

1
2 An act relating to government accountability
3 and legal proceedings; amending s. 11.066,
4 F.S.; providing that property of the state or a
5 monetary recovery made on behalf of the state
6 is not subject to a lien; amending s. 112.3175,
7 F.S.; providing that certain contracts executed
8 in violation of part III of ch. 112, F.S., are
9 presumed void or voidable; amending s. 287.058,
10 F.S.; clarifying current requirement that
11 contractor on certain state contracts must
12 allow access to public records unless the
13 records are exempt; amending s. 287.059, F.S.;
14 providing additional requirements for contracts
15 for private attorney services; providing
16 requirements for contingency fee contracts;
17 providing for binding arbitration in fee
18 disputes; providing requirements if multiple
19 law firms are parties to a contract; providing
20 requirements for private attorneys with respect
21 to maintaining documents and records and making
22 such documents and records available for
23 inspection; creating s. 60.08, F.S.; providing
24 for injunctions without bond when sought by the
25 state or its agencies; amending s. 16.01, F.S.;
26 clarifying that certain provisions are not
27 intended to authorize the joinder of the
28 Attorney General as party; amending s. 48.121,
29 F.S.; clarifying that the section is not
30 intended to authorize the joinder of the
31 Attorney General or a state attorney as a

1 party; amending s. 45.062, F.S.; providing
2 additional requirements with respect to
3 notification of certain settlements or orders;
4 providing that certain settlements or orders
5 shall be contingent upon and subject to
6 legislative appropriation or statutory
7 amendment; providing for the disposition of
8 funds; providing legislative intent; amending
9 s. 216.023, F.S.; providing for an inventory of
10 all litigation in which an agency is involved
11 which may require additional appropriations to
12 the agency or amendments to the law under which
13 the agency operates as a part of legislative
14 budget requests; amending s. 284.385, F.S. ;
15 revising provisions relating to the reporting
16 and handling of claims by the Department of
17 Insurance covered by the State Risk Management
18 Trust Fund; amending s. 45.051, F.S. ;
19 authorizing the Division of Risk Management to
20 enter into indemnification agreements for
21 supersedeas bonds; amending s. 11.40, F.S. ;
22 authorizing the Legislative Auditing Committee
23 to direct the Auditor General and the Office of
24 Program Policy Analysis and Government
25 Accountability to conduct audits, reviews, and
26 examinations of certain entities; authorizing
27 the Legislative Auditing Committee to conduct
28 investigations; authorizing the Legislative
29 Auditing Committee to hold hearings; amending
30 s. 11.42, F.S. ; revising the requirements to
31 become Auditor General; transferring report

1 requirement; revising the employment
2 restrictions for employees of the Auditor
3 General; exempting the Auditor General from
4 certain provisions; amending s. 11.45, F.S.;
5 revising definitions; providing for duties of
6 the Auditor General; transferring certain
7 district school board authority; transferring
8 the requirement that a charter school provide
9 for an annual financial audit; transferring the
10 requirement that certain district school boards
11 have certain financial audits; providing for
12 authority of the Auditor General; providing for
13 scheduling and staffing of audits conducted by
14 the Auditor General; requiring the Legislative
15 Auditing Committee to direct an audit of a
16 municipality by the Auditor General under
17 certain circumstances; authorizing a local
18 governmental entity to request an audit by the
19 Auditor General; transferring the requirement
20 that the Office of Program Policy Analysis and
21 Government Accountability maintain a schedule
22 of performance audits; deleting the requirement
23 that the Office of Program Policy Analysis and
24 Government Accountability identify and comment
25 upon certain alternatives in conducting a
26 performance audit; transferring a report
27 distribution requirement; transferring the
28 annual financial auditing provisions related to
29 local governmental entities; transferring the
30 auditor selection procedures for local
31 governmental entities, district school boards,

1 and charter schools; transferring the penalty
2 provisions for failure to file an annual
3 financial audit; providing for Auditor General
4 reporting requirements; transferring the
5 penalty provisions for failure by a local
6 governmental entity to pay for the cost of an
7 audit by the Auditor General; transferring the
8 Legislative Auditing Committee's authority to
9 conduct investigations; deleting the content
10 required within an audit report issued by the
11 Auditor General; deleting the requirement that
12 an agency head must file a report; deleting a
13 report issued by the Auditor General and the
14 Office of Program Policy Analysis and
15 Government Accountability; transferring the
16 authority for district school boards and
17 district boards of trustees of community
18 colleges for performance audits and financial
19 audits; amending s. 11.47, F.S.; requiring
20 certain officers to provide the Office of
21 Program Policy Analysis and Government
22 Accountability with information; requiring the
23 staff of the Office of Program Policy Analysis
24 and Government Accountability to make proper
25 examinations; providing criminal penalties for
26 false reports; providing penalties for persons
27 who fail to provide the Office of Program
28 Policy Analysis and Government Accountability
29 with records; amending s. 11.51, F.S.;
30 redefining the duties of the office;
31 eliminating the provision requiring the Auditor

1 General to provide administrative support for
2 the office; requiring the office to maintain a
3 schedule of examinations; providing authority
4 to the office to examine certain programs;
5 requiring the office to deliver preliminary
6 findings; providing deadlines for responses to
7 preliminary findings; requiring the office to
8 conduct followup reports; amending s. 11.511,
9 F.S.; redefining the duties of the director of
10 the Office of Program Policy Analysis and
11 Government Accountability; revising employment
12 restrictions for the office staff; providing
13 for postponement of examinations; amending s.
14 11.513, F.S.; correcting cross references;
15 transferring the authority of the Legislative
16 Auditing Committee; transferring and rewording
17 the authority of the director of the Office of
18 Program Policy Analysis and Government
19 Accountability to postpone projects; amending
20 ss. 14.29, 20.2551, 288.1226, 320.08058, and
21 943.2569, F.S.; providing for audits of
22 programs; amending s. 20.055, F.S.;
23 transferring the review of state agencies'
24 internal audit reports conducted by the Auditor
25 General; providing responsibilities to
26 agencies' inspectors general; amending ss.
27 24.105, 39.202, 119.07, 195.084, 213.053,
28 944.719, and 948.15, F.S.; providing authority
29 to the Office of Program Policy Analysis and
30 Government Accountability to access
31 confidential records; amending s. 24.120, F.S.;

1 requiring the Department of the Lottery to
2 provide access to the facilities of the
3 department to the Office of Program Policy
4 Analysis and Government Accountability;
5 amending s. 27.3455, F.S.; deleting a reporting
6 requirement; correcting cross references;
7 amending ss. 30.51, 116.07, 122.03, 122.08,
8 145.022, 145.14, 154.331, 206.60, 212.08,
9 290.0056, 403.864, 657.008, and 946.31, F.S.;
10 deleting obsolete provisions; amending ss.
11 110.109, 216.177, 216.178, 216.292, 334.0445,
12 and 985.311, F.S.; designating the Office of
13 Program Policy Analysis and Government
14 Accountability as a recipient of information;
15 amending s. 112.313, F.S.; expanding the
16 definition of employees subject to
17 postemployment restrictions to include the
18 director of the Office of Program Policy
19 Analysis and Government Accountability;
20 amending s. 112.324, F.S.; expanding the list
21 of persons subject to consequences regarding a
22 breach of public trust to include the director
23 and staff of the Office of Program Policy
24 Analysis and Government Accountability;
25 amending ss. 112.63, 175.261, 185.221,
26 189.4035, 189.412, 189.418, 189.419, 215.94,
27 230.23025, and 311.07, F.S.; correcting cross
28 references; amending s. 125.01, F.S.; deleting
29 a requirement that the Auditor General retain
30 county audit reports for a specific period of
31 time; amending ss. 154.11, 253.025, and

1 259.041, F.S.; revising provisions related to
2 the Auditor General; amending s. 163.356, F.S.;
3 deleting the Auditor General from the list of
4 entities receiving a report from a community
5 redevelopment agency; amending s. 189.428,
6 F.S.; revising the criteria to be utilized by a
7 local government conducting an oversight review
8 of a special district; amending ss. 193.074 and
9 196.101, F.S.; requiring the Office of Program
10 Policy Analysis and Government Accountability
11 to maintain confidentiality of records;
12 amending ss. 195.096, 228.056, 228.505, 455.32,
13 and 471.038, F.S.; revising provisions related
14 to certain audits; amending s. 215.44, F.S.;
15 deleting the requirement that the Auditor
16 General annually audit the State Board of
17 Administration; revising provisions related to
18 an examination by the Office of Program Policy
19 Analysis and Government Accountability;
20 creating s. 215.86, F.S.; providing for
21 management systems and controls for state
22 agencies; creating s. 215.98, F.S.; providing
23 for audits of direct-support organizations and
24 citizen support organizations; amending ss.
25 229.8021, 237.40, 240.299, 240.2995, 240.331,
26 240.3315, 240.5285, 240.711, 250.115, 266.0018,
27 267.17, 288.1229, 288.809, 372.0215, 413.615,
28 413.87, 446.609, 944.802, 960.002, and
29 985.4145, F.S.; providing for audits of
30 direct-support organizations and citizen
31 support organizations; amending s. 218.31,

1 F.S.; providing additional definitions;
2 amending s. 218.32, F.S.; providing that
3 certain entities file an audit report with the
4 Department of Banking and Finance; correcting a
5 cross reference; providing for the Department
6 of Banking and Finance to prescribe the format
7 of local governmental entities that are
8 required to provide for certain audits;
9 transferring the penalty provisions relating to
10 failure of a local governmental entity to file
11 an annual financial report with the Department
12 of Banking and Finance; amending s. 218.33,
13 F.S.; revising provisions related to the
14 establishment of uniform accounting practices
15 and procedures; amending s. 218.38, F.S.;
16 transferring penalty provisions for failure to
17 verify or provide information to the Division
18 of Bond Finance within the State Board of
19 Administration; creating s. 218.39, F.S.;
20 providing for audits of local governmental
21 entities, district school boards, charter
22 schools, and charter technical career centers;
23 providing for the format of county audits;
24 authorizing dependent special districts to be
25 included within the audit of a county or
26 municipality; prohibiting an independent
27 special district from being included within the
28 audit of a county or municipality; providing
29 for a management letter within each audit
30 report; providing for discussion of the
31 auditor's findings and recommendations;

1 providing for a response to the auditor's
2 findings and recommendations; requiring that a
3 predecessor auditor of a district school board
4 provide the Auditor General with access to the
5 prior year's working papers; requiring certain
6 audits to be conducted in accordance with rules
7 adopted by the Auditor General; creating s.
8 218.391, F.S.; providing for auditor selection
9 procedures; amending s. 218.415, F.S.;
10 correcting a cross reference; transferring
11 responsibilities of the Auditor General;
12 transferring penalty provisions; amending s.
13 228.093, F.S.; providing authority to the
14 Office of Program Policy Analysis and
15 Government Accountability to access records;
16 requiring the Office of Program Policy Analysis
17 and Government Accountability to maintain
18 confidentiality of records; requiring the
19 office to destroy personally identifiable data
20 under certain circumstances; amending s.
21 230.23, F.S.; authorizing school boards to
22 employ an internal auditor; authorizing school
23 boards to hire independent certified public
24 accountants; amending s. 240.214, F.S.;
25 clarifying that accountability reports are to
26 be designed in consultation with the Office of
27 Program Policy Analysis and Government
28 Accountability; amending s. 240.311, F.S.;
29 providing authority to the Office of Program
30 Policy Analysis and Government Accountability
31 to require and receive supplemental data;

1 creating s. 240.3631, F.S.; authorizing
2 district boards of trustees of community
3 colleges to hire an independent certified
4 public accountant to conduct audits; amending
5 s. 240.512, F.S.; providing authority to the
6 Office of Program Policy Analysis and
7 Government Accountability to require and
8 receive supplemental data; providing authority
9 to the Office of Program Policy Analysis and
10 Government Accountability to access
11 confidential records; requiring the office to
12 maintain confidentiality; amending s. 240.551,
13 F.S.; providing for audits of direct-support
14 organizations; deleting a paragraph which
15 provides for audits of direct-support
16 organizations; amending ss. 240.609, 288.9517,
17 296.17, 296.41, 403.1826, 550.125, 601.15, and
18 744.708, F.S.; providing authority to the
19 Office of Program Policy Analysis and
20 Government Accountability to examine programs;
21 amending s. 290.015, F.S.; providing
22 responsibilities to the Office of Program
23 Policy Analysis and Government Accountability
24 regarding the Florida Enterprise Zone Act of
25 1994; amending ss. 320.023, 320.08062, and
26 322.081, F.S.; deleting provisions related to
27 audits of certain organizations; requiring
28 annual attestations of certain organizations;
29 transferring the Auditor General's authority to
30 conduct audits; amending s. 339.406, F.S.;
31 revising provisions related to audits of

1 transportation corporations; providing the
2 Department of Transportation and the Auditor
3 General with the authority to conduct audits of
4 transportation corporations; amending s.
5 365.171, F.S.; revising the provision related
6 to auditing the 911 fees; correcting a cross
7 reference; amending s. 373.45926, F.S.;
8 replacing certain terms; amending s. 373.507,
9 F.S.; deleting an obsolete provision;
10 correcting a cross reference; providing for the
11 distribution of audits of water management
12 districts; amending ss. 402.73, 411.01, and
13 413.88, F.S.; deleting provisions related to an
14 audit by the Auditor General; amending s.
15 403.8532, F.S.; replacing certain terms;
16 amending s. 411.221, F.S.; adding reports
17 issued by the Office of Program Policy Analysis
18 and Government Accountability to the
19 information considered in strategic plan
20 revisions; amending s. 570.903, F.S.;
21 transferring the authority for certain
22 direct-support organizations to conduct
23 business; providing for audits of
24 direct-support organizations; amending s.
25 616.263, F.S.; providing the Auditor General
26 with the authority to conduct audits; amending
27 s. 943.25, F.S.; providing for the conduct of
28 audits of the criminal justice trust fund;
29 amending s. 944.512, F.S.; providing that
30 certain costs are to be certified by a
31 prosecuting attorney and an imprisoning entity

1 and subject to review by the Auditor General;
2 amending s. 957.07, F.S.; providing
3 responsibilities for the Department of
4 Corrections and the Auditor General; amending
5 ss. 957.11 and 985.416, F.S.; transferring
6 duties from the Auditor General to the Office
7 of Program Policy Analysis and Government
8 Accountability; repealing s. 11.149, F.S.,
9 relating to nonapplication of certain
10 provisions to the Legislative Auditing
11 Committee or the Auditor General; repealing s.
12 11.46, F.S., relating to accounting procedures;
13 repealing s. 125.901(2)(e), F.S., relating to
14 audits of independent special districts related
15 to children's services; repealing ss.
16 215.56005(2)(1), 216.2815, 228.053(11),
17 228.082(6), 253.037(3), 288.906(2), 288.9616,
18 298.65, 348.69, 374.987(3), 380.510(8),
19 400.335, 403.1837(14), 440.49(14)(i), and
20 517.1204(14), F.S., relating to authority of
21 the Auditor General to conduct audits;
22 repealing s. 218.415(23), F.S., relating to
23 local government investments; repealing s.
24 265.607, F.S., relating to audits of local
25 cultural sponsoring organizations; repealing s.
26 331.419(3), F.S.; deleting obsolete provisions;
27 repealing s. 339.413, F.S., relating to audits
28 of transportation corporations; repealing s.
29 373.589, F.S., relating to audits of water
30 management districts; repealing s. 388.331,
31 F.S., relating to audits of mosquito control

1 districts and mosquito control programs;
2 repealing ss. 570.912, 581.195, 589.013, and
3 590.612, F.S., relating to direct support
4 organizations within the Department of
5 Agriculture; amending s. 189.4042, F.S.;
6 providing that an inactive independent special
7 district that was created by a county or
8 municipality through a referendum may be
9 dissolved by the county or municipality after
10 publication of notice as required for the
11 declaration of the inactive status of a special
12 district; amending s. 189.4044, F.S.; reducing
13 the number of weeks such notice of declaration
14 of inactive status must be published; amending
15 s. 189.418, F.S.; providing that a dependent
16 special district may only be budgeted
17 separately with concurrence of the local
18 governing authority upon which said dependent
19 special district is dependent; deleting a
20 requirement that the proposed budget of an
21 independent special district located in one
22 county be filed with the county; deleting
23 requirements for each special district to file
24 certain reports, information, and audits with
25 the local governing authority; amending s.
26 189.419, F.S., to conform; amending s. 189.429,
27 F.S.; providing the effect of the reenactment
28 of existing law pursuant to the required
29 codification of a special district charter;
30 repealing s. 218.34, F.S., which provides for
31 special district financial matters; amending s.

1 121.055, F.S.; providing for mandatory
2 participation of assistant attorneys general in
3 the Senior Management Service Class; providing
4 an appropriation; providing for severability;
5 providing an effective date.

6
7 Be It Enacted by the Legislature of the State of Florida:

8
9 Section 1. Subsection (5) is added to section 11.066,
10 Florida Statutes, to read:

11 11.066 Suits seeking monetary damages against the
12 state or its agencies; payment of judgments; appropriations
13 required.--

14 (5) The property of the state, the property of any
15 state agency, or any monetary recovery made on behalf of the
16 state or any state agency is not subject to a lien of any
17 kind.

18 Section 2. Section 112.3175, Florida Statutes, is
19 amended to read:

20 112.3175 Remedies; contracts voidable.--

21 (1) Any contract that ~~which~~ has been executed in
22 violation of this part is voidable:

23 (a)~~(1)~~ By any party to the contract.

24 (b)~~(2)~~ In any circuit court, by any appropriate
25 action, by:

26 1.~~(a)~~ The commission.

27 2.~~(b)~~ The Attorney General.

28 3.~~(c)~~ Any citizen materially affected by the contract
29 and residing in the jurisdiction represented by the officer or
30 agency entering into such contract.

31

1 (2) Any contract that has been executed in violation
2 of this part is presumed void with respect to any former
3 employee or former public official of a state agency and is
4 voidable with respect to any private-sector third party who
5 employs or retains in any capacity such former agency employee
6 or former public official.

7 Section 3. Subsection (1) of section 287.058, Florida
8 Statutes, is amended to read:

9 287.058 Contract document.--

10 (1) Every procurement of contractual services in
11 excess of the threshold amount provided in s. 287.017 for
12 CATEGORY TWO, except for the providing of health and mental
13 health services or drugs in the examination, diagnosis, or
14 treatment of sick or injured state employees or the providing
15 of other benefits as required by the provisions of chapter
16 440, shall be evidenced by a written agreement embodying all
17 provisions and conditions of the procurement of such services,
18 which provisions and conditions shall, where applicable,
19 include, but shall not be limited to:

20 (a) A provision that bills for fees or other
21 compensation for services or expenses be submitted in detail
22 sufficient for a proper preaudit and postaudit thereof.

23 (b) A provision that bills for any travel expenses be
24 submitted in accordance with s. 112.061. A state agency may
25 establish rates lower than the maximum provided in s. 112.061.

26 (c) A provision allowing unilateral cancellation by
27 the agency for refusal by the contractor to allow public
28 access to all documents, papers, letters, or other material
29 ~~subject to the provisions of chapter 119~~ and made or received
30 by the contractor in conjunction with the contract, unless the
31

1 records are exempt from s. 24(a) of Art. I of the State
2 Constitution and s. 119.07(1).

3 (d) A provision dividing the contract into units of
4 deliverables, which shall include, but not be limited to,
5 reports, findings, and drafts, that must be received and
6 accepted in writing by the contract manager prior to payment.

7 (e) A provision specifying the criteria and the final
8 date by which such criteria must be met for completion of the
9 contract.

10 (f) A provision specifying that the contract may be
11 renewed on a yearly basis for a period of up to 2 years after
12 the initial contract or for a period no longer than the term
13 of the original contract, whichever period is longer,
14 specifying the terms under which the cost may change as
15 determined in the invitation to bid or request for proposals,
16 and specifying that renewals shall be contingent upon
17 satisfactory performance evaluations by the agency and subject
18 to the availability of funds.

19
20 In lieu of a written agreement, the department may authorize
21 the use of a purchase order for classes of contractual
22 services, provided the provisions of paragraphs (a)-(f) are
23 included in the purchase order, invitation to bid, or request
24 for proposals. The purchase order shall include an adequate
25 description of the services, the contract period, and the
26 method of payment. In lieu of printing the provisions of
27 paragraphs (a)-(f) in the contract document or purchase order,
28 agencies may incorporate the requirements of paragraphs
29 (a)-(f) by reference.

30 Section 4. Section 287.059, Florida Statutes, is
31 amended to read:

1 287.059 Private attorney services.--

2 (1) For purposes of this section, the term "agency" or
3 "state agency" includes state officers, departments, boards,
4 commissions, divisions, bureaus, councils, and units of
5 organization, however designated, of the executive branch of
6 state government, community and junior colleges, and
7 multicounty special districts exclusive of those created by
8 interlocal agreement or which have elected governing boards.

9 (2) No agency shall contract for private attorney
10 services without the prior written approval of the Attorney
11 General, except that such written approval is not required for
12 private attorney services:

13 (a) Procured by the Executive Office of the Governor
14 or any department under the exclusive jurisdiction of a single
15 Cabinet officer.

16 (b) Provided by legal services organizations to
17 indigent clients.

18 (c) Necessary to represent the state in litigation
19 involving the State Risk Management Trust Fund pursuant to
20 part II of chapter 284.

21 (d) Procured by the Board of Regents and the
22 universities of the State University System.

23 (e) Procured by community and junior colleges and
24 multicounty special districts.

25 (f) Procured by the Board of Trustees for the Florida
26 School for the Deaf and the Blind.

27 (3) An agency requesting approval for the use of
28 private attorney services shall first offer to contract with
29 the Department of Legal Affairs for such attorney services at
30 a cost pursuant to mutual agreement. The Attorney General
31 shall decide on a case-by-case basis to accept or decline to

1 provide such attorney services as staffing, expertise, or
2 other legal or economic considerations warrant. If the
3 Attorney General declines to provide the requested attorney
4 services, the Attorney General's written approval shall
5 include a statement that the private attorney services
6 requested cannot be provided by the office of the Attorney
7 General or that such private attorney services are
8 cost-effective in the opinion of the Attorney General. The
9 Attorney General shall not consider political affiliation in
10 making such decision. The office of the Attorney General
11 shall respond to the request of an agency for prior written
12 approval within 10 working days after receiving such request.
13 The Attorney General may request additional information
14 necessary for evaluation of a request. The Attorney General
15 shall respond to the request within 10 working days after
16 receipt of the requested information. Those agencies exempt
17 from written approval from the Attorney General, as described
18 in paragraphs (2)(a)-(f), may contract with the Department of
19 Legal Affairs for attorney services. The Attorney General
20 shall determine on a case-by-case basis whether to provide
21 such attorney services as staffing, expertise, or other legal
22 considerations warrant. The Attorney General may adopt, by
23 rule, a form on which agencies requesting written approval for
24 private attorney services shall provide information
25 concerning:

26 (a) The nature of the attorney services to be provided
27 and the issues involved.

28 (b) The need for use of private attorneys, rather than
29 agency staff attorneys, utilizing the criteria provided in
30 subsection (9)~~(8)~~.

31

1 (c) The criteria by which the agency selected the
2 private attorney or law firm it proposes to employ, utilizing
3 the criteria provided in subsection (10)~~(9)~~.

4 (d) Competitive fees for similar attorney services.

5 (e) The agency's analysis estimating the number of
6 hours for attorney services, the costs, the total contract
7 amount, and, when appropriate, a risk or cost-benefit
8 analysis.

9 (f) Which partners, associates, paralegals, research
10 associates, or other personnel will be used, and how their
11 time will be billed to the agency.

12 (g) Any other information which the Attorney General
13 deems appropriate for the proper evaluation of the need for
14 such private attorney services.

15 (4) When written approval has been received from the
16 Attorney General, the general counsel for the agency shall
17 review the form and legality of the contract for private
18 attorney services and shall indicate his or her approval by
19 signing the contract ~~written final approval must be obtained~~
20 ~~from the agency head, or designee of the agency head, prior to~~
21 ~~the contracting for private attorney services. After a~~
22 contract is approved and signed by the general counsel, in
23 order to effectuate that contract the agency head must sign
24 the contract. The agency head shall also maintain custody of
25 the contract.

26 (5) The agency head or a designee shall give written
27 approval prior to contracting for private attorney services
28 for all agencies exempt from written approval of the Attorney
29 General as described in paragraphs (2)(a)-(f).

30 (6) The Attorney General shall, by rule, adopt a
31 standard fee schedule for private attorney services using

1 hourly rates or an alternative billing methodology. The
2 Attorney General shall take into consideration the following
3 factors:

4 (a) Type of controversy involved and complexity of the
5 legal services needed.

6 (b) Geographic area where the attorney services are to
7 be provided.

8 (c) Novelty of the legal questions involved.

9 (d) Amount of experience desired for the particular
10 kind of attorney services to be provided.

11 (e) Other factors deemed appropriate by the Attorney
12 General.

13 (f) The most cost-effective or appropriate billing
14 methodology.

15 (7)(a) A contingency fee contract must be commercially
16 reasonable. As used in this subsection, the term "commercially
17 reasonable" means no more than the amount permissible pursuant
18 to rule 4-1.5 of the rules regulating The Florida Bar and case
19 law interpreting that rule.

20 (b) If the amount of the fee is in dispute, the
21 counsel retained by the state shall participate in mandatory
22 binding arbitration. Payment of all attorney's fees is subject
23 to appropriation. Attorney's fees shall be forfeited if,
24 during the pendency of the case, the counsel retained by the
25 state takes a public position that is adverse to the state's
26 litigation or settlement posture.

27 (8)(7) All agencies, when contracting for private
28 attorney services, must use the standard fee schedule for
29 private attorney services as established pursuant to this
30 section unless the head of the agency, or his or her designee,
31 waives use of the schedule and sets forth the reasons for

1 deviating from the schedule in writing to the Attorney
2 General. Such waiver must demonstrate necessity based upon
3 criteria for deviation from the schedule which the Attorney
4 General shall establish by rule.

5 (9)~~(8)~~ The Attorney General shall develop guidelines
6 that may be used by agencies to determine when it is necessary
7 and appropriate to seek private attorney services in lieu of
8 staff attorney services.

9 (10)~~(9)~~ Agencies are encouraged to use the following
10 criteria when selecting outside firms for attorney services:

- 11 (a) The magnitude or complexity of the case.
12 (b) The firm's ratings and certifications.
13 (c) The firm's minority status.
14 (d) The firm's physical proximity to the case and the
15 agency.
16 (e) The firm's prior experience with the agency.
17 (f) The firm's prior experience with similar cases or
18 issues.
19 (g) The firm's billing methodology and proposed rate.
20 (h) The firm's current or past adversarial position,
21 or conflict of interest, with the agency.
22 (i) The firm's willingness to use resources of the
23 agency to minimize costs.

24 (11)~~(10)~~ The Attorney General shall develop a standard
25 addendum to every contract for attorney services that must be
26 used by all agencies, unless waived by the Attorney General,
27 describing in detail what is expected of both the contracted
28 private attorney and the contracting agency. The addendum must
29 address the internal system of governance if multiple law
30 firms are parties to the contract and must, at a minimum,
31

1 require that each firm identify one member who is authorized
2 to legally bind the firm.

3 (12)~~(11)~~ Contracts for attorney services shall be
4 originally executed for 1 year only, except that multiyear
5 contracts may be entered into provided they are subject to
6 annual appropriations and annual written approval from the
7 Attorney General as described in subsection (3). Any
8 amendments to extend the contract period or increase the
9 billing rate or overall contract amount shall be considered
10 new contracts for purposes of the written approval process
11 described in subsection (3).

12 (13)~~(12)~~ The office of the Attorney General shall
13 periodically prepare and distribute to agencies a roster by
14 geographic location of private attorneys under contract with
15 agencies, their fees, and primary area of legal
16 specialization.

17 (14)~~(13)~~ The office of the Attorney General is
18 authorized to competitively bid and contract with one or more
19 court reporting services, on a circuitwide basis, on behalf of
20 all state agencies in accordance with s. 287.057(2). The
21 office of the Attorney General shall develop requests for
22 proposal for court reporter services in consultation with the
23 Florida Court Reporters Association. All agencies shall
24 utilize the contracts for court reporting services entered
25 into by the Office of the Attorney General where in force,
26 unless otherwise ordered by a court or unless an agency has a
27 contract for court reporting services executed prior to May 5,
28 1993.

29 (15)~~(14)~~ The Attorney General's office may, by rule,
30 adopt standard fee schedules for court reporting services for
31 each judicial circuit in consultation with the Florida Court

1 Reporters Association. Agencies, when contracting for court
2 reporting services, must use the standard fee schedule for
3 court reporting services established pursuant to this section,
4 provided no state contract is applicable or unless the head of
5 the agency or his or her designee waives use of the schedule
6 and sets forth the reasons for deviating from the schedule in
7 writing to the Attorney General. Such waiver must demonstrate
8 necessity based upon criteria for deviation from the schedule
9 which the Attorney General shall establish by rule. Any
10 proposed fee schedule under this section shall be submitted to
11 the Governor, the Speaker of the House of Representatives, the
12 President of the Senate, and the Chief Justice of the Florida
13 Supreme Court at least 60 days prior to publication of the
14 notice to adopt the rule.

15 (16) Each private attorney who is under contract to
16 provide attorney services for the state or a state agency
17 shall, from the inception of the contractual relationship
18 until at least 4 years after the contract expires or
19 terminates, maintain detailed current records, including
20 documentation of all expenses, disbursements, charges,
21 credits, underlying receipts and invoices, and other financial
22 transactions that concern the provision of such attorney
23 services. The private attorney shall make all such records
24 available for inspection and copying upon request in
25 accordance with chapter 119.

26 Section 5. Section 60.08, Florida Statutes, is created
27 to read:

28 60.08 Injunctions sought by the state pursuant to
29 statute shall issue without bond.--In any action for
30 injunctive relief sought by the state or one of its agencies
31 as provided in ss. 501.207(1)(b), 542.23, and 895.05(5), any

1 injunction sought shall issue without bond or surety and no
2 bond or surety shall be required during the term of the
3 injunction.

4 Section 6. Subsection (5) of section 16.01, Florida
5 Statutes, is amended to read:

6 16.01 Residence, office, and duties of Attorney
7 General.--The Attorney General:

8 (5) Shall appear in and attend to such suits or
9 prosecutions in any other of the courts of this state or in
10 any courts of any other state or of the United States. This
11 subsection is not intended to authorize the joinder of the
12 Attorney General as a party in such suits or prosecutions.

13 Section 7. Section 48.121, Florida Statutes, is
14 amended to read:

15 48.121 Service on the state.--When the state has
16 consented to be sued, process against the state shall be
17 served on the state attorney or an assistant state attorney
18 for the judicial circuit within which the action is brought
19 and by sending two copies of the process by registered or
20 certified mail to the Attorney General. The state may serve
21 motions or pleadings within 40 days after service is made.
22 This section is not intended to authorize the joinder of the
23 Attorney General or a state attorney as a party in such suit
24 or prosecution.

25 Section 8. Section 45.062, Florida Statutes, is
26 amended to read:

27 45.062 Settlements, conditions, or orders when an
28 agency of the executive branch is a party.--

29 (1) In any civil action in which a state executive
30 branch agency or officer is a party in state or federal court,
31 the officer, agent, official, or attorney who represents or is

1 acting on behalf of such agency or officer may not settle such
2 action, consent to any condition, or agree to any order in
3 connection therewith, if the settlement, condition, or order
4 requires the expenditure of or the obligation to expend any
5 state funds or other state resources, or the establishment of
6 any new program, unless:

7 (a) The expenditure is provided for by an existing
8 appropriation or program established by law; and

9 (b) Prior written notification is given within 5
10 business days of the date the settlement or presettlement
11 agreement or order is to be made final to the President of the
12 Senate, the Speaker of the House of Representatives, the
13 Senate and House minority leaders, and the Attorney General.
14 Such notification shall specify how the agency involved will
15 address the costs in future years within the limits of current
16 appropriations.

17 (2) The state executive branch agency or officer shall
18 negotiate a closure date as soon as possible for the civil
19 action.

20 (3) The state executive branch agency or officer may
21 not pledge any current or future action of another branch of
22 state government as a condition for settling the civil action.

23 (4) Any settlement that commits the state to spending
24 in excess of current appropriations or to policy changes
25 inconsistent with current state law shall be contingent upon
26 and subject to legislative appropriation or statutory
27 amendment. The state agency or officer may agree to use all
28 efforts to procure legislative funding or statutory amendment.

29 (5) State agencies and officers shall report to each
30 substantive and fiscal committee of the Legislature having
31

1 jurisdiction over the reporting agency on all potential
2 settlements that may commit the state to:

3 (a) Spend in excess of current appropriations; or
4 (b) Policy changes inconsistent with current state
5 law.

6
7 The state agency or officer shall provide periodic updates to
8 the appropriate legislative committees on these issues during
9 the settlement process.

10 Section 9. Subsection (13) is added to section
11 216.023, Florida Statutes, to read:

12 216.023 Legislative budget requests to be furnished to
13 Legislature by agencies.--

14 (13) As a part of the legislative budget request, the
15 head of each state agency shall include an inventory of all
16 litigation in which the agency is involved which may require
17 additional appropriations to the agency or amendments to the
18 law under which the agency operates. No later than March 1
19 following the submission of the legislative budget request,
20 the head of the state agency shall provide an update of any
21 additions or changes to the inventory. Such inventory shall
22 include those items specified annually in the legislative
23 budget instructions.

24 Section 10. Section 284.385, Florida Statutes, is
25 amended to read:

26 284.385 Reporting and handling of claims.--All
27 departments covered by the State Risk Management Trust Fund
28 under this part shall immediately report all known or
29 potential claims to the Department of Insurance for handling,
30 except employment complaints which have not been filed with
31 the Florida Human Relations Commission, Equal Employment

1 Opportunity Commission, or any similar agency. When deemed
2 necessary, the Department of Insurance shall assign or
3 reassign the claim to counsel. The assigned counsel shall
4 report regularly to the Department of Insurance and to the
5 covered department on the status of any such claims or
6 litigation as required by the Department of Insurance. No
7 such claim shall be compromised or settled for monetary
8 compensation without the prior approval of the Department of
9 Insurance and prior notification to the covered department.
10 All departments shall cooperate with the Department of
11 Insurance in its handling of claims. The Department of
12 Insurance, the Department of Management Services, and the
13 Department of Banking and Finance, with the cooperation of the
14 state attorneys and the clerks of the courts, shall develop a
15 system to coordinate the exchange of information concerning
16 claims for and against the state, its agencies, and its
17 subdivisions, to assist in collection of amounts due to them.
18 The covered department shall have the responsibility for the
19 settlement of any claim for injunctive or affirmative relief
20 under 42 U.S.C. s. 1983 or similar federal or state statutes.
21 The payment of a settlement or judgment for any claim covered
22 and reported under this part shall be made only from the State
23 Risk Management Trust Fund.

24 Section 11. Section 45.051, Florida Statutes, is
25 amended to read:

26 45.051 Execution of supersedeas bond when required of
27 the state or its political subdivisions.--

28 (1) When a supersedeas bond is required by the
29 appellate court under Rule 9.310(b)(2), Florida Rules of
30 Appellate Procedure or an appeal or other proceeding is taken
31 in any court and there is no court rule or statute exempting

1 the parties from giving supersedeas, cost, or other required
2 bond, the parties are authorized to make and execute the
3 required bond with a corporate surety thereon duly licensed to
4 do business in this state. The premium or other cost for the
5 bond may be paid from the general necessary and regular
6 appropriation of the party taking the appeal, in the case of
7 the state or any of its officers, boards, commissioners or
8 other agencies, and from the county general fund, district
9 school general fund, or otherwise as the case may be, in the
10 case of a political subdivision of the state or any of its
11 officers, boards, commissions or other agencies. The officers
12 of the state and its political subdivisions and the executive
13 officers of their boards, commissions, and other agencies
14 aforesaid, are authorized to make and execute the bonds on
15 behalf of the parties.

16 (2) In connection with an appeal taken by a state
17 employee or official of a judgment against that employee or
18 official in an individual capacity, as part of the legal
19 defense being provided by the state risk management program,
20 the Division of Risk Management may enter into an
21 indemnification agreement for the purpose of securing an
22 appellate supersedeas bond, provided that, under any such
23 agreement, the liability of the State of Florida is limited to
24 the amount of the judgment being appealed and any costs
25 imposed by law or the appropriate court.

26 Section 12. If any provision of this act or the
27 application thereof to any person or circumstance is held
28 invalid, the invalidity does not affect other provisions or
29 applications of the act which can be given effect without the
30 invalid provision or application, and to this end the
31 provisions of this act are declared severable.

1 Section 13. Subsections (3), (4), and (5) are added to
2 section 11.40, Florida Statutes, to read:

3 11.40 Legislative Auditing Committee.--

4 (3) The Legislative Auditing Committee may direct the
5 Auditor General or the Office of Program Policy Analysis and
6 Government Accountability to conduct an audit, review, or
7 examination of any entity or record described in s. 11.45(2)
8 or (3).

9 (4) The Legislative Auditing Committee may take under
10 investigation any matter within the scope of an audit, review,
11 or examination either completed or then being conducted by the
12 Auditor General or the Office of Program Policy Analysis and
13 Government Accountability, and, in connection with such
14 investigation, may exercise the powers of subpoena by law
15 vested in a standing committee of the Legislature.

16 (5) Following notification by the Auditor General, the
17 Department of Banking and Finance, or the Division of Bond
18 Finance of the State Board of Administration of the failure of
19 a local governmental entity, district school board, charter
20 school, or charter technical career center to comply with the
21 applicable provisions within s. 11.45(5)-(7), s. 218.32(1), or
22 s. 218.38, the Legislative Auditing Committee may schedule a
23 hearing. If a hearing is scheduled, the committee shall
24 determine if the entity should be subject to further state
25 action. If the committee determines that the entity should be
26 subject to further state action, the committee shall:

27 (a) In the case of a local governmental entity or
28 district school board, request the Department of Revenue and
29 the Department of Banking and Finance to withhold any funds
30 not pledged for bond debt service satisfaction which are
31 payable to such entity until the entity complies with the law.

1 The committee, in its request, shall specify the date such
2 action shall begin, and the request must be received by the
3 Department of Revenue and the Department of Banking and
4 Finance 30 days before the date of the distribution mandated
5 by law. The Department of Revenue and the Department of
6 Banking and Finance are authorized to implement the provisions
7 of this paragraph.

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

13 (c) In the case of a charter school or charter
14 technical career center, notify the appropriate sponsoring
15 entity, which may terminate the charter pursuant to ss.
16 228.056 and 228.505.

17 Section 14. Subsections (2), (6), and (8) of section
18 11.42, Florida Statutes, are amended, and subsection (9) is
19 added to said section, to read:

20 11.42 The Auditor General.--

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

1 shall be filled in the same manner as the original
2 appointment.

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

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

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

25 (8) No officer or salaried full-time employee of the
26 office of Auditor General shall ~~actively engage in any other~~
27 ~~business or profession;~~ serve as the representative of any
28 political party or on any executive committee or other
29 governing body thereof; serve as an executive, officer, or
30 employee of any political party committee, organization, or
31 association; or be engaged on behalf of any candidate for

1 public office in the solicitation of votes or other activities
2 in behalf of such candidacy. Neither the Auditor General nor
3 any employee of the Auditor General may ~~shall~~ become a
4 candidate for election to public office unless she or he ~~shall~~
5 first resigns ~~resign~~ from office or employment. No officer or
6 salaried employee of the Auditor General shall actively engage
7 in any other business or profession or be otherwise employed
8 without the prior written permission of the Auditor General.

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

11 Section 15. Section 11.45, Florida Statutes, is
12 amended to read:

13 11.45 Definitions; duties; authorities ~~audits~~;
14 ~~reports~~; rules.--

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

17 (a) "Audit" means a financial audit, operational
18 audit, or performance audit.

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

29 ~~(c)(b)~~ "Financial audit" means an examination of
30 financial statements in order to express an opinion on the
31 fairness with which they are presented ~~present financial~~

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

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

13 (e)~~(d)~~ "Local governmental entity" means a county
14 agency, municipality, or special district as defined in s.
15 189.403, but does not include any housing authority
16 established under chapter 421.

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

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

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

1 standards or auditing and evaluation standards of other
2 appropriate authoritative bodies. The term includes an
3 examination of issues related to:

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

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

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

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

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

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

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

15 (c) Annually conduct financial audits of all
16 universities and district boards of trustees of community
17 colleges.

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

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

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

30 (g) At least every 2 years, conduct a performance
31 audit of the local government financial reporting system,

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

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

13

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

20

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

21

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

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

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

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

5 3. The Auditor General may pursuant to his or her own
6 authority, or at the direction of the Legislative Auditing
7 Committee, conduct at any time make financial audits and
8 performance audits or other engagements as determined
9 appropriate by the Auditor General of:

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

12 2. The information technology programs, activities,
13 functions, or systems of any governmental entity created or
14 established by law.

15 3. The accounts and records of any charter school
16 created or established by law.

17 4. The accounts and records of any direct-support
18 organization or citizen support organization created or
19 established by law. The Auditor General is authorized to
20 require and receive any records from the direct-support
21 organization or citizen support organization, or from its
22 independent auditor.

23 5. The public records associated with any
24 appropriation made by the General Appropriations Act to a
25 nongovernmental agency, corporation, or person. All records of
26 a nongovernmental agency, corporation, or person with respect
27 to the receipt and expenditure of such an appropriation shall
28 be public records and shall be treated in the same manner as
29 other public records are under general law.

30 6. State financial assistance provided to any nonstate
31 entity.

1 7. The Tobacco Settlement Financing Corporation
2 created pursuant to s. 215.56005.

3 8. The Florida On-Line High School created pursuant to
4 s. 228.082.

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

7 10. Enterprise Florida, Inc., including any of its
8 boards, advisory committees, or similar groups created by
9 Enterprise Florida, Inc., and programs. The audit report may
10 not reveal the identity of any person who has anonymously made
11 a donation to Enterprise Florida, Inc., pursuant to this
12 subparagraph. The identity of a donor or prospective donor to
13 Enterprise Florida, Inc., who desires to remain anonymous and
14 all information identifying such donor or prospective donor
15 are confidential and exempt from the provisions of s.
16 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
17 anonymity shall be maintained in the auditor's report.

18 11. The Florida Development Finance Corporation or the
19 capital development board or the programs or entities created
20 by the board. The audit or report may not reveal the identity
21 of any person who has anonymously made a donation to the board
22 pursuant to this subparagraph. The identity of a donor or
23 prospective donor to the board who desires to remain anonymous
24 and all information identifying such donor or prospective
25 donor are confidential and exempt from the provisions of s.
26 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
27 anonymity shall be maintained in the auditor's report.

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

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

3 14. The transportation corporations under contract
4 with the Department of Transportation that are acting on
5 behalf of the state to secure and obtain rights-of-way for
6 urgently needed transportation systems and to assist in the
7 planning and design of such systems pursuant to ss.
8 339.401-339.421.

9 15. The acquisitions and divestitures related to the
10 Florida Communities Trust Program created pursuant to chapter
11 380.

12 16. The Florida Water Pollution Control Financing
13 Corporation created pursuant to s. 403.1837.

14 17. The Florida Partnership for School Readiness
15 created pursuant to s. 411.01.

16 18. The Occupational Access and Opportunity Commission
17 created pursuant to s. 413.83.

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

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

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

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

31

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

3 24. The books and records of any permitholder that
4 conducts race meetings or jai alai exhibitions under chapter
5 550.

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

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

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

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

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

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

31

1 (b) The Auditor General may, when in his or her
2 judgment it is necessary, designate and direct any auditor
3 employed by the Auditor General to audit any accounts or
4 records within the authority of the Auditor General to audit.
5 The auditor shall report his or her findings for review by the
6 Auditor General, who shall prepare the audit report.

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

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

29 (e) The Auditor General shall provide the successor
30 independent certified public accountant of a district school
31 board with access to the prior year's working papers in

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

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

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

1 shall be paid by the local governmental entity. The Auditor
2 General shall estimate the cost of the audit. Fifty percent of
3 the cost estimate shall be paid by the local governmental
4 entity before the initiation of the audit and deposited into
5 the General Revenue Fund of the state. After the completion of
6 the audit, the Auditor General shall notify the local
7 governmental entity of the actual cost of the audit. The local
8 governmental entity shall remit the remainder of the cost of
9 the audit to the Auditor General for deposit into the General
10 Revenue Fund of the state. If the local governmental entity
11 fails to comply with paying the remaining cost of the audit,
12 the Auditor General shall notify the Legislative Auditing
13 Committee. The committee shall proceed in accordance with s.
14 11.40(5).

15 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.--

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

1 ~~4. The Office of Program Policy Analysis and~~
2 ~~Government Accountability within the Office of the Auditor~~
3 ~~General shall maintain a schedule of performance audits of~~
4 ~~state programs. In conducting a performance audit of a state~~
5 ~~program, the Office of Program Policy Analysis and Government~~
6 ~~Accountability, when appropriate, shall identify and comment~~
7 ~~upon alternatives for accomplishing the goals of the program~~
8 ~~being audited. Such alternatives may include funding~~
9 ~~techniques and, if appropriate, must describe how other states~~
10 ~~or governmental units accomplish similar goals.~~

11 ~~5. If by July 1 in any fiscal year a district school~~
12 ~~board or local governmental entity has not been notified that~~
13 ~~a financial audit for that fiscal year will be performed by~~
14 ~~the Auditor General pursuant to subparagraph 3., each~~
15 ~~municipality with either revenues or expenditures of more than~~
16 ~~\$100,000, each special district with either revenues or~~
17 ~~expenditures of more than \$50,000, and each county agency~~
18 ~~shall, and each district school board may, require that an~~
19 ~~annual financial audit of its accounts and records be~~
20 ~~completed, within 12 months after the end of its respective~~
21 ~~fiscal year, by an independent certified public accountant~~
22 ~~retained by it and paid from its public funds. An independent~~
23 ~~certified public accountant who is selected to perform an~~
24 ~~annual financial audit of a school district must report~~
25 ~~directly to the district school board or its designee. A~~
26 ~~management letter must be prepared and included as a part of~~
27 ~~each financial audit report. Each local government finance~~
28 ~~commission, board, or council, and each municipal power~~
29 ~~corporation, created as a separate legal or administrative~~
30 ~~entity by interlocal agreement under s. 163.01(7), shall~~
31 ~~provide the Auditor General, within 12 months after the end of~~

1 ~~its fiscal year, with an annual financial audit report of its~~
2 ~~accounts and records and a written statement or explanation or~~
3 ~~rebuttal concerning the auditor's comments, including~~
4 ~~corrective action to be taken. The county audit shall be one~~
5 ~~document that includes a separate audit of each county agency.~~
6 ~~The county audit must include an audit of the deposits into~~
7 ~~and expenditures from the Public Records Modernization Trust~~
8 ~~Fund. The Auditor General shall tabulate the results of the~~
9 ~~audits of the Public Records Modernization Trust Fund and~~
10 ~~report a summary of the audits to the Legislature annually.~~

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

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

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

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

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

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

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

18 ~~f. The public must not be excluded from the~~
19 ~~proceedings under this subparagraph.~~

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

28 ~~h. The committee shall select no fewer than three~~
29 ~~firms deemed to be the most highly qualified to perform the~~
30 ~~required services after considering such factors as the~~
31 ~~ability of professional personnel; past performance;~~

1 ~~willingness to meet time requirements; location; recent,~~
2 ~~current, and projected workloads of the firms; and the volume~~
3 ~~of work previously awarded to the firm by the agency, with the~~
4 ~~object of effecting an equitable distribution of contracts~~
5 ~~among qualified firms, provided such distribution does not~~
6 ~~violate the principle of selection of the most highly~~
7 ~~qualified firms. If fewer than three firms desire to perform~~
8 ~~the services, the committee shall recommend such firms as it~~
9 ~~determines to be qualified.~~

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

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

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

25 8. ~~At the conclusion of the audit field work, the~~
26 ~~independent certified public accountant shall discuss with the~~
27 ~~head of each local governmental entity or the chair's designee~~
28 ~~or with the chair of the district school board or the chair's~~
29 ~~designee, or with the chair of the board of the charter school~~
30 ~~or the chair's designee, as appropriate, all of the auditor's~~
31 ~~comments that will be included in the audit report. If the~~

1 ~~officer is not available to discuss the auditor's comments,~~
2 ~~their discussion is presumed when the comments are delivered~~
3 ~~in writing to his or her office. The auditor shall notify each~~
4 ~~member of the governing body of a local governmental entity~~
5 ~~for which deteriorating financial conditions exist which may~~
6 ~~cause a condition described in s. 218.503(1) to occur if~~
7 ~~actions are not taken to address such conditions.~~

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

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

27 ~~11. Any local governmental entity or district school~~
28 ~~board financial audit report required under subparagraph 5. or~~
29 ~~charter school financial audit report required under~~
30 ~~subparagraph 2. and the officer's written statement of~~
31 ~~explanation or rebuttal concerning the auditor's comments,~~

1 ~~including corrective action to be taken, must be submitted to~~
2 ~~the Auditor General within 45 days after delivery of the audit~~
3 ~~report to the local governmental entity, district school~~
4 ~~board, or charter school, but no later than 12 months after~~
5 ~~the end of the fiscal year. If the Auditor General does not~~
6 ~~receive the financial audit report within the prescribed~~
7 ~~period, he or she must notify the Legislative Auditing~~
8 ~~Committee that the governmental entity or charter school has~~
9 ~~not complied with this subparagraph. Following notification of~~
10 ~~failure to submit the required audit report or items required~~
11 ~~by rule adopted by the Auditor General, a hearing must be~~
12 ~~scheduled by rule of the committee. After the hearing, the~~
13 ~~committee shall determine which governmental entities or~~
14 ~~charter schools will be subjected to further state action. If~~
15 ~~it finds that one or more governmental entities or charter~~
16 ~~schools should be subjected to further state action, the~~
17 ~~committee shall:~~

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

1 ~~b. In the case of a special district, notify the~~
2 ~~Department of Community Affairs that the special district has~~
3 ~~failed to provide the required audits. Upon receipt of~~
4 ~~notification, the Department of Community Affairs shall~~
5 ~~proceed pursuant to ss. 189.421 and 189.422.~~

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

16 **(c)** The Auditor General shall provide annually a list
17 of those special districts which are not in compliance with s.
18 218.39 to the Special District Information Program of the
19 Department of Community Affairs.

20 **(d)** During the Auditor General's review of audit
21 reports, he or she shall contact those units of local
22 government, as defined in s. 218.403, that are not in
23 compliance with s. 218.415 and request evidence of corrective
24 action. The unit of local government shall provide the Auditor
25 General with evidence of corrective action within 45 days
26 after the date it is requested by the Auditor General. If the
27 unit of local government fails to comply with the Auditor
28 General's request, the Auditor General shall notify the
29 Legislative Auditing Committee. The committee shall proceed
30 in accordance with s. 11.40(5).~~If the Auditor General does~~
31

1 ~~not receive the requested items, he or she shall notify the~~
2 ~~Joint Legislative Auditing Committee.~~

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

27 (f)~~c~~. The Auditor General shall annually compile and
28 transmit to the President of the Senate, the Speaker of the
29 House of Representatives, and the ~~Joint~~ Legislative Auditing
30 Committee a summary of significant findings and financial
31 trends identified in audit reports reviewed in paragraph (b)

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

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

29 (h) The Auditor General shall transmit to the
30 President of the Senate, the Speaker of the House of
31 Representatives, and the Legislative Auditing Committee by

1 December 1 of each year a list of statutory and fiscal changes
2 recommended by the Auditor General. The Auditor General may
3 also transmit recommendations at other times of the year when
4 the information would be timely and useful for the
5 Legislature.

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

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

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

27 ~~(b) The Legislative Auditing Committee shall direct~~
28 ~~the Auditor General to make a financial audit of any~~
29 ~~municipality whenever petitioned to do so by at least 20~~
30 ~~percent of the electors of that municipality. The supervisor~~
31 ~~of elections of the county in which the municipality is~~

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

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

1 ~~that can be used by the members of the Legislature and other~~
2 ~~appropriate officials in order to:~~

- 3 ~~1. Compare and contrast revenue sources and~~
4 ~~expenditures of local governmental entities;~~
- 5 ~~2. Assess the fiscal impact of the formation,~~
6 ~~dissolution, and activity of special districts;~~
- 7 ~~3. Evaluate the fiscal impact of state mandates on~~
8 ~~local governmental entities;~~
- 9 ~~4. Assess financial or economic conditions of local~~
10 ~~governmental entities; and~~
- 11 ~~5. Improve communication and coordination among state~~
12 ~~agencies and local governmental entities.~~

13 ~~(d) Whenever a local governmental entity requests the~~
14 ~~Auditor General to conduct an audit of all or part of its~~
15 ~~operations and the Auditor General conducts the audit under~~
16 ~~his or her own authority or at the direction of the~~
17 ~~Legislative Auditing Committee, the expenses of the audit~~
18 ~~shall be paid by the local governmental entity. The Auditor~~
19 ~~General shall estimate the cost of the audit. Fifty percent of~~
20 ~~the cost estimate shall be paid by the local governmental~~
21 ~~entity before the initiation of the audit and deposited into~~
22 ~~the General Revenue Fund of the state. After the completion of~~
23 ~~the audit, the Auditor General shall forward the actual cost~~
24 ~~of the audit to the local governmental entity. The local~~
25 ~~governmental entity shall remit the remainder of the cost of~~
26 ~~the audit to the Auditor General for deposit into the General~~
27 ~~Revenue Fund of the state. If the local governmental entity~~
28 ~~fails to pay the cost of the audit, the Auditor General shall~~
29 ~~notify the Legislative Auditing Committee. Following the~~
30 ~~notification, the committee may schedule a hearing. After the~~
31 ~~hearing, the committee shall determine if the local~~

1 ~~governmental entity should be subject to further state action.~~
2 ~~If the committee determines that the local governmental entity~~
3 ~~should be subject to further state action, the committee~~
4 ~~shall:~~

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

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

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

29 ~~(5) Each audit required or authorized by this section,~~
30 ~~when practicable, shall be made and completed within not more~~
31 ~~than 12 months following the end of each fiscal year of the~~

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

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

22 ~~(7)(a) 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 power of the Auditor General to audit. The~~
26 ~~auditor shall report his or her findings for review by the~~
27 ~~Auditor General, who shall prepare the audit report.~~

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

7 ~~1. Any violation of the laws within the scope of the~~
8 ~~audit; and~~

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

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

31

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

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

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

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

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

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

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

31

1 ~~be performed in accordance with rules adopted by the Auditor~~
2 ~~General.~~

3 Section 16. Section 11.47, Florida Statutes, is
4 amended to read:

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

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

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

29 (3) Any person who willfully fails or refuses to
30 furnish or produce any book, record, paper, document, data, or
31 sufficient information necessary to a proper audit or

1 examination which the Auditor General or the Office of Program
2 Policy Analysis and Government Accountability is by law
3 authorized to perform shall be guilty of a misdemeanor of the
4 first degree, punishable as provided in s. 775.082 or s.
5 775.083.

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

13 Section 17. Section 11.51, Florida Statutes, is
14 amended to read:

15 11.51 Office of Program Policy Analysis and Government
16 Accountability.--

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

29 (2) The Office of Program Policy Analysis and
30 Government Accountability is independent of the Auditor
31 General appointed pursuant to s. 11.42 ~~and the Public Counsel~~

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

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

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

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

27 (6) No later than 18 months after the release of a
28 report of the Office of Program Policy Analysis and Government
29 Accountability, the agencies that are the subject of that
30 report shall provide data and other information that describes
31 with specificity what the agencies have done to respond to the

1 recommendations contained in the report. The Office of Program
2 Policy Analysis and Government Accountability may verify the
3 data and information provided by the agencies. If the data and
4 information provided by the agencies are deemed sufficient and
5 accurate, the Office of Program Policy Analysis and Government
6 Accountability shall report to the Legislative Auditing
7 Committee and to the legislative standing committees concerned
8 with the subject areas of the audit. The report shall include
9 a summary of the agencies' responses, the evaluation of those
10 responses, and any recommendations deemed to be appropriate.

11 Section 18. Section 11.511, Florida Statutes, is
12 amended to read:

13 11.511 Director of the Office of Program Policy
14 Analysis and Government Accountability; appointment;
15 employment of staff; powers and duties.--

16 (1)(a) The Legislative Auditing Committee shall
17 appoint a director of the Office of Program Policy Analysis
18 and Government Accountability by majority vote of the
19 committee, subject to confirmation by a majority vote of the
20 Senate and the House of Representatives. At the time of
21 appointment, the director must have had 10 years' experience
22 in policy analysis and program evaluation. The reappointment
23 of a director is subject to confirmation by a majority vote of
24 the Senate and the House of Representatives. The Legislative
25 Auditing Committee may appoint an interim director.

26 (b) The appointment of the director may be terminated
27 at any time by a majority vote of the Senate and the House of
28 Representatives.

29 (2)(a) The director shall take and subscribe to the
30 oath of office required of state officers by the State
31 Constitution.

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

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

20 (b) An officer or full-time employee of the Office of
21 Program Policy Analysis and Government Accountability may not
22 ~~actively engage in any other business or profession~~ serve as
23 the representative of any political party or on any executive
24 committee or other governing body thereof; receive
25 remuneration for activities on behalf of any candidate for
26 public office; or engage, on behalf of any candidate for
27 public office, in the solicitation of votes or other
28 activities in behalf of such candidacy. Neither the director
29 of the Office of Program Policy Analysis and Government
30 Accountability nor any employee of that office may become a
31

1 candidate for election to public office unless he or she first
2 resigns from office or employment.

3 (4) The director shall perform and/or contract for the
4 performance of examinations ~~program evaluation and~~
5 ~~justification reviews~~ and other ~~related~~ duties as prescribed
6 by law. The director shall perform his or her duties
7 independently but under general policies established by the
8 Legislative Auditing Committee.

9 (5) The director may adopt and enforce reasonable
10 rules necessary to facilitate the examinations ~~studies,~~
11 ~~reviews, and reports,~~ and other tasks that he or she is
12 authorized to perform.

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

29 Section 19. Section 11.513, Florida Statutes, is
30 amended to read:

31 11.513 Program evaluation and justification review.--

1 (1) Each state agency shall be subject to a program
2 evaluation and justification review by the Office of Program
3 Policy Analysis and Government Accountability ~~in accordance~~
4 ~~with the schedule provided in s. 216.0172 or as determined by~~
5 the Legislative Auditing Committee. Each state agency shall
6 offer its complete cooperation to the Office of Program Policy
7 Analysis and Government Accountability so that such review may
8 be accomplished.

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

19 (3) The program evaluation and justification review
20 shall be conducted on major programs, but may include other
21 programs. The review shall be comprehensive in its scope but,
22 at a minimum, must be conducted in such a manner as to
23 specifically determine the following, and to consider and
24 determine what changes, if any, are needed with respect
25 thereto:

26 (a) The identifiable cost of each program.

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

29 (c) Progress toward achieving the outputs and outcomes
30 associated with each program.

31

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

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

9 1. Whether the program could be organized in a more
10 efficient and effective manner, whether the program's mission,
11 goals, or objectives should be redefined, or, when the state
12 agency cannot demonstrate that its efforts have had a positive
13 effect, whether the program should be reduced in size or
14 eliminated.

15 2. Whether the program could be administered more
16 efficiently or effectively to avoid duplication of activities
17 and ensure that activities are adequately coordinated.

18 3. Whether the program could be performed more
19 efficiently or more effectively by another unit of government
20 or a private entity, or whether a program performed by a
21 private entity could be performed more efficiently and
22 effectively by a state agency.

23 4. When compared to costs, whether effectiveness
24 warrants elimination of the program or, if the program serves
25 a limited interest, whether it should be redesigned to require
26 users to finance program costs.

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

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

31

1 (f) The consequences of discontinuing such program. If
2 any discontinuation is recommended, such recommendation must
3 be accompanied by a description of alternatives to implement
4 such recommendation, including an implementation schedule for
5 discontinuation and recommended procedures for assisting state
6 agency employees affected by the discontinuation.

7 (g) Determination as to public policy, which may
8 include recommendations as to whether it would be sound public
9 policy to continue or discontinue funding the program, either
10 in whole or in part, in the existing manner.

11 (h) Whether the information reported as part of the
12 state's performance based program budgeting system ~~pursuant to~~
13 ~~s. 216.031(5)~~ has relevance and utility for the evaluation of
14 each program.

15 (i) Whether state agency management has established
16 control systems sufficient to ensure that performance data are
17 maintained and supported by state agency records and
18 accurately presented in state agency performance reports.

19 (4) No later than December 1 of the second year
20 following the year in which an agency begins operating under a
21 performance-based program budget, the Office of Program Policy
22 Analysis and Government Accountability shall submit a report
23 of evaluation and justification review findings and
24 recommendations to the President of the Senate, the Speaker of
25 the House of Representatives, the chairpersons of the
26 appropriate substantive committees, the chairpersons of the
27 appropriations committees, the Legislative Auditing Committee,
28 the Governor, the head of each state agency that was the
29 subject of the evaluation and justification review, and the
30 head of any state agency that is substantially affected by the
31 findings and recommendations.

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

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

21 (6)(7) Evaluation and justification reviews may
22 include consideration of programs provided by other agencies
23 which are integrally related to the programs administered by
24 the state agency or entity which is scheduled for review as
25 pursuant to s. 216.0172 or the schedule determined by the
26 Legislative Auditing Committee.

27 ~~(8) If recommended by the director of the Office of~~
28 ~~Program Policy Analysis and Government Accountability, the~~
29 ~~President of the Senate and the Speaker of the House of~~
30 ~~Representatives may jointly direct that any program evaluation~~
31 ~~and justification review requirement existing on July 1, 1999,~~

1 ~~be postponed to allow the Office of Program Policy Analysis~~
2 ~~and Government Accountability to conduct a review of another~~
3 ~~program considered more urgent.~~

4 Section 20. Subsection (15) of section 14.29, Florida
5 Statutes, is amended to read:

6 14.29 Florida Commission on Community Service.--

7 (15) The direct-support organization shall provide for
8 an annual financial ~~and compliance~~ audit ~~of its financial~~
9 ~~accounts and records by an independent certified public~~
10 ~~accountant in accordance with s. 215.98 rules established by~~
11 ~~the commission. The annual audit report must be submitted to~~
12 ~~the commission for review and approval. Upon approval, the~~
13 ~~board shall certify the audit report to the Auditor General~~
14 ~~for review.~~

15 Section 21. Paragraphs (f) and (g) of subsection (5)
16 of section 20.055, Florida Statutes, are amended to read:

17 20.055 Agency inspectors general.--

18 (5) In carrying out the auditing duties and
19 responsibilities of this act, each inspector general shall
20 review and evaluate internal controls necessary to ensure the
21 fiscal accountability of the state agency. The inspector
22 general shall conduct financial, compliance, electronic data
23 processing, and performance audits of the agency and prepare
24 audit reports of his or her findings. The scope and assignment
25 of the audits shall be determined by the inspector general;
26 however, the agency head may at any time direct the inspector
27 general to perform an audit of a special program, function, or
28 organizational unit. The performance of the audit shall be
29 under the direction of the inspector general, except that if
30 the inspector general does not possess the qualifications
31

1 specified in subsection (4), the director of auditing shall
2 perform the functions listed in this subsection.

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

19 (g) The inspector general shall monitor the
20 implementation of the state agency's response to any report on
21 audit of the state agency issued ~~conducted~~ by the Auditor
22 General or by the Office of Program Policy Analysis and
23 Government Accountability pursuant to s. 11.45. No later than
24 6 months after the Auditor General or the Office of Program
25 Policy Analysis and Government Accountability publishes a
26 report on ~~of the audit of~~ the state agency, the inspector
27 general shall provide a written response ~~report~~ to the agency
28 head on the status of corrective actions taken. The Inspector
29 General shall file a copy of such response ~~report shall be~~
30 ~~filed~~ with the Legislative Auditing Committee.

31

1 Section 22. Subsection (3) of section 20.2551, Florida
2 Statutes, is amended to read:

3 20.2551 Citizen support organizations; use of
4 property; audit; public records; partnerships.--

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

17 Section 23. Paragraph (c) of subsection (13) of
18 section 24.105, Florida Statutes, is amended to read:

19 24.105 Powers and duties of department.--The
20 department shall:

21 (13)

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

1 or her, and he or she may disclose such information to members
2 of the Legislature and legislative staff as necessary to
3 effect such purpose.

4 Section 24. Subsection (4) of section 24.120, Florida
5 Statutes, is amended to read:

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

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

14 Section 25. Subsection (1) and paragraph (a) of
15 subsection (2) of section 27.3455, Florida Statutes, are
16 amended to read:

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

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

25 (a) Medical examiner services.

26 (b) County victim witness programs.

27 (c) Each of the services outlined in ss. 27.34(2) and
28 27.54(3).

29 (d) Appellate filing fees in criminal cases in which
30 an indigent defendant appeals a judgment of a county or
31

1 circuit court to a district court of appeal or the Florida
2 Supreme Court.

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

7
8 Such statement also shall identify the revenues provided by s.
9 938.05(1) that were used to meet or reimburse the county for
10 such expenditures.

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

20 Section 26. Subsection (5) of section 30.51, Florida
21 Statutes, is amended to read:

22 30.51 Fees and commissions.--

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

27 Section 27. Paragraph (k) of subsection (2) of section
28 39.202, Florida Statutes, is amended to read:

29 39.202 Confidentiality of reports and records in cases
30 of child abuse or neglect.--

31

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

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

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

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

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

31

1 Section 29. Paragraph (a) of subsection (9) of section
2 112.313, Florida Statutes, is amended to read:

3 112.313 Standards of conduct for public officers,
4 employees of agencies, and local government attorneys.--

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

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

12 2. As used in this paragraph:

13 a. "Employee" means:

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

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

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

29 (IV) An executive director, staff director, or deputy
30 staff director of each joint committee, standing committee, or
31 select committee of the Legislature; an executive director,

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

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

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

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

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

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

1 or her term of office before any state agency other than
2 judicial tribunals or in settlement negotiations after the
3 filing of a lawsuit.

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

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

13 6. This paragraph is not applicable to:

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

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

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

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

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

28 Section 30. Paragraphs (a) and (c) of subsection (7)
29 of section 112.324, Florida Statutes, are amended to read:

30 112.324 Procedures on complaints of violations.--

31

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

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

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

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

3 112.63 Actuarial reports and statements of actuarial
4 impact; review.--

5 (2) The frequency of actuarial reports must be at
6 least every 3 years commencing from the last actuarial report
7 of the plan or system or October 1, 1980, if no actuarial
8 report has been issued within the 3-year period prior to
9 October 1, 1979. The results of each actuarial report shall be
10 filed with the plan administrator within 60 days of
11 certification. Thereafter, the results of each actuarial
12 report shall be made available for inspection upon request.
13 Additionally, each retirement system or plan covered by this
14 act which is not administered directly by the Department of
15 Management Services shall furnish a copy of each actuarial
16 report to the Department of Management Services within 60 days
17 after receipt from the actuary. The requirements of this
18 section are supplemental to actuarial valuations necessary to
19 comply with the requirements of ss. 218.321 ~~11.45~~ and 218.39
20 ~~218.32~~.

21 Section 32. Section 116.07, Florida Statutes, is
22 amended to read:

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

30 Section 33. Subsection (6) of section 119.07, Florida
31 Statutes, is amended to read:

1 119.07 Inspection, examination, and duplication of
2 records; exemptions.--

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

16 Section 34. Paragraph (b) of subsection (8) of section
17 122.03, Florida Statutes, is amended to read:

18 122.03 Contributions; participants; prior service
19 credit.--

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

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

31

1 Section 35. Subsection (7) of section 122.08, Florida
2 Statutes, is amended to read:

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

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

12 Section 36. Paragraph (x) of subsection (1) of section
13 125.01, Florida Statutes, is amended to read:

14 125.01 Powers and duties.--

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

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

1 audit. Not fewer than five copies of each complete audit
2 report, with accompanying documents, shall be filed with the
3 clerk of the circuit court and maintained there for public
4 inspection. The clerk shall thereupon forward one complete
5 copy of the audit report with accompanying documents to the
6 Auditor General, ~~who shall retain the same as a public record~~
7 ~~for 10 years from receipt thereof.~~

8 Section 37. Subsection (1) of section 145.022, Florida
9 Statutes, is amended to read:

10 145.022 Guaranteed salary upon resolution of board of
11 county commissioners.--

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

23 Section 38. Subsection (2) of section 145.14, Florida
24 Statutes, is amended to read:

25 145.14 Compensation of other county officials;
26 guarantee.--

27 (2) With the concurrence of any county officer
28 described by subsection (1), any board of county commissioners
29 may by resolution guarantee and appropriate to that officer a
30 salary not to exceed \$9,600 in lieu of fees, if all fees
31 collected are turned over to the board of county

1 ~~commissioners. Copies of the resolution shall be filed with~~
2 ~~the Department of Banking and Finance and the Auditor General.~~

3 Section 39. Paragraph (o) of subsection (1) of section
4 154.11, Florida Statutes, is amended to read:

5 154.11 Powers of board of trustees.--

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

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

21 Section 40. Paragraph (d) of subsection (2) of section
22 154.331, Florida Statutes, is amended to read:

23 154.331 County health and mental health care special
24 districts.--Each county may establish a dependent special
25 district pursuant to the provisions of chapter 125 or, by
26 ordinance, create an independent special district as defined
27 in s. 200.001(8)(e) to provide funding for indigent and other
28 health and mental health care services throughout the county
29 in accordance with this section. The county governing body
30 shall obtain approval, by a majority vote of the electors, to
31 establish the district with authority to annually levy ad

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

9 (2)

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

15 Section 41. Paragraph (c) of subsection (3) of section
16 163.356, Florida Statutes, is amended to read:

17 163.356 Creation of community redevelopment agency.--

18 (3)

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

1 income, and operating expenses as of the end of such fiscal
2 year. At the time of filing the report, the agency shall
3 publish in a newspaper of general circulation in the community
4 a notice to the effect that such report has been filed with
5 the county or municipality and that the report is available
6 for inspection during business hours in the office of the
7 clerk of the city or county commission and in the office of
8 the agency.

9 Section 42. Paragraph (b) of subsection (1) of section
10 175.261, Florida Statutes, is amended to read:

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

18 (1) With respect to chapter plans:

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

1 division. The expense of this actuarial valuation shall be
2 borne by the firefighters' pension trust fund established by
3 ss. 175.041 and 175.121. The requirements of this section are
4 supplemental to the actuarial valuations necessary to comply
5 with ss. 218.321 ~~11.45~~ and 218.39 ~~218.32~~.

6 Section 43. Paragraph (b) of subsection (1) of section
7 185.221, Florida Statutes, is amended to read:

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

13 (1) With respect to chapter plans:

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

1 Section 44. Subsection (2) of section 189.4035,
2 Florida Statutes, is amended to read:

3 189.4035 Preparation of official list of special
4 districts.--

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

16 Section 45. Subsection (1) of section 189.412, Florida
17 Statutes, is amended to read:

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

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

1 status reports must consist of a list of special districts
2 used in that state agency and a list of which special
3 districts did not comply with the reporting statutorily
4 required by that agency.

5 Section 46. Paragraphs (f) and (g) of subsection (5)
6 of section 189.428, Florida Statutes, are amended to read:

7 189.428 Special districts; oversight review process.--

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

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

25 (g) Whether the Auditor General has determined that
26 the special district is in a state of financial emergency as
27 provided in s. 218.503(1), and has notified the Governor and
28 the Legislative Auditing Committee ~~failed to receive an audit~~
29 ~~report and has made a determination that the special district~~
30 ~~was required or may have been required to file an audit report~~

31

1 ~~during any of the last 3 fiscal years for which the data are~~
2 ~~available.~~

3 Section 47. Section 193.074, Florida Statutes, is
4 amended to read:

5 193.074 Confidentiality of returns.--All returns of
6 property and returns required by s. 201.022 submitted by the
7 taxpayer pursuant to law shall be deemed to be confidential in
8 the hands of the property appraiser, the clerk of the circuit
9 court, the department, the tax collector, ~~and~~ the Auditor
10 General, and the Office of Program Policy Analysis and
11 Government Accountability, and their employees and persons
12 acting under their supervision and control, except upon court
13 order or order of an administrative body having quasi-judicial
14 powers in ad valorem tax matters, and such returns are exempt
15 from the provisions of s. 119.07(1).

16 Section 48. Section 195.084, Florida Statutes, is
17 amended to read:

18 195.084 Information exchange.--

19 (1) The department shall promulgate rules and
20 regulations for the exchange of information among the
21 department, the property appraisers' offices, the tax
22 collector, ~~and~~ the Auditor General, and the Office of Program
23 Policy Analysis and Government Accountability. All records
24 and returns of the department useful to the property appraiser
25 or the tax collector shall be made available upon request but
26 subject to the reasonable conditions imposed by the
27 department. This section shall supersede statutes prohibiting
28 disclosure only with respect to the property appraiser, the
29 tax collector, ~~and~~ the Auditor General, and the Office of
30 Program Policy Analysis and Government Accountability, but the
31 department may establish regulations setting reasonable

1 conditions upon the access to and custody of such information.
2 The Auditor General, the Office of Program Policy Analysis and
3 Government Accountability, the tax collectors, and the
4 property appraisers shall be bound by the same requirements of
5 confidentiality as the Department of Revenue. Breach of
6 confidentiality shall be a misdemeanor of the first degree,
7 punishable as provided by ss. 775.082 and 775.083.

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

18 Section 49. Subsection (7) of section 195.096, Florida
19 Statutes, is amended to read:

20 195.096 Review of assessment rolls.--

21 (7) The Auditor General shall conduct a ~~have the~~
22 ~~responsibility to perform~~ performance audit ~~audits~~ of the
23 administration of ad valorem tax laws by the department
24 ~~pursuant to the general authority granted in chapter 11. Such~~
25 ~~performance audits shall be conducted~~ triennially following
26 completion of reviews conducted pursuant to this section. The
27 ~~performance audit report~~ report ~~conducted pursuant to this subsection~~
28 shall be ~~formally~~ submitted to the Legislature no later than
29 April 1, on a triennial basis, reporting on the activities of
30 the ad valorem tax program of the Department of Revenue
31 related to the ad valorem tax rolls. The Auditor General shall

1 include, for at least four counties so reviewed, findings as
2 to the accuracy of assessment procedures, projections, and
3 computations made by the division, utilizing the same
4 generally accepted appraisal standards and procedures to which
5 the division and the property appraisers are required to
6 adhere. However, the report shall not include any findings or
7 statistics related to any ad valorem tax roll which is in
8 litigation between the state and county officials at the time
9 the report is to be issued.

10 Section 50. Paragraph (c) of subsection (4) of section
11 196.101, Florida Statutes, is amended to read:

12 196.101 Exemption for totally and permanently disabled
13 persons.--

14 (4)

15 (c) The department shall require by rule that the
16 taxpayer annually submit a sworn statement of gross income,
17 pursuant to paragraph (a). The department shall require that
18 the filing of such statement be accompanied by copies of
19 federal income tax returns for the prior year, wage and
20 earnings statements (W-2 forms), and other documents it deems
21 necessary, for each member of the household. The taxpayer's
22 statement shall attest to the accuracy of such copies. The
23 department shall prescribe and furnish a form to be used for
24 this purpose which form shall include spaces for a separate
25 listing of United States Department of Veterans Affairs
26 benefits and social security benefits. All records produced
27 by the taxpayer under this paragraph are confidential in the
28 hands of the property appraiser, the department, the tax
29 collector, ~~and~~ the Auditor General, and the Office of Program
30 Policy Analysis and Government Accountability and shall not be
31 divulged to any person, firm, or corporation except upon court

1 order or order of an administrative body having quasi-judicial
2 powers in ad valorem tax matters, and such records are exempt
3 from the provisions of s. 119.07(1).

4 Section 51. Paragraph (b) of subsection (1) of section
5 206.60, Florida Statutes, is amended to read:

6 206.60 County tax on motor fuel.--

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

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

27 2. The board of county commissioners of each county,
28 or any separate board or local agency exercising the powers
29 and performing the duties relating to transportation
30 facilities, roads, and bridges usually exercised and performed
31 by the boards of county commissioners, shall be assigned the

1 full responsibility for the maintenance of transportation
2 facilities in the county and of roads in the county road
3 system.

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

15 3.4. Nothing in this paragraph as amended by chapter
16 71-212, Laws of Florida, shall be construed to permit the
17 expenditure of public funds in such manner or for such
18 projects as would violate the State Constitution or the trust
19 indenture of any bond issue or which would cause the state to
20 lose any federal aid funds for highway or transportation
21 purposes; and the provisions of this paragraph shall be
22 applied in a manner to avoid such result.

23 Section 52. Paragraph (ff) of subsection (7) of
24 section 212.08, Florida Statutes, is amended to read:

25 212.08 Sales, rental, use, consumption, distribution,
26 and storage tax; specified exemptions.--The sale at retail,
27 the rental, the use, the consumption, the distribution, and
28 the storage to be used or consumed in this state of the
29 following are hereby specifically exempt from the tax imposed
30 by this chapter.

31 (7) MISCELLANEOUS EXEMPTIONS.--

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

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

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

8 4. Such exemption shall be applied as follows:

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

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

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

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

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

19 5. Notwithstanding any other provision in this
20 paragraph to the contrary, in order to receive the exemption
21 provided in this paragraph a taxpayer must first register with
22 the WAGES Program Business Registry established by the local
23 WAGES coalition for the area in which the taxpayer is located.
24 Such registration establishes a commitment on the part of the
25 taxpayer to hire WAGES program participants to the maximum
26 extent possible consistent with the nature of their business.

27 ~~6.a. In order to determine whether the exemption~~
28 ~~provided in this paragraph from the tax on charges for~~
29 ~~electricity or steam has an effect on retaining or attracting~~
30 ~~companies to this state, the Office of Program Policy Analysis~~
31

1 ~~and Government Accountability shall monitor and report on the~~
2 ~~industries receiving the exemption.~~

3 ~~b. The report shall be submitted no later than January~~
4 ~~1, 2001, and must be comprehensive in scope, but, at a~~
5 ~~minimum, must be conducted in such a manner as to specifically~~
6 ~~determine the number of companies within each SIC Industry~~
7 ~~Major Group receiving the exemption as of September 1, 2000,~~
8 ~~the number of individuals employed by companies within each~~
9 ~~SIC Industry Major Group receiving the exemption as of~~
10 ~~September 1, 2000, whether the change, if any, in such number~~
11 ~~of companies or employees is attributable to the exemption~~
12 ~~provided in this paragraph, whether it would be sound public~~
13 ~~policy to continue or discontinue the exemption, and the~~
14 ~~consequences of doing so.~~

15 ~~c. The report shall be submitted to the President of~~
16 ~~the Senate, the Speaker of the House of Representatives, the~~
17 ~~Senate Minority Leader, and the House Minority Leader.~~

18
19 Exemptions provided to any entity by this subsection shall not
20 inure to any transaction otherwise taxable under this chapter
21 when payment is made by a representative or employee of such
22 entity by any means, including, but not limited to, cash,
23 check, or credit card even when that representative or
24 employee is subsequently reimbursed by such entity.

25 Section 53. Subsection (6) of section 213.053, Florida
26 Statutes, is amended to read:

27 213.053 Confidentiality and information sharing.--

28 (6) Any information received by the Department of
29 Revenue in connection with the administration of taxes,
30 including, but not limited to, information contained in
31 returns, reports, accounts, or declarations filed by persons

1 subject to tax, shall be made available by the department to
2 the Auditor General or his or her authorized agent, the
3 director of the Office of Program Policy Analysis and
4 Government Accountability or his or her authorized agent,the
5 Comptroller or his or her authorized agent, the Insurance
6 Commissioner or his or her authorized agent, the Treasurer or
7 his or her authorized agent, or a property appraiser or tax
8 collector or their authorized agents pursuant to s.
9 195.084(1), in the performance of their official duties, or to
10 designated employees of the Department of Education solely for
11 determination of each school district's price level index
12 pursuant to s. 236.081(2); however, no information shall be
13 disclosed to the Auditor General or his or her authorized
14 agent, the director of the Office of Program Policy Analysis
15 and Government Accountability or his or her authorized agent,
16 the Comptroller or his or her authorized agent, the Insurance
17 Commissioner or his or her authorized agent, the Treasurer or
18 his or her authorized agent, or to a property appraiser or tax
19 collector or their authorized agents, or to designated
20 employees of the Department of Education if such disclosure is
21 prohibited by federal law. The Auditor General or his or her
22 authorized agent, the director of the Office of Program Policy
23 Analysis and Government Accountability or his or her
24 authorized agent,the Comptroller or his or her authorized
25 agent, the Treasurer or his or her authorized agent, and the
26 property appraiser or tax collector and their authorized
27 agents, or designated employees of the Department of Education
28 shall be subject to the same requirements of confidentiality
29 and the same penalties for violation of the requirements as
30 the department. For the purpose of this subsection,
31 "designated employees of the Department of Education" means

1 only those employees directly responsible for calculation of
2 price level indices pursuant to s. 236.081(2). It does not
3 include the supervisors of such employees or any other
4 employees or elected officials within the Department of
5 Education.

6 Section 54. Subsection (6) of section 215.44, Florida
7 Statutes, is amended to read:

8 215.44 Board of Administration; powers and duties in
9 relation to investment of trust funds.--

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

25 Section 55. Section 215.86, Florida Statutes, is
26 created to read:

27 215.86 Management systems and controls.--Each state
28 agency and the judicial branch as defined in s. 216.011 shall
29 establish and maintain management systems and controls that
30 promote and encourage compliance; economic, efficient, and
31 effective operations; reliability of records and reports; and

1 safeguarding of assets. Accounting systems and procedures
2 shall be designed to fulfill the requirements of generally
3 accepted accounting principles.

4 Section 56. Subsection (2) of section 215.94, Florida
5 Statutes, is amended to read:

6 215.94 Designation, duties, and responsibilities of
7 functional owners.--

8 (2) The Department of Banking and Finance shall be the
9 functional owner of the Florida Accounting Information
10 Resource Subsystem established pursuant to ss. ~~11.46~~, 17.03,
11 215.86, 216.141, and 216.151 and further developed in
12 accordance with the provisions of ss. 215.90-215.96. The
13 subsystem shall include, but shall not be limited to, the
14 following functions:

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

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

19 Section 57. Section 215.98, Florida Statutes, is
20 created to read:

21 215.98 Audits of state agency direct-support
22 organizations and citizen support organizations.--Each
23 direct-support organization and each citizen support
24 organization, created or authorized pursuant to law, and
25 created, approved, or administered by a state agency, other
26 than a university, district board of trustees of a community
27 college, or district school board, shall provide for an annual
28 financial audit of its accounts and records to be conducted by
29 an independent certified public accountant in accordance with
30 rules adopted by the Auditor General pursuant to s. 11.45(8)
31 and the state agency that created, approved, or administers

1 the direct-support organization or citizen support
2 organization. The audit report shall be submitted within 9
3 months after the end of the fiscal year to the Auditor General
4 and to the state agency responsible for creation,
5 administration, or approval of the direct-support organization
6 or citizen support organization. Such state agency, the
7 Auditor General, and the Office of Program Policy Analysis and
8 Government Accountability shall have the authority to require
9 and receive from the organization or from the independent
10 auditor any records relative to the operation of the
11 organization.

12 Section 58. Subsection (1) of section 216.177, Florida
13 Statutes, is amended to read:

14 216.177 Appropriations acts, statement of intent,
15 violation, notice, review and objection procedures.--

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

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

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

27
28 to the Executive Office of the Governor, the Comptroller, the
29 Auditor General, the director of the Office of Program Policy
30 Analysis and Government Accountability,the Chief Justice of
31 the Supreme Court, and each state agency. A request for

1 additional explanation and direction regarding the legislative
2 intent of the General Appropriations Act during the fiscal
3 year may be made only by and through the Executive Office of
4 the Governor for state agencies, and by and through the Chief
5 Justice of the Supreme Court for the judicial branch, as is
6 deemed necessary. However, the Comptroller may also request
7 further clarification of legislative intent pursuant to the
8 Comptroller's responsibilities related to his or her preaudit
9 function of expenditures.

10 Section 59. Subsection (2) of section 216.178, Florida
11 Statutes, is amended to read:

12 216.178 General Appropriations Act; format;
13 procedure.--

14 (2) The Office of Planning and Budgeting shall develop
15 a final budget report that reflects the net appropriations for
16 each budget item. The report shall reflect actual
17 expenditures for each of the 2 preceding fiscal years and the
18 estimated expenditures for the current fiscal year. In
19 addition, the report must contain the actual revenues and cash
20 balances for the preceding 2 fiscal years and the estimated
21 revenues and cash balances for the current fiscal year. The
22 report may also contain expenditure data, program objectives,
23 and program measures for each state agency program. The report
24 must be produced by October 15 each year. A copy of the
25 report must be made available to each member of the
26 Legislature, to the head of each state agency, to the Auditor
27 General, to the director of the Office of Program Policy
28 Analysis and Government Accountability, and to the public.

29 Section 60. Subsection (3) of section 216.292, Florida
30 Statutes, is amended to read:

31 216.292 Appropriations nontransferable; exceptions.--

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

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

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

18 (c) Such authorized revisions must be consistent with
19 the intent of the approved operating budget, must be
20 consistent with legislative policy and intent, and must not
21 conflict with specific spending policies specified in the
22 General Appropriations Act.

23
24 Such authorized revisions, together with related changes, if
25 any, in the plan for release of appropriations, shall be
26 transmitted by the state agency or by the judicial branch to
27 the Comptroller for entry in the Comptroller's records in the
28 manner and format prescribed by the Executive Office of the
29 Governor in consultation with the Comptroller. A copy of such
30 revision shall be furnished to the Executive Office of the
31 Governor or the Chief Justice, the chair of the Legislative

1 Budget Commission, the chairs of the legislative committees,
2 ~~and the Auditor General, and the director of the Office of~~
3 Program Policy Analysis and Government Accountability.

4 Section 61. Subsection (1) of section 218.31, Florida
5 Statutes, is amended, and subsections (15), (16), (17), and
6 (18) are added to said section, to read:

7 218.31 Definitions.--As used in this part, except
8 where the context clearly indicates a different meaning:

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

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

16 (16) "County agency" means a board of county
17 commissioners or other legislative and governing body of a
18 county, however styled, including that of a consolidated or
19 metropolitan government, a clerk of the circuit court, a
20 separate or ex officio clerk of the county court, a sheriff, a
21 property appraiser, a tax collector, a supervisor of
22 elections, or any other officer in whom any portion of the
23 fiscal duties of the above are under law separately placed.

24 (17) "Financial audit" means an examination of
25 financial statements in order to express an opinion on the
26 fairness with which they are presented in conformity with
27 generally accepted accounting principles and an examination to
28 determine whether operations are properly conducted in
29 accordance with legal and regulatory requirements. Financial
30 audits must be conducted in accordance with generally accepted
31 auditing standards and government auditing standards as

1 adopted by the Board of Accountancy and as prescribed by rules
2 promulgated by the Auditor General.

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

6 Section 62. Subsection (1) of section 218.32, Florida
7 Statutes, is amended to read:

8 218.32 Annual financial reports; local governmental
9 entities.--

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

26 (b) Each component unit, as defined by generally
27 accepted accounting principles, of a local governmental entity
28 shall provide the local governmental entity, within a
29 reasonable time period as established by the local
30 governmental entity, with financial information necessary to
31

1 comply with the reporting requirements contained in this
2 section.

3 (c) Each regional planning council created under s.
4 186.504, each local government finance commission, board, or
5 council, and each municipal power corporation created as a
6 separate legal or administrative entity by interlocal
7 agreement under s. 163.01(7) shall submit to the department a
8 copy of its audit report and an annual financial report for
9 the previous fiscal year in a format prescribed by the
10 department.

11 (d) Each local governmental entity that is required to
12 provide for an audit ~~report~~ in accordance with s. 218.39(1)
13 ~~11.45(3)(a)5~~ must submit the annual financial report with the
14 audit report. A copy of the audit report and annual financial
15 report must be submitted to the department within 45 days
16 after the completion of the audit report but no later than 12
17 months after the end of the fiscal year.

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

31

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

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

28 2. ~~In the case of a special district, notify the~~
29 ~~Department of Community Affairs that the special district has~~
30 ~~failed to provide the required annual financial report. Upon~~
31

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

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

11 Section 63. Subsection (2) of section 218.33, Florida
12 Statutes, is amended to read:

13 218.33 Local governmental entities; establishment of
14 uniform fiscal years and accounting practices and
15 procedures.--

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

26 Section 64. Subsection (3) of section 218.38, Florida
27 Statutes, is amended to read:

28 218.38 Notice of bond issues required; verification.--

29 (3) If a unit of local government fails to verify
30 pursuant to subsection (2) the information held by the
31 division, or fails to provide the information required by

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

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

24 ~~(b) In the case of a special district, notify the~~
25 ~~Department of Community Affairs that the special district has~~
26 ~~failed to comply. Upon notification, the Department of~~
27 ~~Community Affairs shall proceed pursuant to ss. 189.421 and~~
28 ~~189.422.~~

29 Section 65. Sections 218.39 and 218.391, Florida
30 Statutes, are created to read:

31 218.39 Annual financial audit reports.--

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

10 (a) Each county.

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

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

15 (d) Each district school board.

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

17 (f) Each charter technical center established under s.
18 228.505.

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

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

27 (2) The county audit report shall be a single document
28 that includes a financial audit of the county as a whole and,
29 for each county agency other than a board of county
30 commissioners, an audit of its financial accounts and records,
31 including reports on compliance and internal control,

1 management letters, and financial statements as required by
2 rules adopted by the Auditor General. In addition to such
3 requirements, if a board of county commissioners elects to
4 have a separate audit of its financial accounts and records in
5 the manner required by rules adopted by the Auditor General
6 for other county agencies, such separate audit shall be
7 included in the county audit report.

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

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

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

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

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

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

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

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

31

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

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

5 218.391 Auditor selection procedures.--

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

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

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

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

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

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

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

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

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

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

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

31

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

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

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

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

27 Section 66. Subsection (22) of section 218.415,
28 Florida Statutes, is amended to read:

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

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

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

20 Section 67. Paragraph (g) of subsection (8) of section
21 228.056, Florida Statutes, is amended to read:

22 228.056 Charter schools.--

23 (8) REQUIREMENTS.--

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

27 Section 68. Paragraph (d) of subsection (3) of section
28 228.093, Florida Statutes, is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16

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

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

3 Section 69. Paragraph (e) of subsection (11) of
4 section 228.505, Florida Statutes, is amended to read:

5 228.505 Charter technical career centers.--

6 (11) FUNDING.--

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

10 Section 70. Subsection (4) of section 229.8021,
11 Florida Statutes, is amended to read:

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

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

31

1 Section 71. Paragraphs (l) and (m) are added to
2 subsection (10) of section 230.23, Florida Statutes, to read:

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

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

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

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

19 Section 72. Subsection (4) of section 230.23025,
20 Florida Statutes, is amended to read:

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

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

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

20 Section 73. Subsection (4) of section 237.40, Florida
21 Statutes, is amended to read:

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

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

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

14 Section 74. Subsection (1) of section 240.214, Florida
15 Statutes, is amended to read:

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

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

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

16 Section 75. Subsection (5) of section 240.299, Florida
17 Statutes, is amended to read:

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

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

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

11 Section 76. Subsection (5) of section 240.2995,
12 Florida Statutes, is amended to read:

13 240.2995 University health services support
14 organizations.--

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

30 Section 77. Paragraph (c) of subsection (8) of section
31 240.311, Florida Statutes, is amended to read:

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

16 Section 78. Subsection (6) of section 240.331, Florida
17 Statutes, is amended to read:

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

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

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

12 Section 79. Subsection (6) of section 240.3315,
13 Florida Statutes, is amended to read:

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

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

31

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

3 Section 80. Section 240.3631, Florida Statutes, is
4 created to read:

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

11 Section 81. Paragraph (d) of subsection (2) and
12 paragraph (b) of subsection (8) of section 240.512, Florida
13 Statutes, are amended to read:

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

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

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

1 to the operation of the not-for-profit corporation or
2 subsidiary.

3 (8)

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

27 1. Internal auditing controls and reports of internal
28 auditors;

29 2. Matters reasonably encompassed in privileged
30 attorney-client communications;

31

1 3. Contracts for managed-care arrangements, including
2 preferred provider organization contracts, health maintenance
3 organization contracts, and exclusive provider organization
4 contracts, and any documents directly relating to the
5 negotiation, performance, and implementation of any such
6 contracts for managed-care arrangements;

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

11 5. Information relating to private contractual data,
12 the disclosure of which would impair the competitive interest
13 of the provider of the information;

14 6. Corporate officer and employee personnel
15 information;

16 7. Information relating to the proceedings and records
17 of credentialing panels and committees and of the governing
18 board of the not-for-profit corporation or its subsidiaries
19 relating to credentialing;

20 8. Minutes of meetings of the governing board of the
21 not-for-profit corporation and its subsidiaries, except
22 minutes of meetings open to the public pursuant to subsection
23 (9);

24 9. Information that reveals plans for marketing
25 services that the corporation or its subsidiaries reasonably
26 expect to be provided by competitors;

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

29 11. The identity of donors or prospective donors of
30 property who wish to remain anonymous or any information
31 identifying such donors or prospective donors. The anonymity

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

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

17 Section 82. Subsection (3) of section 240.5285,
18 Florida Statutes, is amended to read:

19 240.5285 Florida Atlantic University campuses.--

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

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

7 Section 83. Paragraphs (b), (c), (d), (e), (f), and
8 (g) of subsection (22) of section 240.551, Florida Statutes,
9 are amended to read:

10 240.551 Florida Prepaid College Program.--

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 Section 84. Subsection (6) of section 240.609, Florida
27 Statutes, is amended to read:

28 240.609 Postsecondary endowment grants.--

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

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

15 Section 85. Paragraph (h) of subsection (2) of section
16 240.711, Florida Statutes, is amended to read:

17 240.711 Ringling Center for Cultural Arts.--

18 (2)

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

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

7 Section 86. Subsection (6) of section 250.115, Florida
8 Statutes, is amended to read:

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

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

21 Section 87. Subsection (11) of section 253.025,
22 Florida Statutes, is amended to read:

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

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

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

6 Section 88. Subsection (16) of section 259.041,
7 Florida Statutes, is amended to read:

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

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

22 Section 89. Subsection (7) of section 266.0018,
23 Florida Statutes, is amended to read:

24 266.0018 Direct-support organization.--

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

1 Section 90. Subsection (3) of section 267.17, Florida
2 Statutes, is amended to read:

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

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

18 Section 91. Subsection (6) of section 288.1226,
19 Florida Statutes, is amended to read:

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

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

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

16 Section 92. Subsection (5) of section 288.1229,
17 Florida Statutes, is amended to read:

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

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

30 Section 93. Subsection (4) of section 288.809, Florida
31 Statutes, is amended to read:

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

19 Section 94. Section 288.9517, Florida Statutes, is
20 amended to read:

21 288.9517 Audits; confidentiality.--

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

31

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

8 Section 95. Subsection (5) of section 290.0056,
9 Florida Statutes, is amended to read:

10 290.0056 Enterprise zone development agency.--

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

31

1 Section 96. Section 290.015, Florida Statutes, is
2 amended to read:

3 290.015 Evaluation and review.--

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

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

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

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

5 Section 97. Section 296.17, Florida Statutes, is
6 amended to read:

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

19 Section 98. Section 296.41, Florida Statutes, is
20 amended to read:

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

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

3 Section 99. Paragraph (a) of subsection (3) of section
4 311.07, Florida Statutes, is amended to read:

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

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

20 Section 100. Subsections (5), (6), and (7) of section
21 320.023, Florida Statutes, are amended to read:

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

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

30
31

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

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

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

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

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

31

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

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

16 Section 101. Paragraph (b) of subsection (9) of
17 section 320.08058, Florida Statutes, is amended to read:

18 320.08058 Specialty license plates.--

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

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

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

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

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

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

1 Section 102. Section 320.08062, Florida Statutes, is
2 amended to read:

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

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

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

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

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

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

4 (2) Within 90 days after receiving an organization's
5 audit or attestation ~~report~~, the department shall determine
6 which recipients of revenues from specialty license plate
7 annual use fees have not complied with subsection (1). If the
8 department determines that an organization has not complied or
9 has failed to use the revenues in accordance with ss.
10 320.08056 and 320.08058, the department must discontinue the
11 distribution of the revenues to the organization until the
12 department determines that the organization has complied. If
13 an organization fails to comply within 12 months after the
14 annual use fee proceeds are withheld by the department, the
15 proceeds shall be deposited into the Highway Safety Operating
16 Trust Fund to offset department costs related to the issuance
17 of specialty license plates.

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

21 Section 103. Subsections (5), (6), and (7) of section
22 322.081, Florida Statutes, are amended to read:

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

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

31

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

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

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

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

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

31

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

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

16 Section 104. Subsection (4) of section 334.0445,
17 Florida Statutes, is amended to read:

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

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

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

4 Section 105. Subsection (5) of section 339.406,
5 Florida Statutes, is amended, and subsection (7) is added to
6 said section, to read:

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

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

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

15 Section 106. Paragraph (a) of subsection (13) of
16 section 365.171, Florida Statutes, is amended to read:

17 365.171 Emergency telephone number "911."--

18 (13) "911" FEE.--

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

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

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

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

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

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

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

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

29
30
31

1 As used in this paragraph, "telephone company" means an
2 exchange telephone service provider of "911" service or
3 equipment to any county within its certificated area.

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

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

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

28 Section 107. Subsection (3) of section 372.0215,
29 Florida Statutes, is amended to read:

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

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

17 Section 108. Subsection (3) of section 373.45926,
18 Florida Statutes, is amended to read:

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

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

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

3 Section 109. Section 373.507, Florida Statutes, is
4 amended to read:

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

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

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

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

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

31

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

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

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

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

15 Section 110. Subsection (9) of section 402.73, Florida
16 Statutes, is amended to read:

17 402.73 Contracting and performance standards.--

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

25 Section 111. Subsection (8) of section 403.1826,
26 Florida Statutes, is amended to read:

27 403.1826 Grants, requirements for eligibility.--

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

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

15 Section 112. Paragraph (d) of subsection (11) of
16 section 403.8532, Florida Statutes, is amended to read:

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

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

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

26 Section 113. Subsection (2) of section 403.864,
27 Florida Statutes, is amended to read:

28 403.864 Public water supply accounting program.--

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

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

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

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

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

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

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

3 Section 114. Paragraph (m) of subsection (4) of
4 section 411.01, Florida Statutes, is amended to read:

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

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

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

13

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

21 Section 115. Subsection (2) of section 411.221,
22 Florida Statutes, is amended to read:

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

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

31

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

3 Section 116. Subsection (11) of section 413.615,
4 Florida Statutes, is amended to read:

5 413.615 Florida Endowment for Vocational
6 Rehabilitation.--

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

19 Section 117. Subsection (1) of section 413.87, Florida
20 Statutes, is amended to read:

21 413.87 Annual audit.--

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

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

8 Section 118. Section 413.88, Florida Statutes, is
9 amended to read:

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

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

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

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

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

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

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

29 Section 119. Subsection (12) and paragraph (b) of
30 subsection (13) of section 446.609, Florida Statutes, are
31 amended to read:

1 446.609 Jobs for Florida's Graduates Act.--

2 (12) ANNUAL AUDIT.--The board shall provide for ~~cause~~
3 an annual financial audit of the foundation ~~foundation's~~
4 ~~financial accounts to be conducted by an independent certified~~
5 ~~public accountant~~ in accordance with s. 215.98 ~~rules adopted~~
6 ~~by the department. The annual audit report shall be submitted~~
7 ~~to the Auditor General and the department for review. The~~
8 ~~Auditor General and the department may require and receive~~
9 ~~from the foundation, or from its independent auditor, any~~
10 ~~relevant detail or supplemental data.~~

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

14 (b) Beginning in the first year of the Jobs for
15 Florida's Graduates Program, the Office ~~Division~~ of Economic
16 and Demographic Research ~~of the Joint Legislative Management~~
17 ~~Committee~~ shall undertake, during the initial phase, an
18 ongoing longitudinal study of participants to determine the
19 overall efficacy of the program. The division shall transmit
20 its findings each year to the Office of Program Policy
21 Analysis and Government Accountability for inclusion in the
22 report provided for in paragraph (a).

23 Section 120. Subsection (9) of section 455.32, Florida
24 Statutes, is amended to read:

25 455.32 Management Privatization Act.--

26 (9) The corporation shall provide for an annual
27 financial ~~and compliance~~ audit of its financial accounts and
28 records by an independent certified public accountant ~~in~~
29 ~~accordance with generally accepted auditing standards.~~ The
30 annual audit report shall include a management letter in
31 accordance with s. 11.45 and a detailed supplemental schedule

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

7 Section 121. Paragraph (j) of subsection (3) of
8 section 471.038, Florida Statutes, is amended to read:

9 471.038 Florida Engineers Management Corporation.--

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

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

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

4 Section 122. Paragraph (c) of subsection (2) of
5 section 550.125, Florida Statutes, is amended to read:

6 550.125 Uniform reporting system; bond requirement.--

7 (2)

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

15 Section 123. Subsections (1) and (3) of section
16 570.903, Florida Statutes, are amended to read:

17 570.903 Direct-support organization.--

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

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

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

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

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

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

31

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

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

13 Section 124. Paragraph (d) of subsection (10) of
14 section 601.15, Florida Statutes, is amended to read:

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

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

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

24 Section 125. Subsection (2) of section 616.263,
25 Florida Statutes, is amended to read:

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

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

31

1 Section 126. Subsection (4) of section 657.008,
2 Florida Statutes, is amended to read:

3 657.008 Place of doing business.--

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

24 Section 127. Subsection (5) of section 744.708,
25 Florida Statutes, is amended to read:

26 744.708 Reports and standards.--

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

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

6 Section 128. Subsection (3) of section 943.25, Florida
7 Statutes, is amended to read:

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

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

18 Section 129. Section 943.2569, Florida Statutes, is
19 amended to read:

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

26 Section 130. Paragraph (c) of subsection (2) of
27 section 944.512, Florida Statutes, is amended to read:

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

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

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

13 Section 131. Subsection (3) of section 944.719,
14 Florida Statutes, is amended to read:

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

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

25 Section 132. Subsection (3) of section 944.802,
26 Florida Statutes, is amended to read:

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

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

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

10 Section 133. Section 946.31, Florida Statutes, is
11 amended to read:

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

26 Section 134. Subsection (3) of section 948.15, Florida
27 Statutes, is amended to read:

28 948.15 Misdemeanor probation services.--

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

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

6 (a) The extent of the services to be rendered by the
7 entity providing supervision or rehabilitation.

8 (b) Staff qualifications and criminal record checks of
9 staff in accordance with essential standards established by
10 the American Correctional Association as of January 1, 1991.

11 (c) Staffing levels.

12 (d) The number of face-to-face contacts with the
13 offender.

14 (e) Procedures for handling the collection of all
15 offender fees and restitution.

16 (f) Procedures for handling indigent offenders which
17 ensure placement irrespective of ability to pay.

18 (g) Circumstances under which revocation of an
19 offender's probation may be recommended.

20 (h) Reporting and recordkeeping requirements.

21 (i) Default and contract termination procedures.

22 (j) Procedures that aid offenders with job assistance.
23

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

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

3 Section 135. Section 957.07, Florida Statutes, is
4 amended to read:

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

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

13 Section 136. Section 957.11, Florida Statutes, is
14 amended to read:

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

29 Section 137. Subsection (4) of section 960.002,
30 Florida Statutes, is amended to read:

31

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

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

11 Section 138. Paragraph (a) of subsection (1) of
12 section 985.311, Florida Statutes, is amended to read:

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

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

22 (a) The department shall provide for:

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

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

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

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

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

10 Section 139. Subsection (6) of section 985.4145,
11 Florida Statutes, is amended to read:

12 985.4145 Direct-support organization; definition; use
13 of property; board of directors; audit.--

14 (6) The direct-support organization shall provide for
15 an annual financial audit ~~and compliance postaudit of its~~
16 ~~financial accounts and records by an independent certified~~
17 ~~public accountant~~ in accordance with s. 215.98 ~~rules of the~~
18 ~~Auditor General. The annual audit report must include a~~
19 ~~management letter and must be submitted to the Auditor General~~
20 ~~and the department for review. The department and the Auditor~~
21 ~~General may require and receive from the direct support~~
22 ~~organization, or from its independent auditor, any detail or~~
23 ~~supplemental data relative to the operation of the~~
24 ~~organization.~~

25 Section 140. Subsection (3) of section 985.416,
26 Florida Statutes, is amended to read:

27 985.416 Innovation zones.--The department shall
28 encourage each of the juvenile justice circuit boards to
29 propose at least one innovation zone within the circuit for
30 the purpose of implementing any experimental, pilot, or
31 demonstration project that furthers the legislatively

1 established goals of the department. An innovation zone is a
2 defined geographic area such as a circuit, commitment region,
3 county, municipality, service delivery area, school campus, or
4 neighborhood providing a laboratory for the research,
5 development, and testing of the applicability and efficacy of
6 model programs, policy options, and new technologies for the
7 department.

8 (3) Before implementing an innovation zone under this
9 subsection, the secretary shall, in conjunction with the
10 Office of Program Policy Analysis and Government
11 Accountability Auditor General, develop measurable and valid
12 objectives for such zone within a negotiated reasonable period
13 of time. Moneys designated for an innovation zone in one
14 operating circuit may not be used to fund an innovation zone
15 in another operating circuit.

16 Section 141. Sections 11.149 and 11.46; paragraph (e)
17 of subsection (2) of section 125.901; paragraph (1) of
18 subsection (2) of section 215.56005; section 216.2815;
19 subsection (23) of section 218.415; subsection (11) of section
20 228.053; subsection (6) of section 228.082; subsection (3) of
21 section 253.037; section 265.607; subsection (2) of section
22 288.906; sections 288.9616 and 298.65; subsection (3) of
23 section 331.419; sections 339.413, 348.69, and 373.589;
24 subsection (3) of section 374.987; subsection (8) of section
25 380.510; sections 388.331 and 400.335; subsection (14) of
26 section 403.1837; paragraph (i) of subsection (14) of section
27 440.49; subsection (14) of section 517.1204; and sections
28 570.912, 581.195, 589.013, and 590.612, Florida Statutes, are
29 repealed.

30 Section 142. Subsection (2) of section 189.4042,
31 Florida Statutes, is amended to read:

1 189.4042 Merger and dissolution procedures.--
2 (2) The merger or dissolution of an independent
3 special district or a dependent district created and operating
4 pursuant to a special act may only be effectuated by the
5 Legislature unless otherwise provided by general law. If an
6 inactive independent district was created by a county or
7 municipality through a referendum, the county or municipality
8 that created the district may ~~merge or~~ dissolve the district
9 after publishing notice as described in s. 189.4044. If an
10 independent district was created by a county or municipality
11 by referendum or any other procedure, the county or
12 municipality that created the district may merge or dissolve
13 the district pursuant to the same procedure by which the
14 independent district was created. ~~However, for any such~~
15 independent district that has ad valorem taxation powers, the
16 same procedure required to grant such independent district ad
17 valorem taxation powers shall also be required to dissolve or
18 merge the district.

19 Section 143. Paragraph (b) of subsection (1) of
20 section 189.4044, Florida Statutes, is amended to read:

21 189.4044 Special procedures for inactive districts.--

22 (1) The department shall declare inactive any special
23 district in this state by filing a report with the Speaker of
24 the House of Representatives and the President of the Senate
25 which shows that such special district is no longer active.
26 The inactive status of the special district must be based upon
27 a finding:

28 (b) That a notice of the proposed declaration has been
29 published once a week for 2 ~~4~~ weeks in a newspaper of general
30 circulation within the county or municipality wherein the
31 territory of the special district is located, stating the name

1 of said special district, the law under which it was organized
2 and operating, a general description of the territory included
3 in said special district, and stating that any objections to
4 the proposed declaration or to any claims against the assets
5 of said special district shall be filed not later than 60 days
6 following the date of last publication with the department;
7 and

8 Section 144. Section 189.418, Florida Statutes, is
9 amended to read:

10 189.418 Reports; budgets; audits.--

11 (1) When a new special district is created, the
12 district must forward to the department, within 30 days after
13 the adoption of the special act, rule, ordinance, resolution,
14 or other document that provides for the creation of the
15 district, a copy of the document. In addition to the document
16 or documents that create the district, the district must also
17 submit a map of the district, showing any municipal boundaries
18 that cross the district's boundaries, and any county lines if
19 the district is located in more than one county. The
20 department must notify the local government or other entity
21 and the district within 30 days after receipt of the document
22 or documents that create the district as to whether the
23 district has been determined to be dependent or independent.

24 (2) Any amendment, modification, or update of the
25 document by which the district was created, including changes
26 in boundaries, must be filed with the department within 30
27 days after adoption. The department may initiate proceedings
28 against special districts as provided in ss. 189.421 and
29 189.422 for failure to file the information required by this
30 subsection.

31

1 (3) The governing body of each special district shall
2 adopt a budget by resolution each fiscal year. The total
3 amount available from taxation and other sources, including
4 amounts carried over from prior fiscal years, must equal the
5 total of appropriations for expenditures and reserves. The
6 adopted budget must regulate expenditures of the special
7 district, and it is unlawful for any officer of a special
8 district to expend or contract for expenditures in any fiscal
9 year except in pursuance of budgeted appropriations.

10 (4) The proposed budget of a dependent special
11 district shall be presented in accordance with generally
12 accepted accounting principles, contained within the general
13 budget of the local governing authority, and be clearly stated
14 as the budget of the dependent district. However, with the
15 concurrence of the local governing authority, a dependent
16 district may be budgeted separately.

17 (5) A local governing authority may, in its
18 discretion, review the budget or tax levy of any special
19 district located solely within its boundaries.

20 ~~(3) Each special district shall file with the local~~
21 ~~general-purpose governing authority or authorities within the~~
22 ~~geographic boundaries of the district a copy of:~~

23 ~~(a) The reports required by ss. 218.32 and 218.34;~~

24 ~~(b) A complete description of all new bonds as~~
25 ~~provided in s. 218.38(1); and~~

26 ~~(c) A map of the district and any subsequent boundary~~
27 ~~changes.~~

28 ~~(4) Each special district shall make provisions for an~~
29 ~~annual independent postaudit of its financial records as~~
30 ~~provided in s. 11.45. A copy of the audit shall be filed with~~
31 ~~the local governing authority or authorities.~~

1 ~~(6)(5)~~ All reports or information required to be filed
2 with a local governing authority under ss. ~~11.45~~, 189.416,
3 189.417, 218.32, and 218.39 ~~218.34~~ and this section shall:

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

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

8 (c) When the local governing authority is a
9 municipality, be filed at the place designated by the
10 municipal governing body.

11 Section 145. Section 189.419, Florida Statutes, is
12 amended to read:

13 189.419 Effect of failure to file certain reports or
14 information.--

15 (1) If a special district fails to file the reports or
16 information required under ~~s. 11.45~~ s. 189.415, s. 189.416, s.
17 189.417, s. 189.418, s. 218.32, or s. 218.39 ~~s. 218.34~~ and a
18 description of all new bonds as provided in s. 218.38(1) with
19 the local governing authority, the person authorized to
20 receive and read the reports or information shall notify the
21 district's registered agent and the appropriate local
22 governing authority or authorities. At any time, the governing
23 authority may grant an extension of time for filing the
24 required reports or information, except that an extension may
25 not exceed 30 days.

26 (2) If at any time the local governing authority or
27 authorities or the board of county commissioners determines
28 that there has been an unjustified failure to file the reports
29 or information described in subsection (1), it may petition
30 the department to initiate proceedings against the special
31 district in the manner provided in s. 189.421.

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

9 Section 146. Section 189.429, Florida Statutes, is
10 amended to read:

11 189.429 Codification.--

12 (1) Each district, by December 1, 2004, shall submit
13 to the Legislature a draft codified charter, at its expense,
14 so that its special acts may be codified into a single act for
15 reenactment by the Legislature, if there is more than one
16 special act for the district. The Legislature may adopt a
17 schedule for individual district codification. Any codified
18 act relating to a district, which act is submitted to the
19 Legislature for reenactment, shall provide for the repeal of
20 all prior special acts of the Legislature relating to the
21 district. The codified act shall be filed with the department
22 pursuant to s. 189.418(2).

23 (2) The reenactment of existing law under this section
24 shall not be construed as a grant of additional authority nor
25 to supersede the authority of any entity pursuant to law.
26 Exceptions to law contained in any special act that are
27 reenacted pursuant to this section shall continue to apply.

28 (3) The reenactment of existing law under this section
29 shall not be construed to modify, amend, or alter any
30 covenants, contracts, or other obligations of any district
31 with respect to bonded indebtedness. Nothing pertaining to

1 the reenactment of existing law under this section shall be
2 construed to affect the ability of any district to levy and
3 collect taxes, assessments, fees, or charges for the purpose
4 of redeeming or servicing bonded indebtedness of the district.

5 Section 147. Paragraph (h) of subsection (1) of
6 section 121.055, Florida Statutes, is amended to read:

7 121.055 Senior Management Service Class.--There is
8 hereby established a separate class of membership within the
9 Florida Retirement System to be known as the "Senior
10 Management Service Class," which shall become effective
11 February 1, 1987.

12 (1)

13 (h)1. Except as provided in subparagraph 3., effective
14 January 1, 1994, participation in the Senior Management
15 Service Class shall be compulsory for the State Courts
16 Administrator and the Deputy State Courts Administrators, the
17 Clerk of the Supreme Court, the Marshal of the Supreme Court,
18 the Executive Director of the Justice Administrative
19 Commission, the Capital Collateral Regional Counsels, the
20 clerks of the district courts of appeals, the marshals of the
21 district courts of appeals, and the trial court administrator
22 in each judicial circuit. Effective January 1, 1994,
23 additional positions in the offices of the state attorney and
24 public defender in each judicial circuit may be designated for
25 inclusion in the Senior Management Service Class of the
26 Florida Retirement System, provided that:

27 a. Positions to be included in the class shall be
28 designated by the state attorney or public defender, as
29 appropriate. Notice of intent to designate positions for
30 inclusion in the class shall be published once a week for 2
31 consecutive weeks in a newspaper of general circulation

1 published in the county or counties affected, as provided in
2 chapter 50.

3 b. One nonelective full-time position may be
4 designated for each state attorney and public defender
5 reporting to the Department of Management Services; for
6 agencies with 200 or more regularly established positions
7 under the state attorney or public defender, additional
8 nonelective full-time positions may be designated, not to
9 exceed 0.5 percent of the regularly established positions
10 within the agency.

11 c. Each position added to the class must be a
12 managerial or policymaking position filled by an employee who
13 serves at the pleasure of the state attorney or public
14 defender without civil service protection, and who:

15 (I) Heads an organizational unit; or

16 (II) Has responsibility to effect or recommend
17 personnel, budget, expenditure, or policy decisions in his or
18 her areas of responsibility.

19 2. Participation in this class shall be compulsory,
20 except as provided in subparagraph 3., for any judicial
21 employee who holds a position designated for coverage in the
22 Senior Management Service Class, and such participation shall
23 continue until the employee terminates employment in a covered
24 position. Effective January 1, 2001, participation in this
25 class is compulsory for assistant state attorneys, assistant
26 statewide prosecutors, assistant public defenders, and
27 assistant capital collateral regional counsels. Effective
28 January 1, 2002, participation in this class is compulsory for
29 assistant attorneys general.

30 3. In lieu of participation in the Senior Management
31 Service Class, such members, excluding assistant state

1 attorneys, assistant public defenders, assistant statewide
2 prosecutors, assistant attorneys general, and assistant
3 capital collateral regional counsels, may participate in the
4 Senior Management Service Optional Annuity Program as
5 established in subsection (6).

6 Section 148. The sum of \$93,000 is appropriated from
7 the General Revenue Fund for the 2001-2002 fiscal year for the
8 purpose of paying the costs association with adding assistant
9 attorneys general to the Senior Management Service Class in
10 the Florida Retirement System.

11 Section 149. Section 218.34, Florida Statutes, is
12 repealed.

13 Section 150. This act shall take effect July 1, 2001.