
17 counties with populations of 125,000 or more, according to the
18 most recent federal decennial statewide census.

19 (j) Once every 3 years, review a sample of each state
20 agency's internal audit reports to determine compliance with
21 current Standards for the Professional Practice of Internal
22 Auditing or, if appropriate, government auditing standards.

23 (k) Conduct audits of local governmental entities when
24 determined to be necessary by the Auditor General, when
25 directed by the Legislative Auditing Committee, or when
26 otherwise required by law. No later than 18 months after the
27 release of the audit report, the Auditor General shall perform
28 such appropriate followup procedures as he or she deems
29 necessary to determine the audited entity's progress in
30 addressing the findings and recommendations contained within
31 the Auditor General's previous report. The Auditor General

1 shall provide a copy of his or her determination to each
2 member of the audited entity's governing body and to the
3 Legislative Auditing Committee.

4
5 The Auditor General shall perform his or her duties
6 independently but under the general policies established by
7 the Legislative Auditing Committee. This subsection does not
8 limit the Auditor General's discretionary authority to conduct
9 other audits or engagements of governmental entities as
10 authorized in subsection (3).

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

12 (a)1. ~~The Auditor General shall annually make~~
13 ~~financial audits of the accounts and records of all state~~
14 ~~agencies, as defined in this section, of all district school~~
15 ~~boards in counties with populations of fewer than 125,000,~~
16 ~~according to the most recent federal decennial statewide~~
17 ~~census, and of all district boards of trustees of community~~
18 ~~colleges. The Auditor General shall, at least every other~~
19 ~~year, make operational audits of the accounts and records of~~
20 ~~all state agencies, as defined in this section. The Auditor~~
21 ~~General shall, at least once every 3 years, make financial~~
22 ~~audits of the accounts and records of all district school~~
23 ~~boards in counties with populations of 125,000 or more. For~~
24 ~~each of the 2 years that the Auditor General does not make the~~
25 ~~financial audit, each district school board shall contract for~~
26 ~~an independent certified public accountant to perform a~~
27 ~~financial audit as defined in paragraph (1)(b). This section~~
28 ~~does not limit the Auditor General's discretionary authority~~
29 ~~to conduct performance audits of these governmental entities~~
30 ~~as authorized in subparagraph 3. A district school board may~~
31 ~~select an independent certified public accountant to perform a~~

1 ~~financial audit as defined in paragraph (1)(b) notwithstanding~~
 2 ~~the notification provisions of this section. In addition, a~~
 3 ~~district school board may employ an internal auditor to~~
 4 ~~perform ongoing financial verification of the financial~~
 5 ~~records of a school district, who must report directly to the~~
 6 ~~district school board or its designee. The Auditor General~~
 7 ~~shall, at a minimum, provide to the successor independent~~
 8 ~~certified public accountant of a district school board the~~
 9 ~~prior year's working papers, including documentation of~~
 10 ~~planning, internal control, audit results, and other matters~~
 11 ~~of continuing accounting and auditing significance, such as~~
 12 ~~the working paper analysis of balance sheet accounts and those~~
 13 ~~relating to contingencies.~~

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

27 3. The Auditor General may pursuant to his or her own
 28 authority, or at the direction of the Legislative Auditing
 29 Committee, conduct at any time make financial audits and
 30 performance audits or other engagements as determined
 31 appropriate by the Auditor General of:

1 1. The accounts and records of any ~~all~~ governmental
2 entity ~~entities~~ created or established by pursuant to law.

3 2. The information technology programs, activities,
4 functions, or systems of any governmental entity created or
5 established by law.

6 3. The accounts and records of any charter school
7 created or established by law.

8 4. The accounts and records of any direct-support
9 organization or citizen support organization created or
10 established by law. The Auditor General is authorized to
11 require and receive any records from the direct-support
12 organization or citizen support organization, or from its
13 independent auditor.

14 5. The public records associated with any
15 appropriation made by the General Appropriations Act to a
16 nongovernmental agency, corporation, or person. All records of
17 a nongovernmental agency, corporation, or person with respect
18 to the receipt and expenditure of such an appropriation shall
19 be public records and shall be treated in the same manner as
20 other public records are under general law.

21 6. State financial assistance provided to any nonstate
22 entity.

23 7. The Tobacco Settlement Financing Corporation
24 created pursuant to s. 215.56005.

25 8. The Florida On-Line High School created pursuant to
26 s. 228.082.

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

29 10. Enterprise Florida, Inc., including any of its
30 boards, advisory committees, or similar groups created by
31 Enterprise Florida, Inc., and programs. The audit report may

1 not reveal the identity of any person who has anonymously made
2 a donation to Enterprise Florida, Inc., pursuant to this
3 subparagraph. The identity of a donor or prospective donor to
4 Enterprise Florida, Inc., who desires to remain anonymous and
5 all information identifying such donor or prospective donor
6 are confidential and exempt from the provisions of s.
7 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
8 anonymity shall be maintained in the auditor's report.

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

19 12. The records pertaining to the use of funds from
20 voluntary contributions on a motor vehicle registration
21 application or on a driver's license application authorized
22 pursuant to ss. 320.023 and 322.081.

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

25 14. The transportation corporations under contract
26 with the Department of Transportation that are acting on
27 behalf of the state to secure and obtain rights-of-way for
28 urgently needed transportation systems and to assist in the
29 planning and design of such systems pursuant to ss.
30 339.401-339.421.

31

1 15. The acquisitions and divestitures related to the
2 Florida Communities Trust Program created pursuant to chapter
3 380.

4 16. The Florida Water Pollution Control Financing
5 Corporation created pursuant to s. 403.1837.

6 17. The Florida Partnership for School Readiness
7 created pursuant to s. 411.01.

8 18. The Occupational Access and Opportunity Commission
9 created pursuant to s. 413.83.

10 19. The Florida Special Disability Trust Fund
11 Financing Corporation created pursuant to s. 440.49.

12 20. Workforce Florida, Inc., or the programs or
13 entities created by Workforce Florida, Inc., created pursuant
14 to s. 445.004.

15 21. The corporation defined in s. 455.32 that is under
16 contract with the Department of Business and Professional
17 Regulation to provide administrative, investigative,
18 examination, licensing, and prosecutorial support services in
19 accordance with the provisions of s. 455.32 and the practice
20 act of the relevant profession.

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

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

25 24. The books and records of any permitholder that
26 conducts race meetings or jai alai exhibitions under chapter
27 550.

28 25. The corporation defined in chapter 946, part II,
29 known as the Prison Rehabilitative Industries and Diversified
30 Enterprises, Inc., or PRIDE Enterprises.

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

1 1. Promote the building of competent and efficient
2 accounting and internal audit organizations in the offices
3 administered by governmental entities.

4 2. Provide consultation services to governmental
5 entities on their financial and accounting systems,
6 procedures, and related matters.

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

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

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

28 (c) The audit report when final shall be a public
29 record. The audit workpapers and notes are not a public
30 record; however, those workpapers necessary to support the
31 computations in the final audit report may be made available

1 by a majority vote of the Legislative Auditing Committee after
 2 a public hearing showing proper cause. The audit workpapers
 3 and notes shall be retained by the Auditor General until no
 4 longer useful in his or her proper functions, after which time
 5 they may be destroyed.

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

19 (e) The Auditor General shall provide the successor
 20 independent certified public accountant of a district school
 21 board with access to the prior year's working papers in
 22 accordance with the Statements on Auditing Standards,
 23 including documentation of planning, internal control, audit
 24 results, and other matters of continuing accounting and
 25 auditing significance, such as the working paper analysis of
 26 balance sheet accounts and those relating to contingencies.

27 (5) PETITION FOR AN AUDIT BY THE AUDITOR GENERAL.--The
 28 Legislative Auditing Committee shall direct the Auditor
 29 General to make a financial audit of any municipality whenever
 30 petitioned to do so by at least 20 percent of the electors of
 31 that municipality. The supervisor of elections of the county

1 in which the municipality is located shall certify whether or
 2 not the petition contains the signatures of at least 20
 3 percent of the electors of the municipality. After the
 4 completion of the audit, the Auditor General shall determine
 5 whether the municipality has the fiscal resources necessary to
 6 pay the cost of the audit. The municipality shall pay the cost
 7 of the audit within 90 days after the Auditor General's
 8 determination that the municipality has the available
 9 resources. If the municipality fails to pay the cost of the
 10 audit, the Department of Revenue shall, upon certification of
 11 the Auditor General, withhold from that portion of the
 12 distribution pursuant to s. 212.20(6)(e)6. which is
 13 distributable to such municipality, a sum sufficient to pay
 14 the cost of the audit and shall deposit that sum into the
 15 General Revenue Fund of the state.

16 (6) REQUEST BY A LOCAL GOVERNMENTAL ENTITY FOR AN
 17 AUDIT BY THE AUDITOR GENERAL.--Whenever a local governmental
 18 entity requests the Auditor General to conduct an audit of all
 19 or part of its operations and the Auditor General conducts the
 20 audit under his or her own authority or at the direction of
 21 the Legislative Auditing Committee, the expenses of the audit
 22 shall be paid by the local governmental entity. The Auditor
 23 General shall estimate the cost of the audit. Fifty percent of
 24 the cost estimate shall be paid by the local governmental
 25 entity before the initiation of the audit and deposited into
 26 the General Revenue Fund of the state. After the completion of
 27 the audit, the Auditor General shall notify the local
 28 governmental entity of the actual cost of the audit. The local
 29 governmental entity shall remit the remainder of the cost of
 30 the audit to the Auditor General for deposit into the General
 31 Revenue Fund of the state. If the local governmental entity

1 fails to comply with paying the remaining cost of the audit,
2 the Auditor General shall notify the Legislative Auditing
3 Committee. The committee shall proceed in accordance with s.
4 11.40(5).

5 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.--

6 (a) The Auditor General shall notify the Legislative
7 Auditing Committee of any local governmental entity, district
8 school board, charter school, or charter technical career
9 center that does not comply with the reporting requirements of
10 s. 218.39. The committee shall proceed in accordance with s.

11 11.40(5).~~The audits referred to in this subparagraph must be~~
12 ~~made whenever determined by the Auditor General, whenever~~
13 ~~directed by the Legislative Auditing Committee, or whenever~~
14 ~~otherwise required by law or concurrent resolution. A~~
15 ~~district school board, expressway authority, or bridge~~
16 ~~authority may require that the annual financial audit of its~~
17 ~~accounts and records be completed within 12 months after the~~
18 ~~end of its fiscal year. If the Auditor General is unable to~~
19 ~~meet that requirement, the Auditor General shall notify the~~
20 ~~school board, the expressway authority, or the bridge~~
21 ~~authority pursuant to subparagraph 5.~~

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

1 ~~5. If by July 1 in any fiscal year a district school~~
2 ~~board or local governmental entity has not been notified that~~
3 ~~a financial audit for that fiscal year will be performed by~~
4 ~~the Auditor General pursuant to subparagraph 3., each~~
5 ~~municipality with either revenues or expenditures of more than~~
6 ~~\$100,000, each special district with either revenues or~~
7 ~~expenditures of more than \$50,000, and each county agency~~
8 ~~shall, and each district school board may, require that an~~
9 ~~annual financial audit of its accounts and records be~~
10 ~~completed, within 12 months after the end of its respective~~
11 ~~fiscal year, by an independent certified public accountant~~
12 ~~retained by it and paid from its public funds. An independent~~
13 ~~certified public accountant who is selected to perform an~~
14 ~~annual financial audit of a school district must report~~
15 ~~directly to the district school board or its designee. A~~
16 ~~management letter must be prepared and included as a part of~~
17 ~~each financial audit report. Each local government finance~~
18 ~~commission, board, or council, and each municipal power~~
19 ~~corporation, created as a separate legal or administrative~~
20 ~~entity by interlocal agreement under s. 163.01(7), shall~~
21 ~~provide the Auditor General, within 12 months after the end of~~
22 ~~its fiscal year, with an annual financial audit report of its~~
23 ~~accounts and records and a written statement or explanation or~~
24 ~~rebuttal concerning the auditor's comments, including~~
25 ~~corrective action to be taken. The county audit shall be one~~
26 ~~document that includes a separate audit of each county agency.~~
27 ~~The county audit must include an audit of the deposits into~~
28 ~~and expenditures from the Public Records Modernization Trust~~
29 ~~Fund. The Auditor General shall tabulate the results of the~~
30 ~~audits of the Public Records Modernization Trust Fund and~~
31 ~~report a summary of the audits to the Legislature annually.~~

1 ~~6. The governing body of a municipality, special~~
2 ~~district, or charter school must establish an auditor~~
3 ~~selection committee and competitive auditor selection~~
4 ~~procedures. The governing board may elect to use its own~~
5 ~~competitive auditor selection procedures or the procedures~~
6 ~~outlined in subparagraph 7.~~

7 ~~7. The governing body of a noncharter county or~~
8 ~~district school board that retains a certified public~~
9 ~~accountant must establish an auditor selection committee and~~
10 ~~select an independent certified public accountant according to~~
11 ~~the following procedure:~~

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

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

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

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

31

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

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

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

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

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

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

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

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

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

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

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

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

18 ~~11. Any local governmental entity or district school~~
 19 ~~board financial audit report required under subparagraph 5. or~~
 20 ~~charter school financial audit report required under~~
 21 ~~subparagraph 2. and the officer's written statement of~~
 22 ~~explanation or rebuttal concerning the auditor's comments,~~
 23 ~~including corrective action to be taken, must be submitted to~~
 24 ~~the Auditor General within 45 days after delivery of the audit~~
 25 ~~report to the local governmental entity, district school~~
 26 ~~board, or charter school, but no later than 12 months after~~
 27 ~~the end of the fiscal year. If the Auditor General does not~~
 28 ~~receive the financial audit report within the prescribed~~
 29 ~~period, he or she must notify the Legislative Auditing~~
 30 ~~Committee that the governmental entity or charter school has~~
 31 ~~not complied with this subparagraph. Following notification of~~

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

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

23 ~~b. In the case of a special district, notify the~~
24 ~~Department of Community Affairs that the special district has~~
25 ~~failed to provide the required audits. Upon receipt of~~
26 ~~notification, the Department of Community Affairs shall~~
27 ~~proceed pursuant to ss. 189.421 and 189.422.~~

28 (b)12.a. The Auditor General, in consultation with the
29 Board of Accountancy, shall review all audit reports submitted
30 pursuant to s. 218.39 ~~subparagraph 11~~. The Auditor General
31 shall request any significant items that were omitted in

1 violation of a rule adopted by the Auditor General. The items
 2 must be provided within 45 days after the date of the request.
 3 If the governmental entity does not comply with the Auditor
 4 General's request, the Auditor General shall notify the
 5 Legislative Auditing Committee. The committee shall proceed in
 6 accordance with s. 11.40(5).

7 (c) The Auditor General shall provide annually a list
 8 of those special districts which are not in compliance with s.
 9 218.39 to the Special District Information Program of the
 10 Department of Community Affairs.

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

24 ~~(e)~~b. The Auditor General shall notify the Governor
 25 and the ~~Joint~~ Legislative Auditing Committee of any audit
 26 report reviewed by the Auditor General pursuant to paragraph
 27 (b)which contains a statement that the local governmental
 28 entity or district school board is in a state of financial
 29 emergency as provided in s. 218.503. If the Auditor General
 30 requests a clarification regarding information included in an
 31 audit report to determine whether a, ~~in reviewing any audit~~

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

17 (f) ~~c.~~ The Auditor General shall annually compile and
 18 transmit to the President of the Senate, the Speaker of the
 19 House of Representatives, and the ~~Joint~~ Legislative Auditing
 20 Committee a summary of significant findings and financial
 21 trends identified in audit reports reviewed in paragraph (b)
 22 or otherwise identified by the Auditor General's review of
 23 such audit reports and financial information, and identified
 24 in audits of district school boards conducted by the Auditor
 25 General. The Auditor General shall include financial
 26 information provided pursuant to s. 218.32(1)(e) for entities
 27 with fiscal years ending on or after June 30, 2003, within his
 28 or her reports submitted pursuant to this paragraph.

29 (g) If the Auditor General discovers significant
 30 errors, improper practices, or other significant discrepancies
 31 in connection with his or her audits of a state agency or

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

19 (h) The Auditor General shall transmit to the
 20 President of the Senate, the Speaker of the House of
 21 Representatives, and the Legislative Auditing Committee by
 22 December 1 of each year a list of statutory and fiscal changes
 23 recommended by the Auditor General. The Auditor General may
 24 also transmit recommendations at other times of the year when
 25 the information would be timely and useful for the
 26 Legislature.

27 (8) RULES OF THE AUDITOR GENERAL.--The Auditor
 28 General, in consultation with the Board of Accountancy, shall
 29 adopt rules for the form and conduct of all financial audits
 30 performed by independent certified public accountants pursuant
 31 to ss. 215.98, 218.39, 237.40, 240.299, and 240.331. The rules

1 for audits of local governmental entities and district school
2 boards must include, but are not limited to, requirements for
3 the reporting of information necessary to carry out the
4 purposes of the Local Government Financial Emergencies Act as
5 stated in s. 218.501.

6 (9) OTHER GUIDANCE PROVIDED BY THE AUDITOR

7 GENERAL.--The Auditor General, in consultation with the
8 Department of Education, shall develop a compliance supplement
9 for the financial audit of a district school board conducted
10 by an independent certified public accountant.~~audits of local~~
11 ~~governmental entities, district school boards, and charter~~
12 ~~schools performed by the independent certified public~~
13 ~~accountants.~~

14 ~~13. In conducting a performance audit of any agency,~~
15 ~~the Auditor General shall use the Agency Strategic Plan of the~~
16 ~~agency in evaluating the performance of the agency.~~

17 ~~(b) The Legislative Auditing Committee shall direct~~
18 ~~the Auditor General to make a financial audit of any~~
19 ~~municipality whenever petitioned to do so by at least 20~~
20 ~~percent of the electors of that municipality. The supervisor~~
21 ~~of elections of the county in which the municipality is~~
22 ~~located shall certify whether or not the petition contains the~~
23 ~~signatures of at least 20 percent of the electors of the~~
24 ~~municipality. After the completion of the audit, the Auditor~~
25 ~~General shall determine whether the municipality has the~~
26 ~~fiscal resources necessary to pay the cost of the audit. The~~
27 ~~municipality shall pay the cost of the audit within 90 days~~
28 ~~after the Auditor General's determination that the~~
29 ~~municipality has the available resources. If the municipality~~
30 ~~fails to pay the cost of the audit, the Department of Revenue~~
31 ~~shall, upon certification of the Auditor General, withhold~~

1 ~~from that portion of the distribution pursuant to s.~~
 2 ~~212.20(6)(f)5. which is distributable to such municipality a~~
 3 ~~sum sufficient to pay the cost of the audit and shall deposit~~
 4 ~~that sum into the General Revenue Fund of the state.~~

5 ~~(c) The Auditor General shall at least every 2 years~~
 6 ~~make a performance audit of the local government financial~~
 7 ~~reporting system, which, for the purpose of this chapter,~~
 8 ~~means the reporting provisions of this subsection and~~
 9 ~~subsection (4); s. 27.3455(1) and (2); part VII of chapter~~
 10 ~~112; s. 163.05; s. 166.241; chapter 189; parts III and V of~~
 11 ~~chapter 218; and s. 925.037(5). The performance audit shall~~
 12 ~~analyze each component of the reporting system separately and~~
 13 ~~analyze the reporting system as a whole. The purpose of such~~
 14 ~~an audit is to determine the accuracy, efficiency, and~~
 15 ~~effectiveness of the reporting system in achieving its goals~~
 16 ~~and objectives and to make recommendations to the local~~
 17 ~~governments, the Governor, and the Legislature as to how the~~
 18 ~~reporting system can be improved and how program costs can be~~
 19 ~~reduced. Such goals and objectives must include, but need not~~
 20 ~~be limited to, the timely, accurate, uniform, and~~
 21 ~~cost-effective accumulation of financial and other information~~
 22 ~~that can be used by the members of the Legislature and other~~
 23 ~~appropriate officials in order to:~~

- 24 ~~1. Compare and contrast revenue sources and~~
 25 ~~expenditures of local governmental entities;~~
- 26 ~~2. Assess the fiscal impact of the formation,~~
 27 ~~dissolution, and activity of special districts;~~
- 28 ~~3. Evaluate the fiscal impact of state mandates on~~
 29 ~~local governmental entities;~~
- 30 ~~4. Assess financial or economic conditions of local~~
 31 ~~governmental entities; and~~

1 ~~5. Improve communication and coordination among state~~
2 ~~agencies and local governmental entities.~~

3 ~~(d) Whenever a local governmental entity requests the~~
4 ~~Auditor General to conduct an audit of all or part of its~~
5 ~~operations and the Auditor General conducts the audit under~~
6 ~~his or her own authority or at the direction of the~~
7 ~~Legislative Auditing Committee, the expenses of the audit~~
8 ~~shall be paid by the local governmental entity. The Auditor~~
9 ~~General shall estimate the cost of the audit. Fifty percent of~~
10 ~~the cost estimate shall be paid by the local governmental~~
11 ~~entity before the initiation of the audit and deposited into~~
12 ~~the General Revenue Fund of the state. After the completion of~~
13 ~~the audit, the Auditor General shall forward the actual cost~~
14 ~~of the audit to the local governmental entity. The local~~
15 ~~governmental entity shall remit the remainder of the cost of~~
16 ~~the audit to the Auditor General for deposit into the General~~
17 ~~Revenue Fund of the state. If the local governmental entity~~
18 ~~fails to pay the cost of the audit, the Auditor General shall~~
19 ~~notify the Legislative Auditing Committee. Following the~~
20 ~~notification, the committee may schedule a hearing. After the~~
21 ~~hearing, the committee shall determine if the local~~
22 ~~governmental entity should be subject to further state action.~~
23 ~~If the committee determines that the local governmental entity~~
24 ~~should be subject to further state action, the committee~~
25 ~~shall:~~

26 ~~1. In the case of a local governmental entity, request~~
27 ~~the Department of Revenue and the Department of Banking and~~
28 ~~Finance to withhold any funds payable to the governmental~~
29 ~~entity until the required payment is received by the Auditor~~
30 ~~General.~~

1 ~~2. In the case of a special district, notify the~~
2 ~~Department of Community Affairs that the special district has~~
3 ~~failed to pay for the cost of the audit. Upon receipt of~~
4 ~~notification, the Department of Community Affairs shall~~
5 ~~proceed pursuant to the provisions specified in ss. 189.421~~
6 ~~and 189.422.~~

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

20 ~~(5) Each audit required or authorized by this section,~~
21 ~~when practicable, shall be made and completed within not more~~
22 ~~than 12 months following the end of each fiscal year of the~~
23 ~~state agency or political subdivision, if an annual audit, or~~
24 ~~at such lesser time which may be provided by law or concurrent~~
25 ~~resolution or directed by the Legislative Auditing Committee.~~
26 ~~When the Auditor General is required by law to make a~~
27 ~~financial audit of the whole or a portion of a fiscal year of~~
28 ~~a political subdivision and his or her current workload of~~
29 ~~audits of state agencies and political subdivisions is so~~
30 ~~great that it is not practicable within the required time to~~
31 ~~perform such audit and also to make financial audits of that~~

1 ~~political subdivision as to any other period not previously~~
2 ~~audited by him or her, then in his or her discretion the~~
3 ~~Auditor General may temporarily or indefinitely postpone~~
4 ~~audits of such other period or any portion thereof unless~~
5 ~~otherwise directed by the committee.~~

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

13 ~~(7)(a) The Auditor General may, when in his or her~~
14 ~~judgment it is necessary, designate and direct any auditor~~
15 ~~employed by the Auditor General to audit any accounts or~~
16 ~~records within the power of the Auditor General to audit. The~~
17 ~~auditor shall report his or her findings for review by the~~
18 ~~Auditor General, who shall prepare the audit report.~~

19 ~~(b) The audit report when final shall be a public~~
20 ~~record. The audit workpapers and notes are not a public~~
21 ~~record; however, those workpapers necessary to support the~~
22 ~~computations in the final audit report may be made available~~
23 ~~by a majority vote of the Legislative Auditing Committee after~~
24 ~~a public hearing showing proper cause. The audit workpapers~~
25 ~~and notes shall be retained by the Auditor General until no~~
26 ~~longer useful in his or her proper functions, after which time~~
27 ~~they may be destroyed.~~

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

29 ~~1. Any violation of the laws within the scope of the~~
30 ~~audit; and~~

31

1 ~~2. Any illegal or improper expenditure, any improper~~
 2 ~~accounting procedures, all failures to properly record~~
 3 ~~financial transactions, and all other inaccuracies,~~
 4 ~~irregularities, shortages, and defalcations.~~

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

23 ~~(e) Each agency head shall provide to the Legislative~~
 24 ~~Auditing Committee, within 6 months after the published date~~
 25 ~~of an audit report, a written explanation of the status of~~
 26 ~~recommendations contained in the report.~~

27 ~~(f) No later than 18 months after the release of a~~
 28 ~~performance audit report, the agencies which are the subject~~
 29 ~~of that report shall provide data and other information that~~
 30 ~~describes with specificity what the agencies have done to~~
 31 ~~respond to the recommendations contained in the report. The~~

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

16 ~~(8) If the Auditor General discovers any errors,~~
17 ~~unusual practices, or any other discrepancies in connection~~
18 ~~with his or her audits of a state agency or state officer, the~~
19 ~~Auditor General shall, as soon as practicable, notify in~~
20 ~~writing the President of the Senate and the Speaker of the~~
21 ~~House of Representatives, respectively, who, in turn, shall~~
22 ~~promptly thereafter forward a copy thereof to the chairs of~~
23 ~~the respective legislative committees, which in the judgment~~
24 ~~of the President of the Senate and the Speaker of the House of~~
25 ~~Representatives. Thereafter, and in no event later than the~~
26 ~~10th day of the next succeeding legislative session, the~~
27 ~~person in charge of the state agency involved, or the state~~
28 ~~officer involved, as the case may be, shall explain in writing~~
29 ~~to the President of the Senate and the Speaker of the House of~~
30 ~~Representatives and to the Legislative Auditing Committee the~~
31 ~~reasons or justifications for such errors, unusual practices,~~

1 ~~or discrepancies and the corrective measures, if any, taken by~~
2 ~~the agency.~~

3 ~~(9) All agencies, other than state agencies as defined~~
4 ~~herein, and all district school boards and district boards of~~
5 ~~trustees of community colleges shall have the power to have a~~
6 ~~performance audit or financial audit of their accounts and~~
7 ~~records by an independent certified public accountant retained~~
8 ~~by them and paid from their public funds.~~

9 ~~(10) The Auditor General shall provide annually a list~~
10 ~~of those special districts which are in compliance with this~~
11 ~~section and a list of those special districts which are not in~~
12 ~~compliance with this section for the Special District~~
13 ~~Information Program of the Department of Community Affairs.~~

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

24 Section 4. Section 11.47, Florida Statutes, is amended
25 to read:

26 11.47 Penalties; failure to make a proper audit or
27 examination; making a false ~~audit~~ report; failure to produce
28 documents or information.--

29 (1) All officers whose respective offices the Auditor
30 General or the Office of Program Policy Analysis and
31 Government Accountability is authorized to audit or examine

1 shall enter into their public records sufficient information
2 for proper audit or examination, and shall make the same
3 available to the Auditor General or the Office of Program
4 Policy Analysis and Government Accountability on demand.

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

19 (3) Any person who willfully fails or refuses to
20 furnish or produce any book, record, paper, document, data, or
21 sufficient information necessary to a proper audit or
22 examination which the Auditor General or the Office of Program
23 Policy Analysis and Government Accountability is by law
24 authorized to perform shall be guilty of a misdemeanor of the
25 first degree, punishable as provided in s. 775.082 or s.
26 775.083.

27 (4) Any officer 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 subject to removal from
2 office.

3 Section 5. Section 11.51, Florida Statutes, is amended
4 to read:

5 11.51 Office of Program Policy Analysis and Government
6 Accountability.--

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

19 (2) The Office of Program Policy Analysis and
20 Government Accountability is independent of the Auditor
21 General appointed pursuant to s. 11.42 ~~and the Public Counsel~~
22 ~~appointed pursuant to s. 350.061~~ for purposes of general
23 policies established by the Legislative Auditing Committee.

24 (3) The Office of Program Policy Analysis and
25 Government Accountability shall maintain a schedule of
26 examinations of state programs.

27 ~~(4)(3) The Auditor General shall provide~~
28 ~~administrative support and services to the Office of Program~~
29 ~~Policy Analysis and Government Accountability~~ is authorized to
30 examine all entities and records listed in s. 11.45(3)(a) to
31 ~~the extent required by the Legislative Auditing Committee.~~

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

17 (6) No later than 18 months after the release of a
18 report of the Office of Program Policy Analysis and Government
19 Accountability, the agencies that are the subject of that
20 report shall provide data and other information that describes
21 with specificity what the agencies have done to respond to the
22 recommendations contained in the report. The Office of Program
23 Policy Analysis and Government Accountability may verify the
24 data and information provided by the agencies. If the data and
25 information provided by the agencies are deemed sufficient and
26 accurate, the Office of Program Policy Analysis and Government
27 Accountability shall report to the Legislative Auditing
28 Committee and to the legislative standing committees concerned
29 with the subject areas of the audit. The report shall include
30 a summary of the agencies' responses, the evaluation of those
31 responses, and any recommendations deemed to be appropriate.

1 Section 6. Section 11.511, Florida Statutes, is
2 amended to read:

3 11.511 Director of the Office of Program Policy
4 Analysis and Government Accountability; appointment;
5 employment of staff; powers and duties.--

6 (1)(a) The Legislative Auditing Committee shall
7 appoint a director of the Office of Program Policy Analysis
8 and Government Accountability by majority vote of the
9 committee, subject to confirmation by a majority vote of the
10 Senate and the House of Representatives. At the time of
11 appointment, the director must have had 10 years' experience
12 in policy analysis and program evaluation. The reappointment
13 of a director is subject to confirmation by a majority vote of
14 the Senate and the House of Representatives. The Legislative
15 Auditing Committee may appoint an interim director.

16 (b) The appointment of the director may be terminated
17 at any time by a majority vote of the Senate and the House of
18 Representatives.

19 (2)(a) The director shall take and subscribe to the
20 oath of office required of state officers by the State
21 Constitution.

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

25 (3)(a) The director shall make all spending decisions
26 under the annual operating budget approved by the President of
27 the Senate and the Speaker of the House of Representatives.
28 The director shall employ and set the compensation of such
29 professional, technical, legal, and clerical staff as may be
30 necessary to fulfill the responsibilities of the Office of
31 Program Policy Analysis and Government Accountability ~~perform~~

1 ~~all the requirements of this section and s. 11.513~~, in
 2 accordance with the joint policies and procedures of the
 3 President of the Senate and the Speaker of the House of
 4 Representatives, and may remove these personnel. The staff
 5 must be chosen to provide a broad background of experience and
 6 expertise and, to the maximum extent possible, to represent a
 7 range of disciplines that includes law, engineering, public
 8 administration, environmental science, policy analysis
 9 ~~science~~, economics, sociology, and philosophy.

10 (b) An officer or full-time employee of the Office of
 11 Program Policy Analysis and Government Accountability may not
 12 ~~actively engage in any other business or profession~~ serve as
 13 the representative of any political party or on any executive
 14 committee or other governing body thereof; receive
 15 remuneration for activities on behalf of any candidate for
 16 public office; or engage, on behalf of any candidate for
 17 public office, in the solicitation of votes or other
 18 activities in behalf of such candidacy. Neither the director
 19 of the Office of Program Policy Analysis and Government
 20 Accountability nor any employee of that office may become a
 21 candidate for election to public office unless he or she first
 22 resigns from office or employment.

23 (4) The director shall perform and/or contract for the
 24 performance of examinations ~~program evaluation and~~
 25 ~~justification reviews~~ and other ~~related~~ duties as prescribed
 26 by law. The director shall perform his or her duties
 27 independently but under general policies established by the
 28 Legislative Auditing Committee.

29 (5) The director may adopt and enforce reasonable
 30 rules necessary to facilitate the examinations ~~studies~~,

31

1 ~~reviews, and reports, and other tasks~~ that he or she is
2 authorized to perform.

3 (6) When the director determines that conducting an
4 examination would not be possible due to workload limitations
5 or the project does not appear to be of critical interest to
6 the Legislature, then, with the consent of the President of
7 the Senate and the Speaker of the House of Representatives,
8 the director may temporarily or indefinitely postpone such
9 examinations.~~The director, with the consent of the President~~
10 ~~of the Senate and the Speaker of the House of Representatives,~~
11 ~~may modify the work schedule of the office in order to~~
12 ~~concentrate its efforts on agency programs that are determined~~
13 ~~to have high oversight priority. The modification may include~~
14 ~~reduction or elimination of recurring performance audits~~
15 ~~existing in law on July 1, 1999, but which do not appear to be~~
16 ~~of critical interest to the Legislature.~~The director may at
17 any time conduct a performance review of a governmental entity
18 created by law.

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

21 11.513 Program evaluation and justification review.--

22 (1) Each state agency shall be subject to a program
23 evaluation and justification review by the Office of Program
24 Policy Analysis and Government Accountability ~~in accordance~~
25 ~~with the schedule provided in s. 216.0172~~ or as determined by
26 the Legislative Auditing Committee. Each state agency shall
27 offer its complete cooperation to the Office of Program Policy
28 Analysis and Government Accountability so that such review may
29 be accomplished.

30 (2) A ~~Prior to the initiation of a state agency's~~
31 ~~program evaluation and justification review and no later than~~

1 ~~July 1 of the year in which a state agency begins operating~~
2 ~~under a performance-based program budget, the state agency's~~
3 ~~inspector general, internal auditor, or other person~~
4 ~~designated by the agency head shall develop, in consultation~~
5 ~~with the Office of Program Policy Analysis and Government~~
6 ~~Accountability, a plan for monitoring and reviewing the state~~
7 ~~agency's major programs to ensure that performance data are~~
8 ~~maintained and supported by agency records.~~

9 (3) The program evaluation and justification review
10 shall be conducted on major programs, but may include other
11 programs. The review shall be comprehensive in its scope but,
12 at a minimum, must be conducted in such a manner as to
13 specifically determine the following, and to consider and
14 determine what changes, if any, are needed with respect
15 thereto:

16 (a) The identifiable cost of each program.

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

19 (c) Progress toward achieving the outputs and outcomes
20 associated with each program.

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

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

29 1. Whether the program could be organized in a more
30 efficient and effective manner, whether the program's mission,
31 goals, or objectives should be redefined, or, when the state

1 agency cannot demonstrate that its efforts have had a positive
2 effect, whether the program should be reduced in size or
3 eliminated.

4 2. Whether the program could be administered more
5 efficiently or effectively to avoid duplication of activities
6 and ensure that activities are adequately coordinated.

7 3. Whether the program could be performed more
8 efficiently or more effectively by another unit of government
9 or a private entity, or whether a program performed by a
10 private entity could be performed more efficiently and
11 effectively by a state agency.

12 4. When compared to costs, whether effectiveness
13 warrants elimination of the program or, if the program serves
14 a limited interest, whether it should be redesigned to require
15 users to finance program costs.

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

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

20 (f) The consequences of discontinuing such program. If
21 any discontinuation is recommended, such recommendation must
22 be accompanied by a description of alternatives to implement
23 such recommendation, including an implementation schedule for
24 discontinuation and recommended procedures for assisting state
25 agency employees affected by the discontinuation.

26 (g) Determination as to public policy, which may
27 include recommendations as to whether it would be sound public
28 policy to continue or discontinue funding the program, either
29 in whole or in part, in the existing manner.

30 (h) Whether the information reported as part of the
31 state's performance based program budgeting system ~~pursuant to~~

1 ~~s. 216.031(5)~~ has relevance and utility for the evaluation of
2 each program.

3 (i) Whether state agency management has established
4 control systems sufficient to ensure that performance data are
5 maintained and supported by state agency records and
6 accurately presented in state agency performance reports.

7 (4) No later than December 1 of the second year
8 following the year in which an agency begins operating under a
9 performance-based program budget, the Office of Program Policy
10 Analysis and Government Accountability shall submit a report
11 of evaluation and justification review findings and
12 recommendations to the President of the Senate, the Speaker of
13 the House of Representatives, the chairpersons of the
14 appropriate substantive committees, the chairpersons of the
15 appropriations committees, the Legislative Auditing Committee,
16 the Governor, the head of each state agency that was the
17 subject of the evaluation and justification review, and the
18 head of any state agency that is substantially affected by the
19 findings and recommendations.

20 (5) The Legislature intends that the program
21 evaluation and justification review procedure be designed to
22 assess the efficiency, effectiveness, and long-term
23 implications of current or alternative state policies, and
24 that the procedure results in recommendations for the
25 improvement of such policies and state government. To that
26 end, whenever possible, all reports submitted pursuant to
27 subsection (4) must include an identification of the estimated
28 financial consequences, including any potential savings, that
29 could be realized if the recommendations or alternative
30 courses of action were implemented.

31

1 ~~(6) At any time, the Legislative Auditing Committee~~
 2 ~~may direct that a program evaluation and justification review~~
 3 ~~be conducted by the Office of Program Policy Analysis and~~
 4 ~~Government Accountability. In order to allow the office the~~
 5 ~~flexibility in carrying out the provisions of this act and to~~
 6 ~~reduce duplicative auditing requirements, the Legislative~~
 7 ~~Auditing Committee may waive the requirements of any law~~
 8 ~~existing as of the effective date of this act to conduct a~~
 9 ~~performance audit.~~

10 (6)(7) Evaluation and justification reviews may
 11 include consideration of programs provided by other agencies
 12 which are integrally related to the programs administered by
 13 the state agency or entity which is scheduled for review as
 14 pursuant to s. 216.0172 or the schedule determined by the
 15 Legislative Auditing Committee.

16 ~~(8) If recommended by the director of the Office of~~
 17 ~~Program Policy Analysis and Government Accountability, the~~
 18 ~~President of the Senate and the Speaker of the House of~~
 19 ~~Representatives may jointly direct that any program evaluation~~
 20 ~~and justification review requirement existing on July 1, 1999,~~
 21 ~~be postponed to allow the Office of Program Policy Analysis~~
 22 ~~and Government Accountability to conduct a review of another~~
 23 ~~program considered more urgent.~~

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

26 14.29 Florida Commission on Community Service.--

27 (15) The direct-support organization shall provide for
 28 an annual financial ~~and compliance~~ audit of its financial
 29 ~~accounts and records by an independent certified public~~
 30 ~~accountant in accordance with s. 215.98 rules established by~~
 31 ~~the commission. The annual audit report must be submitted to~~

1 ~~the commission for review and approval. Upon approval, the~~
2 ~~board shall certify the audit report to the Auditor General~~
3 ~~for review.~~

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

6 20.055 Agency inspectors general.--

7 (5) In carrying out the auditing duties and
8 responsibilities of this act, each inspector general shall
9 review and evaluate internal controls necessary to ensure the
10 fiscal accountability of the state agency. The inspector
11 general shall conduct financial, compliance, electronic data
12 processing, and performance audits of the agency and prepare
13 audit reports of his or her findings. The scope and assignment
14 of the audits shall be determined by the inspector general;
15 however, the agency head may at any time direct the inspector
16 general to perform an audit of a special program, function, or
17 organizational unit. The performance of the audit shall be
18 under the direction of the inspector general, except that if
19 the inspector general does not possess the qualifications
20 specified in subsection (4), the director of auditing shall
21 perform the functions listed in this subsection.

22 (f) The Auditor General, in connection with the
23 independent postaudit of the same agency pursuant to s. 11.45,
24 shall give appropriate consideration to internal audit reports
25 and the resolution of findings therein. The Legislative
26 Auditing Committee may inquire into the reasons or
27 justifications for failure of the agency head to correct the
28 deficiencies reported in internal audits that are also
29 reported by the Auditor General and shall take appropriate
30 action. ~~The Auditor General shall also review a sample of each~~
31 ~~agency's internal audit reports at least once every 3 years to~~

1 ~~determine compliance with current Standards for the~~
2 ~~Professional Practice of Internal Auditing or, if appropriate,~~
3 ~~generally accepted governmental auditing standards. If the~~
4 ~~Auditor General finds that these standards have not been~~
5 ~~complied with, the Auditor General shall include a statement~~
6 ~~of this fact in the audit report of the agency.~~

7 (g) The inspector general shall monitor the
8 implementation of the state agency's response to any report on
9 ~~audit of~~ the state agency issued ~~conducted~~ by the Auditor
10 General or by the Office of Program Policy Analysis and
11 Government Accountability pursuant to s. 11.45. No later than
12 6 months after the Auditor General or the Office of Program
13 Policy Analysis and Government Accountability publishes a
14 report on ~~of the audit of~~ the state agency, the inspector
15 general shall provide a written response ~~report~~ to the agency
16 head on the status of corrective actions taken. The Inspector
17 General shall file a copy of such response ~~report shall be~~
18 ~~filed~~ with the Legislative Auditing Committee.

19 Section 10. Subsection (3) of section 20.2551, Florida
20 Statutes, is amended to read:

21 20.2551 Citizen support organizations; use of
22 property; audit; public records; partnerships.--

23 (3) ANNUAL AUDIT.--Each ~~Any~~ citizen support
24 organization ~~which has annual expenditures of \$100,000 or more~~
25 shall provide for ~~cause~~ an annual financial audit in
26 accordance with s. 215.98 ~~postaudit of its financial accounts~~
27 ~~to be conducted by an independent certified public accountant~~
28 ~~in accordance with rules to be adopted by the department. The~~
29 ~~annual audit report shall be submitted to the Auditor General~~
30 ~~and the department for review. The Auditor General and the~~
31 ~~department are each authorized to require and obtain from the~~

1 ~~citizen support organization, or from its independent auditor,~~
2 ~~such data as may be needed relative to the operation of the~~
3 ~~organization.~~

4 Section 11. Paragraph (c) of subsection (13) of
5 section 24.105, Florida Statutes, is amended to read:

6 24.105 Powers and duties of department.--The
7 department shall:

8 (13)

9 (c) Any information made confidential and exempt from
10 the provisions of s. 119.07(1) under this subsection shall be
11 disclosed to a member of the commission, to the Auditor
12 General, to the Office of Program Policy Analysis and
13 Government Accountability, or to the independent auditor
14 selected under s. 24.123 upon such person's request therefor.
15 If the President of the Senate or the Speaker of the House of
16 Representatives certifies that information made confidential
17 under this subsection is necessary for effecting legislative
18 changes, the requested information shall be disclosed to him
19 or her, and he or she may disclose such information to members
20 of the Legislature and legislative staff as necessary to
21 effect such purpose.

22 Section 12. Subsection (4) of section 24.120, Florida
23 Statutes, is amended to read:

24 24.120 Financial matters; Administrative Trust Fund;
25 interagency cooperation.--

26 (4) The department shall cooperate with the State
27 Treasurer, the Comptroller, ~~and the Auditor General,~~ and the
28 Office of Program Policy Analysis and Government
29 Accountability by giving employees designated by any of them
30 access to facilities of the department for the purpose of
31 efficient compliance with their respective responsibilities.

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

4 27.3455 Annual statement of certain revenues and
5 expenditures.--

6 (1) Each county shall submit annually to the
7 Comptroller ~~and the Auditor General~~ a statement of revenues
8 and expenditures as set forth in this section in the form and
9 manner prescribed by the Comptroller in consultation with the
10 Legislative Committee on Intergovernmental Relations, provided
11 that such statement identify total county expenditures on:

12 (a) Medical examiner services.

13 (b) County victim witness programs.

14 (c) Each of the services outlined in ss. 27.34(2) and
15 27.54(3).

16 (d) Appellate filing fees in criminal cases in which
17 an indigent defendant appeals a judgment of a county or
18 circuit court to a district court of appeal or the Florida
19 Supreme Court.

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

24
25 Such statement also shall identify the revenues provided by s.
26 938.05(1) that were used to meet or reimburse the county for
27 such expenditures.

28 (2)(a) Within 6 months of the close of the local
29 government fiscal year, each county shall submit to the
30 Comptroller a statement of compliance from its independent
31 certified public accountant, engaged pursuant to s. 218.39

1 ~~chapter 11~~, that the certified statement of expenditures was
2 in accordance with ss. 27.34(2), 27.54(3), and this section.
3 All discrepancies noted by the independent certified public
4 accountant shall be included in the statement furnished by the
5 county to the Comptroller.

6 Section 14. Subsection (5) of section 30.51, Florida
7 Statutes, is amended to read:

8 30.51 Fees and commissions.--

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

13 Section 15. Paragraph (k) of subsection (2) of section
14 39.202, Florida Statutes, is amended to read:

15 39.202 Confidentiality of reports and records in cases
16 of child abuse or neglect.--

17 (2) Access to such records, excluding the name of the
18 reporter which shall be released only as provided in
19 subsection (4), shall be granted only to the following
20 persons, officials, and agencies:

21 (k) Any appropriate official of a Florida advocacy
22 council investigating a report of known or suspected child
23 abuse, abandonment, or neglect; the Auditor General or the
24 Office of Program Policy Analysis and Government
25 Accountability for the purpose of conducting audits or
26 examinations ~~preliminary or compliance reviews~~ pursuant to law
27 ~~s. 11.45~~; or the guardian ad litem for the child.

28 Section 16. Subsection (1) of section 110.109, Florida
29 Statutes, is amended to read:

30 110.109 Productivity improvement and personnel audits
31 of executive branch agencies.--The department shall be

1 responsible for conducting personnel audits of all executive
2 branch agencies, except the State University System, to
3 provide as follows:

4 (1) In order to provide for the improvement of
5 productivity and human resources management, the department
6 shall have the authority to conduct agency personnel
7 administration and management reviews to assist agencies in
8 identifying areas of recommended improvement. Such reviews
9 shall be conducted in cooperation with the internal auditor of
10 the employing agency so as to ascertain the operational
11 necessity and effectiveness of agency personnel programs and
12 human resource management. A copy of any such reviews made by
13 the department shall be submitted to the Legislature, and the
14 Auditor General, and the Office of Program Policy Analysis and
15 Government Accountability.

16 Section 17. Paragraph (a) of subsection (9) of section
17 112.313, Florida Statutes, is amended to read:

18 112.313 Standards of conduct for public officers,
19 employees of agencies, and local government attorneys.--

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

22 (a)1. It is the intent of the Legislature to implement
23 by statute the provisions of s. 8(e), Art. II of the State
24 Constitution relating to legislators, statewide elected
25 officers, appointed state officers, and designated public
26 employees.

27 2. As used in this paragraph:

28 a. "Employee" means:

29 (I) Any person employed in the executive or
30 legislative branch of government holding a position in the
31 Senior Management Service as defined in s. 110.402 or any

1 person holding a position in the Selected Exempt Service as
2 defined in s. 110.602 or any person having authority over
3 policy or procurement employed by the Department of the
4 Lottery.

5 (II) The Auditor General, the director of the Office
6 of Program Policy Analysis and Government Accountability, the
7 Sergeant at Arms and Secretary of the Senate, and the Sergeant
8 at Arms and Clerk of the House of Representatives.

9 (III) The executive director of the Legislative
10 Committee on Intergovernmental Relations and the executive
11 director and deputy executive director of the Commission on
12 Ethics.

13 (IV) An executive director, staff director, or deputy
14 staff director of each joint committee, standing committee, or
15 select committee of the Legislature; an executive director,
16 staff director, executive assistant, analyst, or attorney of
17 the Office of the President of the Senate, the Office of the
18 Speaker of the House of Representatives, the Senate Majority
19 Party Office, Senate Minority Party Office, House Majority
20 Party Office, or House Minority Party Office; or any person,
21 hired on a contractual basis, having the power normally
22 conferred upon such persons, by whatever title.

23 (V) The Chancellor and Vice Chancellors of the State
24 University System; the general counsel to the Board of
25 Regents; and the president, vice presidents, and deans of each
26 state university.

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

29 b. "Appointed state officer" means any member of an
30 appointive board, commission, committee, council, or authority
31 of the executive or legislative branch of state government

1 whose powers, jurisdiction, and authority are not solely
2 advisory and include the final determination or adjudication
3 of any personal or property rights, duties, or obligations,
4 other than those relative to its internal operations.

5 c. "State agency" means an entity of the legislative,
6 executive, or judicial branch of state government over which
7 the Legislature exercises plenary budgetary and statutory
8 control.

9 3. No member of the Legislature, appointed state
10 officer, or statewide elected officer shall personally
11 represent another person or entity for compensation before the
12 government body or agency of which the individual was an
13 officer or member for a period of 2 years following vacation
14 of office. No member of the Legislature shall personally
15 represent another person or entity for compensation during his
16 or her term of office before any state agency other than
17 judicial tribunals or in settlement negotiations after the
18 filing of a lawsuit.

19 4. No agency employee shall personally represent
20 another person or entity for compensation before the agency
21 with which he or she was employed for a period of 2 years
22 following vacation of position, unless employed by another
23 agency of state government.

24 5. Any person violating this paragraph shall be
25 subject to the penalties provided in s. 112.317 and a civil
26 penalty of an amount equal to the compensation which the
27 person receives for the prohibited conduct.

28 6. This paragraph is not applicable to:

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

31

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

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

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

10 e. Any appointed state officer whose term of office
11 began before January 1, 1995, unless reappointed to that
12 office on or after January 1, 1995.

13 Section 18. Paragraphs (a) and (c) of subsection (7)
14 of section 112.324, Florida Statutes, are amended to read:

15 112.324 Procedures on complaints of violations.--

16 (7) If, in cases pertaining to complaints other than
17 complaints against impeachable officers or members of the
18 Legislature, upon completion of a full and final investigation
19 by the commission, the commission finds that there has been a
20 violation of this part or of s. 8, Art. II of the State
21 Constitution, it shall be the duty of the commission to report
22 its findings and recommend appropriate action to the proper
23 disciplinary official or body as follows, and such official or
24 body shall have the power to invoke the penalty provisions of
25 this part, including the power to order the appropriate
26 elections official to remove a candidate from the ballot for a
27 violation of s. 112.3145 or s. 8(a) and (i), Art. II of the
28 State Constitution:

29 (a) The President of the Senate and the Speaker of the
30 House of Representatives, jointly, in any case concerning the
31 Public Counsel, members of the Public Service Commission,

1 members of the Public Service Commission Nominating Council,
2 the Auditor General, the director of the Office of Program
3 Policy Analysis and Government Accountability, or members of
4 the Legislative Committee on Intergovernmental Relations.

5 (c) The President of the Senate, in any case
6 concerning an employee of the Senate; the Speaker of the House
7 of Representatives, in any case concerning an employee of the
8 House of Representatives; or the President and the Speaker,
9 jointly, in any case concerning an employee of a committee of
10 the Legislature whose members are appointed solely by the
11 President and the Speaker or in any case concerning an
12 employee of the Public Counsel, Public Service Commission,
13 Auditor General, Office of Program Policy Analysis and
14 Government Accountability, or Legislative Committee on
15 Intergovernmental Relations.

16 Section 19. Subsection (2) of section 112.63, Florida
17 Statutes, is amended to read:

18 112.63 Actuarial reports and statements of actuarial
19 impact; review.--

20 (2) The frequency of actuarial reports must be at
21 least every 3 years commencing from the last actuarial report
22 of the plan or system or October 1, 1980, if no actuarial
23 report has been issued within the 3-year period prior to
24 October 1, 1979. The results of each actuarial report shall be
25 filed with the plan administrator within 60 days of
26 certification. Thereafter, the results of each actuarial
27 report shall be made available for inspection upon request.
28 Additionally, each retirement system or plan covered by this
29 act which is not administered directly by the Department of
30 Management Services shall furnish a copy of each actuarial
31 report to the Department of Management Services within 60 days

1 after receipt from the actuary. The requirements of this
2 section are supplemental to actuarial valuations necessary to
3 comply with the requirements of ss. 218.321 ~~11.45~~ and 218.39
4 ~~218.32~~.

5 Section 20. Section 116.07, Florida Statutes, is
6 amended to read:

7 116.07 Account books to be kept by sheriffs and
8 clerks.--All sheriffs and clerks of the circuit court and ex
9 officio clerks of the boards of county commissioners of this
10 state shall keep books of account and of record in accordance
11 with s. 218.33 ~~forms to be approved by the Auditor General,~~
12 ~~except such books and forms as are now otherwise provided for~~
13 ~~by law.~~

14 Section 21. Subsection (6) of section 119.07, Florida
15 Statutes, is amended to read:

16 119.07 Inspection, examination, and duplication of
17 records; exemptions.--

18 (6) Nothing in subsection (3) or any other general or
19 special law shall limit the access of the Auditor General, the
20 Office of Program Policy Analysis and Government
21 Accountability, or any state, county, municipal, university,
22 board of community college, school district, or special
23 district internal auditor to public records when such person
24 ~~auditor~~ states in writing that such records are needed for a
25 properly authorized audit, examination, or investigation. Such
26 person ~~auditor~~ shall maintain the confidentiality of any
27 public records that are confidential or exempt from the
28 provisions of subsection (1) and shall be subject to the same
29 penalties as the custodians of those public records for
30 violating confidentiality.

31

1 Section 22. Paragraph (b) of subsection (8) of section
2 122.03, Florida Statutes, is amended to read:

3 122.03 Contributions; participants; prior service
4 credit.--

5 (8) Any surviving spouse of a county official or
6 former county official, who was formerly employed full time in
7 the office of the county official and who is presently
8 employed by the said county official or is a county official
9 of any such county and who did not receive compensation for a
10 period of more than 10 years as such employee, may receive
11 credit for retirement purposes as provided for in this chapter
12 by:

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

16 Section 23. Subsection (7) of section 122.08, Florida
17 Statutes, is amended to read:

18 122.08 Requirements for retirement;
19 classifications.--There shall be two retirement
20 classifications for all state and county officers and
21 employees participating herein as hereafter provided in this
22 section:

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

27 Section 24. Paragraph (x) of subsection (1) of section
28 125.01, Florida Statutes, is amended to read:

29 125.01 Powers and duties.--

30 (1) The legislative and governing body of a county
31 shall have the power to carry on county government. To the

1 extent not inconsistent with general or special law, this
2 power includes, but is not restricted to, the power to:
3 (x) Employ an independent certified public accounting
4 firm to audit any funds, accounts, and financial records of
5 the county and its agencies and governmental subdivisions.
6 Entities that are funded wholly or in part by the county, at
7 the discretion of the county, may be required by the county to
8 conduct a performance audit paid for by the county. An entity
9 shall not be considered as funded by the county by virtue of
10 the fact that such entity utilizes the county to collect
11 taxes, assessments, fees, or other revenue. If an independent
12 special district receives county funds pursuant to a contract
13 or interlocal agreement for the purposes of funding, in whole
14 or in part, a discrete program of the district, only that
15 program may be required by the county to undergo a performance
16 audit. Not fewer than five copies of each complete audit
17 report, with accompanying documents, shall be filed with the
18 clerk of the circuit court and maintained there for public
19 inspection. The clerk shall thereupon forward one complete
20 copy of the audit report with accompanying documents to the
21 Auditor General, ~~who shall retain the same as a public record~~
22 ~~for 10 years from receipt thereof.~~

23 Section 25. Paragraph (b) of subsection (7) of s.
24 125.0104, Florida Statutes, is amended to read:

25 125.0104 Tourist development tax; procedure for
26 levying; authorized uses; referendum; enforcement.--

27 (7) AUTOMATIC EXPIRATION ON RETIREMENT OF
28 BONDS.--Anything in this section to the contrary
29 notwithstanding, if the plan for tourist development approved
30 by the governing board of the county, as amended from time to
31 time pursuant to paragraph (4)(d), includes the acquisition,

1 construction, extension, enlargement, remodeling, repair, or
2 improvement of a publicly owned and operated convention
3 center, sports stadium, sports arena, coliseum, or auditorium,
4 or a museum that is publicly owned and operated or owned and
5 operated by a not-for-profit organization, the county
6 ordinance levying and imposing the tax shall automatically
7 expire upon the later of:

8 (a) Retirement of all bonds issued by the county for
9 financing the same; or

10 (b) The expiration of any agreement by the county for
11 the operation or maintenance, or both, of a publicly owned and
12 operated convention center, sports stadium, sports arena,
13 coliseum, auditorium, or museum. However, nothing herein shall
14 preclude that county from amending the ordinance extending the
15 tax to the extent that the board of the county determines to
16 be necessary to provide funds with which to operate, maintain,
17 repair, or renew and replace a publicly owned and operated
18 convention center, sports stadium, sports arena, coliseum,
19 auditorium, or museum or from enacting an ordinance which
20 shall take effect without referendum approval pursuant to the
21 provisions of this section reimposing a tourist development
22 tax, upon or following the expiration of the previous
23 ordinance.

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

26 145.022 Guaranteed salary upon resolution of board of
27 county commissioners.--

28 (1) Any board of county commissioners, with the
29 concurrence of the county official involved, shall by
30 resolution guarantee and appropriate a salary to the county
31 official, in an amount specified in this chapter, if all fees

1 collected by such official are turned over to the board of
2 county commissioners. Such a resolution is applicable only
3 with respect to the county official who concurred in its
4 adoption and only for the duration of such official's tenure
5 in his or her current term of office. ~~Copies of the~~
6 ~~resolution adopted shall be filed with the Department of~~
7 ~~Banking and Finance and the Auditor General.~~

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

10 145.14 Compensation of other county officials;
11 guarantee.--

12 (2) With the concurrence of any county officer
13 described by subsection (1), any board of county commissioners
14 may by resolution guarantee and appropriate to that officer a
15 salary not to exceed \$9,600 in lieu of fees, if all fees
16 collected are turned over to the board of county
17 commissioners. ~~Copies of the resolution shall be filed with~~
18 ~~the Department of Banking and Finance and the Auditor General.~~

19 Section 28. Paragraph (o) of subsection (1) of section
20 154.11, Florida Statutes, is amended to read:

21 154.11 Powers of board of trustees.--

22 (1) The board of trustees of each public health trust
23 shall be deemed to exercise a public and essential
24 governmental function of both the state and the county and in
25 furtherance thereof it shall, subject to limitation by the
26 governing body of the county in which such board is located,
27 have all of the powers necessary or convenient to carry out
28 the operation and governance of designated health care
29 facilities, including, but without limiting the generality of,
30 the foregoing:

31

1 (o) To employ certified public accountants to audit
2 and analyze the records of the board and to prepare financial
3 or revenue statements of the board; however, this paragraph
4 shall not in any way affect any responsibility of the Auditor
5 General pursuant to s. 11.45 ~~in connection with the records of~~
6 ~~the board.~~

7 Section 29. Paragraph (d) of subsection (2) of section
8 154.331, Florida Statutes, is amended to read:

9 154.331 County health and mental health care special
10 districts.--Each county may establish a dependent special
11 district pursuant to the provisions of chapter 125 or, by
12 ordinance, create an independent special district as defined
13 in s. 200.001(8)(e) to provide funding for indigent and other
14 health and mental health care services throughout the county
15 in accordance with this section. The county governing body
16 shall obtain approval, by a majority vote of the electors, to
17 establish the district with authority to annually levy ad
18 valorem taxes which shall not exceed the maximum millage rate
19 authorized by this section. Any independent health or mental
20 health care special district created by this section shall be
21 required to levy and fix millage subject to the provisions of
22 s. 200.065. Once approved by the electorate, the independent
23 health or mental health care special district shall not be
24 required to seek approval of the electorate in future years to
25 levy the previously approved millage.

26 (2)

27 (d) All financial records and accounts relating to the
28 independent health or mental health care special district
29 shall be available for review by the county governing body ~~and~~
30 ~~for audit by state auditors assigned from time to time to~~
31 ~~audit the affairs of the county officials.~~

1 Section 30. Paragraph (c) of subsection (3) of section
2 163.356, Florida Statutes, is amended to read:

3 163.356 Creation of community redevelopment agency.--

4 (3)

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

26 Section 31. Paragraph (b) of subsection (1) of section
27 175.261, Florida Statutes, is amended to read:

28 175.261 Annual report to Division of Retirement;
29 actuarial valuations.--For any municipality, special fire
30 control district, chapter plan, local law municipality, local
31 law special fire control district, or local law plan under

1 this chapter, the board of trustees for every chapter plan and
2 local law plan shall submit the following reports to the
3 division:

4 (1) With respect to chapter plans:

5 (b) In addition to annual reports provided under
6 paragraph (a), by February 1 of each triennial year, an
7 actuarial valuation of the chapter plan must be made by the
8 division at least once every 3 years, as provided in s.
9 112.63, commencing 3 years from the last actuarial valuation
10 of the plan or system for existing plans, or commencing 3
11 years from issuance of the initial actuarial impact statement
12 submitted under s. 112.63 for newly created plans. To that
13 end, the chair of the board of trustees for each firefighters'
14 pension trust fund operating under a chapter plan shall report
15 to the division such data as it needs to complete an actuarial
16 valuation of each fund. The forms for each municipality and
17 special fire control district shall be supplied by the
18 division. The expense of this actuarial valuation shall be
19 borne by the firefighters' pension trust fund established by
20 ss. 175.041 and 175.121. The requirements of this section are
21 supplemental to the actuarial valuations necessary to comply
22 with ss. 218.321 ~~11.45~~ and 218.39 ~~218.32~~.

23 Section 32. Paragraph (b) of subsection (1) of section
24 185.221, Florida Statutes, is amended to read:

25 185.221 Annual report to Division of Retirement;
26 actuarial valuations.--For any municipality, chapter plan,
27 local law municipality, or local law plan under this chapter,
28 the board of trustees for every chapter plan and local law
29 plan shall submit the following reports to the division:

30 (1) With respect to chapter plans:

31

1 (b) In addition to annual reports provided under
2 paragraph (a), by February 1 of each triennial year, an
3 actuarial valuation of the chapter plan must be made by the
4 division at least once every 3 years, as provided in s.
5 112.63, commencing 3 years from the last actuarial valuation
6 of the plan or system for existing plans, or commencing 3
7 years from the issuance of the initial actuarial impact
8 statement submitted under s. 112.63 for newly created plans.
9 To that end, the chair of the board of trustees for each
10 municipal police officers' retirement trust fund operating
11 under a chapter plan shall report to the division such data as
12 the division needs to complete an actuarial valuation of each
13 fund. The forms for each municipality shall be supplied by
14 the division. The expense of the actuarial valuation shall be
15 borne by the municipal police officers' retirement trust fund
16 established by s. 185.10. The requirements of this section are
17 supplemental to the actuarial valuations necessary to comply
18 with ss. 218.321 ~~11.45~~ and 218.39 ~~218.32~~.

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

21 189.4035 Preparation of official list of special
22 districts.--

23 (2) The official list shall be produced by the
24 department after the department has notified each special
25 district that is currently reporting to the department, the
26 Department of Banking and Finance pursuant to s. 218.32, or
27 the Auditor General pursuant to s. 218.39 ~~11.45~~. Upon
28 notification, each special district shall submit, within 60
29 days, its determination of its status. The determination
30 submitted by a special district shall be consistent with the
31 status reported in the most recent local government audit of

1 district activities submitted to the Auditor General pursuant
2 to s. 218.39 ~~11.45~~.

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

5 189.412 Special District Information Program; duties
6 and responsibilities.--The Special District Information
7 Program of the Department of Community Affairs is created and
8 has the following special duties:

9 (1) The collection and maintenance of special district
10 compliance status reports from the Auditor General, the
11 Department of Banking and Finance, the Division of Bond
12 Finance of the State Board of Administration, the Department
13 of Management Services, the Department of Revenue, and the
14 Commission on Ethics for the reporting required in ss. ~~11.45~~,
15 112.3144, 112.3145, 112.3148, 112.3149, 112.63, 200.068,
16 218.32, 218.34, 218.38, 218.39, and 280.17 and chapter 121 and
17 from state agencies administering programs that distribute
18 money to special districts. The special district compliance
19 status reports must consist of a list of special districts
20 used in that state agency and a list of which special
21 districts did not comply with the reporting statutorily
22 required by that agency.

23 Section 35. Paragraphs (f) and (g) of subsection (5)
24 of section 189.428, Florida Statutes, are amended to read:

25 189.428 Special districts; oversight review process.--

26 (5) Those conducting the oversight review process
27 shall, at a minimum, consider the listed criteria for
28 evaluating the special district, but may also consider any
29 additional factors relating to the district and its
30 performance. If any of the listed criteria do not apply to
31 the special district being reviewed, they need not be

1 considered. The criteria to be considered by the reviewer
2 include:

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

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

20 Section 36. Section 193.074, Florida Statutes, is
21 amended to read:

22 193.074 Confidentiality of returns.--All returns of
23 property and returns required by s. 201.022 submitted by the
24 taxpayer pursuant to law shall be deemed to be confidential in
25 the hands of the property appraiser, the clerk of the circuit
26 court, the department, the tax collector, ~~and~~ the Auditor
27 General, and the Office of Program Policy Analysis and
28 Government Accountability, and their employees and persons
29 acting under their supervision and control, except upon court
30 order or order of an administrative body having quasi-judicial
31

1 powers in ad valorem tax matters, and such returns are exempt
2 from the provisions of s. 119.07(1).

3 Section 37. Section 195.084, Florida Statutes, is
4 amended to read:

5 195.084 Information exchange.--

6 (1) The department shall promulgate rules and
7 regulations for the exchange of information among the
8 department, the property appraisers' offices, the tax
9 collector, ~~and the Auditor General,~~ and the Office of Program
10 Policy Analysis and Government Accountability. All records
11 and returns of the department useful to the property appraiser
12 or the tax collector shall be made available upon request but
13 subject to the reasonable conditions imposed by the
14 department. This section shall supersede statutes prohibiting
15 disclosure only with respect to the property appraiser, the
16 tax collector, ~~and the Auditor General,~~ and the Office of
17 Program Policy Analysis and Government Accountability, but the
18 department may establish regulations setting reasonable
19 conditions upon the access to and custody of such information.
20 The Auditor General, the Office of Program Policy Analysis and
21 Government Accountability, the tax collectors, and the
22 property appraisers shall be bound by the same requirements of
23 confidentiality as the Department of Revenue. Breach of
24 confidentiality shall be a misdemeanor of the first degree,
25 punishable as provided by ss. 775.082 and 775.083.

26 (2) All of the records of property appraisers and
27 collectors, including, but not limited to, worksheets and
28 property record cards, shall be made available to the
29 Department of Revenue, the ~~and~~ Auditor General, and the Office
30 of Program Policy Analysis and Government Accountability.
31 Property appraisers and collectors are hereby directed to

1 cooperate fully with representatives of the Department of
2 Revenue, the and Auditor General, and the Office of Program
3 Policy Analysis and Government Accountability in realizing the
4 objectives stated in s. 195.0012.

5 Section 38. Subsection (7) of section 195.096, Florida
6 Statutes, is amended to read:

7 195.096 Review of assessment rolls.--

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

28 Section 39. Paragraph (c) of subsection (4) of section
29 196.101, Florida Statutes, is amended to read:

30 196.101 Exemption for totally and permanently disabled
31 persons.--

1 (4)

2 (c) The department shall require by rule that the
3 taxpayer annually submit a sworn statement of gross income,
4 pursuant to paragraph (a). The department shall require that
5 the filing of such statement be accompanied by copies of
6 federal income tax returns for the prior year, wage and
7 earnings statements (W-2 forms), and other documents it deems
8 necessary, for each member of the household. The taxpayer's
9 statement shall attest to the accuracy of such copies. The
10 department shall prescribe and furnish a form to be used for
11 this purpose which form shall include spaces for a separate
12 listing of United States Department of Veterans Affairs
13 benefits and social security benefits. All records produced
14 by the taxpayer under this paragraph are confidential in the
15 hands of the property appraiser, the department, the tax
16 collector, ~~and the Auditor General,~~ and the Office of Program
17 Policy Analysis and Government Accountability and shall not be
18 divulged to any person, firm, or corporation except upon court
19 order or order of an administrative body having quasi-judicial
20 powers in ad valorem tax matters, and such records are exempt
21 from the provisions of s. 119.07(1).

22 Section 40. Paragraph (b) of subsection (1) of section
23 206.60, Florida Statutes, is amended to read:

24 206.60 County tax on motor fuel.--

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

28 (b)1. The Department of Revenue shall, from month to
29 month, distribute the amount allocated to each of the several
30 counties under paragraph (a) to the board of county
31 commissioners of the county, who shall use such funds solely

1 for the acquisition of rights-of-way; the construction,
 2 reconstruction, operation, maintenance, and repair of
 3 transportation facilities, roads, and bridges therein; or the
 4 reduction of bonded indebtedness of such county or of special
 5 road and bridge districts within such county, incurred for
 6 road and bridge or other transportation purposes. In the event
 7 the powers and duties relating to transportation facilities,
 8 roads, and bridges usually exercised and performed by boards
 9 of county commissioners are exercised and performed by some
 10 other or separate county board, such board shall receive the
 11 proceeds, exercise the powers, and perform the duties
 12 designated in this section to be done by the boards of county
 13 commissioners.

14 2. The board of county commissioners of each county,
 15 or any separate board or local agency exercising the powers
 16 and performing the duties relating to transportation
 17 facilities, roads, and bridges usually exercised and performed
 18 by the boards of county commissioners, shall be assigned the
 19 full responsibility for the maintenance of transportation
 20 facilities in the county and of roads in the county road
 21 system.

22 ~~3. In calculating the distribution of funds under~~
 23 ~~paragraph (a), the Department of Revenue shall obtain from the~~
 24 ~~Auditor General the certification of the level of assessment~~
 25 ~~in each district and shall pay only the amount of money which~~
 26 ~~is derived by multiplying said ratio and the amount which~~
 27 ~~would be due a district under paragraph (a). The funds which~~
 28 ~~are raised under this section but are not distributed under~~
 29 ~~this section shall be deposited in the Fuel Tax Collection~~
 30 ~~Trust Fund. All funds placed in the Fuel Tax Collection Trust~~
 31

1 ~~Fund shall be distributed in the same manner as provided in~~
2 ~~paragraphs (a) and (b).~~

3 3.4. Nothing in this paragraph as amended by chapter
4 71-212, Laws of Florida, shall be construed to permit the
5 expenditure of public funds in such manner or for such
6 projects as would violate the State Constitution or the trust
7 indenture of any bond issue or which would cause the state to
8 lose any federal aid funds for highway or transportation
9 purposes; and the provisions of this paragraph shall be
10 applied in a manner to avoid such result.

11 Section 41. Paragraph (ff) of subsection (7) of
12 section 212.08, Florida Statutes, is amended to read:

13 212.08 Sales, rental, use, consumption, distribution,
14 and storage tax; specified exemptions.--The sale at retail,
15 the rental, the use, the consumption, the distribution, and
16 the storage to be used or consumed in this state of the
17 following are hereby specifically exempt from the tax imposed
18 by this chapter.

19 (7) MISCELLANEOUS EXEMPTIONS.--

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

21 1. Subject to the provisions of subparagraph 4.,
22 charges for electricity or steam used to operate machinery and
23 equipment at a fixed location in this state when such
24 machinery and equipment is used to manufacture, process,
25 compound, produce, or prepare for shipment items of tangible
26 personal property for sale, or to operate pollution control
27 equipment, recycling equipment, maintenance equipment, or
28 monitoring or control equipment used in such operations are
29 exempt to the extent provided in this paragraph. If 75 percent
30 or more of the electricity or steam used at the fixed location
31 is used to operate qualifying machinery or equipment, 100

1 percent of the charges for electricity or steam used at the
2 fixed location are exempt. If less than 75 percent but 50
3 percent or more of the electricity or steam used at the fixed
4 location is used to operate qualifying machinery or equipment,
5 50 percent of the charges for electricity or steam used at the
6 fixed location are exempt. If less than 50 percent of the
7 electricity or steam used at the fixed location is used to
8 operate qualifying machinery or equipment, none of the charges
9 for electricity or steam used at the fixed location are
10 exempt.

11 2. This exemption applies only to industries
12 classified under SIC Industry Major Group Numbers 10, 12, 13,
13 14, 20, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34,
14 35, 36, 37, 38, and 39 and Industry Group Number 212. As used
15 in this paragraph, "SIC" means those classifications contained
16 in the Standard Industrial Classification Manual, 1987, as
17 published by the Office of Management and Budget, Executive
18 Office of the President.

19 3. Possession by a seller of a written certification
20 by the purchaser, certifying the purchaser's entitlement to an
21 exemption permitted by this subsection, relieves the seller
22 from the responsibility of collecting the tax on the
23 nontaxable amounts, and the department shall look solely to
24 the purchaser for recovery of such tax if it determines that
25 the purchaser was not entitled to the exemption.

26 4. Such exemption shall be applied as follows:

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

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

31

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

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

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

7 5. Notwithstanding any other provision in this
8 paragraph to the contrary, in order to receive the exemption
9 provided in this paragraph a taxpayer must first register with
10 the WAGES Program Business Registry established by the local
11 WAGES coalition for the area in which the taxpayer is located.
12 Such registration establishes a commitment on the part of the
13 taxpayer to hire WAGES program participants to the maximum
14 extent possible consistent with the nature of their business.

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

21 ~~b. The report shall be submitted no later than January~~
22 ~~1, 2001, and must be comprehensive in scope, but, at a~~
23 ~~minimum, must be conducted in such a manner as to specifically~~
24 ~~determine the number of companies within each SIC Industry~~
25 ~~Major Group receiving the exemption as of September 1, 2000,~~
26 ~~the number of individuals employed by companies within each~~
27 ~~SIC Industry Major Group receiving the exemption as of~~
28 ~~September 1, 2000, whether the change, if any, in such number~~
29 ~~of companies or employees is attributable to the exemption~~
30 ~~provided in this paragraph, whether it would be sound public~~

31

1 ~~policy to continue or discontinue the exemption, and the~~
2 ~~consequences of doing so.~~

3 ~~c. The report shall be submitted to the President of~~
4 ~~the Senate, the Speaker of the House of Representatives, the~~
5 ~~Senate Minority Leader, and the House Minority Leader.~~

6
7 Exemptions provided to any entity by this subsection shall not
8 inure to any transaction otherwise taxable under this chapter
9 when payment is made by a representative or employee of such
10 entity by any means, including, but not limited to, cash,
11 check, or credit card even when that representative or
12 employee is subsequently reimbursed by such entity.

13 Section 42. Subsection (6) of section 213.053, Florida
14 Statutes, is amended to read:

15 213.053 Confidentiality and information sharing.--

16 (6) Any information received by the Department of
17 Revenue in connection with the administration of taxes,
18 including, but not limited to, information contained in
19 returns, reports, accounts, or declarations filed by persons
20 subject to tax, shall be made available by the department to
21 the Auditor General or his or her authorized agent, the
22 director of the Office of Program Policy Analysis and
23 Government Accountability or his or her authorized agent, the
24 Comptroller or his or her authorized agent, the Insurance
25 Commissioner or his or her authorized agent, the Treasurer or
26 his or her authorized agent, or a property appraiser or tax
27 collector or their authorized agents pursuant to s.
28 195.084(1), in the performance of their official duties, or to
29 designated employees of the Department of Education solely for
30 determination of each school district's price level index
31 pursuant to s. 236.081(2); however, no information shall be

1 disclosed to the Auditor General or his or her authorized
 2 agent, the director of the Office of Program Policy Analysis
 3 and Government Accountability or his or her authorized agent,
 4 the Comptroller or his or her authorized agent, the Insurance
 5 Commissioner or his or her authorized agent, the Treasurer or
 6 his or her authorized agent, or to a property appraiser or tax
 7 collector or their authorized agents, or to designated
 8 employees of the Department of Education if such disclosure is
 9 prohibited by federal law. The Auditor General or his or her
 10 authorized agent, the director of the Office of Program Policy
 11 Analysis and Government Accountability or his or her
 12 authorized agent, the Comptroller or his or her authorized
 13 agent, the Treasurer or his or her authorized agent, and the
 14 property appraiser or tax collector and their authorized
 15 agents, or designated employees of the Department of Education
 16 shall be subject to the same requirements of confidentiality
 17 and the same penalties for violation of the requirements as
 18 the department. For the purpose of this subsection,
 19 "designated employees of the Department of Education" means
 20 only those employees directly responsible for calculation of
 21 price level indices pursuant to s. 236.081(2). It does not
 22 include the supervisors of such employees or any other
 23 employees or elected officials within the Department of
 24 Education.

25 Section 43. Subsection (6) of section 215.44, Florida
 26 Statutes, is amended to read:

27 215.44 Board of Administration; powers and duties in
 28 relation to investment of trust funds.--

29 (6) ~~The Auditor General shall audit annually the~~
 30 ~~entire operation of the board.~~The Office of Program Policy
 31 Analysis and Government Accountability shall examine the

1 ~~board's perform or cause to be performed a performance audit~~
2 ~~of the management by the board of investments every 2 years.~~
3 ~~In addition to the duties prescribed in this subsection, the~~
4 ~~Auditor General and the Office of Program Policy Analysis and~~
5 ~~Government Accountability shall annually as part of his or her~~
6 ~~audit conduct performance postaudits of investments under s.~~
7 ~~215.47(6) which are not otherwise authorized under ss.~~
8 ~~215.44-215.53.~~ The Office of Program Policy Analysis and
9 Government Accountability Auditor General shall submit such
10 reports ~~audit report~~ to the board, the President of the
11 Senate, and the Speaker of the House of Representatives and
12 their designees.

13 Section 44. Section 215.86, Florida Statutes, is
14 created to read:

15 215.86 Management systems and controls.--Each state
16 agency and the judicial branch as defined in s. 216.011 shall
17 establish and maintain management systems and controls that
18 promote and encourage compliance; economic, efficient, and
19 effective operations; reliability of records and reports; and
20 safeguarding of assets. Accounting systems and procedures
21 shall be designed to fulfill the requirements of generally
22 accepted accounting principles.

23 Section 45. Subsection (2) of section 215.94, Florida
24 Statutes, is amended to read:

25 215.94 Designation, duties, and responsibilities of
26 functional owners.--

27 (2) The Department of Banking and Finance shall be the
28 functional owner of the Florida Accounting Information
29 Resource Subsystem established pursuant to ss. ~~11.46~~, 17.03,
30 215.86, 216.141, and 216.151 and further developed in
31 accordance with the provisions of ss. 215.90-215.96. The

1 subsystem shall include, but shall not be limited to, the
2 following functions:

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

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

7 Section 46. Section 215.98, Florida Statutes, is
8 created to read:

9 215.98 Audits of state agency direct-support
10 organizations and citizen support organizations.--Each
11 direct-support organization and each citizen support
12 organization, created or authorized pursuant to law, and
13 created, approved, or administered by a state agency, other
14 than a university, district board of trustees of a community
15 college, or district school board, shall provide for an annual
16 financial audit of its accounts and records to be conducted by
17 an independent certified public accountant in accordance with
18 rules adopted by the Auditor General pursuant to s. 11.45(8)
19 and the state agency that created, approved, or administers
20 the direct-support organization or citizen support
21 organization. The audit report shall be submitted within 9
22 months after the end of the fiscal year to the Auditor General
23 and to the state agency responsible for creation,
24 administration, or approval of the direct-support organization
25 or citizen support organization. Such state agency, the
26 Auditor General, and the Office of Program Policy Analysis and
27 Government Accountability shall have the authority to require
28 and receive from the organization or from the independent
29 auditor any records relative to the operation of the
30 organization.

31

1 Section 47. Subsection (1) of section 216.177, Florida
2 Statutes, is amended to read:

3 216.177 Appropriations acts, statement of intent,
4 violation, notice, review and objection procedures.--

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

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

14 (b) The documents set forth in s. 216.0442(2)(a) and
15 (c),

16
17 to the Executive Office of the Governor, the Comptroller, the
18 Auditor General, the director of the Office of Program Policy
19 Analysis and Government Accountability, the Chief Justice of
20 the Supreme Court, and each state agency. A request for
21 additional explanation and direction regarding the legislative
22 intent of the General Appropriations Act during the fiscal
23 year may be made only by and through the Executive Office of
24 the Governor for state agencies, and by and through the Chief
25 Justice of the Supreme Court for the judicial branch, as is
26 deemed necessary. However, the Comptroller may also request
27 further clarification of legislative intent pursuant to the
28 Comptroller's responsibilities related to his or her preaudit
29 function of expenditures.

30 Section 48. Subsection (2) of section 216.178, Florida
31 Statutes, is amended to read:

1 216.178 General Appropriations Act; format;
2 procedure.--

3 (2) The Office of Planning and Budgeting shall develop
4 a final budget report that reflects the net appropriations for
5 each budget item. The report shall reflect actual
6 expenditures for each of the 2 preceding fiscal years and the
7 estimated expenditures for the current fiscal year. In
8 addition, the report must contain the actual revenues and cash
9 balances for the preceding 2 fiscal years and the estimated
10 revenues and cash balances for the current fiscal year. The
11 report may also contain expenditure data, program objectives,
12 and program measures for each state agency program. The report
13 must be produced by October 15 each year. A copy of the
14 report must be made available to each member of the
15 Legislature, to the head of each state agency, to the Auditor
16 General, to the director of the Office of Program Policy
17 Analysis and Government Accountability, and to the public.

18 Section 49. Subsection (3) of section 216.292, Florida
19 Statutes, is amended to read:

20 216.292 Appropriations nontransferable; exceptions.--

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

28 (a) Between categories of appropriations within a
29 budget entity, if no category of appropriation is increased or
30 decreased by more than 5 percent of the original approved
31

1 budget or \$150,000, whichever is greater, by all action taken
2 under this subsection.

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

8 (c) Such authorized revisions must be consistent with
9 the intent of the approved operating budget, must be
10 consistent with legislative policy and intent, and must not
11 conflict with specific spending policies specified in the
12 General Appropriations Act.

13
14 Such authorized revisions, together with related changes, if
15 any, in the plan for release of appropriations, shall be
16 transmitted by the state agency or by the judicial branch to
17 the Comptroller for entry in the Comptroller's records in the
18 manner and format prescribed by the Executive Office of the
19 Governor in consultation with the Comptroller. A copy of such
20 revision shall be furnished to the Executive Office of the
21 Governor or the Chief Justice, the chair of the Legislative
22 Budget Commission, the chairs of the legislative committees,
23 and the Auditor General, and the director of the Office of
24 Program Policy Analysis and Government Accountability.

25 Section 50. Subsection (1) of section 218.31, Florida
26 Statutes, is amended, and subsections (15), (16), (17), and
27 (18) are added to said section, to read:

28 218.31 Definitions.--As used in this part, except
29 where the context clearly indicates a different meaning:

30 (1) "Local governmental entity" means a county agency
31 ~~as defined in s. 11.45~~, a municipality, or a special district

1 as defined in s. 189.403. For purposes of s. 218.32, the term
2 also includes a housing authority created under chapter 421.

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

6 (16) "County agency" means a board of county
7 commissioners or other legislative and governing body of a
8 county, however styled, including that of a consolidated or
9 metropolitan government, a clerk of the circuit court, a
10 separate or ex officio clerk of the county court, a sheriff, a
11 property appraiser, a tax collector, a supervisor of
12 elections, or any other officer in whom any portion of the
13 fiscal duties of the above are under law separately placed.

14 (17) "Financial audit" means an examination of
15 financial statements in order to express an opinion on the
16 fairness with which they are presented in conformity with
17 generally accepted accounting principles and an examination to
18 determine whether operations are properly conducted in
19 accordance with legal and regulatory requirements. Financial
20 audits must be conducted in accordance with generally accepted
21 auditing standards and government auditing standards as
22 adopted by the Board of Accountancy and as prescribed by rules
23 promulgated by the Auditor General.

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

27 Section 51. Subsection (1) of section 218.32, Florida
28 Statutes, is amended to read:

29 218.32 Annual financial reports; local governmental
30 entities.--

31

1 (1)(a) Each local governmental entity that is
 2 determined to be a reporting entity, as defined by generally
 3 accepted accounting principles, and each independent special
 4 district as defined in s. 189.403, shall submit to the
 5 department a copy of its annual financial report for the
 6 previous fiscal year in a format prescribed by the department.
 7 The annual financial report must include a list of each local
 8 governmental entity included in the report and each local
 9 governmental entity that failed to provide financial
 10 information as required by paragraph (b). The chair of the
 11 governing body and the chief financial officer of each local
 12 governmental entity shall sign the annual financial report
 13 submitted pursuant to this subsection attesting to the
 14 accuracy of the information included in the report.The county
 15 annual financial report must be a single document that covers
 16 each county agency.

17 (b) Each component unit, as defined by generally
 18 accepted accounting principles, of a local governmental entity
 19 shall provide the local governmental entity, within a
 20 reasonable time period as established by the local
 21 governmental entity, with financial information necessary to
 22 comply with the reporting requirements contained in this
 23 section.

24 (c) Each regional planning council created under s.
 25 186.504, each local government finance commission, board, or
 26 council, and each municipal power corporation created as a
 27 separate legal or administrative entity by interlocal
 28 agreement under s. 163.01(7) shall submit to the department a
 29 copy of its audit report and an annual financial report for
 30 the previous fiscal year in a format prescribed by the
 31 department.

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

8 (e) Each local governmental entity that is not
9 required to provide for an audit report in accordance with s.
10 218.39 ~~All other reporting entities~~ must submit the annual
11 financial report to the department no later than April 30 of
12 each year. The department shall consult with the Auditor
13 General in the development of the format of annual financial
14 reports submitted pursuant to this paragraph. The format shall
15 include balance sheet information to be utilized by the
16 Auditor General pursuant to s. 11.45(7)(f). The department
17 must forward the financial information contained within these
18 entities' annual financial reports to the Auditor General in
19 electronic form. This paragraph does not apply to housing
20 authorities created under chapter 421.

21 (f)~~(e)~~ If the department does not receive a completed
22 annual financial report from a local governmental entity
23 within the required period, it shall notify the Legislative
24 Auditing Committee of the local governmental entity's failure
25 to comply with the reporting requirements. The committee shall
26 proceed in accordance with s. 11.40(5)report. Following
27 receipt of notification of failure to report, the committee
28 shall schedule a hearing for the purpose of receiving
29 additional testimony addressing the failure of local
30 governmental entities to comply with the reporting
31 requirements of this section. After the hearing, the

1 ~~committee shall determine which local governmental entities~~
2 ~~will be subjected to further state action. If it finds that~~
3 ~~one or more local governmental entities should be subjected to~~
4 ~~further state action, the committee shall:~~

5 ~~1. In the case of a county or municipality, request~~
6 ~~the Department of Revenue and the Department of Banking and~~
7 ~~Finance to withhold any funds not pledged for bond debt~~
8 ~~service satisfaction which are payable to the county or~~
9 ~~municipality until the required annual financial report is~~
10 ~~received by the department. The Department of Revenue and the~~
11 ~~Department of Banking and Finance are authorized to implement~~
12 ~~the provisions of this subparagraph. The committee, in its~~
13 ~~request, shall specify the date such action shall begin, and~~
14 ~~the request must be received by the Department of Revenue and~~
15 ~~the Department of Banking and Finance 30 days before the date~~
16 ~~of distribution mandated by law.~~

17 ~~2. In the case of a special district, notify the~~
18 ~~Department of Community Affairs that the special district has~~
19 ~~failed to provide the required annual financial report. Upon~~
20 ~~notification, the Department of Community Affairs shall~~
21 ~~proceed pursuant to ss. 189.421 and 189.422.~~

22 ~~3. In the case of a special district that is a~~
23 ~~component unit and that did not provide the financial~~
24 ~~information required by paragraph (b) to the applicable~~
25 ~~reporting entity, notify the Department of Community Affairs~~
26 ~~that the special district has failed to provide the required~~
27 ~~financial information. Upon notification, the Department of~~
28 ~~Community Affairs shall proceed pursuant to ss. 189.421 and~~
29 ~~189.422.~~

30 Section 52. Subsection (2) of section 218.33, Florida
31 Statutes, is amended to read:

1 218.33 Local governmental entities; establishment of
2 uniform fiscal years and accounting practices and
3 procedures.--

4 (2) Each local governmental entity shall follow
5 uniform accounting practices and procedures as promulgated by
6 rule of the department to assure the use of proper accounting
7 and fiscal management by such units. Such rules shall include
8 a uniform classification of accounts.~~The department shall~~
9 ~~make such reasonable rules regarding uniform accounting~~
10 ~~practices and procedures by local governmental entities in~~
11 ~~this state, including a uniform classification of accounts, as~~
12 ~~it considers necessary to assure the use of proper accounting~~
13 ~~and fiscal management techniques by such units.~~

14 Section 53. Subsection (3) of section 218.38, Florida
15 Statutes, is amended to read:

16 218.38 Notice of bond issues required; verification.--

17 (3) If a unit of local government fails to verify
18 pursuant to subsection (2) the information held by the
19 division, or fails to provide the information required by
20 subsection (1), the division shall notify the Legislative
21 Auditing Committee of such failure to comply. The committee
22 shall proceed in accordance with s. 11.40(5).~~Following~~
23 ~~receipt of such notification of failure to comply with these~~
24 ~~provisions, a hearing shall be scheduled by the committee for~~
25 ~~the purpose of receiving testimony addressing the failure of~~
26 ~~units of local government to comply with the requirements of~~
27 ~~this section. After the hearing, the committee shall~~
28 ~~determine which units of local government will be subjected to~~
29 ~~further state action. If it finds that one or more units of~~
30 ~~local government should be subjected to further state action,~~
31 ~~the committee shall:~~

1 ~~(a) In the case of a unit of local government, request~~
2 ~~the Department of Revenue and the Department of Banking and~~
3 ~~Finance to withhold any funds not pledged for bond debt~~
4 ~~service satisfaction which are payable to such governmental~~
5 ~~entity. The Department of Revenue and the Department of~~
6 ~~Banking and Finance are authorized to implement the provisions~~
7 ~~of this paragraph. The committee, in its request, shall~~
8 ~~specify the date such action shall begin, and the request must~~
9 ~~be received by the Department of Revenue and the Department of~~
10 ~~Banking and Finance 30 days before the date of the~~
11 ~~distribution mandated by law.~~

12 ~~(b) In the case of a special district, notify the~~
13 ~~Department of Community Affairs that the special district has~~
14 ~~failed to comply. Upon notification, the Department of~~
15 ~~Community Affairs shall proceed pursuant to ss. 189.421 and~~
16 ~~189.422.~~

17 Section 54. Sections 218.39 and 218.391, Florida
18 Statutes, are created to read:

19 218.39 Annual financial audit reports.--

20 (1) If, by the first day in any fiscal year, a local
21 governmental entity, district school board, charter school, or
22 charter technical career center has not been notified that a
23 financial audit for that fiscal year will be performed by the
24 Auditor General, each of the following entities shall have an
25 annual financial audit of its accounts and records completed
26 within 12 months after the end of its fiscal year by an
27 independent certified public accountant retained by it and
28 paid from its public funds:

29 (a) Each county.

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

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

3 (d) Each district school board.

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

5 (f) Each charter technical center established under s.
6 228.505.

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

11 (h) Each special district with revenues or the total
12 of expenditures and expenses between \$50,000 and \$100,000 that
13 has not been subject to a financial audit pursuant to this
14 subsection for the 2 preceding fiscal years.

15 (2) The county audit report shall be a single document
16 that includes a financial audit of the county as a whole and,
17 for each county agency other than a board of county
18 commissioners, an audit of its financial accounts and records,
19 including reports on compliance and internal control,
20 management letters, and financial statements as required by
21 rules adopted by the Auditor General. In addition to such
22 requirements, if a board of county commissioners elects to
23 have a separate audit of its financial accounts and records in
24 the manner required by rules adopted by the Auditor General
25 for other county agencies, such separate audit shall be
26 included in the county audit report.

27 (3) A dependent special district may make provision
28 for an annual financial audit by being included within the
29 audit of another local governmental entity upon which it is
30 dependent. An independent special district may not make

31

1 provision for an annual financial audit by being included
2 within the audit of another local governmental entity.

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

5 (5) At the conclusion of the audit, the auditor shall
6 discuss with the chair of each local governmental entity or
7 the chair's designee, or with the elected official of each
8 county agency or with the elected official's designee, or with
9 the chair of the district school board or the chair's
10 designee, or with the chair of the board of the charter school
11 or the chair's designee, or with the chair of the charter
12 technical career center or the chair's designee, as
13 appropriate, all of the auditor's comments that will be
14 included in the audit report. If the officer is not available
15 to discuss the auditor's comments, their discussion is
16 presumed when the comments are delivered in writing to his or
17 her office. The auditor shall notify each member of the
18 governing body of a local governmental entity or district
19 school board for which deteriorating financial conditions
20 exist that may cause a condition described in s. 218.503(1) to
21 occur if actions are not taken to address such conditions.

22 (6) The officer's written statement of explanation or
23 rebuttal concerning the auditor's findings, including
24 corrective action to be taken, must be filed with the
25 governing body of the local governmental entity, district
26 school board, charter school, or charter technical career
27 center within 30 days after the delivery of the auditor's
28 findings.

29 (7) The predecessor auditor of a district school board
30 shall provide the Auditor General access to the prior year's
31 working papers in accordance with the Statements on Auditing

1 Standards, including documentation of planning, internal
2 control, audit results, and other matters of continuing
3 accounting and auditing significance, such as the working
4 paper analysis of balance sheet accounts and those relating to
5 contingencies.

6 (8) All audits conducted in accordance with this
7 section must be conducted in accordance with the rules of the
8 Auditor General promulgated pursuant to s. 11.45. All audit
9 reports and the officer's written statement of explanation or
10 rebuttal must be submitted to the Auditor General within 45
11 days after delivery of the audit report to the entity's
12 governing body, but no later than 12 months after the end of
13 the fiscal year.

14 (9) Each charter school and charter technical career
15 center must file a copy of its audit report with the
16 sponsoring entity; the local district school board, if not the
17 sponsoring entity; the Auditor General; and with the
18 Department of Education.

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

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

23 218.391 Auditor selection procedures.--

24 (1) Each local governmental entity, district school
25 board, charter school, or charter technical career center
26 shall use auditor selection procedures when selecting an
27 auditor to conduct the annual financial audit required in s.
28 218.39.

29 (2) The governing body of a charter county,
30 municipality, special district, charter school, or charter
31 technical career center shall establish an auditor selection

1 committee and auditor selection procedures or use the
2 procedures outlined in subsection (3). The purpose of the
3 committee and the procedures is to contract with an auditor to
4 conduct the annual financial audit required in s. 218.39.

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

9 (a) For each noncharter county, the auditor selection
10 committee shall consist of the county officers elected
11 pursuant to s. 1(d), Art. VIII of the State Constitution, and
12 one member of the board of county commissioners or its
13 designee.

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

20 (c) The committee shall encourage firms engaged in the
21 lawful practice of public accounting who desire to provide
22 professional services to submit annually a statement of
23 qualifications and performance data.

24 (d) Any certified public accountant desiring to
25 provide auditing services shall first be qualified pursuant to
26 law. The committee shall make a finding that the firm or
27 individual to be employed is fully qualified to render the
28 required services. Among the factors to be considered in
29 making this finding are the capabilities, adequacy of
30 personnel, past record, and experience of the firm or
31 individual.

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

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

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

17 (h) The committee shall select in order of preference
18 no fewer than three firms deemed to be the most highly
19 qualified to perform the required services after considering
20 the following factors: the ability of professional personnel;
21 past performance; willingness to meet time requirements;
22 location; and recent, current, and projected workloads of the
23 firms. However, such distribution shall not violate the
24 principle of selection of the most highly qualified firms. If
25 fewer than three firms desire to perform the services, the
26 committee shall recommend such firms as it determines to be
27 qualified.

28 (i) The committee may request, accept, and consider
29 proposals for the compensation to be paid only during
30 competitive negotiations under paragraph (h). The firm ranked
31 first may then negotiate a contract with the board giving,

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

1 original contract price and any additions thereto shall be
2 adjusted to exclude any significant sums by which the board
3 determines the contract price was increased due to inaccurate
4 or incomplete factual unit costs. All such contract
5 adjustments shall be made within 1 year following the end of
6 the contract.

7 (j) If the board is unable to negotiate a satisfactory
8 contract with any of the selected firms, the committee shall
9 select additional firms, and the board shall continue
10 negotiations in accordance with this subsection until an
11 agreement is reached.

12 Section 55. Subsection (22) of section 218.415,
13 Florida Statutes, is amended to read:

14 218.415 Local government investment
15 policies.--Investment activity by a unit of local government
16 must be consistent with a written investment plan adopted by
17 the governing body, or in the absence of the existence of a
18 governing body, the respective principal officer of the unit
19 of local government and maintained by the unit of local
20 government or, in the alternative, such activity must be
21 conducted in accordance with subsection (17). Any such unit
22 of local government shall have an investment policy for any
23 public funds in excess of the amounts needed to meet current
24 expenses as provided in subsections (1)-(16), or shall meet
25 the alternative investment guidelines contained in subsection
26 (17). Such policies shall be structured to place the highest
27 priority on the safety of principal and liquidity of funds.
28 The optimization of investment returns shall be secondary to
29 the requirements for safety and liquidity. Each unit of local
30 government shall adopt policies that are commensurate with the
31 nature and size of the public funds within its custody.

1 (22) AUDITS.--Certified public accountants conducting
2 audits of units of local government pursuant to s. 218.39
3 ~~11.45~~ shall report, as part of the audit, whether or not the
4 unit of local government has complied with this section.

5 Section 56. Paragraph (g) of subsection (8) of section
6 228.056, Florida Statutes, is amended to read:

7 228.056 Charter schools.--

8 (8) REQUIREMENTS.--

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

12 Section 57. Paragraph (d) of subsection (3) of section
13 228.093, Florida Statutes, is amended to read:

14 228.093 Pupil and student records and reports; rights
15 of parents, guardians, pupils, and students; notification;
16 penalty.--

17 (3) RIGHTS OF PARENT, GUARDIAN, PUPIL, OR
18 STUDENT.--The parent or guardian of any pupil or student who
19 attends or has attended any public school, area
20 vocational-technical training center, community college, or
21 institution of higher education in the State University System
22 shall have the following rights with respect to any records or
23 reports created, maintained, and used by any public
24 educational institution in the state. However, whenever a
25 pupil or student has attained 18 years of age, or is attending
26 an institution of postsecondary education, the permission or
27 consent required of, and the rights accorded to, the parents
28 of the pupil or student shall thereafter be required of and
29 accorded to the pupil or student only, unless the pupil or
30 student is a dependent pupil or student of such parents as
31 defined in 26 U.S.C. s. 152 (s. 152 of the Internal Revenue

1 Code of 1954). The State Board of Education shall formulate,
2 adopt, and promulgate rules whereby parents, guardians,
3 pupils, or students may exercise these rights:

4 (d) Right of privacy.--Every pupil or student shall
5 have a right of privacy with respect to the educational
6 records kept on him or her. Personally identifiable records or
7 reports of a pupil or student, and any personal information
8 contained therein, are confidential and exempt from the
9 provisions of s. 119.07(1). No state or local educational
10 agency, board, public school, area technical center, community
11 college, or institution of higher education in the State
12 University System shall permit the release of such records,
13 reports, or information without the written consent of the
14 pupil's or student's parent or guardian, or of the pupil or
15 student himself or herself if he or she is qualified as
16 provided in this subsection, to any individual, agency, or
17 organization. However, personally identifiable records or
18 reports of a pupil or student may be released to the following
19 persons or organizations without the consent of the pupil or
20 the pupil's parent:

21 1. Officials of schools, school systems, area
22 technical centers, community colleges, or institutions of
23 higher learning in which the pupil or student seeks or intends
24 to enroll; and a copy of such records or reports shall be
25 furnished to the parent, guardian, pupil, or student upon
26 request.

27 2. Other school officials, including teachers within
28 the educational institution or agency, who have legitimate
29 educational interests in the information contained in the
30 records.

31

1 3. The United States Secretary of Education, the
2 Director of the National Institute of Education, the Assistant
3 Secretary for Education, the Comptroller General of the United
4 States, or state or local educational authorities who are
5 authorized to receive such information subject to the
6 conditions set forth in applicable federal statutes and
7 regulations of the United States Department of Education, or
8 in applicable state statutes and rules of the State Board of
9 Education.

10 4. Other school officials, in connection with a
11 pupil's or student's application for or receipt of financial
12 aid.

13 5. Individuals or organizations conducting studies for
14 or on behalf of an institution or a board of education for the
15 purpose of developing, validating, or administering predictive
16 tests, administering pupil or student aid programs, or
17 improving instruction, if such studies are conducted in such a
18 manner as will not permit the personal identification of
19 pupils or students and their parents by persons other than
20 representatives of such organizations and if such information
21 will be destroyed when no longer needed for the purpose of
22 conducting such studies.

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

25 7. School readiness coalitions and the Florida
26 Partnership for School Readiness in order to carry out their
27 assigned duties.

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

31

1 9. Appropriate parties in connection with an
 2 emergency, if knowledge of the information in the pupil's or
 3 student's educational records is necessary to protect the
 4 health or safety of the pupil, student, or other individuals.

5 10. The Auditor General and the Office of Program
 6 Policy Analysis and Government Accountability in connection
 7 with their ~~his or her~~ official functions; however, except when
 8 the collection of personally identifiable information is
 9 specifically authorized by law, any data collected by the
 10 Auditor General and the Office of Program Policy Analysis and
 11 Government Accountability is confidential and exempt from the
 12 provisions of s. 119.07(1) and shall be protected in such a
 13 way as will not permit the personal identification of students
 14 and their parents by other than the Auditor General, the
 15 Office of Program Policy Analysis and Government
 16 Accountability, and their ~~his or her~~ staff, and such
 17 personally identifiable data shall be destroyed when no longer
 18 needed for the Auditor General's and the Office of Program
 19 Policy Analysis and Government Accountability's official use.

20 11.a. A court of competent jurisdiction in compliance
 21 with an order of that court or the attorney of record pursuant
 22 to a lawfully issued subpoena, upon the condition that the
 23 pupil or student and the pupil's or student's parent are
 24 notified of the order or subpoena in advance of compliance
 25 therewith by the educational institution or agency.

26 b. A person or entity pursuant to a court of competent
 27 jurisdiction in compliance with an order of that court or the
 28 attorney of record pursuant to a lawfully issued subpoena,
 29 upon the condition that the pupil or student, or his or her
 30 parent if the pupil or student is either a minor and not
 31 attending an institution of postsecondary education or a

1 dependent of such parent as defined in 26 U.S.C. s. 152 (s.
2 152 of the Internal Revenue Code of 1954), is notified of the
3 order or subpoena in advance of compliance therewith by the
4 educational institution or agency.

5 12. Credit bureaus, in connection with an agreement
6 for financial aid which the student has executed, provided
7 that such information may be disclosed only to the extent
8 necessary to enforce the terms or conditions of the financial
9 aid agreement. Credit bureaus shall not release any
10 information obtained pursuant to this paragraph to any person.

11 13. Parties to an interagency agreement among the
12 Department of Juvenile Justice, school and law enforcement
13 authorities, and other signatory agencies for the purpose of
14 reducing juvenile crime and especially motor vehicle theft by
15 promoting cooperation and collaboration, and the sharing of
16 appropriate information in a joint effort to improve school
17 safety, to reduce truancy, in-school and out-of-school
18 suspensions, to support alternatives to in-school and
19 out-of-school suspensions and expulsions that provide
20 structured and well-supervised educational programs
21 supplemented by a coordinated overlay of other appropriate
22 services designed to correct behaviors that lead to truancy,
23 suspensions, and expulsions, and which support students in
24 successfully completing their education. Information provided
25 in furtherance of such interagency agreements is intended
26 solely for use in determining the appropriate programs and
27 services for each juvenile or the juvenile's family, or for
28 coordinating the delivery of such programs and services, and
29 as such is inadmissible in any court proceedings prior to a
30 dispositional hearing unless written consent is provided by a
31

1 parent, guardian, or other responsible adult on behalf of the
2 juvenile.

3
4 This paragraph does not prohibit any educational institution
5 from publishing and releasing to the general public directory
6 information relating to a pupil or student if the institution
7 elects to do so. However, no educational institution shall
8 release, to any individual, agency, or organization which is
9 not listed in subparagraphs 1.-13., directory information
10 relating to the student body in general or a portion thereof
11 unless it is normally published for the purpose of release to
12 the public in general. Any educational institution making
13 directory information public shall give public notice of the
14 categories of information which it has designated as directory
15 information with respect to all pupils or students attending
16 the institution and shall allow a reasonable period of time
17 after such notice has been given for a parent, guardian,
18 pupil, or student to inform the institution in writing that
19 any or all of the information designated should not be
20 released.

21 Section 58. Paragraph (e) of subsection (11) of
22 section 228.505, Florida Statutes, is amended to read:

23 228.505 Charter technical career centers.--

24 (11) FUNDING.--

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

28 Section 59. Subsection (4) of section 229.8021,
29 Florida Statutes, is amended to read:

30 229.8021 Direct-support organization; use of property;
31 board of directors; audit.--

1 (4) ANNUAL AUDIT.--The direct-support organization
2 shall provide ~~make provision~~ for an annual financial audit
3 ~~postaudit of its financial accounts to be conducted by an~~
4 ~~independent, certified public accountant in accordance with s.~~
5 ~~218.39 rules to be promulgated by the State Board of~~
6 ~~Education. The annual audit report shall include a management~~
7 ~~letter and shall be submitted to the Auditor General and the~~
8 ~~State Board of Education for review. The State Board of~~
9 ~~Education and the Auditor General have the authority to~~
10 ~~require and receive from the organization or from its~~
11 ~~independent auditor any detail or supplemental data relative~~
12 ~~to the operation of the organization.~~The identity of donors
13 and all information identifying donors and prospective donors
14 is confidential and exempt from the provisions of s.
15 119.07(1), and that anonymity shall be maintained in the
16 auditor's report. All other records and information shall be
17 considered public records for the purposes of chapter 119.

18 Section 60. Paragraphs (l) and (m) are added to
19 subsection (10) of section 230.23, Florida Statutes, to read:

20 230.23 Powers and duties of school board.--The school
21 board, acting as a board, shall exercise all powers and
22 perform all duties listed below:

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

26 (1) Internal auditor.--The school board may employ an
27 internal auditor to perform ongoing financial verification of
28 the financial records of the school district. The internal
29 auditor shall report directly to the school board or its
30 designee.

31

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

6 Section 61. Subsection (4) of section 230.23025,
7 Florida Statutes, is amended to read:

8 230.23025 Best financial management practices;
9 standards; reviews; designation of districts.--

10 (4) District school boards that agree by a majority
11 plus one vote to institute the action plan shall submit an
12 annual report to the Legislature, the Governor, the SMART
13 Schools Clearinghouse, OPPAGA, the Auditor General, and the
14 Commissioner of Education on progress made towards
15 implementing the plan and whether changes have occurred in
16 other areas of operation which would affect compliance with
17 the best practices. Such districts shall be reviewed annually
18 by OPPAGA, in addition to the annual financial audit required
19 under s. 218.39 ~~11.45~~, to determine whether they have attained
20 compliance with the best financial management practices in the
21 areas covered by the plan. Districts that are found to comply
22 with the best financial management practices shall receive a
23 "Seal of Best Financial Management" by the State Board of
24 Education certifying that the district is adhering to the
25 state's best financial management practices. This designation
26 shall be effective for a 5-year period, after which the
27 district school board may reapply for the designation to be
28 granted after another financial management practice review.
29 During the designation period, the district school board shall
30 annually notify the SMART Schools Clearinghouse, OPPAGA, the
31 Auditor General, and the State Board of Education of any

1 changes in policies or operations or any other situations that
 2 would not conform to the state's best financial management
 3 practices. The State Board of Education may revoke the
 4 designation of a district at any time if it determines that a
 5 district is no longer complying with the state's best
 6 financial management practices.

7 Section 62. Subsection (4) of section 237.40, Florida
 8 Statutes, is amended to read:

9 237.40 Direct-support organization; use of property;
 10 board of directors; audit.--

11 (4) ANNUAL AUDIT.--~~Each~~ ~~The~~ direct-support
 12 organization shall provide ~~make provisions~~ for an annual
 13 financial audit ~~postaudit~~ of its ~~financial~~ accounts and
 14 records, to be conducted by an independent certified public
 15 accountant ~~the district auditor~~ in accordance with rules ~~to be~~
 16 adopted by the Auditor General pursuant to s. 11.45(8) and the
 17 Commissioner of Education. The annual audit report shall
 18 ~~include a management letter and shall~~ be submitted within 9
 19 months after the fiscal year's end to filed as a public record
 20 ~~in~~ the district school board and the Auditor General. The
 21 Commissioner of Education, and the Auditor General, and the
 22 Office of Program Policy Analysis and Government
 23 Accountability have the authority to require and receive from
 24 the organization or the district auditor any records ~~detail or~~
 25 ~~supplemental data~~ relative to the operation of the
 26 organization. The identity of donors and all information
 27 identifying donors and prospective donors are confidential and
 28 exempt from the provisions of s. 119.07(1), and that anonymity
 29 shall be maintained in the auditor's report. All other
 30 records and information shall be ~~are~~ considered public records
 31 for the purposes of chapter 119.

1 Section 63. Subsection (1) of section 240.214, Florida
2 Statutes, is amended to read:

3 240.214 State University System accountability
4 process.--It is the intent of the Legislature that an
5 accountability process be implemented which provides for the
6 systematic, ongoing evaluation of quality and effectiveness in
7 the State University System. It is further the intent of the
8 Legislature that this accountability process monitor
9 performance at the system level in each of the major areas of
10 instruction, research, and public service, while recognizing
11 the differing missions of each of the state universities. The
12 accountability process shall provide for the adoption of
13 systemwide performance standards and performance goals for
14 each standard identified through a collaborative effort
15 involving the State University System, the Legislature, and
16 the Governor's Office. These standards and goals shall be
17 consistent with s. 216.011(1) to maintain congruity with the
18 performance-based budgeting process. This process requires
19 that university accountability reports reflect measures
20 defined through performance-based budgeting. The
21 performance-based budgeting measures must also reflect the
22 elements of teaching, research, and service inherent in the
23 missions of the institutions in the State University System.

24 (1) By December 31 of each year, the Board of Regents
25 shall submit an annual accountability report providing
26 information on the implementation of performance standards,
27 actions taken to improve university achievement of performance
28 goals, the achievement of performance goals during the prior
29 year, and initiatives to be undertaken during the next year.
30 The accountability reports shall be designed in consultation
31 with the Governor's Office, the Office of Program Policy

1 Analysis and Government Accountability ~~the Auditor General,~~
2 and the Legislature.

3 Section 64. Subsection (5) of section 240.299, Florida
4 Statutes, is amended to read:

5 240.299 Direct-support organizations; use of property;
6 board of directors; activities; audit; facilities.--

7 (5) ANNUAL AUDIT.--Each direct-support organization
8 shall provide ~~make provisions~~ for an annual financial audit
9 ~~postaudit~~ of its ~~financial~~ accounts and records to be
10 conducted by an independent certified public accountant in
11 accordance with rules adopted ~~to be promulgated~~ by the Auditor
12 General pursuant to s. 11.45(8) and by the Board of Regents.
13 The annual audit report ~~shall include a management letter and~~
14 shall be submitted, within 9 months after the end of the
15 fiscal year, to the Auditor General and the Board of Regents
16 for review. The Board of Regents, and the Auditor General,
17 and the Office of Program Policy Analysis and Government
18 Accountability shall have the authority to require and receive
19 from the organization or from its independent auditor any
20 records ~~detail or supplemental data~~ relative to the operation
21 of the organization. The identity of donors who desire to
22 remain anonymous shall be protected, and that anonymity shall
23 be maintained in the auditor's report. All records of the
24 organization other than the auditor's report, management
25 letter, and any supplemental data requested by the Board of
26 Regents, and the Auditor General, and the Office of Program
27 Policy Analysis and Government Accountability shall be
28 confidential and exempt from the provisions of s. 119.07(1).

29 Section 65. Subsection (5) of section 240.2995,
30 Florida Statutes, is amended to read:

31

1 240.2995 University health services support
2 organizations.--

3 (5) Each university health services support
4 organization shall provide ~~make provisions~~ for an annual
5 financial audit ~~postaudit of its financial accounts to be~~
6 ~~conducted by an independent certified public accountant in~~
7 accordance with s. 240.299(4) ~~rules of the Board of Regents.~~
8 ~~The annual audit report shall include a management letter and~~
9 ~~shall be submitted to the Auditor General and the Board of~~
10 ~~Regents for review. The Board of Regents and the Auditor~~
11 ~~General shall have the authority to require and receive from~~
12 ~~the organization or from its independent auditor any detail or~~
13 ~~supplemental data relative to the operation of the~~
14 ~~organization.~~The auditor's report, management letter, and any
15 supplemental data requested by the Board of Regents and the
16 Auditor General shall be considered public records, pursuant
17 to s. 119.07.

18 Section 66. Paragraph (c) of subsection (8) of section
19 240.311, Florida Statutes, is amended to read:

20 240.311 State Board of Community Colleges; powers and
21 duties.--

22 (8)

23 (c) Any Florida not-for-profit corporation receiving
24 funds pursuant to this section shall make provisions for an
25 annual postaudit of its financial accounts to be conducted by
26 an independent certified public accountant in accordance with
27 rules to be adopted by the board. The annual audit report
28 shall be submitted to the Auditor General and the board for
29 review. The board, and the Auditor General, and the Office of
30 Program Policy Analysis and Government Accountability shall
31 have the authority to require and receive from the

1 organization or from its independent auditor any detail or
2 supplemental data relative to the operation of the
3 organization.

4 Section 67. Subsection (6) of section 240.331, Florida
5 Statutes, is amended to read:

6 240.331 Community college direct-support
7 organizations.--

8 (6) ANNUAL AUDIT.--Each direct-support organization
9 shall provide ~~make provisions~~ for an annual financial audit
10 ~~postaudit of its financial accounts to be conducted by an~~
11 ~~independent certified public accountant in accordance with~~
12 ~~rules adopted to be promulgated by the Auditor General~~
13 pursuant to s. 11.45(8)district board of trustees. The annual
14 audit report must be submitted, within 9 months after the end
15 of the fiscal year, to the Auditor General, the State Board of
16 Community Colleges, and the board of trustees for review. The
17 board of trustees, and the Auditor General, and the Office of
18 Program Policy Analysis and Government Accountability may
19 require and receive from the organization or from its
20 independent auditor any detail or supplemental data relative
21 to the operation of the organization. The identity of donors
22 who desire to remain anonymous shall be protected, and that
23 anonymity shall be maintained in the auditor's report. All
24 records of the organization, other than the auditor's report,
25 any information necessary for the auditor's report, any
26 information related to the expenditure of funds, and any
27 supplemental data requested by the board of trustees, and the
28 Auditor General, and the Office of Program Policy Analysis and
29 Government Accountability, shall be confidential and exempt
30 from the provisions of s. 119.07(1).

31

1 Section 68. Subsection (6) of section 240.3315,
2 Florida Statutes, is amended to read:

3 240.3315 Statewide community college direct-support
4 organizations.--

5 (6) ANNUAL AUDIT.--A statewide community college
6 direct-support organization shall provide ~~make provisions~~ for
7 an annual financial audit ~~postaudit of its financial accounts~~
8 ~~to be conducted by an independent certified public accountant~~
9 in accordance with s. 240.331 ~~rules to be adopted by the State~~
10 ~~Board of Community Colleges. The annual audit report shall be~~
11 ~~submitted to the Auditor General and the State Board of~~
12 ~~Community Colleges for review. The State Board of Community~~
13 ~~Colleges and the Auditor General shall have the authority to~~
14 ~~require and receive from the organization or from its~~
15 ~~independent auditor any detail or supplemental data relative~~
16 ~~to the operation of the organization.~~The identity of a donor
17 or prospective donor who desires to remain anonymous and all
18 information identifying such donor or prospective donor are
19 confidential and exempt from the provisions of s. 119.07(1)
20 and s. 24(a), Art. I of the State Constitution. Such anonymity
21 shall be maintained in the auditor's report.

22 Section 69. Section 240.3631, Florida Statutes, is
23 created to read:

24 240.3631 Financial and performance audits.--Each
25 district board of trustees of a community college is
26 authorized to have an audit of their accounts and records by
27 an independent certified public accountant retained by them
28 and paid from their public funds. These audits are in
29 addition to those required by s. 11.45.

1 Section 70. Paragraph (d) of subsection (2) and
2 paragraph (b) of subsection (8) of section 240.512, Florida
3 Statutes, are amended to read:

4 240.512 H. Lee Moffitt Cancer Center and Research
5 Institute.--There is established the H. Lee Moffitt Cancer
6 Center and Research Institute at the University of South
7 Florida.

8 (2) The Board of Regents shall provide in the
9 agreement with the not-for-profit corporation for the
10 following:

11 (d) Preparation of an annual postaudit of the
12 not-for-profit corporation's financial accounts and the
13 financial accounts of any subsidiaries to be conducted by an
14 independent certified public accountant. The annual audit
15 report shall include management letters and shall be submitted
16 to the Auditor General and the Board of Regents for review.
17 The Board of Regents, ~~and~~ the Auditor General, and the Office
18 of Program Policy Analysis and Government Accountability shall
19 have the authority to require and receive from the
20 not-for-profit corporation and any subsidiaries or from their
21 independent auditor any detail or supplemental data relative
22 to the operation of the not-for-profit corporation or
23 subsidiary.

24 (8)

25 (b) Proprietary confidential business information is
26 confidential and exempt from the provisions of s. 119.07(1)
27 and s. 24(a), Art. I of the State Constitution. However, the
28 Auditor General, the Office of Program Policy Analysis and
29 Government Accountability, and Board of Regents, pursuant to
30 their oversight and auditing functions, must be given access
31 to all proprietary confidential business information upon

1 request and without subpoena and must maintain the
2 confidentiality of information so received. As used in this
3 paragraph, the term "proprietary confidential business
4 information" means information, regardless of its form or
5 characteristics, which is owned or controlled by the
6 not-for-profit corporation or its subsidiaries; is intended to
7 be and is treated by the not-for-profit corporation or its
8 subsidiaries as private and the disclosure of which would harm
9 the business operations of the not-for-profit corporation or
10 its subsidiaries; has not been intentionally disclosed by the
11 corporation or its subsidiaries unless pursuant to law, an
12 order of a court or administrative body, a legislative
13 proceeding pursuant to s. 5, Art. III of the State
14 Constitution, or a private agreement that provides that the
15 information may be released to the public; and which is
16 information concerning:

17 1. Internal auditing controls and reports of internal
18 auditors;

19 2. Matters reasonably encompassed in privileged
20 attorney-client communications;

21 3. Contracts for managed-care arrangements, including
22 preferred provider organization contracts, health maintenance
23 organization contracts, and exclusive provider organization
24 contracts, and any documents directly relating to the
25 negotiation, performance, and implementation of any such
26 contracts for managed-care arrangements;

27 4. Bids or other contractual data, banking records,
28 and credit agreements the disclosure of which would impair the
29 efforts of the not-for-profit corporation or its subsidiaries
30 to contract for goods or services on favorable terms;

31

1 5. Information relating to private contractual data,
2 the disclosure of which would impair the competitive interest
3 of the provider of the information;

4 6. Corporate officer and employee personnel
5 information;

6 7. Information relating to the proceedings and records
7 of credentialing panels and committees and of the governing
8 board of the not-for-profit corporation or its subsidiaries
9 relating to credentialing;

10 8. Minutes of meetings of the governing board of the
11 not-for-profit corporation and its subsidiaries, except
12 minutes of meetings open to the public pursuant to subsection
13 (9);

14 9. Information that reveals plans for marketing
15 services that the corporation or its subsidiaries reasonably
16 expect to be provided by competitors;

17 10. Trade secrets as defined in s. 688.002, including
18 reimbursement methodologies or rates; or

19 11. The identity of donors or prospective donors of
20 property who wish to remain anonymous or any information
21 identifying such donors or prospective donors. The anonymity
22 of these donors or prospective donors must be maintained in
23 the auditor's report.

24
25 As used in this paragraph, the term "managed care" means
26 systems or techniques generally used by third-party payors or
27 their agents to affect access to and control payment for
28 health care services. Managed-care techniques most often
29 include one or more of the following: prior, concurrent, and
30 retrospective review of the medical necessity and
31 appropriateness of services or site of services; contracts

1 with selected health care providers; financial incentives or
2 disincentives related to the use of specific providers,
3 services, or service sites; controlled access to and
4 coordination of services by a case manager; and payor efforts
5 to identify treatment alternatives and modify benefit
6 restrictions for high-cost patient care.

7 Section 71. Subsection (3) of section 240.5285,
8 Florida Statutes, is amended to read:

9 240.5285 Florida Atlantic University campuses.--

10 (3) The Board of Regents shall take all actions
11 necessary to assure that Florida Atlantic University Broward
12 and Florida Atlantic University Boca Raton are partners in the
13 overall policymaking and academic governance structures of the
14 university. Annual legislative budget requests for operations
15 and facilities shall separately identify those funds requested
16 for Florida Atlantic University Broward and Florida Atlantic
17 University Boca Raton. Florida Atlantic University Broward
18 and Florida Atlantic University Boca Raton shall have local
19 management authority over their campus faculty, staff, and
20 programs, but there shall be universitywide standards and
21 processes for evaluating requests for promotion and tenure;
22 there shall be complete transferability of credits and uniform
23 programs across campuses; and colleges operating on multiple
24 campuses shall have only one dean for each college. Florida
25 Atlantic University Broward shall establish a faculty senate
26 and may establish a direct-support organization. Any such
27 direct-support organization shall be subject to s. 240.299(4).

28 Section 72. Paragraphs (b), (c), (d), (e), (f), and
29 (g) of subsection (22) of section 240.551, Florida Statutes,
30 are amended to read:

31 240.551 Florida Prepaid College Program.--

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

2 (b) The direct-support organization shall operate
3 under written contract with the board. The contract must
4 provide for:

5 1. Approval of the articles of incorporation and
6 bylaws of the direct-support organization by the board.

7 2. Submission of an annual budget for the approval of
8 the board. The budget must comply with rules adopted by the
9 board.

10 3. An annual financial ~~and compliance~~ audit of its
11 financial accounts and records by an independent certified
12 public accountant in accordance with s. 215.98 ~~rules adopted~~
13 ~~by the board~~.

14 4. Certification by the board that the direct-support
15 organization is complying with the terms of the contract and
16 in a manner consistent with the goals and purposes of the
17 board and in the best interest of the state. Such
18 certification must be made annually and reported in the
19 official minutes of a meeting of the board.

20 5. The reversion to the board, or to the state if the
21 board ceases to exist, of moneys and property held in trust by
22 the direct-support organization for the benefit of the board
23 or program if the direct-support organization is no longer
24 approved to operate for the board or if the board ceases to
25 exist.

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

29 7. The disclosure of material provisions of the
30 contract and of the distinction between the board and the
31 direct-support organization to donors of gifts, contributions,

1 or bequests, and such disclosure on all promotional and
 2 fundraising publications.

3 ~~(c) An annual financial and compliance audit of the~~
 4 ~~financial accounts and records of the direct-support~~
 5 ~~organization must be performed by an independent certified~~
 6 ~~public accountant. The audit must be submitted to the board~~
 7 ~~for review and approval. Upon approval, the board shall~~
 8 ~~certify the audit report to the Auditor General for review.~~
 9 ~~The board and Auditor General shall have the authority to~~
 10 ~~require and receive from the organization or its independent~~
 11 ~~auditor any detail or supplemental data relative to the~~
 12 ~~operation of the organization.~~

13 (c)~~(d)~~ The identity of donors who desire to remain
 14 anonymous shall be confidential and exempt from the provisions
 15 of s. 119.07(1) and s. 24(a), Art. I of the State
 16 Constitution, and such anonymity shall be maintained in the
 17 auditor's report. Information received by the organization
 18 that is otherwise confidential or exempt by law shall retain
 19 such status. Any sensitive, personal information regarding
 20 contract beneficiaries, including their identities, is exempt
 21 from the provisions of s. 119.07(1) and s. 24(a), Art. I of
 22 the State Constitution.

23 (d)~~(e)~~ The chair and the executive director of the
 24 board shall be directors of the direct-support organization
 25 and shall jointly name three other individuals to serve as
 26 directors of the organization.

27 (e)~~(f)~~ The board may authorize the direct-support
 28 organization established in this subsection to use program
 29 property, except money, and use facilities and personal
 30 services subject to the provisions of this section. If the
 31 direct-support organization does not provide equal employment

1 opportunities to all persons regardless of race, color,
 2 religion, sex, age, or national origin, it may not use the
 3 property, facilities, or personal services of the board. For
 4 the purposes of this subsection, the term "personal services"
 5 includes full-time personnel and part-time personnel as well
 6 as payroll processing as prescribed by rule of the board. The
 7 board shall adopt rules prescribing the procedures by which
 8 the direct-support organization is governed and any conditions
 9 with which such a direct-support organization must comply to
 10 use property, facilities, or personal services of the board.

11 (f)~~(g)~~ The board may invest funds of the
 12 direct-support organization which have been allocated for the
 13 purchase of advance payment contracts for scholarships with
 14 receipts for advance payment contracts.

15 Section 73. Subsection (6) of section 240.609, Florida
 16 Statutes, is amended to read:

17 240.609 Postsecondary endowment grants.--

18 (6) Matching endowment grants made pursuant to this
 19 section to a qualified independent nonprofit college or
 20 university shall be placed in a separate restricted endowment
 21 by such institution. The interest or other income accruing
 22 from the endowment shall be expended exclusively for
 23 professorships, library resources, scientific and technical
 24 equipment, and nonathletic scholarships. Moreover, the funds
 25 in the endowment shall not be used for pervasively sectarian
 26 instruction, religious worship, or theology or divinity
 27 programs or resources. The records of the endowment shall be
 28 subject to review by the department and audit or examination
 29 by the Auditor General and the Office of Program Policy
 30 Analysis and Government Accountability. If any institution
 31 receiving a matching endowment grant pursuant to this section

1 ceases operations and undergoes dissolution proceedings, then
2 all funds received pursuant to this section from the state
3 shall be returned.

4 Section 74. Paragraph (h) of subsection (2) of section
5 240.711, Florida Statutes, is amended to read:

6 240.711 Ringling Center for Cultural Arts.--

7 (2)

8 (h) The John and Mable Ringling Museum of Art
9 direct-support organization shall provide for ~~cause~~ an annual
10 financial audit ~~of its financial accounts to be conducted by~~
11 ~~an independent certified public accountant, performed in~~
12 accordance with s. 240.299(4) ~~generally accepted accounting~~
13 ~~standards~~. Florida State University is authorized to require
14 and receive from the direct-support organization, or from its
15 independent auditor, any detail or supplemental data relative
16 to the operation of such organization. Information that, if
17 released, would identify donors who desire to remain
18 anonymous, is confidential and exempt from the provisions of
19 s. 119.07(1). Information that, if released, would identify
20 prospective donors is confidential and exempt from the
21 provisions of s. 119.07(1) when the direct-support
22 organization has identified the prospective donor itself and
23 has not obtained the name of the prospective donor by copying,
24 purchasing, or borrowing names from another organization or
25 source. Identities of such donors and prospective donors shall
26 not be revealed in the auditor's report.

27 Section 75. Subsection (6) of section 250.115, Florida
28 Statutes, is amended to read:

29 250.115 Department of Military Affairs direct-support
30 organization.--

31

1 (6) ANNUAL AUDIT.--The direct-support organization
2 shall provide ~~make provisions~~ for an annual financial audit
3 ~~postaudit of its financial accounts to be conducted by an~~
4 ~~independent certified public accountant in accordance with s.~~
5 ~~215.98 rules to be promulgated by the Adjutant General. The~~
6 ~~annual audit report shall be submitted to the Auditor General~~
7 ~~and the Adjutant General. The Adjutant General and the Auditor~~
8 ~~General may require and receive from the organization or its~~
9 ~~independent auditor any detail or supplemental data relative~~
10 ~~to the operation of the organization.~~

11 Section 76. Subsection (11) of section 253.025,
12 Florida Statutes, is amended to read:

13 253.025 Acquisition of state lands for purposes other
14 than preservation, conservation, and recreation.--

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

27 Section 77. Subsection (16) of section 259.041,
28 Florida Statutes, is amended to read:

29 259.041 Acquisition of state-owned lands for
30 preservation, conservation, and recreation purposes.--

31

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

13 Section 78. Subsection (7) of section 266.0018,
14 Florida Statutes, is amended to read:

15 266.0018 Direct-support organization.--

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

23 Section 79. Subsection (3) of section 267.17, Florida
24 Statutes, is amended to read:

25 267.17 Citizen support organizations; use of state
26 property; audit.--

27 (3) ANNUAL AUDIT.--Each citizen support organization
28 shall provide for ~~cause~~ an annual financial audit in
29 accordance with s. 215.98 ~~postaudit of its financial accounts~~
30 ~~to be conducted by an independent certified public accountant~~.
31 ~~The annual audit report shall be submitted to the division for~~

1 ~~review. The Auditor General and the division are each~~
2 ~~authorized to require and obtain from the citizen support~~
3 ~~organization, or from its independent auditor, such data as~~
4 ~~may be needed relative to the operation of the organization.~~
5 The identity of donors who desire to remain anonymous shall be
6 confidential and exempt from the provisions of s. 119.07(1),
7 and that anonymity shall be maintained in the auditor's
8 report.

9 Section 80. Subsection (6) of section 288.1226,
10 Florida Statutes, is amended to read:

11 288.1226 Florida Tourism Industry Marketing
12 Corporation; use of property; board of directors; duties;
13 audit.--

14 (6) ANNUAL AUDIT.--The corporation shall provide ~~make~~
15 provision for an annual financial audit in accordance with s.
16 215.98 ~~postaudit of its financial accounts to be conducted by~~
17 ~~an independent certified public accountant.~~ The annual audit
18 report ~~shall be due prior to December 1 of each year, shall~~
19 ~~include a management letter, and shall be submitted to the~~
20 Auditor General; the Office of Policy Analysis and Government
21 Accountability; and the Office of Tourism, Trade, and Economic
22 Development for review. The Office of Program Policy Analysis
23 and Government Accountability; the Office of Tourism, Trade,
24 and Economic Development; and the Auditor General have the
25 authority to require and receive from the corporation or from
26 its independent auditor any detail or supplemental data
27 relative to the operation of the corporation. The Office of
28 Tourism, Trade, and Economic Development shall annually
29 certify whether the corporation is operating in a manner and
30 achieving the objectives that are consistent with the policies
31 and goals of the commission and its long-range marketing plan.

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

7 Section 81. Subsection (5) of section 288.1229,
8 Florida Statutes, is amended to read:

9 288.1229 Promotion and development of sports-related
10 industries and amateur athletics; direct-support organization;
11 powers and duties.--

12 (5) The organization shall provide for an annual
13 financial ~~and compliance~~ audit in accordance with s. 215.98 of
14 ~~its financial accounts and records by an independent certified~~
15 ~~public accountant pursuant to rules established by the Office~~
16 ~~of Tourism, Trade, and Economic Development. The auditor~~
17 ~~shall submit the audit report to the director of the office~~
18 ~~for review and approval. If the audit report is approved, the~~
19 ~~office shall certify the audit report to the Auditor General~~
20 ~~for review.~~

21 Section 82. Subsection (4) of section 288.809, Florida
22 Statutes, is amended to read:

23 288.809 Florida Intergovernmental Relations
24 Foundation; use of property; board of directors; audit.--

25 (4) ANNUAL AUDIT.--The foundation shall provide ~~make~~
26 provision for an annual financial audit in accordance with s.
27 215.98 ~~postaudit of its financial accounts to be conducted by~~
28 ~~an independent, certified public accountant. The annual audit~~
29 ~~report shall include a management letter and shall be~~
30 ~~submitted to the Auditor General and the department for~~
31 ~~review. The department and the Auditor General have the~~

1 ~~authority to require and receive from the foundation or from~~
2 ~~its independent auditor any detail or supplemental data~~
3 ~~relative to the operation of the foundation.~~The identity of a
4 donor or prospective donor to the foundation who desires to
5 remain anonymous and all information identifying such donor or
6 prospective donor are confidential and exempt from the
7 provisions of s. 119.07(1) and s. 24(a), Art. I of the State
8 Constitution. Such anonymity shall be maintained in the
9 auditor's report.

10 Section 83. Section 288.9517, Florida Statutes, is
11 amended to read:

12 288.9517 Audits; confidentiality.--

13 (1) The Auditor General and the director of the Office
14 of Program Policy Analysis and Government Accountability may,
15 pursuant to their ~~his or her~~ own authority or at the direction
16 of the Legislative Auditing Committee, conduct an audit or
17 examination of the technology development board or the
18 programs or entities created by the board. The audit,
19 examination, or report may not reveal the identity of any
20 person who has anonymously made a donation to the board
21 pursuant to subsection (2).

22 (2) The identity of a donor, prospective donor, or
23 inventor who contributes to the board who desires to remain
24 anonymous and all information identifying such donor,
25 prospective donor, or inventor who contributes to the board
26 are confidential and exempt from the provisions of s.
27 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
28 anonymity shall be maintained in the ~~auditor's~~ report.

29 Section 84. Subsection (5) of section 290.0056,
30 Florida Statutes, is amended to read:

31 290.0056 Enterprise zone development agency.--

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

21 Section 85. Section 290.015, Florida Statutes, is
 22 amended to read:

23 290.015 Evaluation and review.--

24 (1) Prior to January 1, 1995, the department shall
 25 prescribe by rule, subject to the approval of the Office of
 26 Program Policy Analysis and Government Accountability ~~Auditor~~
 27 ~~General~~, a research design for the review and evaluation of
 28 ss. 290.001-290.016, together with the incentives listed in s.
 29 290.007. The research design shall set forth the types of
 30 additional information necessary to effectuate the research
 31

1 design. Such information shall be provided in the report
 2 required pursuant to s. 290.014(2).

3 (2) Prior to the 2000 Regular Session of the
 4 Legislature, the Office of Program Policy Analysis and
 5 Government Accountability Auditor General shall perform a
 6 review and evaluation of ss. 290.001-290.016, together with
 7 the incentives listed in s. 290.007, using the research design
 8 promulgated pursuant to subsection (1). The report shall
 9 critique the enterprise zone program and shall include an
 10 analysis of the state incentives listed under s. 290.007. A
 11 report of the findings and recommendations of the Office of
 12 Program Policy Analysis and Government Accountability Auditor
 13 General shall be submitted to the President of the Senate and
 14 the Speaker of the House of Representatives prior to the 2000
 15 Regular Session. The appropriate committees of the Senate and
 16 House of Representatives shall consider legislation to
 17 implement the recommendations of the Office of Program Policy
 18 Analysis and Government Accountability Auditor General.

19 (3) Prior to the 2001 Regular Session of the
 20 Legislature, the appropriate substantive committees of both
 21 the Senate and the House of Representatives, upon assignment
 22 by the President and Speaker, respectively, shall be
 23 responsible for the completion of a review and evaluation of
 24 ss. 290.001-290.016, together with the incentives listed in s.
 25 290.007.

26 Section 86. Section 296.17, Florida Statutes, is
 27 amended to read:

28 296.17 Audit; inspection; and standards for the
 29 home.--The home shall be open at any time to audit and
 30 inspection by the Auditor General and the Office of Program
 31 Policy Analysis and Government Accountability, as provided by

1 ~~law in s. 11.45~~, the Department of Veterans' Affairs, the
2 United States Department of Veterans Affairs, and to any other
3 audits or inspections as required by law to maintain
4 appropriate standards in the home. The standards that the
5 department shall use to regulate the operation of the home
6 shall be those prescribed by the United States Department of
7 Veterans Affairs, provided that where the state's standards
8 are more restrictive, the standards of the state shall apply.

9 Section 87. Section 296.41, Florida Statutes, is
10 amended to read:

11 296.41 Audit; inspection; standards for the home.--The
12 home shall be open at any time to audit and inspection by the
13 Auditor General and the Office of Program Policy Analysis and
14 Government Accountability, as provided by law in s. 11.45, the
15 department, and the United States Department of Veterans
16 Affairs, and to any other audits or inspections as required by
17 law to maintain appropriate standards in the home. The
18 standards that the department shall use to regulate the
19 operation of the home shall be those prescribed by the United
20 States Department of Veterans Affairs, provided that where the
21 state's standards are more restrictive, the standards of the
22 state shall apply.

23 Section 88. Paragraph (a) of subsection (3) of section
24 311.07, Florida Statutes, is amended to read:

25 311.07 Florida seaport transportation and economic
26 development funding.--

27 (3)(a) Program funds shall be used to fund approved
28 projects on a 50-50 matching basis with any of the deepwater
29 ports, as listed in s. 403.021(9)(b), which is governed by a
30 public body or any other deepwater port which is governed by a
31 public body and which complies with the water quality

1 provisions of s. 403.061, the comprehensive master plan
2 requirements of s. 163.3178(2)(k), the local financial
3 management and reporting provisions of part III of chapter
4 218, ~~and the auditing provisions of s. 11.45(3)(a)5.~~ Program
5 funds also may be used by the Seaport Transportation and
6 Economic Development Council to develop with the Florida Trade
7 Data Center such trade data information products which will
8 assist Florida's seaports and international trade.

9 Section 89. Subsections (5), (6), and (7) of section
10 320.023, Florida Statutes, are amended to read:

11 320.023 Requests to establish voluntary checkoff on
12 motor vehicle registration application.--

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

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

22 ~~(b) All organizational recipients of any voluntary~~
23 ~~contributions in excess of \$15,000, not otherwise subject to~~
24 ~~annual audit by the Office of the Auditor General, shall~~
25 ~~submit an annual audit of the expenditures of these~~
26 ~~contributions and interest earned from these contributions, to~~
27 ~~determine if expenditures are being made in accordance with~~
28 ~~the specifications outlined by law. The audit shall be~~
29 ~~prepared by a certified public accountant licensed under~~
30 ~~chapter 473 at that organizational recipient's expense. The~~

31

1 ~~notes to the financial statements should state whether~~
2 ~~expenditures were made in accordance with law.~~

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

10 (c)(d) Any voluntary contributions authorized by law
11 shall only be distributed to an organization under an
12 appropriation by the Legislature.

13 (d)(e) Any organization subject to audit pursuant to
14 s. 215.97 shall submit an audit report in accordance with
15 rules adopted by the Auditor General.The annual attestation
16 ~~audit or report~~ shall be submitted to the department for
17 review within 9 months ~~180 days~~ after the end of the
18 organization's fiscal year.

19 (6) Within 90 days after receiving an organization's
20 audit or attestation report, the department shall determine
21 which recipients have not complied with subsection (5). If
22 the department determines that an organization has not
23 complied or has failed to use the revenues in accordance with
24 law, the department must discontinue the distribution of the
25 revenues to the organization until the department determines
26 that the organization has complied. If an organization fails
27 to comply within 12 months after the voluntary contributions
28 are withheld by the department, the proceeds shall be
29 deposited into the Highway Safety Operating Trust Fund to
30 offset department costs.

31

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

4 Section 90. Paragraph (b) of subsection (9) of section
5 320.08058, Florida Statutes, is amended to read:

6 320.08058 Specialty license plates.--

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

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

10 1. Fifty-five percent of the proceeds from the Florida
11 Professional Sports Team plate must be deposited into the
12 Professional Sports Development Trust Fund within the Office
13 of Tourism, Trade, and Economic Development. These funds must
14 be used solely to attract and support major sports events in
15 this state. As used in this subparagraph, the term "major
16 sports events" means, but is not limited to, championship or
17 all-star contests of Major League Baseball, the National
18 Basketball Association, the National Football League, the
19 National Hockey League, the men's and women's National
20 Collegiate Athletic Association Final Four basketball
21 championship, or a horseracing or dogracing Breeders' Cup. All
22 funds must be used to support and promote major sporting
23 events, and the uses must be approved by the Florida Sports
24 Foundation.

25 2. The remaining proceeds of the Florida Professional
26 Sports Team license plate must be allocated to the Florida
27 Sports Foundation, a direct-support organization of the Office
28 of Tourism, Trade, and Economic Development. These funds must
29 be deposited into the Professional Sports Development Trust
30 Fund within the Office of Tourism, Trade, and Economic
31 Development. These funds must be used by the Florida Sports

1 Foundation to promote the economic development of the sports
 2 industry; to distribute licensing and royalty fees to
 3 participating professional sports teams; to institute a grant
 4 program for communities bidding on minor sporting events that
 5 create an economic impact for the state; to distribute funds
 6 to Florida-based charities designated by the Florida Sports
 7 Foundation and the participating professional sports teams;
 8 and to fulfill the sports promotion responsibilities of the
 9 Office of Tourism, Trade, and Economic Development.

10 3. The Florida Sports Foundation shall provide an
 11 annual financial ~~and compliance~~ audit in accordance with s.
 12 215.98 of its financial accounts and records by an independent
 13 certified public accountant pursuant to the contract
 14 established by the Office of Tourism, Trade, and Economic
 15 Development as specified in s. 288.1229(5). The auditor shall
 16 submit the audit report to the Office of Tourism, Trade, and
 17 Economic Development for review and approval. If the audit
 18 report is approved, the office shall certify the audit report
 19 to the Auditor General for review.

20 Section 91. Section 320.08062, Florida Statutes, is
 21 amended to read:

22 320.08062 Audits and attestations required; annual use
 23 fees of specialty license plates.--

24 (1)(a) All organizations that receive annual use fee
 25 proceeds from the department are responsible for ensuring that
 26 proceeds are used in accordance with ss. 320.08056 and
 27 320.08058.

28 ~~(b) All organizational recipients of any specialty~~
 29 ~~license plate annual use fee authorized in this chapter, not~~
 30 ~~otherwise subject to annual audit by the Office of the Auditor~~
 31 ~~General, shall submit an annual audit of the expenditures of~~

1 ~~annual use fees and interest earned from these fees, to~~
 2 ~~determine if expenditures are being made in accordance with~~
 3 ~~the specifications outlined by law. The audit shall be~~
 4 ~~prepared by a certified public accountant licensed under~~
 5 ~~chapter 473 at that organizational recipient's expense. The~~
 6 ~~notes to the financial statements should state whether~~
 7 ~~expenditures were made in accordance with ss. 320.08056 and~~
 8 ~~320.08058.~~

9 ~~(b)(c)~~ Any organization not subject to ~~In lieu of an~~
 10 ~~annual~~ audit pursuant to s. 215.97 shall, ~~any organization~~
 11 ~~receiving less than \$25,000 in annual use fee proceeds~~
 12 ~~directly from the department, or from another state agency,~~
 13 ~~may~~ annually attest report, under penalties of perjury, that
 14 such proceeds were used in compliance with ss. 320.08056 and
 15 320.08058. The attestation shall be made annually in a form
 16 and format determined by the department.

17 ~~(c)(d)~~ Any organization subject to audit pursuant to
 18 s. 215.97 shall submit an audit report in accordance with
 19 rules adopted by the Auditor General. ~~The annual~~ attestation
 20 ~~audit or report~~ shall be submitted to the department for
 21 review within 9 months ~~180 days~~ after the end of the
 22 organization's fiscal year.

23 (2) Within 90 days after receiving an organization's
 24 audit or attestation report, the department shall determine
 25 which recipients of revenues from specialty license plate
 26 annual use fees have not complied with subsection (1). If the
 27 department determines that an organization has not complied or
 28 has failed to use the revenues in accordance with ss.
 29 320.08056 and 320.08058, the department must discontinue the
 30 distribution of the revenues to the organization until the
 31 department determines that the organization has complied. If

1 an organization fails to comply within 12 months after the
2 annual use fee proceeds are withheld by the department, the
3 proceeds shall be deposited into the Highway Safety Operating
4 Trust Fund to offset department costs related to the issuance
5 of specialty license plates.

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

9 Section 92. Subsections (5), (6), and (7) of section
10 322.081, Florida Statutes, are amended to read:

11 322.081 Requests to establish voluntary checkoff on
12 driver's license application.--

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

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

22 ~~(b) All organizational recipients of any voluntary~~
23 ~~contributions in excess of \$15,000, not otherwise subject to~~
24 ~~annual audit by the Office of the Auditor General, shall~~
25 ~~submit an annual audit of the expenditures of these~~
26 ~~contributions and interest earned from these contributions, to~~
27 ~~determine if expenditures are being made in accordance with~~
28 ~~the specifications outlined by law. The audit shall be~~
29 ~~prepared by a certified public accountant licensed under~~
30 ~~chapter 473 at that organizational recipient's expense. The~~

31

1 ~~notes to the financial statements should state whether~~
2 ~~expenditures were made in accordance with law.~~

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

10 (c)(d) Any voluntary contributions authorized by law
11 shall only be distributed to an organization under an
12 appropriation by the Legislature.

13 (d)(e) Any organization subject to audit pursuant to
14 s. 215.97 shall submit an audit report in accordance with
15 rules adopted by the Auditor General.The annual attestation
16 ~~audit or report~~ must be submitted to the department for review
17 within 9 months ~~180 days~~ after the end of the organization's
18 fiscal year.

19 (6) Within 90 days after receiving an organization's
20 audit or attestation report, the department shall determine
21 which recipients have not complied with subsection (5). If
22 the department determines that an organization has not
23 complied or has failed to use the revenues in accordance with
24 law, the department must discontinue the distribution of the
25 revenues to the organization until the department determines
26 that the organization has complied. If an organization fails
27 to comply within 12 months after the voluntary contributions
28 are withheld by the department, the proceeds shall be
29 deposited into the Highway Safety Operating Trust Fund to
30 offset department costs.

31

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

4 Section 93. Subsection (4) of section 334.0445,
5 Florida Statutes, is amended to read:

6 334.0445 Model career service classification and
7 compensation plan.--

8 (4) The department shall issue a baseline report on
9 the performance measures outlined in subsection (3) within 30
10 days after implementation of this act and shall provide
11 quarterly progress reports to the Department of Management
12 Services, the Executive Office of the Governor, legislative
13 appropriations committees, legislative personnel committees,
14 the Auditor General, the Office of Program Policy Analysis and
15 Government Accountability, and the affected certified
16 bargaining unions. Such reports shall contain the mandatory
17 measures listed in this legislation, as well as other mutually
18 agreed-upon measures between the Department of Transportation,
19 the Department of Management Services, the Executive Office of
20 the Governor, legislative appropriations committees,
21 legislative personnel committees, and the affected certified
22 bargaining unions.

23 Section 94. Subsection (5) of section 339.406, Florida
24 Statutes, is amended, and subsection (7) is added to said
25 section, to read:

26 339.406 Contract between the department and the
27 corporation.--The contract must provide for:

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

1 (7) The authority for the department and the Auditor
2 General to conduct audits.

3 Section 95. Paragraph (a) of subsection (13) of
4 section 365.171, Florida Statutes, is amended to read:

5 365.171 Emergency telephone number "911."--

6 (13) "911" FEE.--

7 (a) Following approval by referendum as set forth in
8 paragraph (b), or following approval by a majority vote of its
9 board of county commissioners, a county may impose a "911" fee
10 to be paid by the local exchange subscribers within its
11 boundaries served by the "911" service. Proceeds from the
12 "911" fee shall be used only for "911" expenditures as set
13 forth in subparagraph 6. The manner of imposing and
14 collecting said payment shall be as follows:

15 1. At the request of the county subscribing to "911"
16 service, the telephone company shall, insofar as is
17 practicable, bill the "911" fee to the local exchange
18 subscribers served by the "911" service, on an individual
19 access line basis, at a rate not to exceed 50 cents per month
20 per line (up to a maximum of 25 access lines per account bill
21 rendered). However, the fee may not be assessed on any pay
22 telephone in this state. A county collecting the fee for the
23 first time may collect the fee for no longer than 36 months
24 without initiating the acquisition of its "911" equipment.

25 2. Fees collected by the telephone company pursuant to
26 subparagraph 1. shall be returned to the county, less the
27 costs of administration retained pursuant to paragraph (c).
28 The county shall provide a minimum of 90 days' written notice
29 to the telephone company prior to the collection of any "911"
30 fees.

31

1 3. Any county that currently has an operational "911"
2 system or that is actively pursuing the implementation of a
3 "911" system shall establish a fund to be used exclusively for
4 receipt and expenditure of "911" fee revenues collected
5 pursuant to this section. All fees placed in said fund, and
6 any interest accrued thereupon, shall be used solely for "911"
7 costs described in subparagraph 6. The money collected and
8 interest earned in this fund shall be appropriated for "911"
9 purposes by the county commissioners and incorporated into the
10 annual county budget. Such fund shall be included within the
11 financial audit performed ~~The county shall annually have a~~
12 ~~financial audit performed on this fund,~~ in accordance with s.
13 218.39 ~~11.45~~. A report of the audit shall be forwarded to the
14 department within 60 days of its completion. A county may
15 carry forward on an annual basis unspent moneys in the fund
16 for expenditures allowed by this section, or it may reduce its
17 fee. However, in no event shall a county carry forward more
18 than 10 percent of the "911" fee billed for the prior year.
19 The amount of moneys carried forward each year may be
20 accumulated in order to allow for capital improvements
21 described in this subsection. The carryover shall be
22 documented by resolution of the board of county commissioners
23 expressing the purpose of the carryover or by an adopted
24 capital improvement program identifying projected expansion or
25 replacement expenditures for "911" equipment and service
26 features, or both. In no event shall the "911" fee carryover
27 surplus moneys be used for any purpose other than for the
28 "911" equipment, service features, and installation charges
29 authorized in subparagraph 6. Nothing in this section shall
30 prohibit a county from using other sources of revenue for
31 improvements, replacements, or expansions of its "911" system.

1 A county may increase its fee for purposes authorized in this
2 section. However, in no case shall the fee exceed 50 cents per
3 month per line. All current "911" fees shall be reported to
4 the department within 30 days of the start of each county's
5 fiscal period. Any fee adjustment made by a county shall be
6 reported to the department. A county shall give the telephone
7 company a 90-day written notice of such fee adjustment.

8 4. The telephone company shall have no obligation to
9 take any legal action to enforce collection of the "911" fee.
10 The telephone company shall provide quarterly to the county a
11 list of the names, addresses, and telephone numbers of any and
12 all subscribers who have identified to the telephone company
13 their refusal to pay the "911" fee.

14 5. The county subscribing to "911" service shall
15 remain liable to the telephone company for any "911" service,
16 equipment, operation, or maintenance charge owed by the county
17 to the telephone company.

18
19 As used in this paragraph, "telephone company" means an
20 exchange telephone service provider of "911" service or
21 equipment to any county within its certificated area.

22 6. It is the intent of the Legislature that the "911"
23 fee authorized by this section to be imposed by counties will
24 not necessarily provide the total funding required for
25 establishing or providing the "911" service. For purposes of
26 this section, "911" service includes the functions of database
27 management, call taking, location verification, and call
28 transfer. The following costs directly attributable to the
29 establishment and/or provision of "911" service are eligible
30 for expenditure of moneys derived from imposition of the "911"
31 fee authorized by this section: the acquisition,

1 implementation, and maintenance of Public Safety Answering
2 Point (PSAP) equipment and "911" service features, as defined
3 in the Florida Public Service Commission's lawfully approved
4 "911" and related tariffs and/or the acquisition,
5 installation, and maintenance of other "911" equipment,
6 including call answering equipment, call transfer equipment,
7 ANI controllers, ALI controllers, ANI displays, ALI displays,
8 station instruments, "911" telecommunications systems,
9 teleprinters, logging recorders, instant playback recorders,
10 telephone devices for the deaf (TDD) used in the "911" system,
11 PSAP backup power systems, consoles, automatic call
12 distributors, and interfaces (hardware and software) for
13 computer-aided dispatch (CAD) systems; salary and associated
14 expenses for "911" call takers for that portion of their time
15 spent taking and transferring "911" calls; salary and
16 associated expenses for a county to employ a full-time
17 equivalent "911" coordinator position and a full-time
18 equivalent staff assistant position per county for the portion
19 of their time spent administrating the "911" system; training
20 costs for PSAP call takers in the proper methods and
21 techniques used in taking and transferring "911" calls; and
22 expenses required to develop and maintain all information (ALI
23 and ANI databases and other information source repositories)
24 necessary to properly inform call takers as to location
25 address, type of emergency, and other information directly
26 relevant to the "911" call-taking and transferring function.
27 The "911" fee revenues shall not be used to pay for any item
28 not listed, including, but not limited to, any capital or
29 operational costs for emergency responses which occur after
30 the call transfer to the responding public safety entity and
31 the costs for constructing buildings, leasing buildings,

1 maintaining buildings, or renovating buildings, except for
2 those building modifications necessary to maintain the
3 security and environmental integrity of the PSAP and "911"
4 equipment rooms.

5 7. It is the goal of the Legislature that enhanced
6 "911" service be available throughout the state. Expenditure
7 by counties of the "911" fees authorized by this section
8 should support this goal to the greatest extent feasible
9 within the context of local service needs and fiscal
10 capability. Nothing in this section shall be construed to
11 prohibit two or more counties from establishing a combined
12 emergency "911" telephone service by interlocal agreement and
13 utilizing the "911" fees authorized by this section for such
14 combined "911" service.

15 Section 96. Subsection (3) of section 372.0215,
16 Florida Statutes, is amended to read:

17 372.0215 Citizen support organizations; use of state
18 property; audit.--

19 (3) Each citizen support organization shall provide
20 for an annual financial audit in accordance with s. 215.98 of
21 ~~its financial records and accounts by an independent certified~~
22 ~~public accountant. A citizen support organization shall~~
23 ~~submit its annual audit report to the commission for review.~~
24 ~~The commission shall submit the audit report to the Auditor~~
25 ~~General. The commission and the Auditor General may obtain~~
26 ~~additional data relative to the operation of a citizen support~~
27 ~~organization from the citizen support organization or from its~~
28 ~~independent auditor.~~ The identity of a donor or prospective
29 donor to a citizen support organization who desires to remain
30 anonymous and all information identifying such donor or
31 prospective donor are confidential and exempt from the

1 provisions of s. 119.07(1) and s. 24(a), Art. I of the State
2 Constitution. Such anonymity shall be maintained in the
3 auditor's report.

4 Section 97. Subsection (3) of section 373.45926,
5 Florida Statutes, is amended to read:

6 373.45926 Everglades Trust Fund; allocation of
7 revenues and expenditure of funds for conservation and
8 protection of natural resources and abatement of water
9 pollution.--

10 (3) The South Florida Water Management District shall
11 furnish, on a quarterly basis, a detailed copy of its
12 expenditures from the Everglades Trust Fund to the Governor,
13 the President of the Senate, and the Speaker of the House of
14 Representatives, and shall make copies available to the
15 public. The information shall be provided in a format approved
16 by the Joint Legislative Committee on Everglades Oversight. At
17 the direction of the Joint Legislative Committee on Everglades
18 Oversight, an audit ~~a postaudit~~ may be made from time to time
19 by the Auditor General, and such audit shall be within the
20 authority of said Auditor General, to make.

21 Section 98. Section 373.507, Florida Statutes, is
22 amended to read:

23 373.507 Districts and basins; audits ~~postaudits~~,
24 budgets.--

25 (1) Each basin referred to in this chapter must
26 furnish a detailed copy of its budget and past year's
27 expenditures to the Governor, the Legislature, and the
28 governing body of each county in which the basin has
29 jurisdiction or derives any funds for the operations of the
30 basin.

31

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

6 (2)(3)(a) Each district referred to in this chapter
7 must furnish copies of the following documents to the
8 Governor, the President of the Senate, the Speaker of the
9 House of Representatives, the chairs of all legislative
10 committees and subcommittees with substantive or fiscal
11 jurisdiction over districts, as determined by the President or
12 Speaker as applicable, the secretary of the department, and
13 the governing body of each county in which the district has
14 jurisdiction or derives any funds for the operations of the
15 district:

- 16 1. The tentative budget.
- 17 2. The adopted budget.
- 18 3. The past year's expenditures.
- 19 4. The audit report required ~~postaudit described in s.~~
20 218.39 subsection (2).

21 (b) The documents must be furnished by the earlier of
22 10 days following completion of each document or as otherwise
23 provided by law.

24 (c) If any entity in paragraph (a) provides written
25 comments to the district regarding any document furnished, the
26 district must respond to the comments in writing and furnish
27 copies of the comments and written responses to the other
28 entities.

29 (d) The audit report required in s. 218.39 shall be
30 furnished to the governing board of the district and the
31

1 clerks of the circuit courts of each county within or partly
2 within the district.

3 Section 99. Subsection (9) of section 402.73, Florida
4 Statutes, is amended to read:

5 402.73 Contracting and performance standards.--

6 (9) The department must implement systems and controls
7 to ensure financial integrity and service provision quality in
8 the developmental services Medicaid waiver service system. ~~The~~
9 ~~Auditor General shall include specific reference to systems~~
10 ~~and controls related to financial integrity in the~~
11 ~~developmental services Medicaid waiver service system in his~~
12 ~~or her audit of the department for each fiscal year.~~

13 Section 100. Subsection (8) of section 403.1826,
14 Florida Statutes, is amended to read:

15 403.1826 Grants, requirements for eligibility.--

16 (8) Any local governmental agency receiving assistance
17 under ss. 403.1821-403.1832 shall keep such records as the
18 department prescribes, including records which fully disclose
19 the amount and disposition by the recipient of the proceeds of
20 such assistance, the total cost of the project or undertaking
21 in connection with such assistance given or used, the amount
22 of that portion of the cost of the project or undertaking
23 supplied by other sources, and such other records as will
24 facilitate an effective audit. The department, and the
25 Auditor General, and the Office of Program Policy Analysis and
26 Government Accountability, or any of their duly authorized
27 representatives, shall have access, for the purpose of audit
28 and examination, to any books, documents, papers, and records
29 of the recipient that are pertinent to grants received under
30 ss. 403.1821-403.1832. Upon project completion, the local
31 governmental agency shall submit to the department a separate

1 audit, by an independent certified public accountant, of the
2 grant expenditures.

3 Section 101. Paragraph (d) of subsection (11) of
4 section 403.8532, Florida Statutes, is amended to read:

5 403.8532 Drinking water state revolving loan fund;
6 use; rules.--

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

9 (d) Provide assurance that records will be kept using
10 generally accepted government accounting principles standards
11 and that the department or its agents and the Auditor General,
12 ~~or their agents~~ will have access to all records pertaining to
13 the loan.

14 Section 102. Subsection (2) of section 403.864,
15 Florida Statutes, is amended to read:

16 403.864 Public water supply accounting program.--

17 (2) In furtherance of this intent, the Department of
18 Health and, ~~the department, and the Auditor General~~ shall
19 jointly develop an accounting program for use by the
20 department and the Department of Health and its units,
21 including the county health departments, to determine the
22 funds, overhead, personnel, and property used by each of the
23 departments in conducting its respective public water supply
24 functions and responsibilities for each fiscal year. The
25 accounting program shall provide information sufficient to
26 satisfy state auditing and federal grant and aid reporting
27 requirements and shall include provisions requiring the
28 Department of Health to:

29 (a) Segregate, from an accounting standpoint, funds
30 distributed to county health departments for public water
31

1 supply functions from other county health department trust
2 funds.

3 (b) Segregate, from an accounting standpoint, funds
4 distributed to the central and branch laboratories of the
5 Department of Health for public water supply functions from
6 other laboratory funds.

7 (c) Require each county health department, the central
8 and each branch laboratory of the Department of Health, and
9 any other entity of the Department of Health involved in and
10 carrying out public water supply functions to account to the
11 Department of Health on a semiannual basis for the funds
12 received, from whatever source, and used for public water
13 supply functions.

14 (d) Require each county health department, the central
15 and each branch laboratory of the Department of Health, and
16 any other entity of the Department of Health involved in
17 carrying out public water supply functions either wholly or
18 partially with funds, either federal or state, received from
19 the department through an interagency agreement or other means
20 to account to the department on a semiannual basis for such
21 funds received and used for public water supply functions.

22 Section 103. Paragraph (m) of subsection (4) of
23 section 411.01, Florida Statutes, is amended to read:

24 411.01 Florida Partnership for School Readiness;
25 school readiness coalitions.--

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

27 (m) The Florida Partnership for School Readiness shall
28 have a budget, and shall be financed through an annual
29 appropriation made for this purpose in the General
30 Appropriations Act, ~~and shall be subject to compliance audits~~
31 ~~and annual financial audits by the Auditor General.~~

1
2 To ensure that the system for measuring school readiness is
3 comprehensive and appropriate statewide, as the system is
4 developed and implemented, the partnership must consult with
5 representatives of district school systems, providers of
6 public and private child care, health care providers, large
7 and small employers, experts in education for children with
8 disabilities, and experts in child development.

9 Section 104. Subsection (2) of section 411.221,
10 Florida Statutes, is amended to read:

11 411.221 Prevention and early assistance strategic
12 plan; agency responsibilities.--

13 (2) The strategic plan and subsequent plan revisions
14 shall incorporate and otherwise utilize, to the fullest extent
15 possible, the evaluation findings and recommendations from
16 intraagency, independent third-party, field projects, and
17 reports issued by the Auditor General or the Office of Program
18 Policy Analysis and Government Accountability evaluations, as
19 well as the recommendations of the State Coordinating Council
20 for School Readiness Programs.

21 Section 105. Subsection (11) of section 413.615,
22 Florida Statutes, is amended to read:

23 413.615 Florida Endowment for Vocational
24 Rehabilitation.--

25 (11) ANNUAL AUDIT.--The board shall provide for ~~cause~~
26 an annual financial audit of the foundation ~~foundation's~~
27 ~~financial accounts to be conducted by an independent certified~~
28 ~~public accountant~~ in accordance with s. 215.98 ~~rules adopted~~
29 ~~by the division. The annual audit report shall be submitted to~~
30 ~~the Auditor General and to the division for review. The~~
31 ~~Auditor General and the division are each authorized to~~

1 ~~require and receive from the foundation, or from its~~
2 ~~independent auditor, any relevant detail or supplemental data;~~
3 ~~however,~~The identities of donors and prospective donors who
4 desire to remain anonymous shall be protected, and that
5 anonymity shall be maintained in the auditor's report.

6 Section 106. Subsection (1) of section 413.87, Florida
7 Statutes, is amended to read:

8 413.87 Annual audit.--

9 (1) The corporation shall provide ~~make provision~~ for
10 an annual financial audit in accordance with s. 215.98
11 ~~postaudit of its financial accounts to be conducted by an~~
12 ~~independent certified public accountant.~~ The annual audit
13 ~~report is due before December 1 of each year, must include a~~
14 ~~management letter, and must be submitted to the~~ commission,
15 the Auditor General, and the Office of Program Policy Analysis
16 and Government Accountability for review. The Office of
17 Program Policy Analysis and Government Accountability, the
18 commission, and the Auditor General have the authority to
19 require and receive from the corporation or from its
20 independent auditor any detail or supplemental data relative
21 to the operation of the corporation. The corporation shall
22 annually certify whether the corporation is operating in a
23 manner that is consistent with, and achieving objectives that
24 are consistent with, the policies and goals of the commission
25 and the plan.

26 Section 107. Section 413.88, Florida Statutes, is
27 amended to read:

28 413.88 Annual report of the Occupational Access and
29 Opportunity Commission; audits.--

30 (1) Before January 1 of each year, the commission
31 shall submit to the Governor, the President of the Senate, and

1 the Speaker of the House of Representatives a complete and
2 detailed report setting forth for itself and its designated
3 administrative entity:

4 (1)~~(a)~~ Its operations and accomplishments during the
5 fiscal year.

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

7 (3)~~(c)~~ The assets and liabilities of the designated
8 administrative entity at the end of its most recent fiscal
9 year.

10 (4)~~(d)~~ A copy of the annual financial ~~and compliance~~
11 audit.

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

16 Section 108. Subsection (12) and paragraph (b) of
17 subsection (13) of section 446.609, Florida Statutes, are
18 amended to read:

19 446.609 Jobs for Florida's Graduates Act.--

20 (12) ANNUAL AUDIT.--The board shall provide for ~~cause~~
21 an annual financial audit of the foundation ~~foundation's~~
22 ~~financial accounts to be conducted by an independent certified~~
23 ~~public accountant in accordance with s. 215.98 rules adopted~~
24 ~~by the department. The annual audit report shall be submitted~~
25 ~~to the Auditor General and the department for review. The~~
26 ~~Auditor General and the department may require and receive~~
27 ~~from the foundation, or from its independent auditor, any~~
28 ~~relevant detail or supplemental data.~~

29 (13) ASSESSMENT OF PROGRAM RESULTS.--The success of
30 the Jobs for Florida's Graduates Program shall be assessed as
31 follows:

1 (b) Beginning in the first year of the Jobs for
2 Florida's Graduates Program, the Office ~~Division~~ of Economic
3 and Demographic Research ~~of the Joint Legislative Management~~
4 ~~Committee~~ shall undertake, during the initial phase, an
5 ongoing longitudinal study of participants to determine the
6 overall efficacy of the program. The division shall transmit
7 its findings each year to the Office of Program Policy
8 Analysis and Government Accountability for inclusion in the
9 report provided for in paragraph (a).

10 Section 109. Subsection (9) of section 455.32, Florida
11 Statutes, is amended to read:

12 455.32 Management Privatization Act.--

13 (9) The corporation shall provide for an annual
14 financial ~~and compliance~~ audit of its financial accounts and
15 records by an independent certified public accountant ~~in~~
16 ~~accordance with generally accepted auditing standards.~~ The
17 annual audit report shall include a management letter in
18 accordance with s. 11.45 and a detailed supplemental schedule
19 of expenditures for each expenditure category ~~and a management~~
20 ~~letter~~. The annual audit report must be submitted to the
21 board, the department, and the Auditor General for review. ~~The~~
22 ~~Auditor General may, pursuant to his or her authority or at~~
23 ~~the direction of the Legislative Auditing Committee, conduct~~
24 ~~an audit of the corporation.~~

25 Section 110. Paragraph (j) of subsection (3) of
26 section 471.038, Florida Statutes, is amended to read:

27 471.038 Florida Engineers Management Corporation.--

28 (3) The Florida Engineers Management Corporation is
29 created to provide administrative, investigative, and
30 prosecutorial services to the board in accordance with the
31 provisions of chapter 455 and this chapter. The management

1 corporation may hire staff as necessary to carry out its
 2 functions. Such staff are not public employees for the
 3 purposes of chapter 110 or chapter 112, except that the board
 4 of directors and the staff are subject to the provisions of s.
 5 112.061. The provisions of s. 768.28 apply to the management
 6 corporation, which is deemed to be a corporation primarily
 7 acting as an instrumentality of the state, but which is not an
 8 agency within the meaning of s. 20.03(11). The management
 9 corporation shall:

10 (j) Provide for an annual financial ~~and compliance~~
 11 audit of its financial accounts and records by an independent
 12 certified public accountant ~~in accordance with generally~~
 13 ~~accepted auditing standards~~. The annual audit report shall
 14 include a management letter in accordance with s. 11.45 and a
 15 detailed supplemental schedule of expenditures for each
 16 expenditure category ~~and a management letter~~. The annual audit
 17 report must be submitted to the board, the department, and the
 18 Auditor General for review. ~~The Auditor General may, pursuant~~
 19 ~~to his or her own authority or at the direction of the~~
 20 ~~Legislative Auditing Committee, conduct an audit of the~~
 21 ~~corporation.~~

22 Section 111. Paragraph (c) of subsection (2) of
 23 section 550.125, Florida Statutes, is amended to read:

24 550.125 Uniform reporting system; bond requirement.--

25 (2)

26 (c) The Auditor General and the Office of Program
 27 Policy Analysis and Government Accountability may, pursuant to
 28 their own authority or at the direction of the Legislative
 29 Auditing Committee, audit, examine, and check the books and
 30 records of any permitholder ~~and, upon the request of the~~
 31

1 ~~division, shall do so.~~ These audit reports shall become part
2 of, and be maintained in, the division files.

3 Section 112. Subsections (1) and (3) of section
4 570.903, Florida Statutes, are amended to read:

5 570.903 Direct-support organization.--

6 (1) When the Legislature authorizes the establishment
7 of a direct-support organization to provide assistance for the
8 museums, the Florida Agriculture in the Classroom Program, the
9 Florida State Collection of Arthropods, the Friends of the
10 Florida State Forests Program of the Division of Forestry, and
11 the Forestry Arson Alert Program,and other programs of the
12 department, ~~in addition to any specific provisions elsewhere~~
13 ~~stated,~~the following provisions shall govern the creation,
14 use, powers, and duties of the direct-support organization.

15 (a) The department shall enter into a memorandum or
16 letter of agreement with the direct-support organization,
17 which shall specify the approval of the department, the powers
18 and duties of the direct-support organization, and rules with
19 which the direct-support organization shall comply.

20 (b) The department may permit, without charge,
21 appropriate use of property, facilities, and personnel of the
22 department by a direct-support organization, subject to the
23 provisions of ss. 570.902 and 570.903. The use shall be
24 directly in keeping with the approved purposes of the
25 direct-support organization and shall not be made at times or
26 places that would unreasonably interfere with opportunities
27 for the general public to use department facilities for
28 established purposes.

29 (c) The department shall prescribe by contract or by
30 rule conditions with which a direct-support organization shall
31 comply in order to use property, facilities, or personnel of

1 the department or museum. Such rules shall provide for budget
 2 and audit review and oversight by the department.

3 (d) The department shall not permit the use of
 4 property, facilities, or personnel of the museum, department,
 5 or designated program by a direct-support organization which
 6 does not provide equal employment opportunities to all persons
 7 regardless of race, color, religion, sex, age, or national
 8 origin.

9 (3)~~(a)~~ The direct-support organization shall provide
 10 ~~make provisions~~ for an annual financial audit ~~of its financial~~
 11 ~~accounts to be conducted by an independent certified public~~
 12 ~~accountant in accordance with s. 215.98 generally accepted~~
 13 ~~accounting principles; provided that a direct-support~~
 14 ~~organization having less than \$25,000 in total assets may be~~
 15 ~~audited by the department. The annual audit report shall be~~
 16 ~~submitted to the Auditor General and to the department for~~
 17 ~~review within 2 months after the end of the direct-support~~
 18 ~~organization's fiscal year.~~

19 ~~(b) If the direct-support organization fails to submit~~
 20 ~~the audit report at the appropriate time, the Auditor General~~
 21 ~~may, pursuant to her or his own authority, conduct the audit,~~
 22 ~~or the Auditor General shall conduct the audit at the~~
 23 ~~direction of the Joint Legislative Auditing Committee, or the~~
 24 ~~department shall engage an independent certified public~~
 25 ~~accountant to conduct the audit. The direct-support~~
 26 ~~organization shall pay for the entire costs of the audit.~~

27 ~~(c) The Auditor General and the department shall have~~
 28 ~~the authority to require and receive from the organization or~~
 29 ~~from its independent auditor any detail or supplemental data~~
 30 ~~relative to the operation of the direct-support organization.~~

31

1 Section 113. Paragraph (d) of subsection (10) of
2 section 601.15, Florida Statutes, is amended to read:

3 601.15 Advertising campaign; methods of conducting;
4 excise tax; emergency reserve fund; citrus research.--

5 (10) The powers and duties of the Department of Citrus
6 include the following:

7 (d) To keep books, records, and accounts of all of its
8 activities ~~doings~~, which books, records, and accounts shall be
9 open to inspection, and audit, and examination by the Auditor
10 General and the Office of Program Policy Analysis and
11 Government Accountability at all times.

12 Section 114. Subsection (2) of section 616.263,
13 Florida Statutes, is amended to read:

14 616.263 Annual reports ~~and audit~~ of authority.--

15 (2) The authority shall at all times maintain proper
16 accounting systems and procedures and shall be subject to
17 audit ~~annual auditing~~ by the Auditor General ~~as provided in s.~~
18 ~~11.45.~~

19 Section 115. Subsection (4) of section 657.008,
20 Florida Statutes, is amended to read:

21 657.008 Place of doing business.--

22 (4) Any credit union organized under this state or
23 federal law, the members of which are presently, or were at
24 the time of admission into the credit union, employees of the
25 state or a political subdivision or municipality thereof, or
26 members of the immediate families of such employees, may apply
27 for space in any building owned or leased by the state or
28 respective political subdivision or municipality in the
29 community or district in which the credit union does business.
30 The application shall be addressed to the officer charged with
31 the allotment of space in such building. If space is

1 available, the officer may allot space to the credit union at
2 a reasonable charge for rent or services. If the governing
3 body having jurisdiction over the building determines that the
4 services rendered by the credit union to the employees of the
5 governing body are equivalent to a reasonable charge for rent
6 or services, available space may be allotted to the credit
7 union without charge for rent or services. ~~The officer~~
8 ~~charged with the allotment of space in such building shall~~
9 ~~report annually the terms and conditions of such use of space~~
10 ~~to the Auditor General.~~

11 Section 116. Subsection (5) of section 744.708,
12 Florida Statutes, is amended to read:

13 744.708 Reports and standards.--

14 (5) An independent audit by a qualified certified
15 public accountant shall be performed at least every 2 years.
16 The audit should include an investigation into the practices
17 of the office for managing the person and property of the
18 wards. A copy of the report shall be submitted to the
19 Statewide Public Guardianship Office. In addition, the office
20 of public guardian shall be subject to audits or examinations
21 by the Auditor General and the Office of Program Policy
22 Analysis and Government Accountability pursuant to law s-
23 11.45.

24 Section 117. Subsection (3) of section 943.25, Florida
25 Statutes, is amended to read:

26 943.25 Criminal justice trust funds; source of funds;
27 use of funds.--

28 (3) The Auditor General is directed in her or his
29 ~~financial~~ audit of courts to ascertain that such assessments
30 have been collected and remitted and shall report to the
31 Legislature ~~annually~~. All such records of the courts shall be

1 open for her or his inspection. The Auditor General is further
2 directed to conduct ~~financial~~ audits of the expenditures of
3 the trust funds and to report to the Legislature ~~annually~~.
4 Such audits shall be conducted in accordance with s. 11.45.

5 Section 118. Section 943.2569, Florida Statutes, is
6 amended to read:

7 943.2569 Annual audits of each center.--Each center
8 shall provide for contract with an independent certified
9 ~~public accountant to conduct annual financial audit and a~~
10 management letter as defined in s. 11.45 ~~audits of the center.~~
11 ~~Each audit must comply with the rules of the Auditor General~~
12 ~~for fiscal audits.~~

13 Section 119. Paragraph (c) of subsection (2) of
14 section 944.512, Florida Statutes, is amended to read:

15 944.512 State lien on proceeds from literary or other
16 type of account of crime for which convicted.--

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

19 (c) After payments have been made pursuant to
20 paragraph (a) or paragraph (b), an amount equal to pay all
21 court costs in the prosecution of the convicted felon, which
22 shall include, but not be limited to, jury fees and expenses,
23 court reporter fees, and reasonable per diem for the
24 prosecuting attorneys for the state, shall go to the General
25 Revenue Fund. Additional costs shall be assessed for the
26 computed per capita cost of imprisonment or supervision by the
27 state or county correctional system. Such costs shall be
28 determined and certified by the prosecuting attorney and the
29 imprisoning entity and subject to review by the Auditor
30 General.

31

1 Section 120. Subsection (3) of section 944.719,
2 Florida Statutes, is amended to read:

3 944.719 Adoption of rules, monitoring, and
4 reporting.--

5 (3) The private vendor shall provide a work area at
6 the private correctional facility for use by the contract
7 monitor appointed by the department and shall provide the
8 monitor with access to all data, reports, and other materials
9 that the monitor, ~~and~~ the Auditor General, and the Office of
10 Program Policy Analysis and Government Accountability
11 determine are necessary to carry out monitoring and auditing
12 responsibilities.

13 Section 121. Subsection (3) of section 944.802,
14 Florida Statutes, is amended to read:

15 944.802 Direct-support organization; definition; use
16 of property; board of directors; audit.--

17 (3) ANNUAL AUDIT.--~~The direct-support organization~~
18 ~~shall provide make provision for an any annual financial audit~~
19 ~~postaudit of its financial accounts to be conducted by an~~
20 ~~independent certified public accountant in accordance with s.~~
21 ~~215.98 rules to be promulgated by the Department of~~
22 ~~Corrections. The annual audit report shall include a~~
23 ~~management letter and shall be submitted to the Auditor~~
24 ~~General and the Department of Corrections for review. The~~
25 ~~Department of Corrections and the Auditor General have the~~
26 ~~authority to require and receive from the organization or from~~
27 ~~its independent auditor any detail or supplemental data~~
28 ~~relative to the operation of the organization.~~

29 Section 122. Section 946.31, Florida Statutes, is
30 amended to read:

31

1 946.31 Sources of fund.--If any general service
2 operation of an institution is transferred to the work program
3 operation by the Department of Corrections, all assets and
4 liabilities of such operation shall become a part of the
5 Correctional Work Program Trust Fund. All income, receipts,
6 earnings, and profits from work programs operated by the
7 department shall be credited to the Correctional Work Program
8 Trust Fund, to be used for the purposes set forth; however, if
9 the earned surplus in the fund at the end of any fiscal year
10 exceeds \$5 million, one-half of such amount ~~as is determined~~
11 ~~by the Auditor General to be~~ in excess of this amount shall be
12 deposited in the General Revenue Fund, and the other half
13 shall be used by the department for the expansion and
14 improvement of inmate work programs.

15 Section 123. Subsection (3) of section 948.15, Florida
16 Statutes, is amended to read:

17 948.15 Misdemeanor probation services.--

18 (3) Any private entity providing services for the
19 supervision of misdemeanor probationers must contract with the
20 county in which the services are to be rendered. In a county
21 with a population of less than 70,000, the county court judge,
22 or the administrative judge of the county court in a county
23 that has more than one county court judge, must approve the
24 contract. Terms of the contract must state, but are not
25 limited to:

26 (a) The extent of the services to be rendered by the
27 entity providing supervision or rehabilitation.

28 (b) Staff qualifications and criminal record checks of
29 staff in accordance with essential standards established by
30 the American Correctional Association as of January 1, 1991.

31 (c) Staffing levels.

1 (d) The number of face-to-face contacts with the
2 offender.

3 (e) Procedures for handling the collection of all
4 offender fees and restitution.

5 (f) Procedures for handling indigent offenders which
6 ensure placement irrespective of ability to pay.

7 (g) Circumstances under which revocation of an
8 offender's probation may be recommended.

9 (h) Reporting and recordkeeping requirements.

10 (i) Default and contract termination procedures.

11 (j) Procedures that aid offenders with job assistance.
12

13 In addition, the entity shall supply the chief judge's office
14 with a quarterly report summarizing the number of offenders
15 supervised by the private entity, payment of the required
16 contribution under supervision or rehabilitation, and the
17 number of offenders for whom supervision or rehabilitation
18 will be terminated. All records of the entity must be open to
19 inspection upon the request of the county, the court, the
20 Auditor General, the Office of Program Policy Analysis and
21 Government Accountability, or agents thereof.

22 Section 124. Section 957.07, Florida Statutes, is
23 amended to read:

24 957.07 Cost-saving requirements.--The commission may
25 not enter into a contract or series of contracts unless the
26 commission determines that the contract or series of contracts
27 in total for the facility will result in a cost savings to the
28 state of at least 7 percent over the public provision of a
29 similar facility. Such cost savings as determined by the
30 commission must be based upon the actual costs associated with
31 the construction and operation of similar facilities or

1 services as determined by the Department of Corrections and
2 ~~certified to the commission~~ by the Auditor General. ~~In~~
3 ~~certifying the actual costs for the determination of the cost~~
4 ~~savings required by this section,~~The Department of
5 Corrections Auditor General shall calculate all of the cost
6 components that determine the inmate per diem in correctional
7 facilities of a substantially similar size, type, and location
8 that are operated by the department, including ~~all~~
9 administrative costs associated with central administration.
10 Services that are provided to the department by other
11 governmental agencies at no direct cost to the department
12 shall be assigned an equivalent cost and included in the per
13 diem. Reasonable projections of payments of any kind to the
14 state or any political subdivision thereof for which the
15 private entity would be liable because of its status as
16 private rather than a public entity, including, but not
17 limited to, corporate income and sales tax payments, shall be
18 included as cost savings in all such determinations. In
19 addition, the costs associated with the appointment and
20 activities of each contract monitor shall be included in such
21 determination. In counties where the Department of Corrections
22 pays its employees a competitive area differential, the cost
23 for the public provision of a similar correctional facility
24 may include the competitive area differential paid by the
25 department. The Department of Corrections Auditor General
26 shall provide a report detailing the state cost to design,
27 finance, acquire, lease, construct, and operate a facility
28 similar to the private correctional facility on a per diem
29 basis. This report shall be provided to the Auditor General
30 ~~commission~~ in sufficient time that it may be certified to the
31 commission to be included in the request for proposals.

1 Section 125. Section 957.11, Florida Statutes, is
2 amended to read:

3 957.11 Evaluation of costs and benefits of
4 contracts.--The Office of Program Policy Analysis and
5 Government Accountability Auditor General shall develop and
6 implement an evaluation of the costs and benefits of each
7 contract entered into under this chapter. This evaluation
8 must include a comparison of the costs and benefits of
9 constructing and operating prisons by the state versus by
10 private contractors. The Office of Program Policy Analysis
11 and Government Accountability Auditor General shall also
12 evaluate the performance of the private contractor at the end
13 of the term of each management contract and make
14 recommendations to the Speaker of the House of Representatives
15 and the President of the Senate on whether to continue the
16 contract.

17 Section 126. Subsection (4) of section 960.002,
18 Florida Statutes, is amended to read:

19 960.002 Direct-support organization to assist victims
20 of adult and juvenile crime.--

21 (4) The direct-support organization shall provide ~~make~~
22 ~~provisions~~ for an annual financial ~~and compliance~~ audit of ~~its~~
23 ~~financial accounts and records by an independent certified~~
24 ~~public accountant~~ in accordance with s. 215.98 ~~rules~~
25 ~~established by the Governor. The annual audit report shall be~~
26 ~~submitted to the Governor for review and approval. Upon~~
27 ~~approval, the Governor shall certify the audit report to the~~
28 ~~Auditor General for review and approval.~~

29 Section 127. Paragraph (a) of subsection (1) of
30 section 985.311, Florida Statutes, is amended to read:

31

1 985.311 Intensive residential treatment program for
2 offenders less than 13 years of age.--

3 (1) ASSESSMENT AND TREATMENT SERVICES.--Pursuant to
4 the provisions of this chapter and the establishment of
5 appropriate program guidelines and standards, contractual
6 instruments, which shall include safeguards of all
7 constitutional rights, shall be developed for intensive
8 residential treatment programs for offenders less than 13
9 years of age as follows:

10 (a) The department shall provide for:

11 1. The oversight of implementation of assessment and
12 treatment approaches.

13 2. The identification and prequalification of
14 appropriate individuals or not-for-profit organizations,
15 including minority individuals or organizations when possible,
16 to provide assessment and treatment services to intensive
17 offenders less than 13 years of age.

18 3. The monitoring and evaluation of assessment and
19 treatment services for compliance with the provisions of this
20 chapter and all applicable rules and guidelines pursuant
21 thereto.

22 4. The development of an annual report on the
23 performance of assessment and treatment to be presented to the
24 Governor, the Attorney General, the President of the Senate,
25 the Speaker of the House of Representatives, ~~and~~ the Auditor
26 General, and the Office of Program Policy Analysis and
27 Government Accountability no later than January 1 of each
28 year.

29 Section 128. Subsection (6) of section 985.4145,
30 Florida Statutes, is amended to read:

31

1 985.4145 Direct-support organization; definition; use
2 of property; board of directors; audit.--

3 (6) The direct-support organization shall provide for
4 an annual financial audit and ~~compliance postaudit of its~~
5 ~~financial accounts and records by an independent certified~~
6 ~~public accountant~~ in accordance with s. 215.98 ~~rules of the~~
7 ~~Auditor General. The annual audit report must include a~~
8 ~~management letter and must be submitted to the Auditor General~~
9 ~~and the department for review. The department and the Auditor~~
10 ~~General may require and receive from the direct-support~~
11 ~~organization, or from its independent auditor, any detail or~~
12 ~~supplemental data relative to the operation of the~~
13 ~~organization.~~

14 Section 129. Subsection (3) of section 985.416,
15 Florida Statutes, is amended to read:

16 985.416 Innovation zones.--The department shall
17 encourage each of the juvenile justice circuit boards to
18 propose at least one innovation zone within the circuit for
19 the purpose of implementing any experimental, pilot, or
20 demonstration project that furthers the legislatively
21 established goals of the department. An innovation zone is a
22 defined geographic area such as a circuit, commitment region,
23 county, municipality, service delivery area, school campus, or
24 neighborhood providing a laboratory for the research,
25 development, and testing of the applicability and efficacy of
26 model programs, policy options, and new technologies for the
27 department.

28 (3) Before implementing an innovation zone under this
29 subsection, the secretary shall, in conjunction with the
30 Office of Program Policy Analysis and Government
31 Accountability ~~Auditor General~~, develop measurable and valid

1 objectives for such zone within a negotiated reasonable period
 2 of time. Moneys designated for an innovation zone in one
 3 operating circuit may not be used to fund an innovation zone
 4 in another operating circuit.

5 Section 130. Sections 11.149 and 11.46; paragraph (e)
 6 of subsection (2) of section 125.901; paragraph (1) of
 7 subsection (2) of section 215.56005; section 216.2815;
 8 subsection (23) of section 218.415; subsection (11) of section
 9 228.053; subsection (6) of section 228.082; subsection (3) of
 10 section 253.037; section 265.607; subsection (2) of section
 11 288.906; sections 288.9616 and 298.65; subsection (3) of
 12 section 331.419; sections 339.413, 348.69, and 373.589;
 13 subsection (3) of section 374.987; subsection (8) of section
 14 380.510; sections 388.331 and 400.335; subsection (14) of
 15 section 403.1837; paragraph (i) of subsection (14) of section
 16 440.49; subsection (14) of section 517.1204; and sections
 17 570.912, 581.195, 589.013, and 590.612, Florida Statutes, are
 18 repealed.

19 Section 131. Subsection (2) of section 189.4042,
 20 Florida Statutes, is amended to read:

21 189.4042 Merger and dissolution procedures.--

22 (2) The merger or dissolution of an independent
 23 special district or a dependent district created and operating
 24 pursuant to a special act may only be effectuated by the
 25 Legislature unless otherwise provided by general law. If an
 26 inactive independent district was created by a county or
 27 municipality through a referendum, the county or municipality
 28 that created the district may ~~merge or~~ dissolve the district
 29 after publishing notice as described in s. 189.4044. If an
 30 independent district was created by a county or municipality
 31 by referendum or any other procedure, the county or

1 municipality that created the district may merge or dissolve
2 the district pursuant to the same procedure by which the
3 independent district was created. ~~However, for any such~~
4 independent district that has ad valorem taxation powers, the
5 same procedure required to grant such independent district ad
6 valorem taxation powers shall also be required to dissolve or
7 merge the district.

8 Section 132. Paragraph (b) of subsection (1) of
9 section 189.4044, Florida Statutes, is amended to read:

10 189.4044 Special procedures for inactive districts.--

11 (1) The department shall declare inactive any special
12 district in this state by filing a report with the Speaker of
13 the House of Representatives and the President of the Senate
14 which shows that such special district is no longer active.
15 The inactive status of the special district must be based upon
16 a finding:

17 (b) That a notice of the proposed declaration has been
18 published once a week for 2 ~~4~~ weeks in a newspaper of general
19 circulation within the county or municipality wherein the
20 territory of the special district is located, stating the name
21 of said special district, the law under which it was organized
22 and operating, a general description of the territory included
23 in said special district, and stating that any objections to
24 the proposed declaration or to any claims against the assets
25 of said special district shall be filed not later than 60 days
26 following the date of last publication with the department;
27 and

28 Section 133. Subsections (3), (4) and (6) of s.
29 189.418, Florida Statutes, are amended and subsection (5) of
30 s. 189.418, Florida Statutes, is created to read:

31 189.418 Reports; budgets; audits.--

1 (1) When a new special district is created, the
 2 district must forward to the department, within 30 days after
 3 the adoption of the special act, rule, ordinance, resolution,
 4 or other document that provides for the creation of the
 5 district, a copy of the document. In addition to the document
 6 or documents that create the district, the district must also
 7 submit a map of the district, showing any municipal boundaries
 8 that cross the district's boundaries, and any county lines if
 9 the district is located in more than one county. The
 10 department must notify the local government or other entity
 11 and the district within 30 days after receipt of the document
 12 or documents that create the district as to whether the
 13 district has been determined to be dependent or independent.

14 (2) Any amendment, modification, or update of the
 15 document by which the district was created, including changes
 16 in boundaries, must be filed with the department within 30
 17 days after adoption. The department may initiate proceedings
 18 against special districts as provided in ss. 189.421 and
 19 189.422 for failure to file the information required by this
 20 subsection.

21 (3) The governing body of each special district shall
 22 adopt a budget by resolution each fiscal year. The total
 23 amount available from taxation and other sources, including
 24 amounts carried over from prior fiscal years, must equal the
 25 total of appropriations for expenditures and reserves. The
 26 adopted budget must regulate expenditures of the special
 27 district, and it is unlawful for any officer of a special
 28 district to expend or contract for expenditures in any fiscal
 29 year except in pursuance of budgeted appropriations.

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1 ~~(3) Each special district shall file with the local~~
2 ~~general-purpose governing authority or authorities within the~~
3 ~~geographic boundaries of the district a copy of:~~

4 ~~(a) The reports required by ss. 218.32 and 218.34;~~

5 ~~(b) A complete description of all new bonds as~~
6 ~~provided in s. 218.38(1); and~~

7 ~~(c) A map of the district and any subsequent boundary~~
8 ~~changes.~~

9 (4) The proposed budget of a dependent special
10 district shall be presented in accordance with generally
11 accepted accounting principles, contained within the general
12 budget of the local governing authority, and be clearly stated
13 as the budget of the dependent district. However, with the
14 concurrence of the local governing authority, a dependent
15 district may be budgeted separately.

16 ~~(4) Each special district shall make provisions for an~~
17 ~~annual independent postaudit of its financial records as~~
18 ~~provided in s. 11.45. A copy of the audit shall be filed with~~
19 ~~the local governing authority or authorities.~~

20 (5) A local governing authority may, in its
21 discretion, review the budget or tax levy of any special
22 district located solely within its boundaries.

23 (6) All reports or information required to be filed
24 with a local governing authority under ss. ~~11.45~~, 189.416,
25 189.417, 218.32, and 218.39 ~~218.34~~ and this section shall:

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

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

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1 (c) When the local governing authority is a
2 municipality, be filed at the place designated by the
3 municipal governing body.

4 Section 134. Section 189.419, Florida Statutes, is
5 amended to read:

6 189.419 Effect of failure to file certain reports or
7 information.--

8 (1) If a special district fails to file the reports or
9 information required under ~~s. 11.45~~ s. 189.415, s. 189.416, s.
10 189.417, s. 189.418, s. 218.32, or s. 218.39 ~~s. 218.34~~ and a
11 description of all new bonds as provided in s. 218.38(1) with
12 the local governing authority, the person authorized to
13 receive and read the reports or information shall notify the
14 district's registered agent and the appropriate local
15 governing authority or authorities. At any time, the governing
16 authority may grant an extension of time for filing the
17 required reports or information, except that an extension may
18 not exceed 30 days.

19 (2) If at any time the local governing authority or
20 authorities or the board of county commissioners determines
21 that there has been an unjustified failure to file the reports
22 or information described in subsection (1), it may petition
23 the department to initiate proceedings against the special
24 district in the manner provided in s. 189.421.

25 (3) If a special district fails to file the reports or
26 information required under ~~s. 11.45~~, s. 218.32, ~~s. 218.34~~, or
27 s. 218.38, or s. 218.39 with the appropriate state agency, the
28 agency shall notify the department, and the department may
29 initiate proceedings against the special district in the
30 manner provided in s. 189.421 or assess fines of not more than
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1 \$25, with an aggregate total not to exceed \$50, when formal
2 inquiries do not resolve the noncompliance.

3 Section 135. Section 189.429, Florida Statutes, is
4 amended to read:

5 189.429 Codification.--

6 (1) Each district, by December 1, 2004, shall submit
7 to the Legislature a draft codified charter, at its expense,
8 so that its special acts may be codified into a single act for
9 reenactment by the Legislature, if there is more than one
10 special act for the district. The Legislature may adopt a
11 schedule for individual district codification. Any codified
12 act relating to a district, which act is submitted to the
13 Legislature for reenactment, shall provide for the repeal of
14 all prior special acts of the Legislature relating to the
15 district. The codified act shall be filed with the department
16 pursuant to s. 189.418(2).

17 (2) The reenactment of existing law under this section
18 shall not be construed as a grant of additional authority nor
19 to supersede the authority of any entity pursuant to law.
20 Exceptions to law contained in any special act that are
21 reenacted pursuant to this section shall continue to apply.

22 (3) The reenactment of existing law under this section
23 shall not be construed to modify, amend, or alter any
24 covenants, contracts, or other obligations of any district
25 with respect to bonded indebtedness. Nothing pertaining to
26 the reenactment of existing law under this section shall be
27 construed to affect the ability of any district to levy and
28 collect taxes, assessments, fees, or charges for the purpose
29 of redeeming or servicing bonded indebtedness of the district.

30 Section 136. Section 218.34, Florida Statutes, is
31 repealed.

1 Section 137. This act shall take effect upon becoming
2 a law.
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