

By the Committee on Governmental Oversight and Productivity;
and Senator Atwater

302-2400-03

1 A bill to be entitled
2 An act relating to government accountability;
3 amending s. 11.40, F.S.; combining the office
4 of the Auditor General and the Office of
5 Program Policy Analysis and Government
6 Accountability into the Office of Government
7 Accountability; amending s. 11.42, F.S.;
8 deleting provisions relating to qualifications
9 of employees of the Auditor General; deleting
10 provisions relating to the headquarters;
11 deleting provisions prohibiting certain
12 political activity; creating s. 11.421, F.S.;
13 creating the Office of Government
14 Accountability; designating the Auditor General
15 as the head of the office; requiring
16 appointment of a qualified person as deputy
17 auditor general to head the Division of Policy
18 Analysis and Agency Review, subject to
19 confirmation by the Legislative Auditing
20 Committee; prescribing responsibilities of the
21 division; specifying qualifications of
22 employees of the office; providing for
23 headquarters and other offices and for
24 payrolls; prohibiting certain activities by
25 employees of the office; amending s. 11.45,
26 F.S.; prescribing duties of the office with
27 respect to conducting audits and similar
28 duties, including provisions directing audits
29 and review of specified entities and programs;
30 providing for corrective action plans by
31 audited entities; revising provisions relating

1 to petitioning for audit of a municipality;
2 amending s. 11.47, F.S.; providing penalties
3 for entities not cooperating with the office;
4 repealing ss. 11.51, 11.511, F.S., relating to
5 the Office of Program Policy Analysis and
6 Government Accountability and to its director;
7 amending ss. 11.513, 14.203, 17.041, 20.055,
8 20.23, 24.105, 24.108, 24.120, 24.123, 25.075,
9 39.202, 68.085, 68.087, 70.20, 110.116,
10 112.061, 119.07, 121.051, 121.055, 125.01,
11 136.08, 154.11, 163.2526, 163.3246, 189.4035,
12 189.412, 189.428, 192.0105, 193.074, 193.1142,
13 195.027, 195.084, 196.101, 213.053, 215.44,
14 215.93, 215.94, 215.97, 215.981, 216.102,
15 216.141, 216.163, 216.177, 216.178, 216.181,
16 216.192, 216.231, 216.262, 216.292, 216.301,
17 218.31, 218.32, 218.39, 220.187, 243.73,
18 253.025, 259.037, 259.041, 267.1732, 273.02,
19 273.03, 273.05, 273.055, 274.02, 282.318,
20 282.322, 287.045, 287.058, 287.0943, 287.115,
21 287.17, 288.1224, 288.1226, 288.1227, 288.7011,
22 288.7091, 288.7092, 288.90151, 288.905,
23 288.906, 288.9517, 288.9604, 290.00689, 296.17,
24 296.41, 298.17, 310.131, 320.023, 320.08058,
25 320.08062, 322.081, 331.419, 334.0445, 336.022,
26 339.406, 365.173, 373.45926, 373.4595, 373.536,
27 403.1835, 403.8532, 409.2563, 411.01, 411.011,
28 411.221, 421.091, 427.705, 443.1316, 445.003,
29 445.004, 446.609, 455.32, 471.038, 527.22,
30 550.125, 601.15, 616.263, 744.708, 943.25,
31 944.105, 944.512, 944.719, 946.516, 948.15,

1 957.07, 957.11, 985.31, 985.311, 985.412,
2 985.416, 1001.24, 1001.453, 1002.22, 1002.36,
3 1002.37, 1004.28, 1004.29, 1004.43, 1004.445,
4 1004.58, 1004.70, 1004.78, 1005.37, 1006.07,
5 1006.19, 1008.35, 1008.46, 1009.265, 1009.53,
6 1009.976, 1009.983, 1010.305, 1011.10, 1011.51,
7 1013.35, 1013.512, F.S., and s. 34, chapter
8 2002-22, Laws of Florida, and repealing s.
9 112.658, F.S., relating to the Office of
10 Program Policy Analysis and Government
11 Accountability, to conform; amending ss.
12 216.023, 288.1224, 322.135, 324.202, 411.01,
13 445.009, F.S., to repeal obsolete provisions;
14 providing an effective date.

15
16 Be It Enacted by the Legislature of the State of Florida:

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18 Section 1. Subsections (3), (4), and (5) of section
19 11.40, Florida Statutes, are amended to read:

20 11.40 Legislative Auditing Committee.--

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

26 (4) The Legislative Auditing Committee may take under
27 investigation any matter within the scope of an audit, review,
28 or examination either completed or then being conducted by the
29 ~~Auditor General or the Office of Program Policy Analysis and~~
30 Government Accountability, and, in connection with such

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1 investigation, may exercise the powers of subpoena by law
2 vested in a standing committee of the Legislature.

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

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

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

1 (c) In the case of a charter school or charter
2 technical career center, notify the appropriate sponsoring
3 entity, which may terminate the charter pursuant to ss.
4 1002.33 and 1002.34.

5 Section 2. Section 11.42, Florida Statutes, is amended
6 to read:

7 11.42 The Auditor General.--

8 (1) The Auditor General appointed in this section is
9 the auditor that is required by s. 2, Art. III of the State
10 Constitution.

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

21 (3) The Auditor General shall perform his or her
22 duties independently but under the general policies
23 established by the Legislative Auditing Committee.

24 (4)(3)(a) To carry out ~~her or his~~ or her duties the
25 Auditor General shall make all spending decisions within the
26 annual operating budget of the Office of Government
27 Accountability approved by the President of the Senate and the
28 Speaker of the House of Representatives. ~~The Auditor General~~
29 ~~shall employ qualified persons necessary for the efficient~~
30 ~~operation of the Auditor General's office and shall fix their~~
31 ~~duties and compensation and, with the approval of the~~

1 ~~President of the Senate and the Speaker of the House of~~
2 ~~Representatives, shall adopt and administer a uniform~~
3 ~~personnel, job classification, and pay plan for such~~
4 ~~employees.~~

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

11 ~~(5)(4)~~ The Auditor General, before entering upon the
12 duties of the office, shall take and subscribe the oath of
13 office required of state officers by the State Constitution.

14 ~~(6)(5)~~ The appointment of the Auditor General may be
15 terminated at any time by a majority vote of both houses of
16 the Legislature.

17 ~~(6)(a) The headquarters of the Auditor General shall~~
18 ~~be at the state capital, but to facilitate auditing and to~~
19 ~~eliminate unnecessary traveling the Auditor General may~~
20 ~~establish field offices located outside the state capital. The~~
21 ~~Auditor General shall be provided with adequate quarters to~~
22 ~~carry out the position's functions in the state capital and in~~
23 ~~other areas of the state.~~

24 ~~(b) All payrolls and vouchers for the operations of~~
25 ~~the Auditor General's office shall be submitted to the~~
26 ~~Comptroller and, if found to be correct, payments shall be~~
27 ~~issued therefor.~~

28 (7) The Auditor General may make and enforce
29 reasonable rules and regulations necessary to facilitate
30 audits, including, but not limited to, examinations, policy
31 analyses, program evaluations and justification reviews,

1 reviews, and other engagements that the Office of Government
2 Accountability which she or he is authorized to perform.

3 ~~(8) No officer or salaried employee of the Office of~~
4 ~~the Auditor General shall serve as the representative of any~~
5 ~~political party or on any executive committee or other~~
6 ~~governing body thereof; serve as an executive, officer, or~~
7 ~~employee of any political party committee, organization, or~~
8 ~~association; or be engaged on behalf of any candidate for~~
9 ~~public office in the solicitation of votes or other activities~~
10 ~~in behalf of such candidacy. Neither the Auditor General nor~~
11 ~~any employee of the Auditor General may become a candidate for~~
12 ~~election to public office unless she or he first resigns from~~
13 ~~office or employment. No officer or salaried employee of the~~
14 ~~Auditor General shall actively engage in any other business or~~
15 ~~profession or be otherwise employed without the prior written~~
16 ~~permission of the Auditor General.~~

17 ~~(8)(9)~~ Sections 11.25(1) and 11.26 shall not apply to
18 the Auditor General.

19 Section 3. Section 11.421, Florida Statutes, is
20 created to read:

21 11.421 The Office of Government Accountability.--

22 (1) There is created an Office of Government
23 Accountability.

24 (2) The Auditor General is the head of the Office of
25 Government Accountability.

26 (3) The Office of Government Accountability shall
27 consist of a Division of Policy Analysis and Agency Review and
28 any other divisions deemed necessary by the Auditor General.
29 The Division of Policy Analysis and Agency Review is
30 responsible for conducting examinations, policy analyses,
31 program evaluation and justification reviews, and other

1 engagements as directed by the Auditor General or as directed
2 by the Legislative Auditing Committee. The Division of Policy
3 Analysis and Agency Review is also responsible for maintaining
4 the Florida Government Accountability Report, which summarizes
5 accountability information on all major state programs, and
6 providing this information to the Legislature electronically
7 and by other means.

8 (4) The Auditor General shall appoint a deputy auditor
9 general to direct the Division of Policy Analysis and Agency
10 Review. At the time of the appointment, this deputy auditor
11 general must have had 10 years' experience in policy analysis
12 and program evaluation. The appointment shall be subject to
13 confirmation by a majority vote of the Legislative Auditing
14 Committee.

15 (5) The Auditor General shall employ qualified persons
16 necessary for the efficient operation of the Office of
17 Government Accountability. The staff must be chosen to provide
18 a broad background of experience and expertise and, to the
19 maximum extent possible, to represent a range of disciplines
20 that includes auditing, accounting, law, engineering, public
21 administration, environmental science, policy analysis,
22 economics, sociology, and philosophy. The Auditor General
23 shall fix their duties and compensation and, with the approval
24 of the President of the Senate and the Speaker of the House of
25 Representatives, shall adopt and administer a uniform
26 personnel, job classification, and pay plan for such
27 employees.

28 (6) No person shall be employed as a financial auditor
29 who does not possess the qualifications to take the
30 examination for a certificate as certified public accountant
31 under the laws of this state, and no person shall be employed

1 or retained as legal advisor, either full-time or part-time,
2 who is not a member in good standing of The Florida Bar.

3 (7)(a) The headquarters of the Office of Government
4 Accountability shall be at the state capital, but to
5 facilitate auditing and to eliminate unnecessary traveling the
6 Office of Government Accountability may establish field
7 offices located outside the state capital. The Office of
8 Government Accountability shall be provided with adequate
9 quarters to carry out its duties and responsibilities in the
10 state capital and in other areas of the state.

11 (b) All payrolls and vouchers for the operations of
12 the Office of Government Accountability shall be submitted to
13 the Chief Financial Officer and, if found to be correct,
14 payment shall be issued therefor.

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

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1 Section 4. Subsections (2), (3), (4), (5), (6), (7),
2 (8), and (9) of section 11.45, Florida Statutes, are amended
3 to read:

4 11.45 Definitions; duties; authorities; reports;
5 rules.--

6 (2) DUTIES.--The Office of Government Accountability
7 ~~Auditor General~~ shall:

8 (a) Conduct audits, including, but not limited to,
9 examinations, policy analyses, program evaluations and
10 justification reviews, reviews, and other engagements of
11 ~~records~~ and perform related duties as prescribed by law,
12 concurrent resolution of the Legislature, or as directed by
13 the Legislative Auditing Committee.

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

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

19 (d) Annually conduct financial audits of the accounts
20 and records of all district school boards in counties with
21 populations of fewer than 150,000, according to the most
22 recent federal decennial statewide census.

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

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

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1 inspectors general, or internal auditors and the resolution of
2 findings therein.

3 (g) At least every 2 years, conduct a performance
4 audit of the local government financial reporting system,
5 which, for the purpose of this chapter, means any statutory
6 provisions related to local government financial reporting.
7 The purpose of such an audit is to determine the accuracy,
8 efficiency, and effectiveness of the reporting system in
9 achieving its goals and to make recommendations to the local
10 governments, the Governor, and the Legislature as to how the
11 reporting system can be improved and how program costs can be
12 reduced. The local government financial reporting system
13 should provide for the timely, accurate, uniform, and
14 cost-effective accumulation of financial and other information
15 that can be used by the members of the Legislature and other
16 appropriate officials to accomplish the following goals:

- 17 1. Enhance citizen participation in local government;
- 18 2. Improve the financial condition of local
19 governments;
- 20 3. Provide essential government services in an
21 efficient and effective manner; and
- 22 4. Improve decisionmaking on the part of the
23 Legislature, state agencies, and local government officials on
24 matters relating to local government.

25 (h) At least every 2 years, determine through the
26 examination of actuarial reviews, financial statements, and
27 the practices and procedures of the Department of Management
28 Services, the compliance of the Florida Retirement System with
29 the provisions of part VII, ch. 112. The Office of Government
30 Accountability shall employ an independent consulting actuary
31 who is an enrolled actuary as defined in part VII, ch. 112, to

1 assist in the determination of compliance. The Office of
2 Government Accountability shall employ the same actuarial
3 standards to monitor the Department of Management Services as
4 the Department of Management Services uses to monitor local
5 governmental entities.

6 (i) At least every 2 years, examine the State Board of
7 Administration's management of investments.

8 (j)(h) Once every 3 years, conduct performance audits
9 of the Department of Revenue's administration of the ad
10 valorem tax laws as described in s. 195.096.

11 (k)(i) Once every 3 years, conduct financial and
12 operational audits of the accounts and records of all district
13 school boards in counties with populations of 150,000 ~~125,000~~
14 or more, according to the most recent federal decennial
15 statewide census.

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

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

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1 ~~member of the audited entity's governing body and to the~~
2 ~~Legislative Auditing Committee.~~

3 (n) Conduct program evaluation and justification
4 reviews as described in s. 11.513 at the discretion of the
5 Auditor General upon consultation with the Legislative
6 Auditing Committee or the Legislative Budget Commission.

7 (o) Provide a statement in its reports whether the
8 entity audited by the Office of Government Accountability must
9 file a corrective action plan to address findings and
10 recommendations included in the report. Whenever determined
11 necessary by the Office of Government Accountability, the
12 audited entity shall provide a corrective action plan to the
13 Legislative Auditing Committee. The audited entity shall
14 provide the corrective action plan no later than 2 months
15 after the release of the report by the Office of Government
16 Accountability. The corrective action plan must include
17 completion dates, data, and other information that describes
18 in detail what the entity will do to implement the
19 recommendations within the report. The entity shall provide
20 data and other information that describes with specificity the
21 progress the entity has made in implementing the corrective
22 action plan. The entity shall provide such data within 12
23 months after the submission of the corrective action plan or
24 the time period specified by the Office of Government
25 Accountability. The Office of Government Accountability shall
26 perform follow-up procedures to verify the entity's progress
27 in addressing findings and recommendations contained within
28 the report issued by the Office of Government Accountability.
29 The Office of Government Accountability shall provide a copy
30 of its determination to the audited entity, to the Legislative

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1 Auditing Committee, and to the appropriate legislative
2 standing committees.

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

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

12 ~~(a)~~ The Office of Government Accountability Auditor
13 ~~General~~ may, pursuant to the direction of the Auditor General
14 ~~his or her own authority~~, or at the direction of the
15 Legislative Auditing Committee, conduct audits, including, but
16 not limited to, examinations, policy analyses, program
17 evaluations and justification reviews, reviews, and ~~or~~ other
18 engagements as determined appropriate by the Auditor General
19 of:

20 (a)~~1.~~ The accounts and records of any governmental
21 entity created or established by law.

22 (b)~~2.~~ The information technology programs, activities,
23 functions, or systems of any governmental entity created or
24 established by law.

25 (c)~~3.~~ The accounts and records of any charter school
26 created or established by law.

27 (d)~~4.~~ The accounts and records of any direct-support
28 organization or citizen support organization created or
29 established by law. The Office of Government Accountability
30 ~~Auditor General~~ is authorized to require and receive any
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1 records from the direct-support organization or citizen
2 support organization, or from its independent auditor.

3 (e)~~5~~. The public records associated with any
4 appropriation made by the General Appropriations Act to a
5 nongovernmental agency, corporation, or person. All records of
6 a nongovernmental agency, corporation, or person with respect
7 to the receipt and expenditure of such an appropriation shall
8 be public records and shall be treated in the same manner as
9 other public records are under general law.

10 (f)~~6~~. State financial assistance provided to any
11 nonstate entity.

12 (g)~~7~~. The Tobacco Settlement Financing Corporation
13 created pursuant to s. 215.56005.

14 (h)~~8~~. The Florida Virtual School created pursuant to
15 s. 1002.37.

16 (i)~~9~~. Any purchases of federal surplus lands for use
17 as sites for correctional facilities as described in s.
18 253.037.

19 (j)~~10~~. Enterprise Florida, Inc., including any of its
20 boards, advisory committees, or similar groups created by
21 Enterprise Florida, Inc., and programs. The audit report may
22 not reveal the identity of any person who has anonymously made
23 a donation to Enterprise Florida, Inc., pursuant to this
24 subparagraph. The identity of a donor or prospective donor to
25 Enterprise Florida, Inc., who desires to remain anonymous and
26 all information identifying such donor or prospective donor
27 are confidential and exempt from the provisions of s.
28 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
29 anonymity shall be maintained in the auditor's report.

30 (k)~~11~~. The Florida Development Finance Corporation or
31 the capital development board or the programs or entities

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

10 (l)~~12~~. The records pertaining to the use of funds from
11 voluntary contributions on a motor vehicle registration
12 application or on a driver's license application authorized
13 pursuant to ss. 320.023 and 322.081.

14 (m)~~13~~. The records pertaining to the use of funds from
15 the sale of specialty license plates described in chapter 320.

16 (n)~~14~~. The transportation corporations under contract
17 with the Department of Transportation that are acting on
18 behalf of the state to secure and obtain rights-of-way for
19 urgently needed transportation systems and to assist in the
20 planning and design of such systems pursuant to ss.
21 339.401-339.421.

22 (o)~~15~~. The acquisitions and divestitures related to
23 the Florida Communities Trust Program created pursuant to
24 chapter 380.

25 (p)~~16~~. The Florida Water Pollution Control Financing
26 Corporation created pursuant to s. 403.1837.

27 (q)~~17~~. The Florida Partnership for School Readiness
28 created pursuant to s. 411.01.

29 (r)~~18~~. The Florida Special Disability Trust Fund
30 Financing Corporation created pursuant to s. 440.49.

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1 (s)~~19~~. Workforce Florida, Inc., or the programs or
2 entities created by Workforce Florida, Inc., created pursuant
3 to s. 445.004.

4 (t)~~20~~. The corporation defined in s. 455.32 that is
5 under contract with the Department of Business and
6 Professional Regulation to provide administrative,
7 investigative, examination, licensing, and prosecutorial
8 support services in accordance with the provisions of s.
9 455.32 and the practice act of the relevant profession.

10 (u)~~21~~. The Florida Engineers Management Corporation
11 created pursuant to chapter 471.

12 (v)~~22~~. The Investment Fraud Restoration Financing
13 Corporation created pursuant to chapter 517.

14 (w)~~23~~. The books and records of any permitholder that
15 conducts race meetings or jai alai exhibitions under chapter
16 550.

17 (x)~~24~~. The corporation defined in part II of chapter
18 946, known as the Prison Rehabilitative Industries and
19 Diversified Enterprises, Inc., or PRIDE Enterprises.

20 ~~(b) The Auditor General is also authorized to:~~

21 ~~1. Promote the building of competent and efficient~~
22 ~~accounting and internal audit organizations in the offices~~
23 ~~administered by governmental entities.~~

24 ~~2. Provide consultation services to governmental~~
25 ~~entities on their financial and accounting systems,~~
26 ~~procedures, and related matters.~~

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

28 (a) Each financial audit required or authorized by
29 this section, when practicable, shall be made and completed
30 within not more than 9 months following the end of each
31 audited fiscal year of the state agency or political

1 subdivision, or at such lesser time which may be provided by
2 law or concurrent resolution or directed by the Legislative
3 Auditing Committee. When the Auditor General determines that
4 conducting any audit or engagement otherwise required by law
5 would not be possible due to workload or would not be an
6 efficient or effective use of the Office of Government
7 Accountability's ~~his or her~~ resources based on an assessment
8 of risk, then, in his or her discretion, the Auditor General
9 may temporarily or indefinitely postpone such audits or other
10 engagements for such period or any portion thereof, unless
11 otherwise directed by the committee.

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

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

29 (d) At the conclusion of the audit, the Office of
30 Government Accountability's ~~Auditor General or the Auditor~~
31 ~~General's~~ designated representative shall discuss the audit

1 with the official whose office is subject to audit and submit
2 to that official a list of the Auditor General's findings
3 which may be included in the audit report. If the official is
4 not available for receipt of the list of audit findings, then
5 delivery is presumed to be made when it is delivered to his or
6 her office. The official shall submit to the Office of
7 Government Accountability ~~Auditor General~~ or its the
8 designated representative, within 30 days after the receipt of
9 the list of findings, or within 15 days after receipt of the
10 list of findings when requested by the Office of Government
11 Accountability his or her written statement of explanation or
12 rebuttal concerning all of the findings, including corrective
13 action to be taken to preclude a recurrence of all findings.

14 (e) The Office of Government Accountability ~~Auditor~~
15 ~~General~~ shall provide the successor independent certified
16 public accountant of a district school board with access to
17 the prior year's working papers in accordance with the
18 Statements on Auditing Standards, 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 (5) PETITION FOR AN AUDIT BY THE OFFICE OF GOVERNMENT
24 ACCOUNTABILITY ~~AUDITOR GENERAL~~.--The Legislative Auditing
25 Committee shall direct the Office of Government Accountability
26 ~~Auditor General~~ to make an ~~a financial~~ audit of any
27 municipality whenever petitioned to do so by at least 20
28 percent of the registered electors in the last general
29 election of that municipality pursuant to this subsection. The
30 supervisor of elections of the county in which the
31 municipality is located shall certify whether or not the

1 petition contains the signatures of at least 20 percent of the
2 registered electors of the municipality. After the completion
3 of the audit, the Office of Government Accountability ~~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 Office of Government Accountability's ~~Auditor~~
8 ~~General's~~ determination that the municipality has the
9 available resources. If the municipality fails to pay the cost
10 of the audit, the Department of Revenue shall, upon
11 certification of the Office of Government Accountability
12 ~~Auditor General~~, withhold from that portion of the
13 distribution pursuant to s. 212.20(6)(d)6. which is
14 distributable to such municipality, a sum sufficient to pay
15 the cost of the audit and shall deposit that sum into the
16 General Revenue Fund of the state. A letter of intent must be
17 filed with the municipal clerk prior to any petition of the
18 electors of that municipality for the purpose of an audit. All
19 petitions shall be submitted to the Supervisor of Elections
20 with the minimum standards; Printed Name; Signature of
21 Elector; Residence Address; Date of Birth; Date Signed. All
22 petitions must be submitted for verification within 1 calendar
23 year of the audit petition origination by the municipal
24 electors.

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

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

17 (7) OFFICE OF GOVERNMENT ACCOUNTABILITY AUDITOR
18 ~~GENERAL~~ REPORTING REQUIREMENTS.--

19 (a) The Office of Government Accountability Auditor
20 ~~General~~ shall notify the Legislative Auditing Committee of any
21 local governmental entity, district school board, charter
22 school, or charter technical career center that does not
23 comply with the reporting requirements of s. 218.39. The
24 committee shall proceed in accordance with s. 11.40(5).

25 (b) The Office of Government Accountability Auditor
26 ~~General~~, in consultation with the Board of Accountancy, shall
27 review all audit reports submitted pursuant to s. 218.39. The
28 Office of Government Accountability Auditor General shall
29 request any significant items that were omitted in violation
30 of a rule adopted by the Office of Government Accountability
31 ~~Auditor General~~. The items must be provided within 45 days

1 after the date of the request. If the governmental entity does
2 not comply with the Office of Government Accountability's
3 ~~Auditor General's~~ request, the Office of Government
4 Accountability Auditor General shall notify the Legislative
5 Auditing Committee. The committee shall proceed in accordance
6 with s. 11.40(5).

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

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

26 (e) The Auditor General shall notify the Governor and
27 the Legislative Auditing Committee of any audit report
28 reviewed by the Office of Government Accountability Auditor
29 ~~General~~ pursuant to paragraph (b) which contains a statement
30 that the local governmental entity or district school board is
31 in a state of financial emergency as provided in s. 218.503.

1 | If the Office of Government Accountability ~~Auditor General~~
2 | requests a clarification regarding information included in an
3 | audit report to determine whether a local governmental entity
4 | or district school board is in a state of financial emergency,
5 | the requested clarification must be provided within 45 days
6 | after the date of the request. If the local governmental
7 | entity or district school board does not comply with the
8 | Office of Government Accountability's ~~Auditor General's~~
9 | request, the Office of Government Accountability ~~Auditor~~
10 | ~~General~~ shall notify the Legislative Auditing Committee. If,
11 | after obtaining the requested clarification, the Office of
12 | Government Accountability ~~Auditor General~~ determines that the
13 | local governmental entity or district school board is in a
14 | state of financial emergency, it ~~he or she~~ shall notify the
15 | Governor and the Legislative Auditing Committee.

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

30 | (g) If the Office of Government Accountability ~~Auditor~~
31 | ~~General~~ discovers significant errors, improper practices, or

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

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

28 (8) RULES OF THE OFFICE OF GOVERNMENT ACCOUNTABILITY
29 ~~OF THE AUDITOR GENERAL.~~--The Office of Government
30 Accountability Auditor General, in consultation with the Board
31 of Accountancy, shall adopt rules for the form and conduct of

1 all ~~financial~~ audits performed by independent certified public
2 accountants pursuant to ss. 215.981, 218.39, 1001.453,
3 1004.28, and 1004.70. The rules for audits of local
4 governmental entities and district school boards must include,
5 but are not limited to, requirements for the reporting of
6 information necessary to carry out the purposes of the Local
7 Government Financial Emergencies Act as stated in s. 218.501.

8 (9) TECHNICAL ASSISTANCE ~~OTHER GUIDANCE~~ PROVIDED BY
9 THE OFFICE OF GOVERNMENT ACCOUNTABILITY AUDITOR GENERAL.--The
10 Office of Government Accountability may provide technical
11 assistance to: Auditor General, in consultation with

12 (a) The Department of Education, in the development of
13 ~~shall develop~~ a compliance supplement for the financial audit
14 of a district school board conducted by an independent
15 certified public accountant.

16 (b) Governmental entities on their financial and
17 accounting systems, procedures, and related matters.

18 (c) Governmental entities on promoting the building of
19 competent and efficient accounting and internal audit
20 organizations in their offices.

21 Section 5. Section 11.47, Florida Statutes, is amended
22 to read:

23 11.47 Penalties; failure to make a proper audit or
24 examination; making a false report; failure to produce
25 documents or information.--

26 (1) All officers whose respective offices the ~~Auditor~~
27 ~~General or the Office of Program Policy Analysis and~~
28 Government Accountability is authorized to audit or examine
29 shall enter into their public records sufficient information
30 for proper audit or examination, and shall make the same
31

1 available to the ~~Auditor General or the~~ Office of Program
2 ~~Policy Analysis and~~ Government Accountability on demand.
3 (2) The willful failure or refusal of the Auditor
4 General, ~~director of the Office of Program Policy Analysis and~~
5 ~~Government Accountability,~~ or any staff employed by the
6 ~~Auditor General or the Office of Program Policy Analysis and~~
7 Government Accountability to make a proper audit or
8 examination in line with his or her duty, the willful making
9 of a false report as to any audit or examination, or the
10 willful failure or refusal to report a shortage or
11 misappropriation of funds or property shall be cause for
12 removal from such office or employment, and the Auditor
13 General, ~~the director of the Office of Program Policy Analysis~~
14 ~~and Government Accountability,~~ or a staff member shall be
15 guilty of a misdemeanor of the first degree, punishable as
16 provided in s. 775.082 or s. 775.083.
17 (3) Any person who willfully fails or refuses to
18 furnish or produce any book, record, paper, document, data, or
19 sufficient information necessary to a proper audit or
20 examination which the ~~Auditor General or the~~ Office of Program
21 ~~Policy Analysis and~~ Government Accountability is by law
22 authorized to perform shall be guilty of a misdemeanor of the
23 first degree, punishable as provided in s. 775.082 or s.
24 775.083.
25 (4) Any officer who willfully fails or refuses to
26 furnish or produce any book, record, paper, document, data, or
27 sufficient information necessary to a proper audit or
28 examination which the ~~Auditor General or the~~ Office of Program
29 ~~Policy Analysis and~~ Government Accountability is by law
30 authorized to perform, shall be subject to removal from
31 office.

1 Section 6. Section 11.51, Florida Statutes, is
2 repealed.

3 Section 7. Section 11.511, Florida Statutes, is
4 repealed.

5 Section 8. Section 11.513, Florida Statutes, is
6 amended to read:

7 11.513 Program evaluation and justification review.--

8 (1) Each state agency may ~~shall~~ be subject to a
9 program evaluation and justification review by the Office of
10 ~~Program Policy Analysis and Government Accountability as~~
11 ~~determined by the Legislative Auditing Committee.~~ This review
12 shall be conducted at the discretion of the Auditor General
13 upon consultation with the Legislative Auditing Committee or
14 the Legislative Budget Commission. Each state agency shall
15 offer its complete cooperation to the Office of ~~Program Policy~~
16 ~~Analysis and Government Accountability~~ so that such review may
17 be accomplished.

18 (2) A state agency's inspector general, internal
19 auditor, or other person designated by the agency head must
20 ~~shall~~ develop, in consultation with the Office of ~~Program~~
21 ~~Policy Analysis and Government Accountability,~~ a plan for
22 monitoring and reviewing the state agency's major programs to
23 ensure that performance data are maintained timely and
24 accurately and supported by agency records.

25 (3) The program evaluation and justification review
26 shall be ~~conducted on major programs, but may include other~~
27 ~~programs. The review shall be~~ comprehensive in its scope but,
28 at a minimum, must be conducted in such a manner as to
29 specifically determine the following, and to consider and
30 determine what changes, if any, are needed with respect
31 thereto:

- 1 (a) The identifiable cost of each program.
- 2 (b) The specific purpose of each program, as well as
3 the specific public benefit derived therefrom.
- 4 (c) Progress toward achieving the outputs and outcomes
5 associated with each program.
- 6 (d) An explanation of circumstances contributing to
7 the state agency's ability to achieve, not achieve, or exceed
8 its projected outputs and outcomes, as defined in s. 216.011,
9 associated with each program.
- 10 (e) Alternate courses of action that would result in
11 administration of the same program in a more efficient or
12 effective manner. The courses of action to be considered must
13 include, but are not limited to:
- 14 1. Whether the program could be organized in a more
15 efficient and effective manner, whether the program's mission,
16 goals, or objectives should be redefined, or, when the state
17 agency cannot demonstrate that its efforts have had a positive
18 effect, whether the program should be reduced in size or
19 eliminated.
- 20 2. Whether the program could be administered more
21 efficiently or effectively to avoid duplication of activities
22 and ensure that activities are adequately coordinated.
- 23 3. Whether the program could be performed more
24 efficiently or more effectively by another unit of government
25 or a private entity, or whether a program performed by a
26 private entity could be performed more efficiently and
27 effectively by a state agency.
- 28 4. When compared to costs, whether effectiveness
29 warrants elimination of the program or, if the program serves
30 a limited interest, whether it should be redesigned to require
31 users to finance program costs.

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

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

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

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

15 (h) Whether the information reported as part of the
16 state's performance-based program budgeting system has
17 relevance and utility for the evaluation of each program.

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

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

1 Committee, the Governor, the head of each state agency that
2 was the subject of the evaluation and justification review,
3 and the head of any state agency that is substantially
4 affected by the findings and recommendations.

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

16 (6) Evaluation and justification reviews may include
17 consideration of programs provided by other agencies which are
18 integrally related to the programs administered by the state
19 agency or entity that which is being reviewed ~~scheduled for~~
20 ~~review as determined by the Legislative Auditing Committee.~~

21 Section 9. Subsection (2) of section 14.203, Florida
22 Statutes, is amended to read:

23 14.203 State Council on Competitive Government.--It is
24 the policy of this state that all state services be performed
25 in the most effective and efficient manner in order to provide
26 the best value to the citizens of the state. The state also
27 recognizes that competition among service providers may
28 improve the quality of services provided, and that
29 competition, innovation, and creativity among service
30 providers should be encouraged.

31

1 (2) There is ~~hereby~~ created the State Council on
2 Competitive Government, which shall be composed of the
3 Governor and Cabinet, sitting as the Administration Commission
4 as defined in s. 14.202. The council, on its own initiative,
5 or the Office of ~~Program Policy Analysis and Government~~
6 ~~Accountability, created pursuant to s. 11.51,~~ may identify
7 commercial activities currently being performed by state
8 agencies and, if it is determined that such services may be
9 better provided by requiring competition with private sources
10 or other state agency service providers, may recommend that a
11 state agency engage in any process, including competitive
12 bidding, that creates competition with private sources or
13 other state agency service providers.

14 Section 10. Subsections (1) and (4) of section 17.041,
15 Florida Statutes, are amended to read:

16 17.041 County and district accounts and claims.--

17 (1) It shall be the duty of the Department of Banking
18 and Finance of this state to adjust and settle, or cause to be
19 adjusted and settled, all accounts and claims heretofore or
20 hereafter reported to it by the Office of Government
21 Accountability Auditor General, ~~Auditor General~~, the appropriate county or
22 district official, or any person against all county and
23 district officers and employees, and against all other persons
24 entrusted with, or who may have received, any property, funds,
25 or moneys of a county or district or who may be in anywise
26 indebted to or accountable to a county or district for any
27 property, funds, moneys, or other thing of value, and to
28 require such officer, employee, or person to render full
29 accounts thereof and to yield up such property, funds, moneys,
30 or other thing of value according to law to the officer or
31 authority entitled by law to receive the same.

1 (4) ~~If should~~ it appears ~~appear~~ to the department that
2 any criminal statute of this state has or may have been
3 violated by such defaulting officer, employee, or person, such
4 information, evidence, documents, and other things tending to
5 show such a violation, whether in the hands of the
6 Comptroller, the Office of Government Accountability Auditor
7 ~~General~~, the county, or the district, shall be forthwith
8 turned over to the proper state attorney for inspection,
9 study, and such action as may be deemed proper, or the same
10 may be brought to the attention of the proper grand jury.

11 Section 11. Paragraph (g) of subsection (2) and
12 paragraphs (e), (f), and (g) of subsection (5) of section
13 20.055, Florida Statutes, are amended to read:

14 20.055 Agency inspectors general.--

15 (2) The Office of Inspector General is hereby
16 established in each state agency to provide a central point
17 for coordination of and responsibility for activities that
18 promote accountability, integrity, and efficiency in
19 government. It shall be the duty and responsibility of each
20 inspector general, with respect to the state agency in which
21 the office is established, to:

22 (g) Ensure effective coordination and cooperation
23 between the Office of Government Accountability Auditor
24 ~~General~~, federal auditors, and other governmental bodies with
25 a view toward avoiding duplication.

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

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

10 (e) The inspector general shall submit the final
11 report to the agency head and to the Office of Government
12 Accountability Auditor General.

13 (f) The Office of Government Accountability Auditor
14 General, in connection with the independent audit ~~postaudit~~ of
15 the same agency pursuant to s. 11.45, shall give appropriate
16 consideration to internal audit reports and the resolution of
17 findings therein. The Legislative Auditing Committee may
18 inquire into the reasons or justifications for failure of the
19 agency head to correct the deficiencies reported in internal
20 audits that are also reported by the Office of Government
21 Accountability Auditor General and shall take appropriate
22 action.

23 (g) The inspector general shall monitor the
24 implementation of the state agency's corrective action plan
25 prepared in accordance with s. 11.45(3). ~~response to any~~
26 ~~report on the state agency issued by the Auditor General or by~~
27 ~~the Office of Program Policy Analysis and Government~~
28 ~~Accountability. No later than 6 months after the Auditor~~
29 ~~General or the Office of Program Policy Analysis and~~
30 ~~Government Accountability publishes a report on the state~~
31 ~~agency, the inspector general shall provide a written response~~

1 ~~to the agency head on the status of corrective actions taken.~~
2 ~~The Inspector General shall file a copy of such response with~~
3 ~~the Legislative Auditing Committee.~~

4 Section 12. Subsection (6) of section 20.23, Florida
5 Statutes, is amended to read:

6 20.23 Department of Transportation.--There is created
7 a Department of Transportation which shall be a decentralized
8 agency.

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

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

30 24.105 Powers and duties of department.--The
31 department shall:

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

14 Section 14. Paragraph (b) of subsection (7) of section
15 24.108, Florida Statutes, is amended to read:

16 24.108 Division of Security; duties; security
17 report.--

18 (7)

19 (b) The portion of the security report containing the
20 overall evaluation of the department in terms of each aspect
21 of security shall be presented to the Governor, the President
22 of the Senate, and the Speaker of the House of
23 Representatives. The portion of the security report
24 containing specific recommendations shall be confidential and
25 shall be presented only to the secretary, the Governor, and
26 the Office of Government Accountability ~~Auditor General~~;
27 however, upon certification that such information is necessary
28 for the purpose of effecting legislative changes, such
29 information shall be disclosed to the President of the Senate
30 and the Speaker of the House of Representatives, who may
31 disclose such information to members of the Legislature and

1 legislative staff as necessary to effect such purpose.
2 However, any person who receives a copy of such information or
3 other information which is confidential pursuant to this act
4 or rule of the department shall maintain its confidentiality.
5 The confidential portion of the report is exempt from the
6 provisions of s. 119.07(1) and s. 24(a), Art. I of the State
7 Constitution.

8 Section 15. Subsection (4) of section 24.120, Florida
9 Statutes, is amended to read:

10 24.120 Financial matters; Administrative Trust Fund;
11 interagency cooperation.--

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

18 Section 16. Subsection (2) of section 24.123, Florida
19 Statutes, is amended to read:

20 24.123 Annual audit of financial records and
21 reports.--

22 (2) The Office of Government Accountability ~~Auditor~~
23 ~~General~~ may at any time conduct an audit of any phase of the
24 operations of the state lottery and shall receive a copy of
25 the yearly independent financial audit and any security report
26 prepared pursuant to s. 24.108.

27 Section 17. Subsection (3) of section 25.075, Florida
28 Statutes, is amended to read:

29 25.075 Uniform case reporting system.--

30 (3) The Office of Government Accountability ~~Auditor~~
31 ~~General~~ shall audit the reports made to the Supreme Court in

1 accordance with the uniform system established by the Supreme
2 Court.

3 Section 18. Paragraph (k) of subsection (2) of section
4 39.202, Florida Statutes, is amended to read:

5 39.202 Confidentiality of reports and records in cases
6 of child abuse or neglect.--

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

11 (k) Any appropriate official of a Florida advocacy
12 council investigating a report of known or suspected child
13 abuse, abandonment, or neglect; the ~~Auditor General or the~~
14 ~~Office of Program Policy Analysis and Government~~
15 ~~Accountability~~ for the purpose of conducting audits or
16 examinations pursuant to law; or the guardian ad litem for the
17 child.

18 Section 19. Subsection (2) of section 68.085, Florida
19 Statutes, is amended to read:

20 68.085 Awards to plaintiffs bringing action.--

21 (2) If the department proceeds with an action which
22 the court finds to be based primarily on disclosures of
23 specific information, other than that provided by the person
24 bringing the action, relating to allegations or transactions
25 in a criminal, civil, or administrative hearing; a
26 legislative, administrative, inspector general, or Office of
27 Government Accountability ~~auditor general~~ report, hearing,
28 audit, or investigation; or from the news media, the court may
29 award such sums as it considers appropriate, but in no case
30 more than 10 percent of the proceeds recovered under a
31 judgment or received in settlement of a claim under this act,

1 taking into account the significance of the information and
2 the role of the person bringing the action in advancing the
3 case to litigation.

4 Section 20. Subsection (3) of section 68.087, Florida
5 Statutes, is amended to read:

6 68.087 Exemptions to civil actions.--

7 (3) No court shall have jurisdiction over an action
8 brought under this act based upon the public disclosure of
9 allegations or transactions in a criminal, civil, or
10 administrative hearing; in a legislative, administrative,
11 inspector general, or Office of Government Accountability
12 ~~Auditor General~~, Comptroller, or Department of Banking and
13 Finance report, hearing, audit, or investigation; or from the
14 news media, unless the action is brought by the department, or
15 unless the person bringing the action is an original source of
16 the information. For purposes of this subsection, the term
17 "original source" means an individual who has direct and
18 independent knowledge of the information on which the
19 allegations are based and has voluntarily provided the
20 information to the department before filing an action under
21 this act based on the information.

22 Section 21. Subsection (13) of section 70.20, Florida
23 Statutes, is repealed.

24 Section 22. Subsection (1) of section 110.116, Florida
25 Statutes, is amended to read:

26 110.116 Personnel information system; payroll
27 procedures.--

28 (1) The Department of Management Services shall
29 establish and maintain, in coordination with the payroll
30 system of the Department of Banking and Finance, a complete
31 personnel information system for all authorized and

1 established positions in the state service, with the exception
2 of employees of the Legislature. The specifications shall be
3 developed in conjunction with the payroll system of the
4 Department of Banking and Finance and in coordination with the
5 Office of Government Accountability ~~Auditor General~~. The
6 Department of Banking and Finance shall determine that the
7 position occupied by each employee has been authorized and
8 established in accordance with the provisions of s. 216.251.
9 The Department of Management Services shall develop and
10 maintain a position numbering system that will identify each
11 established position, and such information shall be a part of
12 the payroll system of the Department of Banking and Finance.
13 With the exception of employees of the Legislature, this
14 system shall include all career service positions and those
15 positions exempted from career service provisions,
16 notwithstanding the funding source of the salary payments, and
17 information regarding persons receiving payments from other
18 sources. Necessary revisions shall be made in the personnel
19 and payroll procedures of the state to avoid duplication
20 insofar as is feasible. A list shall be organized by budget
21 entity to show the employees or vacant positions within each
22 budget entity. This list shall be available to the Speaker of
23 the House of Representatives and the President of the Senate
24 upon request.

25 Section 23. Paragraph (b) of subsection (8) of section
26 112.061, Florida Statutes, is amended to read:

27 112.061 Per diem and travel expenses of public
28 officers, employees, and authorized persons.--

29 (8) OTHER EXPENSES.--

30 (b) Other expenses which are not specifically
31 authorized by this section may be approved by the Department

1 of Banking and Finance pursuant to rules adopted by it.
2 Expenses approved pursuant to this paragraph shall be reported
3 by the Department of Banking and Finance to the Office of
4 Government Accountability Auditor General annually.

5 Section 24. Paragraphs (a) and (c) of subsection (8)
6 of section 112.324, Florida Statutes, are amended to read:

7 112.324 Procedures on complaints of violations; public
8 records and meeting exemptions.--

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

22 (a) The President of the Senate and the Speaker of the
23 House of Representatives, jointly, in any case concerning the
24 Public Counsel, members of the Public Service Commission,
25 members of the Public Service Commission Nominating Council,
26 the Auditor General, ~~the director of the Office of Program~~
27 ~~Policy Analysis and Government Accountability~~, or members of
28 the Legislative Committee on Intergovernmental Relations.

29 (c) The President of the Senate, in any case
30 concerning an employee of the Senate; the Speaker of the House
31 of Representatives, in any case concerning an employee of the

1 House of Representatives; or the President and the Speaker,
2 jointly, in any case concerning an employee of a committee of
3 the Legislature whose members are appointed solely by the
4 President and the Speaker or in any case concerning an
5 employee of the Public Counsel, Public Service Commission,
6 ~~Auditor General, Office of Program Policy Analysis and~~
7 Government Accountability, or Legislative Committee on
8 Intergovernmental Relations.

9 Section 25. Section 112.658, Florida Statutes, is
10 repealed.

11 Section 26. Subsection (6) of section 119.07, Florida
12 Statutes, is amended to read:

13 119.07 Inspection, examination, and duplication of
14 records; exemptions.--

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

28 Section 27. Paragraph (b) of subsection (5) of section
29 121.051, Florida Statutes, is amended to read:

30 121.051 Participation in the system.--

31 (5) RIGHTS LIMITED.--

1 (b) A member who is convicted by a court of competent
2 jurisdiction of causing a shortage in a public account, when
3 such shortage is certified by the Office of Government
4 Accountability ~~Auditor General~~ or a certified public
5 accountant, may not retire or receive any benefits under this
6 chapter so long as such shortage exists.

7 Section 28. Paragraph (c) of subsection (1) of section
8 121.055, Florida Statutes, is amended to read:

9 121.055 Senior Management Service Class.--There is
10 hereby established a separate class of membership within the
11 Florida Retirement System to be known as the "Senior
12 Management Service Class," which shall become effective
13 February 1, 1987.

14 (1)

15 (c)1. Effective January 1, 1990, participation in the
16 Senior Management Service Class shall be compulsory for up to
17 75 nonelective positions at the level of committee staff
18 director or higher or equivalent managerial or policymaking
19 positions within the House of Representatives, as selected by
20 the Speaker of the House of Representatives, up to 50
21 nonelective positions at the level of committee staff director
22 or higher or equivalent managerial or policymaking positions
23 within the Senate, as selected by the President of the Senate,
24 all staff directors of joint committees and service offices of
25 the Legislature, the Auditor General and up to 9 managerial or
26 policymaking positions within the Office of Government
27 Accountability ~~his or her office~~ as selected by the Auditor
28 General, and the executive director of the Commission on
29 Ethics.

30 2. Participation in this class shall be compulsory,
31 except as provided in subparagraph 3., for any legislative

1 employee who holds a position designated for coverage in the
2 Senior Management Service Class, and such participation shall
3 continue until the employee terminates employment in a covered
4 position.

5 3. In lieu of participation in the Senior Management
6 Service Class, at the discretion of the President of the
7 Senate and the Speaker of the House of Representatives, such
8 members may participate in the Senior Management Service
9 Optional Annuity Program as established in subsection (6).

10 Section 29. Paragraph (x) of subsection (1) of section
11 125.01, Florida Statutes, is amended to read:

12 125.01 Powers and duties.--

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

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

1 clerk of the circuit court and maintained there for public
2 inspection. The clerk shall thereupon forward one complete
3 copy of the audit report with accompanying documents to the
4 Office of Government Accountability ~~Auditor General~~.

5 Section 30. Section 136.08, Florida Statutes, is
6 amended to read:

7 136.08 Accounts subject to examination by authorized
8 persons.--The accounts of each and every board and the county
9 accounts of each and every depository, mentioned or provided
10 for in this chapter, shall at all times be subject to the
11 inspection and examination by the county auditor and by the
12 Office of Government Accountability ~~Auditor General~~.

13 Section 31. Paragraph (o) of subsection (1) of section
14 154.11, Florida Statutes, is amended to read:

15 154.11 Powers of board of trustees.--

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

25 (o) To employ certified public accountants to audit
26 and analyze the records of the board and to prepare financial
27 or revenue statements of the board; however, this paragraph
28 shall not in any way affect any responsibility of the Office
29 of Government Accountability ~~Auditor General~~ pursuant to s.
30 11.45.

31

1 Section 32. Section 163.2526, Florida Statutes, is
2 amended to read:

3 163.2526 Review and evaluation.--Before the 2004
4 Regular Session of the Legislature, the Office of ~~Program~~
5 ~~Policy Analysis and~~ Government Accountability shall perform a
6 review and evaluation of ss. 163.2511-163.2526, including the
7 financial incentives listed in s. 163.2520. The report must
8 evaluate the effectiveness of the designation of urban infill
9 and redevelopment areas in stimulating urban infill and
10 redevelopment and strengthening the urban core. A report of
11 the findings and recommendations of the Office of ~~Program~~
12 ~~Policy Analysis and~~ Government Accountability shall be
13 submitted to the President of the Senate and the Speaker of
14 the House of Representatives before the 2004 Regular Session
15 of the Legislature.

16 Section 33. Subsection (12) of section 163.3246,
17 Florida Statutes, is amended to read:

18 163.3246 Local government comprehensive planning
19 certification program.--

20 (12) The Office of ~~Program Policy Analysis and~~
21 Government Accountability shall prepare a report evaluating
22 the certification program, which shall be submitted to the
23 Governor, the President of the Senate, and the Speaker of the
24 House of Representatives by December 1, 2007.

25 Section 34. Subsections (2) and (5) of section
26 189.4035, Florida Statutes, are amended to read:

27 189.4035 Preparation of official list of special
28 districts.--

29 (2) The official list shall be produced by the
30 department after the department has notified each special
31 district that is currently reporting to the department, the

1 Department of Banking and Finance pursuant to s. 218.32, or
2 the Office of Government Accountability ~~Auditor General~~
3 pursuant to s. 218.39. Upon notification, each special
4 district shall submit, within 60 days, its determination of
5 its status. The determination submitted by a special district
6 shall be consistent with the status reported in the most
7 recent local government audit of district activities submitted
8 to the Office of Government Accountability ~~Auditor General~~
9 pursuant to s. 218.39.

10 (5) The official list of special districts shall be
11 distributed by the department on October 1 of each year to the
12 President of the Senate, the Speaker of the House of
13 Representatives, the Office of Government Accountability
14 ~~Auditor General~~, the Department of Revenue, the Department of
15 Banking and Finance, the Department of Management Services,
16 the State Board of Administration, counties, municipalities,
17 county property appraisers, tax collectors, and supervisors of
18 elections and to all interested parties who request the list.

19 Section 35. Subsection (1) of section 189.412, Florida
20 Statutes, is amended to read:

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

25 (1) The collection and maintenance of special district
26 compliance status reports from the Office of Government
27 Accountability ~~Auditor General~~, the Department of Banking and
28 Finance, the Division of Bond Finance of the State Board of
29 Administration, the Department of Management Services, the
30 Department of Revenue, and the Commission on Ethics for the
31 reporting required in ss. 112.3144, 112.3145, 112.3148,

1 112.3149, 112.63, 200.068, 218.32, 218.38, 218.39, and 280.17
2 and chapter 121 and from state agencies administering programs
3 that distribute money to special districts. The special
4 district compliance status reports must consist of a list of
5 special districts used in that state agency and a list of
6 which special districts did not comply with the reporting
7 statutorily required by that agency.

8 Section 36. Paragraphs (f) and (g) of subsection (5)
9 of section 189.428, Florida Statutes, are amended to read:

10 189.428 Special districts; oversight review process.--

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

19 (f) Whether the Office of Government Accountability
20 ~~Auditor General~~ has notified the Legislative Auditing
21 Committee that the special district's audit report, reviewed
22 pursuant to s. 11.45(7), indicates that a deteriorating
23 financial condition exists that may cause a condition
24 described in s. 218.503(1) to occur if actions are not taken
25 to address such condition.

26 (g) Whether the Office of Government Accountability
27 ~~Auditor General~~ has determined that the special district is in
28 a state of financial emergency as provided in s. 218.503(1),
29 and has notified the Governor and the Legislative Auditing
30 Committee.

31

1 Section 37. Paragraph (b) of subsection (4) of section
2 192.0105, Florida Statutes, is amended to read:

3 192.0105 Taxpayer rights.--There is created a Florida
4 Taxpayer's Bill of Rights for property taxes and assessments
5 to guarantee that the rights, privacy, and property of the
6 taxpayers of this state are adequately safeguarded and
7 protected during tax levy, assessment, collection, and
8 enforcement processes administered under the revenue laws of
9 this state. The Taxpayer's Bill of Rights compiles, in one
10 document, brief but comprehensive statements that summarize
11 the rights and obligations of the property appraisers, tax
12 collectors, clerks of the court, local governing boards, the
13 Department of Revenue, and taxpayers. Additional rights
14 afforded to payors of taxes and assessments imposed under the
15 revenue laws of this state are provided in s. 213.015. The
16 rights afforded taxpayers to assure that their privacy and
17 property are safeguarded and protected during tax levy,
18 assessment, and collection are available only insofar as they
19 are implemented in other parts of the Florida Statutes or
20 rules of the Department of Revenue. The rights so guaranteed
21 to state taxpayers in the Florida Statutes and the
22 departmental rules include:

23 (4) THE RIGHT TO CONFIDENTIALITY.--

24 (b) The right to limiting access to a taxpayer's
25 records by a property appraiser, the Department of Revenue,
26 and the Office of Government Accountability ~~Auditor General~~
27 only to those instances in which it is determined that such
28 records are necessary to determine either the classification
29 or the value of taxable nonhomestead property (see s.
30 195.027(3)).

31

1 Section 38. Section 193.074, Florida Statutes, is
2 amended to read:

3 193.074 Confidentiality of returns.--All returns of
4 property and returns required by s. 201.022 submitted by the
5 taxpayer pursuant to law shall be deemed to be confidential in
6 the hands of the property appraiser, the clerk of the circuit
7 court, the department, the tax collector, ~~the Auditor General,~~
8 and the Office of ~~Program Policy Analysis and~~ Government
9 Accountability, and their employees and persons acting under
10 their supervision and control, except upon court order or
11 order of an administrative body having quasi-judicial powers
12 in ad valorem tax matters, and such returns are exempt from
13 the provisions of s. 119.07(1).

14 Section 39. Paragraph (a) of subsection (2) of section
15 193.1142, Florida Statutes, is amended to read:

16 193.1142 Approval of assessment rolls.--

17 (2)(a) The executive director or his or her designee
18 shall disapprove all or part of any assessment roll of any
19 county not in full compliance with the administrative order of
20 the executive director issued pursuant to the notice called
21 for in s. 195.097 and shall otherwise disapprove all or any
22 part of any roll not assessed in substantial compliance with
23 law, as disclosed during the investigation by the department,
24 including, but not limited to, audits by the Department of
25 Revenue and Office of Government Accountability ~~Auditor~~
26 ~~General~~ establishing noncompliance.

27 Section 40. Subsections (3) and (6) of section
28 195.027, Florida Statutes, are amended to read:

29 195.027 Rules and regulations.--

30 (3) The rules and regulations shall provide procedures
31 whereby the property appraiser, the Department of Revenue, and

1 the Office of Government Accountability ~~Auditor General~~ shall
2 be able to obtain access, where necessary, to financial
3 records relating to nonhomestead property which records are
4 required to make a determination of the proper assessment as
5 to the particular property in question. Access to a
6 taxpayer's records shall be provided only in those instances
7 in which it is determined that such records are necessary to
8 determine either the classification or the value of the
9 taxable nonhomestead property. Access shall be provided only
10 to those records which pertain to the property physically
11 located in the taxing county as of January 1 of each year and
12 to the income from such property generated in the taxing
13 county for the year in which a proper assessment is made. All
14 records produced by the taxpayer under this subsection shall
15 be deemed to be confidential in the hands of the property
16 appraiser, the department, the tax collector, and the Office
17 of Government Accountability ~~Auditor General~~ and shall not be
18 divulged to any person, firm, or corporation, except upon
19 court order or order of an administrative body having
20 quasi-judicial powers in ad valorem tax matters, and such
21 records are exempt from the provisions of s. 119.07(1).

22 (6) The fees and costs of the sale or purchase and
23 terms of financing shall be presumed to be usual unless the
24 buyer or seller or agent thereof files a form which discloses
25 the unusual fees, costs, and terms of financing. Such form
26 shall be filed with the clerk of the circuit court at the time
27 of recording. The rules and regulations shall prescribe an
28 information form to be used for this purpose. Either the
29 buyer or the seller or the agent of either shall complete the
30 information form and certify that the form is accurate to the
31 best of his or her knowledge and belief. The information form

1 shall be confidential in the hands of all persons after
2 delivery to the clerk, except that the Department of Revenue
3 and the Office of Government Accountability ~~Auditor General~~
4 shall have access to it in the execution of their official
5 duties, and such form is exempt from the provisions of s.
6 119.07(1). The information form may be used in any judicial
7 proceeding, upon a motion to produce duly made by any party to
8 such proceedings. Failure of the clerk to obtain an
9 information form with the recording shall not impair the
10 validity of the recording or the conveyance. The form shall
11 provide for a notation by the clerk indicating the book and
12 page number of the conveyance in the official record books of
13 the county. The clerk shall promptly deliver all information
14 forms received to the property appraiser for his or her
15 custody and use.

16 Section 41. Section 195.084, Florida Statutes, is
17 amended to read:

18 195.084 Information exchange.--

19 (1) The department shall adopt ~~promulgate~~ rules and
20 regulations for the exchange of information among the
21 department, the property appraisers' offices, the tax
22 collector, ~~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, ~~the Auditor General~~, and the Office of ~~Program~~
30 ~~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 Auditor General,~~ and the Office of
12 ~~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 Auditor General,~~ and the Office of ~~Program Policy~~
16 ~~Analysis and~~ Government Accountability in realizing the
17 objectives stated in s. 195.0012.

18 Section 42. Paragraph (c) of subsection (4) of section
19 196.101, Florida Statutes, is amended to read:

20 196.101 Exemption for totally and permanently disabled
21 persons.--

22 (4)

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

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

12 | Section 43. Subsection (6) of section 213.053, Florida
13 | Statutes, is amended to read:

14 | 213.053 Confidentiality and information sharing.--

15 | (6) Any information received by the Department of
16 | Revenue in connection with the administration of taxes,
17 | including, but not limited to, information contained in
18 | returns, reports, accounts, or declarations filed by persons
19 | subject to tax, shall be made available by the department to
20 | the Auditor General or his or her authorized agent, ~~the~~
21 | ~~director of the Office of Program Policy Analysis and~~
22 | ~~Government Accountability or his or her authorized agent,~~the
23 | Comptroller or his or her authorized agent, the Insurance
24 | Commissioner or his or her authorized agent, the Treasurer or
25 | his or her authorized agent, or a property appraiser or tax
26 | collector or their authorized agents pursuant to s.
27 | 195.084(1), in the performance of their official duties, or to
28 | designated employees of the Department of Education solely for
29 | determination of each school district's price level index
30 | pursuant to s. 1011.62(2); however, no information shall be
31 | disclosed to the Auditor General or his or her authorized

1 ~~agent, the director of the Office of Program Policy Analysis~~
2 ~~and Government Accountability or his or her authorized agent,~~
3 the Comptroller or his or her authorized agent, the Insurance
4 Commissioner or his or her authorized agent, the Treasurer or
5 his or her authorized agent, or to a property appraiser or tax
6 collector or their authorized agents, or to designated
7 employees of the Department of Education if such disclosure is
8 prohibited by federal law. The Auditor General or his or her
9 authorized agent, ~~the director of the Office of Program Policy~~
10 ~~Analysis and Government Accountability or his or her~~
11 ~~authorized agent,~~ the Comptroller or his or her authorized
12 agent, the Treasurer or his or her authorized agent, and the
13 property appraiser or tax collector and their authorized
14 agents, or designated employees of the Department of Education
15 shall be subject to the same requirements of confidentiality
16 and the same penalties for violation of the requirements as
17 the department. For the purpose of this subsection,
18 "designated employees of the Department of Education" means
19 only those employees directly responsible for calculation of
20 price level indices pursuant to s. 1011.62(2). It does not
21 include the supervisors of such employees or any other
22 employees or elected officials within the Department of
23 Education.

24 Section 44. Subsection (6) of section 215.44, Florida
25 Statutes, is repealed.

26 Section 45. Subsection (3) of section 215.93, Florida
27 Statutes, is amended to read:

28 215.93 Florida Financial Management Information
29 System.--

30 (3) The Florida Financial Management Information
31 System shall include financial management data and utilize the

1 chart of accounts approved by the Comptroller. Common
2 financial management data shall include, but not be limited
3 to, data codes, titles, and definitions used by one or more of
4 the functional owner subsystems. The Florida Financial
5 Management Information System shall utilize common financial
6 management data codes. The council shall recommend and the
7 board shall adopt policies regarding the approval and
8 publication of the financial management data. The Comptroller
9 shall adopt policies regarding the approval and publication of
10 the chart of accounts. The Comptroller's chart of accounts
11 shall be consistent with the common financial management data
12 codes established by the coordinating council. Further, all
13 systems not a part of the Florida Financial Management
14 Information System which provide information to the system
15 shall use the common data codes from the Florida Financial
16 Management Information System and the Comptroller's chart of
17 accounts. Data codes that cannot be supplied by the Florida
18 Financial Management Information System and the Comptroller's
19 chart of accounts and that are required for use by the
20 information subsystems shall be approved by the board upon
21 recommendation of the coordinating council. However, board
22 approval shall not be required for those data codes specified
23 by the Office of Government Accountability ~~Auditor General~~
24 under the provisions of s. 215.94(6)(c).

25 Section 46. Subsections (6) and (7) of section 215.94,
26 Florida Statutes, are amended to read:

27 215.94 Designation, duties, and responsibilities of
28 functional owners.--

29 (6)(a) The Office of Government Accountability ~~Auditor~~
30 ~~General~~ shall be advised by the functional owner of each
31 information subsystem as to the date that the development or

1 significant modification of its functional system
2 specifications is to begin.

3 (b) Upon such notification, the Office of Government
4 Accountability Auditor General shall participate with each
5 functional owner to the extent necessary to provide assurance
6 that:

7 1. The accounting information produced by the
8 information subsystem adheres to generally accepted accounting
9 principles.

10 2. The information subsystem contains the necessary
11 controls to maintain its integrity, within acceptable limits
12 and at an acceptable cost.

13 3. The information subsystem is auditable.

14 (c) The Office of Government Accountability Auditor
15 General shall specify those additional features,
16 characteristics, controls, and internal control measures
17 deemed necessary to carry out the provisions of this
18 subsection. Further, it shall be the responsibility of each
19 functional owner to install and incorporate such specified
20 features, characteristics, controls, and internal control
21 measures within each information subsystem.

22 (7) The Office of Government Accountability Auditor
23 General shall provide to the board and the coordinating
24 council the findings and recommendations of any audit
25 regarding the provisions of ss. 215.90-215.96.

26 Section 47. Subsections (2), (5), (6), (7), (8), (9),
27 and (10) of section 215.97, Florida Statutes, are amended to
28 read:

29 215.97 Florida Single Audit Act.--

30 (2) Definitions; as used in this section, the term:

31

1 (a) "Audit threshold" means the amount to use in
2 determining when a state single audit of a nonstate entity
3 shall be conducted in accordance with this section. Each
4 nonstate entity that expends a total amount of state financial
5 assistance equal to or in excess of \$300,000 in any fiscal
6 year of such nonstate entity shall be required to have a state
7 single audit for such fiscal year in accordance with the
8 requirements of this section. Every 2 years the Office of
9 Government Accountability Auditor General, after consulting
10 with the Executive Office of the Governor, the Comptroller,
11 and all state agencies that provide state financial assistance
12 to nonstate entities, shall review the amount for requiring
13 audits under this section and may adjust such dollar amount
14 consistent with the purpose of this section.

15 (b) "Auditing standards" means the auditing standards
16 as stated in the rules of the Office of Government
17 Accountability Auditor General as applicable to for-profit
18 organizations, nonprofit organizations, or local governmental
19 entities.

20 (c) "Catalog of State Financial Assistance" means a
21 comprehensive listing of state projects. The Catalog of State
22 Financial Assistance shall be issued by the Executive Office
23 of the Governor after conferring with the Comptroller and all
24 state agencies that provide state financial assistance to
25 nonstate entities. The Catalog of State Financial Assistance
26 shall include for each listed state project: the responsible
27 state agency; standard state project number identifier;
28 official title; legal authorization; and description of the
29 state project, including objectives, restrictions, application
30 and awarding procedures, and other relevant information
31 determined necessary.

1 (d) "Financial reporting package" means the nonstate
2 entities' financial statements, Schedule of State Financial
3 Assistance, auditor's reports, management letter, auditor's
4 written responses or corrective action plan, correspondence on
5 followup of prior years' corrective actions taken, and such
6 other information determined by the Office of Government
7 Accountability Auditor General to be necessary and consistent
8 with the purposes of this section.

9 (e) "Federal financial assistance" means financial
10 assistance from federal sources passed through the state and
11 provided to nonstate entities to carry out a federal program.
12 "Federal financial assistance" includes all types of federal
13 assistance as defined in applicable United States Office of
14 Management and Budget circulars.

15 (f) "For-profit organization" means any organization
16 or sole proprietor but is not a local governmental entity or a
17 nonprofit organization.

18 (g) "Independent auditor" means an external state or
19 local government auditor or a certified public accountant who
20 meets the independence standards.

21 (h) "Internal control over state projects" means a
22 process, effected by an entity's management and other
23 personnel, designed to provide reasonable assurance regarding
24 the achievement of objectives in the following categories:

- 25 1. Effectiveness and efficiency of operations.
- 26 2. Reliability of financial operations.
- 27 3. Compliance with applicable laws and regulations.

28 (i) "Local governmental entity" means a county agency,
29 municipality, or special district or any other entity (other
30 than a district school board or community college), however
31

1 | styled, which independently exercises any type of governmental
2 | function.

3 | (j) "Major state project" means any state project
4 | meeting the criteria as stated in the rules of the Executive
5 | Office of the Governor. Such criteria shall be established
6 | after consultation with the Comptroller and appropriate state
7 | agencies that provide state financial assistance and shall
8 | consider the amount of state project expenditures or expenses
9 | or inherent risks. Each major state project shall be audited
10 | in accordance with the requirements of this section.

11 | (k) "Nonprofit organization" means any corporation,
12 | trust, association, cooperative, or other organization that:

13 | 1. Is operated primarily for scientific, educational
14 | service, charitable, or similar purpose in the public
15 | interest;

16 | 2. Is not organized primarily for profit;

17 | 3. Uses net proceeds to maintain, improve, or expand
18 | the operations of the organization; and

19 | 4. Has no part of its income or profit distributable
20 | to its members, directors, or officers.

21 | (l) "Nonstate entity" means a local governmental
22 | entity, nonprofit organization, or for-profit organization
23 | that receives state resources.

24 | (m) "Recipient" means a nonstate entity that receives
25 | state financial assistance directly from a state awarding
26 | agency.

27 | (n) "Schedule of State Financial Assistance" means a
28 | document prepared in accordance with the rules of the
29 | Comptroller and included in each financial reporting package
30 | required by this section.

31 |

1 (o) "State awarding agency" means the state agency
2 that provided state financial assistance to the nonstate
3 entity.

4 (p) "State financial assistance" means financial
5 assistance from state resources, not including federal
6 financial assistance and state matching, provided to nonstate
7 entities to carry out a state project. "State financial
8 assistance" includes all types of state assistance as stated
9 in the rules of the Executive Office of the Governor
10 established in consultation with the Comptroller and
11 appropriate state agencies that provide state financial
12 assistance. It includes state financial assistance provided
13 directly by state awarding agencies or indirectly by
14 recipients of state awards or subrecipients. It does not
15 include procurement contracts used to buy goods or services
16 from vendors. Audits of such procurement contracts with
17 vendors are outside of the scope of this section. Also, audits
18 of contracts to operate state-government-owned and
19 contractor-operated facilities are excluded from the audit
20 requirements of this section.

21 (q) "State matching" means state resources provided to
22 nonstate entities to be used to meet federal financial
23 participation matching requirements of federal programs.

24 (r) "State project" means all state financial
25 assistance to a nonstate entity assigned a single state
26 project number identifier in the Catalog of State Financial
27 Assistance.

28 (s) "State Projects Compliance Supplement" means a
29 document issued by the Executive Office of the Governor, in
30 consultation with the Comptroller and all state agencies that
31 provide state financial assistance. The State Projects

1 Compliance Supplement shall identify state projects, the
2 significant compliance requirements, eligibility requirements,
3 matching requirements, suggested audit procedures, and other
4 relevant information determined necessary.

5 (t) "State project-specific audit" means an audit of
6 one state project performed in accordance with the
7 requirements of subsection (9).

8 (u) "State single audit" means an audit of a nonstate
9 entity's financial statements and state financial assistance.
10 Such audits shall be conducted in accordance with the auditing
11 standards as stated in the rules of the Office of Government
12 Accountability Auditor General.

13 (v) "Subrecipient" means a nonstate entity that
14 receives state financial assistance through another nonstate
15 entity.

16 (w) "Vendor" means a dealer, distributor, merchant, or
17 other seller providing goods or services that are required for
18 the conduct of a state project. These goods or services may be
19 for an organization's own use or for the use of beneficiaries
20 of the state project.

21 (5) Each state awarding agency shall:

22 (a) Provide to a recipient information needed by the
23 recipient to comply with the requirements of this section,
24 including:

25 1. The audit and accountability requirements for state
26 projects as stated in this section and applicable rules of the
27 Executive Office of the Governor, rules of the Comptroller,
28 and rules of the Office of Government Accountability Auditor
29 General.

30 2. Information from the Catalog of State Financial
31 Assistance, including the standard state project number

1 identifier; official title; legal authorization; and
2 description of the state project including objectives,
3 restrictions, and other relevant information determined
4 necessary.

5 3. Information from the State Projects Compliance
6 Supplement, including the significant compliance requirements,
7 eligibility requirements, matching requirements, suggested
8 audit procedures, and other relevant information determined
9 necessary.

10 (b) Require the recipient, as a condition of receiving
11 state financial assistance, to allow the state awarding
12 agency, the Comptroller, and the Office of Government
13 Accountability Auditor General access to the recipient's
14 records and the recipient's independent auditor's working
15 papers as necessary for complying with the requirements of
16 this section.

17 (c) Notify the recipient that this section does not
18 limit the authority of the state awarding agency to conduct or
19 arrange for the conduct of additional audits or evaluations of
20 state financial assistance or limit the authority of any state
21 agency inspector general, the Office of Government
22 Accountability Auditor General, or any ~~other~~ state official.

23 (d) Be provided one copy of each financial reporting
24 package prepared in accordance with the requirement of this
25 section.

26 (e) Review the recipient financial reporting package,
27 including the management letters and corrective action plans,
28 to the extent necessary to determine whether timely and
29 appropriate corrective action has been taken with respect to
30 audit findings and recommendations pertaining to state
31 financial assistance provided by the state agency.

1 (6) As a condition of receiving state financial
2 assistance, each recipient that provides state financial
3 assistance to a subrecipient shall:

4 (a) Provide to a subrecipient information needed by
5 the subrecipient to comply with the requirements of this
6 section, including:

7 1. Identification of the state awarding agency.

8 2. The audit and accountability requirements for state
9 projects as stated in this section and applicable rules of the
10 Executive Office of the Governor, rules of the Comptroller,
11 and rules of the Office of Government Accountability Auditor
12 ~~General~~.

13 3. Information from the Catalog of State Financial
14 Assistance, including the standard state project number
15 identifier; official title; legal authorization; and
16 description of the state project, including objectives,
17 restrictions, and other relevant information.

18 4. Information from the State Projects Compliance
19 Supplement including the significant compliance requirements,
20 eligibility requirements, matching requirements, and suggested
21 audit procedures, and other relevant information determined
22 necessary.

23 (b) Review the subrecipient audit reports, including
24 the management letters, to the extent necessary to determine
25 whether timely and appropriate corrective action has been
26 taken with respect to audit findings and recommendations
27 pertaining to state financial assistance provided by the state
28 agency.

29 (c) Perform such other procedures as specified in
30 terms and conditions of the written agreement with the state
31 awarding agency including any required monitoring of the

1 subrecipient's use of state financial assistance through
2 onsite visits, limited scope audits, or other specified
3 procedures.

4 (d) Require subrecipients, as a condition of receiving
5 state financial assistance, to permit the independent auditor
6 of the recipient, the state awarding agency, the Comptroller,
7 and the Office of Government Accountability ~~Auditor General~~
8 access to the subrecipient's records and the subrecipient's
9 independent auditor's working papers as necessary to comply
10 with the requirements of this section.

11 (7) Each recipient or subrecipient of state financial
12 assistance shall comply with the following:

13 (a) Each nonstate entity that receives state financial
14 assistance and meets audit threshold requirements, in any
15 fiscal year of the nonstate entity, as stated in the rules of
16 the Office of Government Accountability ~~Auditor General~~, shall
17 have a state single audit conducted for such fiscal year in
18 accordance with the requirements of this act and with
19 additional requirements established in rules of the Executive
20 Office of the Governor, rules of the Comptroller, and rules of
21 the Office of Government Accountability ~~Auditor General~~. If
22 only one state project is involved in a nonstate entity's
23 fiscal year, the nonstate entity may elect to have only a
24 state project-specific audit of the state project for that
25 fiscal year.

26 (b) Each nonstate entity that receives state financial
27 assistance and does not meet the threshold requirements, in
28 any fiscal year of the nonstate entity, as stated in this law
29 or the rules of the Office of Government Accountability
30 ~~Auditor General~~ is exempt for such fiscal year from the state
31 single audit requirements of this section. However, such

1 nonstate entity must meet terms and conditions specified in
2 the written agreement with the state awarding agency.

3 (c) Regardless of the amount of the state financial
4 assistance, the provisions of this section do not exempt a
5 nonstate entity from compliance with provisions of law
6 relating to maintaining records concerning state financial
7 assistance to such nonstate entity or allowing access and
8 examination of those records by the state awarding agency, the
9 Comptroller, or the Office of Government Accountability
10 ~~Auditor General~~.

11 (d) Audits conducted pursuant to this section shall be
12 performed annually.

13 (e) Audits conducted pursuant to this section shall be
14 conducted by independent auditors in accordance with auditing
15 standards as stated in rules of the Office of Government
16 Accountability ~~Auditor General~~.

17 (f) Upon completion of the audit as required by this
18 section, a copy of the recipient's financial reporting package
19 shall be filed with the state awarding agency and the Office
20 of Government Accountability ~~Auditor General~~. Upon completion
21 of the audit as required by this section, a copy of the
22 subrecipient's financial reporting package shall be filed with
23 the recipient that provided the state financial assistance.
24 The financial reporting package shall be filed in accordance
25 with the rules of the Auditor General.

26 (g) All financial reporting packages prepared pursuant
27 to the requirements of this section shall be available for
28 public inspection.

29 (h) If an audit conducted pursuant to this section
30 discloses any significant audit findings relating to state
31 financial assistance, including material noncompliance with

1 individual state project compliance requirements or reportable
2 conditions in internal controls of the nonstate entity, the
3 nonstate entity shall submit as part of the audit package to
4 the state awarding agency a plan for corrective action to
5 eliminate such audit findings or a statement describing the
6 reasons that corrective action is not necessary.

7 (i) An audit conducted in accordance with this section
8 is in addition to any audit of federal awards required by the
9 federal Single Audit Act and other federal laws and
10 regulations. To the extent that such federally required audits
11 provide the state awarding agency with information it requires
12 to carry out its responsibilities under state law or other
13 guidance, a state agency shall rely upon and use that
14 information.

15 (j) Unless prohibited by law, the cost of audits
16 pursuant to this section is allowable charges to state
17 projects. However, any charges to state projects should be
18 limited to those incremental costs incurred as a result of the
19 audit requirements of this section in relation to other audit
20 requirements. The nonstate entity should allocate such
21 incremental costs to all state projects for which it expended
22 state financial assistance.

23 (k) Audit costs may not be charged to state projects
24 when audits required by this section have not been made or
25 have been made but not in accordance with this section. If a
26 nonstate entity fails to have an audit conducted consistent
27 with this section, state awarding agencies may take
28 appropriate corrective action to enforce compliance.

29 (l) This section does not prohibit the state awarding
30 agency from including terms and conditions in the written
31 agreement which require additional assurances that state

1 financial assistance meets the applicable requirements of
2 laws, regulations, and other compliance rules.

3 (m) A state awarding agency that provides state
4 financial assistance to nonstate entities and conducts or
5 arranges for audits of state financial assistance that are in
6 addition to the audits conducted under this act shall,
7 consistent with other applicable law, arrange for funding the
8 full cost of such additional audits.

9 (8) The independent auditor when conducting a state
10 single audit of recipients or subrecipients shall:

11 (a) Determine whether the nonstate entity's financial
12 statements are presented fairly in all material respects in
13 conformity with generally accepted accounting principles.

14 (b) Determine whether state financial assistance shown
15 on the Schedule of State Financial Assistance is presented
16 fairly in all material respects in relation to the nonstate
17 entity's financial statements taken as a whole.

18 (c) With respect to internal controls pertaining to
19 each major state project:

20 1. Obtain an understanding of internal controls;
21 2. Assess control risk;
22 3. Perform tests of controls unless the controls are
23 deemed to be ineffective; and

24 4. Determine whether the nonstate entity has internal
25 controls in place to provide reasonable assurance of
26 compliance with the provisions of laws and rules pertaining to
27 state financial assistance that have a material effect on each
28 major state project.

29 (d) Determine whether each major state project
30 complied with the provisions of laws, rules, and guidelines as
31 identified in the State Projects Compliance Supplement, or

1 otherwise identified by the state awarding agency, which have
2 a material effect on each major state project. When major
3 state projects are less than 50 percent of the nonstate
4 entity's total expenditures for all state financial
5 assistance, the auditor shall select and test additional state
6 projects as major state projects as necessary to achieve audit
7 coverage of at least 50 percent of the expenditures for all
8 state financial assistance provided to the nonstate entity.
9 Additional state projects needed to meet the 50-percent
10 requirement may be selected on an inherent risk basis as
11 stated in the rules of the Executive Office of the Governor.

12 (e) Report on the results of any audit conducted
13 pursuant to this section in accordance with the rules of the
14 Executive Office of the Governor, rules of the Comptroller,
15 and rules of the Office of Government Accountability Auditor
16 ~~General~~. Audit reports shall include summaries of the
17 auditor's results regarding the nonstate entity's financial
18 statements; Schedule of State Financial Assistance; internal
19 controls; and compliance with laws, rules, and guidelines.

20 (f) Issue a management letter as prescribed in the
21 rules of the Office of Government Accountability Auditor
22 ~~General~~.

23 (g) Upon notification by the nonstate entity, make
24 available the working papers relating to the audit conducted
25 pursuant to the requirements of this section to the state
26 awarding agency, the Comptroller, or the Office of Government
27 Accountability Auditor General for review or copying.

28 (9) The independent auditor, when conducting a state
29 project-specific audit of recipients or subrecipients, shall:

30 (a) Determine whether the nonstate entity's schedule
31 of state financial assistance is presented fairly in all

1 material respects in conformity with stated accounting
2 policies.

3 (b) Obtain an understanding of internal control and
4 perform tests of internal control over the state project
5 consistent with the requirements of a major state project.

6 (c) Determine whether or not the auditor has complied
7 with applicable provisions of laws, rules, and guidelines as
8 identified in the State Projects Compliance Supplement, or
9 otherwise identified by the state awarding agency, which could
10 have a direct and material effect on the state project.

11 (d) Report on the results of a state project-specific
12 audit consistent with the requirements of the state single
13 audit and issue a management letter as prescribed in the rules
14 of the Office of Government Accountability Auditor General.

15 (e) Upon notification by the nonstate entity, make
16 available the working papers relating to the audit conducted
17 pursuant to the requirements of this section to the state
18 awarding agency, the Comptroller, or the Office of Government
19 Accountability Auditor General for review or copying.

20 (10) The Office of Government Accountability Auditor
21 General shall:

22 (a) Have the authority to audit state financial
23 assistance provided to any nonstate entity when determined
24 necessary by the Auditor General or when directed by the
25 Legislative Auditing Committee.

26 (b) Adopt rules that state the auditing standards that
27 independent auditors are to follow for audits of nonstate
28 entities required by this section.

29 (c) Adopt rules that describe the contents and the
30 filing deadlines for the financial reporting package.

31

1 (d) Provide technical advice upon request of the
2 Comptroller, Executive Office of the Governor, and state
3 agencies relating to financial reporting and audit
4 responsibilities contained in this section.

5 (e) Be provided one copy of each financial reporting
6 package prepared in accordance with the requirements of this
7 section.

8 (f) Perform ongoing reviews of a sample of financial
9 reporting packages filed pursuant to the requirements of this
10 section to determine compliance with the reporting
11 requirements of this section and applicable rules of the
12 Executive Office of the Governor, rules of the Comptroller,
13 and rules of the Office of Government Accountability Auditor
14 ~~General~~.

15 Section 48. Subsection (1) of section 215.981, Florida
16 Statutes, is amended to read:

17 215.981 Audits of state agency direct-support
18 organizations and citizen support organizations.--

19 (1) Each direct-support organization and each citizen
20 support organization, created or authorized pursuant to law,
21 and created, approved, or administered by a state agency,
22 other than a university, district board of trustees of a
23 community college, or district school board, shall provide for
24 an annual ~~financial~~ audit of its financial statements in order
25 to express an opinion on the fairness with which they are
26 presented in conformity with generally accepted accounting
27 principles. The audit is ~~accounts and and records~~ to be
28 conducted by an independent certified public accountant in
29 accordance with rules adopted by the Office of Government
30 Accountability Auditor General pursuant to s. 11.45 s-
31 11.45(8) and the state agency that created, approved, or

1 administers 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 Office of
4 Government Accountability Auditor General and to the state
5 agency responsible for creation, administration, or approval
6 of the direct-support organization or citizen support
7 organization. Such state agency, ~~the Auditor General,~~ and the
8 Office of ~~Program Policy Analysis and Government~~
9 Accountability shall have the authority to require and receive
10 from the organization or from the independent auditor any
11 records relative to the operation of the organization.

12 Section 49. Subsections (5) and (12) of section
13 216.023, Florida Statutes, are amended to read:

14 216.023 Legislative budget requests to be furnished to
15 Legislature by agencies.--

16 (5) ~~Prior to September 15 of the fiscal year prior to~~
17 ~~which the judicial branch is required to submit a~~
18 ~~performance-based program budget request, the Chief Justice of~~
19 ~~the Supreme Court shall identify and, after consultation with~~
20 ~~the Office of Program Policy Analysis and Government~~
21 ~~Accountability, submit to the President of the Senate and the~~
22 ~~Speaker of the House of Representatives a list of proposed~~
23 ~~programs and associated performance measures. The judicial~~
24 ~~branch shall provide documentation to accompany the list of~~
25 ~~proposed programs and performance measures as provided under~~
26 ~~subsection (4).~~The judicial branch shall submit a
27 performance-based program agency budget request using the
28 programs and performance measures adopted by the Legislature.
29 The Chief Justice may propose revisions to approved programs
30 or performance measures for the judicial branch. The
31 Legislature shall have final approval of all programs and

1 associated performance measures and standards for the judicial
2 branch through the General Appropriations Act or legislation
3 implementing the General Appropriations Act. ~~By September 15,~~
4 ~~2001, the Chief Justice of the Supreme Court shall submit to~~
5 ~~the President of the Senate and the Speaker of the House of~~
6 ~~Representatives a performance-based program budget request for~~
7 ~~programs of the judicial branch approved by the Legislature~~
8 ~~and provide a copy to the Executive Office of the Governor.~~

9 (12) The legislative budget request from each agency
10 and from the judicial branch shall be reviewed by the
11 Legislature. The review may allow for the opportunity to have
12 information or testimony by the agency, the judicial branch,
13 ~~the Auditor General, the Office of Program Policy Analysis and~~
14 ~~Government Accountability, the Governor's Office of Planning~~
15 ~~and Budgeting, and the public regarding the proper level of~~
16 ~~funding for the agency in order to carry out its mission.~~

17 Section 50. Paragraph (a) of subsection (3) of section
18 216.102, Florida Statutes, is amended to read:

19 216.102 Filing of financial information; handling by
20 Comptroller; penalty for noncompliance.--

21 (3) The Comptroller shall:

22 (a) Prepare and furnish to the Office of Government
23 Accountability ~~Auditor General~~ annual financial statements for
24 the state on or before December 31 of each year, using
25 generally accepted accounting principles.

26
27 The Comptroller may furnish and publish in electronic form the
28 financial statements and the comprehensive annual financial
29 report required under paragraphs (a), (b), and (c).

30 Section 51. Subsection (2) of section 216.141, Florida
31 Statutes, is amended to read:

1 216.141 Budget system procedures; planning and
2 programming by state agencies.--

3 (2) The Florida Management Information Board shall
4 notify the Office of Government Accountability ~~Auditor General~~
5 of any changes or modifications to the Florida Financial
6 Management Information System and its functional owner
7 information subsystems.

8 Section 52. Paragraph (f) of subsection (2) and
9 subsection (4) of section 216.163, Florida Statutes, are
10 amended to read:

11 216.163 Governor's recommended budget; form and
12 content; declaration of collective bargaining impasses.--

13 (2) The Governor's recommended budget shall also
14 include:

15 (f) The Governor's recommendations for high-risk
16 information technology projects which should be subject to
17 monitoring under s. 282.322. These recommendations shall
18 include proviso language which specifies whether funds are
19 specifically provided to contract for project monitoring, or
20 whether the Office of Government Accountability ~~Auditor~~
21 ~~General~~ will conduct such project monitoring. When funds are
22 recommended for contracting with a project monitor, such funds
23 may equal 1 percent to 5 percent of the project's estimated
24 total costs. These funds shall be specifically appropriated
25 and nonrecurring.

26 (4) The Executive Office of the Governor shall review
27 the findings of the Office of ~~Program Policy Analysis and~~
28 Government Accountability, to the extent they are available,
29 request any reports or additional analyses as necessary, and
30 submit a recommendation for executive agencies, which may
31 include a recommendation regarding incentives or disincentives

1 for agency performance. Incentives or disincentives may apply
2 to all or part of a state agency. The Chief Justice shall
3 review the findings of the Office of ~~Program Policy Analysis~~
4 ~~and~~ Government Accountability regarding judicial branch
5 performance and make appropriate recommendations for the
6 judicial branch.

7 (a) Incentives may include, but are not limited to:

8 1. Additional flexibility in budget management, such
9 as, but not limited to, the use of lump sums or special
10 categories; consolidation of budget entities or program
11 components; consolidation of appropriation categories; and
12 increased agency transfer authority between appropriation
13 categories or budget entities.

14 2. Additional flexibility in salary rate and position
15 management.

16 3. Retention of up to 50 percent of all unencumbered
17 balances of appropriations as of June 30, or undisbursed
18 balances as of December 31, excluding special categories and
19 grants and aids, which may be used for nonrecurring purposes
20 including, but not limited to, lump-sum bonuses, employee
21 training, or productivity enhancements, including technology
22 and other improvements.

23 4. Additional funds to be used for, but not limited
24 to, lump-sum bonuses, employee training, or productivity
25 enhancements, including technology and other improvements.

26 5. Additional funds provided pursuant to law to be
27 released to an agency quarterly or incrementally contingent
28 upon the accomplishment of units of output or outcome
29 specified in the General Appropriations Act.

30 (b) Disincentives may include, but are not limited to:
31

1 1. Mandatory quarterly reports to the Executive Office
2 of the Governor and the Legislature on the agency's progress
3 in meeting performance standards.

4 2. Mandatory quarterly appearances before the
5 Legislature, the Governor, or the Governor and Cabinet to
6 report on the agency's progress in meeting performance
7 standards.

8 3. Elimination or restructuring of the program, which
9 may include, but not be limited to, transfer of the program or
10 outsourcing all or a portion of the program.

11 4. Reduction of total positions for a program.

12 5. Restriction on or reduction of the spending
13 authority provided in s. 216.292(2).

14 6. Reduction of managerial salaries.

15 Section 53. Subsection (1) of section 216.177, Florida
16 Statutes, is amended to read:

17 216.177 Appropriations acts, statement of intent,
18 violation, notice, review and objection procedures.--

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

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

28 (b) The documents set forth in s. 216.0442(2)(a) and
29 (c),
30
31

1 to the Executive Office of the Governor, the Comptroller, the
2 Auditor General, ~~the director of the Office of Program Policy~~
3 ~~Analysis and Government Accountability~~, the Chief Justice of
4 the Supreme Court, and each state agency. A request for
5 additional explanation and direction regarding the legislative
6 intent of the General Appropriations Act during the fiscal
7 year may be made to the chair and vice chair of the
8 Legislative Budget Commission or the President of the Senate
9 and the Speaker of the House of Representatives only by and
10 through the Executive Office of the Governor for state
11 agencies, and by and through the Chief Justice of the Supreme
12 Court for the judicial branch, as is deemed necessary.
13 However, the Comptroller may also request further
14 clarification of legislative intent pursuant to the
15 Comptroller's responsibilities related to his or her preaudit
16 function of expenditures.

17 Section 54. Subsection (2) of section 216.178, Florida
18 Statutes, is amended to read:

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

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

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

5 Section 55. Subsection (12) of section 216.181,
6 Florida Statutes, is amended to read;

7 216.181 Approved budgets for operations and fixed
8 capital outlay.--

9 (12) There is appropriated nonoperating budget for
10 refunds, payments to the United States Treasury, payments of
11 the service charge to the General Revenue Fund, and transfers
12 of funds specifically required by law. Such authorized budget,
13 together with related releases, shall be transmitted by the
14 state agency or by the judicial branch to the Comptroller for
15 entry in the Comptroller's records in the manner and format
16 prescribed by the Executive Office of the Governor in
17 consultation with the Comptroller. A copy of such authorized
18 budgets shall be furnished to the Executive Office of the
19 Governor or the Chief Justice, the chairs of the legislative
20 committees responsible for developing the general
21 appropriations acts, and the Office of Government
22 Accountability Auditor General. The Governor may withhold
23 approval of nonoperating investment authority for certain
24 trust funds when deemed in the best interest of the state. The
25 Governor for the executive branch, and the Chief Justice for
26 the judicial branch, may establish nonoperating budgets for
27 transfers, purchase of investments, special expenses,
28 distributions, and any other nonoperating budget categories
29 they deem necessary and in the best interest of the state and
30 consistent with legislative intent and policy. The provisions
31 of this subsection are subject to the notice, review, and

1 objection procedures set forth in s. 216.177. For purposes of
2 this section, the term "nonoperating budgets" means
3 nonoperating disbursement authority for purchase of
4 investments, refunds, payments to the United States Treasury,
5 transfers of funds specifically required by law, distributions
6 of assets held by the state in a trustee capacity as an agent
7 of fiduciary, special expenses, and other nonoperating budget
8 categories as determined necessary by the Executive Office of
9 the Governor, not otherwise appropriated in the General
10 Appropriations Act.

11 Section 56. Subsection (1) of section 216.192, Florida
12 Statutes, is amended to read:

13 216.192 Release of appropriations; revision of
14 budgets.--

15 (1) Unless otherwise provided in the General
16 Appropriations Act, on July 1 of each fiscal year, up to 25
17 percent of the original approved operating budget of each
18 agency and of the judicial branch may be released until such
19 time as annual plans for quarterly releases for all
20 appropriations have been developed, approved, and furnished to
21 the Comptroller by the Executive Office of the Governor for
22 state agencies and by the Chief Justice of the Supreme Court
23 for the judicial branch. The plans, including appropriate
24 plans of releases for fixed capital outlay projects that
25 correspond with each project schedule, shall attempt to
26 maximize the use of trust funds and shall be transmitted to
27 the Comptroller by August 1 of each fiscal year. Such releases
28 shall at no time exceed the total appropriations available to
29 a state agency or to the judicial branch, or the approved
30 budget for such agency or the judicial branch if less. The
31 Comptroller shall enter such releases in his or her records in

1 accordance with the release plans prescribed by the Executive
2 Office of the Governor and the Chief Justice, unless otherwise
3 amended as provided by law. The Executive Office of the
4 Governor and the Chief Justice shall transmit a copy of the
5 approved annual releases to the head of the state agency, the
6 chair and vice chair of the Legislative Budget Commission, and
7 the Office of Government Accountability ~~Auditor General~~. The
8 Comptroller shall authorize all expenditures to be made from
9 the appropriations on the basis of such releases and in
10 accordance with the approved budget, and not otherwise.
11 Expenditures shall be authorized only in accordance with
12 legislative authorizations. Nothing herein precludes periodic
13 reexamination and revision by the Executive Office of the
14 Governor or by the Chief Justice of the annual plans for
15 release of appropriations and the notifications of the parties
16 of all such revisions.

17 Section 57. Subsection (3) of section 216.231, Florida
18 Statutes, is amended to read:

19 216.231 Release of certain classified
20 appropriations.--

21 (3) Notwithstanding any other provisions of law,
22 moneys appropriated in any appropriations act to the Governor
23 for discretionary contingencies may be expended at his or her
24 discretion to promote general government and intergovernmental
25 cooperation and to enhance the image of the state. All funds
26 expended for such purposes shall be accounted for, and a
27 report showing the amounts expended, the names of the persons
28 receiving the amounts expended, and the purpose of each
29 expenditure shall be annually reported to the Office of
30 Government Accountability ~~Auditor General~~ and the legislative
31 appropriations committees.

1 Section 58. Paragraph (a) of subsection (1) of section
2 216.262, Florida Statutes, is amended to read:

3 216.262 Authorized positions.--

4 (1)(a) Unless otherwise expressly provided by law, the
5 total number of authorized positions may not exceed the total
6 provided in the appropriations acts. In the event any state
7 agency or entity of the judicial branch finds that the number
8 of positions so provided is not sufficient to administer its
9 authorized programs, it may file an application with the
10 Executive Office of the Governor or the Chief Justice; and, if
11 the Executive Office of the Governor or Chief Justice
12 certifies that there are no authorized positions available for
13 addition, deletion, or transfer within the agency as provided
14 in paragraph (c) and recommends an increase in the number of
15 positions, the Governor or the Chief Justice may, after a
16 public hearing, authorize an increase in the number of
17 positions for the following reasons only:

18 1. To implement or provide for continuing federal
19 grants or changes in grants not previously anticipated;

20 2. To meet emergencies pursuant to s. 252.36;

21 3. To satisfy new federal regulations or changes
22 therein;

23 4. To take advantage of opportunities to reduce
24 operating expenditures or to increase the revenues of the
25 state or local government; and

26 5. To authorize positions which were not fixed by the
27 Legislature through error in drafting the appropriations acts.

28
29 The provisions of this paragraph are subject to the notice and
30 review procedures set forth in s. 216.177. A copy of the
31 application, the certification, and the final authorization

1 shall be filed with the Legislative Budget Commission, the
2 appropriations committees, and with the Office of Government
3 Accountability Auditor General.

4 Section 59. Subsections (2) and (3) of section
5 216.292, Florida Statutes, are amended to read:

6 216.292 Appropriations nontransferable; exceptions.--

7 (2) A lump sum appropriated for a performance-based
8 program must be distributed by the Governor for state agencies
9 or the Chief Justice for the judicial branch into the
10 traditional expenditure categories in accordance with s.

11 216.181(6)(b). At any time during the year, the agency head
12 or Chief Justice may transfer funds between those categories
13 with no limit on the amount of the transfer. Authorized

14 revisions of the original approved operating budget, together
15 with related changes, if any, must be transmitted by the state
16 agency or by the judicial branch to the Executive Office of
17 the Governor or the Chief Justice, the chair and vice chair of
18 the Legislative Budget Commission, and the Office of ~~Program~~
19 ~~Policy Analysis and Government Accountability, and the Auditor~~

20 ~~General~~. Such authorized revisions shall be consistent with
21 the intent of the approved operating budget, shall be

22 consistent with legislative policy and intent, and shall not
23 conflict with specific spending policies specified in the

24 General Appropriations Act. The Executive Office of the
25 Governor shall forward a copy of the revisions within 7

26 working days to the Comptroller for entry in his or her
27 records in the manner and format prescribed by the Executive

28 Office of the Governor in consultation with the Comptroller.
29 Such authorized revisions shall be consistent with the intent

30 of the approved operating budget, shall be consistent with
31 legislative policy and intent, and shall not conflict with

1 specific spending policies specified in the General
2 Appropriations Act.

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

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

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

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

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

1 revision shall be furnished to the Executive Office of the
2 Governor or the Chief Justice, the chair and vice chair of the
3 Legislative Budget Commission, and the Auditor General, ~~and~~
4 ~~the director of the Office of Program Policy Analysis and~~
5 ~~Government Accountability.~~

6 Section 60. Paragraph (a) of subsection (1), paragraph
7 (a) of subsection (2), and subsection (3) of section 216.301,
8 Florida Statutes, are amended to read:

9 216.301 Appropriations; undisbursed balances.--

10 (1)(a) Any balance of any appropriation, except an
11 appropriation for fixed capital outlay, which is not disbursed
12 but which is expended or contracted to be expended shall, at
13 the end of each fiscal year, be certified by the head of the
14 affected state agency or the judicial or legislative branches,
15 on or before August 1 of each year, to the Executive Office of
16 the Governor, showing in detail the obligees to whom obligated
17 and the amounts of such obligations. On or before September 1
18 of each year, the Executive Office of the Governor shall
19 review and approve or disapprove, consistent with legislative
20 policy and intent, any or all of the items and amounts
21 certified by the head of the affected state agency and shall
22 approve all items and amounts certified by the Chief Justice
23 of the Supreme Court for the judicial branch and by the
24 legislative branch and shall furnish the Comptroller, the
25 legislative appropriations committees, and the Office of
26 Government Accountability ~~Auditor General~~ a detailed listing
27 of the items and amounts approved as legal encumbrances
28 against the undisbursed balance of such appropriation. The
29 review shall assure that trust funds have been fully
30 maximized. Any such encumbered balance remaining undisbursed
31 on December 31 of the same calendar year in which such

1 certification was made shall revert to the fund from which
2 appropriated and shall be available for reappropriation by the
3 Legislature. In the event such certification is not made and
4 an obligation is proven to be legal, due, and unpaid, then the
5 obligation shall be paid and charged to the appropriation for
6 the current fiscal year of the state agency or the legislative
7 or judicial branch affected.

8 (2)(a) Any balance of any appropriation for fixed
9 capital outlay not disbursed but expended or contracted or
10 committed to be expended shall, at the end of each fiscal
11 year, be certified by the head of the affected state agency or
12 the legislative or judicial branch, on or before August 1 of
13 each year, to the Executive Office of the Governor, showing in
14 detail the commitment or to whom obligated and the amount of
15 such commitment or obligation. On or before September 1 of
16 each year, the Executive Office of the Governor shall review
17 and approve or disapprove, consistent with legislative policy
18 and intent, any or all of the items and amounts certified by
19 the head of the affected state agency and shall approve all
20 items and amounts certified by the Chief Justice of the
21 Supreme Court and by the legislative branch and shall furnish
22 the Comptroller, the legislative appropriations committees,
23 and the Office of Government Accountability ~~Auditor General~~ a
24 detailed listing of the items and amounts approved as legal
25 encumbrances against the undisbursed balances of such
26 appropriations. In the event such certification is not made
27 and the balance of the appropriation has reverted and the
28 obligation is proven to be legal, due, and unpaid, then the
29 same shall be presented to the Legislature for its
30 consideration.

31

1 (3) Notwithstanding the provisions of subsection (2),
2 the unexpended balance of any appropriation for fixed capital
3 outlay subject to but not under the terms of a binding
4 contract or a general construction contract prior to February
5 1 of the second fiscal year, or the third fiscal year if it is
6 for an educational facility as defined in chapter 1013 or a
7 construction project of a state university, of the
8 appropriation shall revert on February 1 of such year to the
9 fund from which appropriated and shall be available for
10 reappropriation. The Executive Office of the Governor shall,
11 not later than February 20 of each year, furnish the
12 Comptroller, the legislative appropriations committees, and
13 the Office of Government Accountability ~~Auditor General~~ a
14 report listing in detail the items and amounts reverting under
15 the authority of this subsection, including the fund to which
16 reverted and the agency affected.

17 Section 61. Subsections (17) and (18) of section
18 218.31, Florida Statutes, are amended to read:

19 218.31 Definitions.--As used in this part, except
20 where the context clearly indicates a different meaning:

21 (17) "Financial audit" means an examination of
22 financial statements in order to express an opinion on the
23 fairness with which they are presented in conformity with
24 generally accepted accounting principles and an examination to
25 determine whether operations are properly conducted in
26 accordance with legal and regulatory requirements. Financial
27 audits must be conducted in accordance with generally accepted
28 auditing standards and government auditing standards as
29 adopted by the Board of Accountancy and as prescribed by rules
30 adopted promulgated by the Office of Government Accountability
31 ~~Auditor General~~.

1 (18) "Management letter" means a statement of the
2 auditor's comments and recommendations as prescribed by rules
3 adopted by the Office of Government Accountability Auditor
4 ~~General~~.

5 Section 62. Paragraph (e) of subsection (1) and
6 subsection (2) of section 218.32, Florida Statutes, are
7 amended to read:

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

10 (1)

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

26 (2) The department shall annually by December 1 file a
27 verified report with the Governor, the Legislature, the Office
28 of Government Accountability Auditor General, and the Special
29 District Information Program of the Department of Community
30 Affairs showing the revenues, both locally derived and derived
31 from intergovernmental transfers, and the expenditures of each

1 local governmental entity, regional planning council, local
2 government finance commission, and municipal power corporation
3 that is required to submit an annual financial report. The
4 report must include, but is not limited to:

5 (a) The total revenues and expenditures of each local
6 governmental entity that is a component unit included in the
7 annual financial report of the reporting entity.

8 (b) The amount of outstanding long-term debt by each
9 local governmental entity. For purposes of this paragraph,
10 the term "long-term debt" means any agreement or series of
11 agreements to pay money, which, at inception, contemplate
12 terms of payment exceeding 1 year in duration.

13 Section 63. Subsections (1), (2), (7), (8), and (9) of
14 section 218.39, Florida Statutes, are amended to read:

15 218.39 Annual financial audit reports.--

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

25 (a) Each county.

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

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

30 (d) Each district school board.

31 (e) Each charter school established under s. 1002.33.

1 (f) Each charter technical center established under s.
2 1002.34.

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

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

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

24 (7) The predecessor auditor of a district school board
25 shall provide the Office of Government Accountability ~~Auditor~~
26 ~~General~~ access to the prior year's working papers in
27 accordance with the Statements on Auditing Standards,
28 including documentation of planning, internal control, audit
29 results, and other matters of continuing accounting and
30 auditing significance, such as the working paper analysis of
31 balance sheet accounts and those relating to contingencies.

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

10 (9) Each charter school and charter technical career
11 center must file a copy of its audit report with the
12 sponsoring entity; the local district school board, if not the
13 sponsoring entity; the Office of Government Accountability
14 ~~Auditor General~~; and with the Department of Education.

15 Section 64. Paragraph (f) of subsection (4) of section
16 220.187, Florida Statutes, is amended to read:

17 220.187 Credits for contributions to nonprofit
18 scholarship-funding organizations.--

19 (4) OBLIGATIONS OF ELIGIBLE NONPROFIT
20 SCHOLARSHIP-FUNDING ORGANIZATIONS.--

21 (f) An eligible nonprofit scholarship-funding
22 organization that receives eligible contributions must provide
23 to the Office of Government Accountability ~~Auditor General~~ an
24 annual financial and compliance audit of its accounts and
25 records conducted by an independent certified public
26 accountant and in accordance with rules adopted by the Office
27 of Government Accountability ~~Auditor General~~.

28 Section 65. Subsection (3) of section 243.73, Florida
29 Statutes, is amended to read:

30 243.73 Reports; audits.--

31

1 (3) The Office of Government Accountability Auditor
2 ~~General~~ may, pursuant to direction by the Auditor General ~~his~~
3 ~~or her own authority~~ or at the direction of the Legislative
4 Auditing Committee, conduct an audit of the authority or any
5 programs or entities created by the authority.

6 Section 66. Subsection (11) of section 253.025,
7 Florida Statutes, is amended to read:

8 253.025 Acquisition of state lands for purposes other
9 than preservation, conservation, and recreation.--

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

21 Section 67. Subsection (2) of section 259.037, Florida
22 Statutes, is amended to read:

23 259.037 Land Management Uniform Accounting Council.--

24 (2) The ~~Auditor General and the director of the Office~~
25 of ~~Program Policy Analysis and Government Accountability, or~~
26 ~~their designees,~~ shall advise the council to ensure that
27 appropriate accounting procedures are utilized and that a
28 uniform method of collecting and reporting accurate costs of
29 land management activities are created and can be used by all
30 agencies.

31

1 Section 68. Subsection (16) of section 259.041,
2 Florida Statutes, is amended to read:

3 259.041 Acquisition of state-owned lands for
4 preservation, conservation, and recreation purposes.--

5 (16) The Office of Government Accountability ~~Auditor~~
6 ~~General~~ shall conduct audits of acquisitions and divestitures
7 which it ~~he or she~~ deems necessary, according to its ~~his or~~
8 ~~her~~ preliminary assessments of board-approved acquisitions and
9 divestitures. These preliminary assessments shall be initiated
10 not later than 60 days following the final approval by the
11 board of land acquisitions under this section. If an audit is
12 conducted, the Office of Government Accountability ~~Auditor~~
13 ~~General~~ shall submit an audit report to the board of trustees,
14 the President of the Senate, the Speaker of the House of
15 Representatives, and their designees.

16 Section 69. Subsection (8) of section 267.1732,
17 Florida Statutes, is amended to read:

18 267.1732 Direct-support organization.--

19 (8) The identity of a donor or prospective donor of
20 property to a direct-support organization who desires to
21 remain anonymous, and all information identifying such donor
22 or prospective donor, is confidential and exempt from the
23 provisions of s. 119.07(1) and s. 24(a), Art. I of the State
24 Constitution; and that anonymity must be maintained in the
25 auditor's report. The university and the Office of Government
26 Accountability ~~Auditor General~~ shall have access to all
27 records of the direct-support organization at any time it is
28 requested.

29 Section 70. Section 273.02, Florida Statutes, is
30 amended to read:

31

1 273.02 Record and inventory of certain property.--The
2 word "property" as used in this section means equipment,
3 fixtures, and other tangible personal property of a
4 nonconsumable and nonexpendable nature, the value or cost of
5 which is \$1,000 or more and the normal expected life of which
6 is 1 year or more, and hardback-covered bound books that are
7 circulated to students or the general public, the value or
8 cost of which is \$25 or more, and hardback-covered bound
9 books, the value or cost of which is \$250 or more. Each item
10 of property which it is practicable to identify by marking
11 shall be marked in the manner required by the Office of
12 Government Accountability Auditor General. Each custodian
13 shall maintain an adequate record of property in his or her
14 custody, which record shall contain such information as shall
15 be required by the Office of Government Accountability Auditor
16 General. Once each year, on July 1 or as soon thereafter as is
17 practicable, and whenever there is a change of custodian, each
18 custodian shall take an inventory of property in his or her
19 custody. The inventory shall be compared with the property
20 record, and all discrepancies shall be traced and reconciled.
21 All publicly supported libraries shall be exempt from marking
22 hardback-covered bound books, as required by this section. The
23 catalog and inventory control records maintained by each
24 publicly supported library shall constitute the property
25 record of hardback-covered bound books with a value or cost of
26 \$25 or more included in each publicly supported library
27 collection and shall serve as a perpetual inventory in lieu of
28 an annual physical inventory. All books identified by these
29 records as missing shall be traced and reconciled, and the
30 library inventory shall be adjusted accordingly.
31

1 Section 71. Subsection (5) of section 273.05, Florida
2 Statutes, is amended to read:

3 273.05 Surplus property.--

4 (5) The custodian shall maintain records of property
5 that is certified as surplus with information indicating the
6 value and condition of the property. Agency records for
7 property certified as surplus shall comply with rules issued
8 by the Office of Government Accountability ~~Auditor General~~.

9 Section 72. Subsection (2) of section 273.055, Florida
10 Statutes, is amended to read:

11 273.055 Disposition of state-owned tangible personal
12 property.--

13 (2) Custodians shall maintain records to identify each
14 property item as to disposition. Such records shall comply
15 with rules adopted ~~issued~~ by the Office of Government
16 Accountability ~~Auditor General~~.

17 Section 73. Subsection (2) of section 274.02, Florida
18 Statutes, is amended to read:

19 274.02 Record and inventory of certain property.--

20 (2) Each item of property which it is practicable to
21 identify by marking shall be marked in the manner required by
22 the Office of Government Accountability ~~Auditor General~~. Each
23 governmental unit shall maintain an adequate record of its
24 property, which record shall contain such information as shall
25 be required by the Office of Government Accountability ~~Auditor~~
26 ~~General~~. Each governmental unit shall take an inventory of its
27 property in the custody of a custodian whenever there is a
28 change in such custodian. A complete physical inventory of all
29 property shall be taken annually, and the date inventoried
30 shall be entered on the property record. The inventory shall

31

1 be compared with the property record, and all discrepancies
2 shall be traced and reconciled.

3 Section 74. Paragraph (a) of subsection (2) of section
4 282.318, Florida Statutes, is amended to read:

5 282.318 Security of data and information technology
6 resources.--

7 (2)(a) The State Technology Office, in consultation
8 with each agency head, is responsible and accountable for
9 assuring an adequate level of security for all data and
10 information technology resources of each agency and, to carry
11 out this responsibility, shall, at a minimum:

12 1. Designate an information security manager who shall
13 administer the security program of each agency for its data
14 and information technology resources.

15 2. Conduct, and periodically update, a comprehensive
16 risk analysis to determine the security threats to the data
17 and information technology resources of each agency. The risk
18 analysis information is confidential and exempt from the
19 provisions of s. 119.07(1), except that such information shall
20 be available to the Office of Government Accountability
21 ~~Auditor General~~ in performing its auditing ~~his or her~~
22 ~~postauditing~~ duties.

23 3. Develop, and periodically update, written internal
24 policies and procedures to assure the security of the data and
25 information technology resources of each agency. The internal
26 policies and procedures which, if disclosed, could facilitate
27 the unauthorized modification, disclosure, or destruction of
28 data or information technology resources are confidential
29 information and exempt from the provisions of s. 119.07(1),
30 except that such information shall be available to the Office
31

1 of Government Accountability Auditor General in performing its
2 auditing his or her postauditing duties.

3 4. Implement appropriate cost-effective safeguards to
4 reduce, eliminate, or recover from the identified risks to the
5 data and information technology resources of each agency.

6 5. Ensure that periodic internal audits and
7 evaluations of each security program for the data and
8 information technology resources of the agency are conducted.
9 The results of such internal audits and evaluations are
10 confidential information and exempt from the provisions of s.
11 119.07(1), except that such information shall be available to
12 the Office of Government Accountability Auditor General in
13 performing its auditing his or her postauditing duties.

14 6. Include appropriate security requirements, as
15 determined by the State Technology Office, in consultation
16 with each agency head, in the written specifications for the
17 solicitation of information technology resources.

18 Section 75. Subsection (1) of section 282.322, Florida
19 Statutes, is amended to read:

20 282.322 Special monitoring process for designated
21 information resources management projects.--

22 (1) For each information resources management project
23 which is designated for special monitoring in the General
24 Appropriations Act, with a proviso requiring a contract with a
25 project monitor, the Technology Review Workgroup established
26 pursuant to s. 216.0446, in consultation with each affected
27 agency, shall be responsible for contracting with the project
28 monitor. Upon contract award, funds equal to the contract
29 amount shall be transferred to the Technology Review Workgroup
30 upon request and subsequent approval of a budget amendment
31 pursuant to s. 216.292. With the concurrence of the

1 | Legislative Auditing Committee, the Office of Government
2 | Accountability ~~the Auditor General~~ shall be the project
3 | monitor for other projects designated for special monitoring.
4 | However, nothing in this section precludes the Office of
5 | Government Accountability ~~Auditor General~~ from conducting such
6 | monitoring on any project designated for special monitoring.
7 | In addition to monitoring and reporting on significant
8 | communications between a contracting agency and the
9 | appropriate federal authorities, the project monitoring
10 | process shall consist of evaluating each major stage of the
11 | designated project to determine whether the deliverables have
12 | been satisfied and to assess the level of risks associated
13 | with proceeding to the next stage of the project. The major
14 | stages of each designated project shall be determined based on
15 | the agency's information systems development methodology.
16 | Within 20 days after an agency has completed a major stage of
17 | its designated project or at least 90 days, the project
18 | monitor shall issue a written report, including the findings
19 | and recommendations for correcting deficiencies, to the agency
20 | head, for review and comment. Within 20 days after receipt of
21 | the project monitor's report, the agency head shall submit a
22 | written statement of explanation or rebuttal concerning the
23 | findings and recommendations of the project monitor, including
24 | any corrective action to be taken by the agency. The project
25 | monitor shall include the agency's statement in its final
26 | report, which shall be forwarded, within 7 days after receipt
27 | of the agency's statement, to the agency head, the inspector
28 | general's office of the agency, the Executive Office of the
29 | Governor, the appropriations committees of the Legislature,
30 | the ~~Joint~~ Legislative Auditing Committee, the Technology
31 | Review Workgroup, the President of the Senate, and the Speaker

1 of the House of Representatives, ~~and the Office of Program~~
2 ~~Policy Analysis and Government Accountability~~. The Office of
3 Government Accountability Auditor General shall also receive a
4 copy of the project monitor's report for those projects in
5 which the Office of Government Accountability Auditor General
6 is not the project monitor.

7 Section 76. Paragraph (b) of subsection (2) of section
8 287.045, Florida Statutes, is amended to read:

9 287.045 Procurement of products and materials with
10 recycled content.--

11 (2)

12 (b) The Office of Government Accountability Auditor
13 ~~General~~ shall assist in monitoring the product procurement
14 requirements.

15 Section 77. Subsection (2) of section 287.058, Florida
16 Statutes, is amended to read:

17 287.058 Contract document.--

18 (2) The written agreement shall be signed by the
19 agency head and the contractor prior to the rendering of any
20 contractual service the value of which is in excess of the
21 threshold amount provided in s. 287.017 for CATEGORY TWO,
22 except in the case of a valid emergency as certified by the
23 agency head. The certification of an emergency shall be
24 prepared within 30 days after the contractor begins rendering
25 the service and shall state the particular facts and
26 circumstances which precluded the execution of the written
27 agreement prior to the rendering of the service. If the agency
28 fails to have the contract signed by the agency head and the
29 contractor prior to rendering the contractual service, and if
30 an emergency does not exist, the agency head shall, no later
31 than 30 days after the contractor begins rendering the

1 service, certify the specific conditions and circumstances to
2 the department as well as describe actions taken to prevent
3 recurrence of such noncompliance. The agency head may delegate
4 the certification only to other senior management agency
5 personnel. A copy of the certification shall be furnished to
6 the Comptroller with the voucher authorizing payment. The
7 department shall report repeated instances of noncompliance by
8 an agency to the Office of Government Accountability Auditor
9 ~~General~~. Nothing in this subsection shall be deemed to
10 authorize additional compensation prohibited by s. 215.425.
11 The procurement of contractual services shall not be divided
12 so as to avoid the provisions of this section.

13 Section 78. Subsection (11) of section 287.0943,
14 Florida Statutes, is amended to read:

15 287.0943 Certification of minority business
16 enterprises.--

17 (11) To deter fraud in the program, the Office of
18 Government Accountability Auditor ~~General~~ may review the
19 criteria by which a business became certified as a certified
20 minority business enterprise.

21 Section 79. Section 287.115, Florida Statutes, is
22 amended to read:

23 287.115 Comptroller; annual report.--The Comptroller
24 shall submit to the Office of Government Accountability ~~the~~
25 ~~Auditor General~~ an annual report on those contractual service
26 contracts disallowed by the Comptroller, which report shall
27 include, but is not limited to, the name of the user agency,
28 the name of the firm or individual from which the contractual
29 service was to be acquired, a description of the contractual
30 service, the financial terms of the contract, and the reason
31 for rejection.

1 Section 80. Subsection (5) of section 287.17, Florida
2 Statutes, is amended to read:

3 287.17 Limitation on use of motor vehicles and
4 aircraft.--

5 (5) Each state agency's head shall, by December 31,
6 2000, conduct a review of motor vehicle utilization with
7 oversight from the agency's inspector general. This review
8 shall consist of two parts. The first part of the review shall
9 determine the number of miles that each assigned motor vehicle
10 has been driven on official state business in the past fiscal
11 year. Commuting mileage shall be excluded from calculating
12 vehicle use. The purpose of this review is to determine
13 whether employees with assigned motor vehicles are driving the
14 vehicles a sufficient number of miles to warrant continued
15 vehicle assignment. The second part of the review shall
16 identify employees who have driven personal vehicles
17 extensively on state business in the past fiscal year. The
18 purpose of this review is to determine whether it would be
19 cost-effective to provide state motor vehicles to such
20 employees. In making this determination, the inspector general
21 shall use the break-even mileage criteria developed by the
22 Department of Management Services. A copy of the review shall
23 be presented to the Office of ~~Program Policy Analysis and~~
24 Government Accountability.

25 Section 81. Paragraphs (d) and (e) of subsection (4)
26 of section 288.1224, Florida Statutes, are amended to read:

27 288.1224 Powers and duties.--The commission:

28 (4)

29 (d) The plan shall include recommendations regarding
30 specific performance standards and measurable outcomes for the
31 commission and its direct-support organization. The

1 commission, in consultation with the Office of ~~Program Policy~~
2 ~~Analysis and~~ Government Accountability, shall develop a plan
3 for monitoring its operations to ensure that performance data
4 are maintained and supported by records of the organization.

5 ~~(e) Prior to the 2003 Regular Session of the~~
6 ~~Legislature, the Office of Program Policy Analysis and~~
7 ~~Government Accountability shall conduct a review of, and~~
8 ~~prepare a report on, the Florida Commission on Tourism and its~~
9 ~~direct-support organization. The review shall be comprehensive~~
10 ~~in its scope, but, at a minimum, must be conducted in such a~~
11 ~~manner as to specifically determine:~~

12 1. ~~The progress toward achieving the established~~
13 ~~outcomes.~~

14 2. ~~The circumstances contributing to the~~
15 ~~organization's ability to achieve, not achieve, or exceed its~~
16 ~~established outcomes.~~

17 3. ~~Whether it would be sound public policy to continue~~
18 ~~or discontinue funding the organization, and the consequences~~
19 ~~of discontinuing the organization.~~

20
21 ~~The report shall be submitted by January 1, 2003, to the~~
22 ~~President of the Senate, the Speaker of the House of~~
23 ~~Representatives, the Senate Minority Leader, and the House~~
24 ~~Minority Leader.~~

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

27 288.1226 Florida Tourism Industry Marketing
28 Corporation; use of property; board of directors; duties;
29 audit.--

30 (6) ANNUAL AUDIT.--The corporation shall provide for
31 an annual financial audit in accordance with s. 215.981. The

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

20 Section 83. Subsection (2) of section 288.1227,
21 Florida Statutes, is amended to read:

22 288.1227 Annual report of the Florida Commission on
23 Tourism; audits.--

24 (2) The Office of Government Accountability ~~Auditor~~
25 ~~General~~ may, pursuant to the direction of the Auditor General
26 ~~his or her own authority~~ or at the direction of the
27 Legislative Auditing Committee, conduct an audit of the
28 commission or its direct-support organization.

29 Section 84. Section 288.7011, Florida Statutes, is
30 amended to read:

31

1 288.7011 Assistance to certified development
2 corporation.--The Office of Tourism, Trade, and Economic
3 Development is authorized to enter into contracts with a
4 nonprofit, statewide development corporation certified
5 pursuant to s. 503 of the Small Business Investment Act of
6 1958, as amended, to permit such corporation to locate and
7 contract for administrative and technical staff assistance and
8 support, including, without limitation, assistance to the
9 development corporation in the packaging and servicing of
10 loans for the purpose of stimulating and expanding the
11 availability of private equity capital and long-term loans to
12 small businesses. Such assistance and support will cease when
13 the corporation has received state support in an amount the
14 equivalent of \$250,000 per year over a 5-year period beginning
15 July 1, 1997. Any contract between the office and such
16 corporation shall specify that the records of the corporation
17 must be available for audit by the office and by the Office of
18 Government Accountability Auditor General.

19 Section 85. Subsection (10) of section 288.7091,
20 Florida Statutes, is amended to read:

21 288.7091 Duties of the Florida Black Business
22 Investment Board, Inc.--The Florida Black Business Investment
23 Board, Inc., shall:

24 (10) Annually, provide for a financial audit as
25 defined in s. 11.45 of its accounts and records by an
26 independent certified public accountant. The audit report
27 shall be filed within 12 months after the end of the fiscal
28 year to the Governor, the President of the Senate, the Speaker
29 of the House of Representatives, and the Office of Government
30 Accountability Auditor General.

31

1 Section 86. Subsection (8) of section 288.7092,
2 Florida Statutes, is amended to read:

3 288.7092 Return on investment from activities of the
4 corporation.--

5 (8) The corporation, in consultation with the Office
6 of ~~Program Policy Analysis and~~ Government Accountability,
7 shall hire a private accounting firm or economic analysis firm
8 to develop the methodology for establishing and reporting
9 return on investment and in-kind contributions as described in
10 this section. The Office of ~~Program Policy Analysis and~~
11 Government Accountability shall review and offer feedback on
12 the methodology before it is implemented. The private
13 accounting firm or economic analysis firm shall certify
14 whether the applicable statements in the annual report comply
15 with this section.

16 Section 87. Subsection (8) of section 288.90151,
17 Florida Statutes, is amended to read:

18 288.90151 Return on investment from activities of
19 Enterprise Florida, Inc.--

20 (8) Enterprise Florida, Inc., in consultation with the
21 Office of ~~Program Policy Analysis and~~ Government
22 Accountability, shall hire a private accounting firm to
23 develop the methodology for establishing and reporting
24 return-on-investment and in-kind contributions as described in
25 this section and to develop, analyze, and report on the
26 results of the customer-satisfaction survey. The Office of
27 ~~Program Policy Analysis and~~ Government Accountability shall
28 review and offer feedback on the methodology before it is
29 implemented. The private accounting firm shall certify whether
30 the applicable statements in the annual report comply with
31 this subsection.

1 Section 88. Paragraphs (a) and (c) of subsection (4)
2 of section 288.905, Florida Statutes, are amended to read:

3 288.905 Duties of the board of directors of Enterprise
4 Florida, Inc.--

5 (4)(a) The strategic plan shall also include
6 recommendations regarding specific performance standards and
7 measurable outcomes. Enterprise Florida, Inc., in consultation
8 with the Office of Tourism, Trade, and Economic Development
9 and the Office of ~~Program Policy Analysis and~~ Government
10 Accountability, shall establish performance-measure outcomes
11 for Enterprise Florida, Inc., and its boards and advisory
12 committees. Enterprise Florida, Inc., in consultation with the
13 Office of Tourism, Trade, and Economic Development and the
14 Office of ~~Program Policy Analysis and~~ Government
15 Accountability, shall develop a plan for monitoring its
16 operations to ensure that performance data are maintained and
17 supported by records of the organization. On a biennial basis,
18 Enterprise Florida, Inc., in consultation with the Office of
19 Tourism, Trade, and Economic Development and the Office of
20 ~~Program Policy Analysis and~~ Government Accountability, shall
21 review the performance-measure outcomes for Enterprise
22 Florida, Inc., and its boards, and make any appropriate
23 modifications to them. In developing measurable objectives and
24 performance outcomes, Enterprise Florida, Inc., shall consider
25 the effect of its programs, activities, and services on its
26 client population. Enterprise Florida, Inc., shall establish
27 standards such as job growth among client firms, growth in the
28 number and strength of businesses within targeted sectors,
29 client satisfaction, including the satisfaction of its local
30 and regional economic development partners, businesses
31 retained and recruited statewide and within rural and urban

1 core communities, employer wage growth, and increased export
2 sales among client companies to use in evaluating performance
3 toward accomplishing the mission of Enterprise Florida, Inc.

4 ~~(c) Prior to the 2002 Regular Session of the~~
5 ~~Legislature, the Office of Program Policy Analysis and~~
6 ~~Government Accountability shall conduct a review of Enterprise~~
7 ~~Florida, Inc., and its boards and shall submit a report by~~
8 ~~January 1, 2002, to the President of the Senate, the Speaker~~
9 ~~of the House of Representatives, the Senate Minority Leader,~~
10 ~~and the House Minority Leader. The review shall be~~
11 ~~comprehensive in its scope, but, at a minimum, must be~~
12 ~~conducted in such a manner as to specifically determine:~~

13 ~~1. The progress towards achieving the established~~
14 ~~outcomes.~~

15 ~~2. The circumstances contributing to the~~
16 ~~organization's ability to achieve, not achieve, or exceed its~~
17 ~~established outcomes.~~

18 ~~3. Whether it would be sound public policy to continue~~
19 ~~or discontinue funding the organization, and the consequences~~
20 ~~of discontinuing the organization.~~

21 Section 89. Subsection (7) of section 288.906, Florida
22 Statutes, is amended to read:

23 288.906 Annual report of Enterprise Florida, Inc.;
24 audits; confidentiality.--Prior to December 1 of each year,
25 Enterprise Florida, Inc., shall submit to the Governor, the
26 President of the Senate, the Speaker of the House of
27 Representatives, the Senate Minority Leader, and the House
28 Minority Leader a complete and detailed report including, but
29 not limited to:

30 (7) An annual compliance and financial audit of
31 accounts and records by an independent certified public

1 accountant at the end of its most recent fiscal year performed
2 in accordance with rules adopted by the Office of Government
3 Accountability Auditor General.

4

5 The detailed report required by this subsection shall also
6 include the information identified in subsections (1)-(7), if
7 applicable, for any board established within the corporate
8 structure of Enterprise Florida, Inc.

9 Section 90. Subsection (1) of section 288.9517,
10 Florida Statutes, is amended to read:

11 288.9517 Audits; confidentiality.--

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

21 Section 91. Paragraph (c) of subsection (4) of section
22 288.9604, Florida Statutes, is amended to read:

23 288.9604 Creation of the authority.--

24 (4)

25 (c) The directors of the corporation shall annually
26 elect one of their members as chair and one as vice chair.
27 The corporation may employ a president, technical experts, and
28 such other agents and employees, permanent and temporary, as
29 it requires and determine their qualifications, duties, and
30 compensation. For such legal services as it requires, the
31 corporation may employ or retain its own counsel and legal

1 staff. The corporation shall file with the governing body of
2 each public agency with which it has entered into an
3 interlocal agreement and with the Governor, the Speaker of the
4 House of Representatives, the President of the Senate, the
5 Minority Leaders of the Senate and House of Representatives,
6 and the Office of Government Accountability Auditor General,
7 on or before 90 days after the close of the fiscal year of the
8 corporation, a report of its activities for the preceding
9 fiscal year, which report shall include a complete financial
10 statement setting forth its assets, liabilities, income, and
11 operating expenses as of the end of such fiscal year.

12 Section 92. Subsection (6) of section 290.00689,
13 Florida Statutes, is amended to read:

14 290.00689 Designation of enterprise zone pilot project
15 area.--

16 (6) Prior to the 2004 Regular Session of the
17 Legislature, the Office of ~~Program Policy Analysis and~~
18 Government Accountability shall review and evaluate the
19 effectiveness and viability of the pilot project area created
20 under this section, using the research design prescribed
21 pursuant to s. 290.015. The office shall specifically evaluate
22 whether relief from certain taxes induced new investment and
23 development in the area; increased the number of jobs created
24 or retained in the area; induced the renovation,
25 rehabilitation, restoration, improvement, or new construction
26 of businesses or housing within the area; and contributed to
27 the economic viability and profitability of business and
28 commerce located within the area. The office shall submit a
29 report of its findings and recommendations to the Speaker of
30 the House of Representatives and the President of the Senate
31 no later than January 15, 2004.

1 Section 93. Section 296.17, Florida Statutes, is
2 amended to read:

3 296.17 Audit; inspection; and standards for the
4 home.--The home shall be open at any time to audit and
5 inspection by the ~~Auditor General and the~~ Office of ~~Program~~
6 ~~Policy Analysis and~~ Government Accountability, as provided by
7 law, the Department of Veterans' Affairs, the United States
8 Department of Veterans Affairs, and to any other audits or
9 inspections as required by law to maintain appropriate
10 standards in the home. The standards that the department shall
11 use to regulate the operation of the home shall be those
12 prescribed by the United States Department of Veterans
13 Affairs, provided that where the state's standards are more
14 restrictive, the standards of the state shall apply.

15 Section 94. Section 296.41, Florida Statutes, is
16 amended to read:

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

28 Section 95. Section 298.17, Florida Statutes, is
29 amended to read:

30 298.17 Appointment and duties of treasurer of
31 district; appointment of deputies; bond of treasurer; audit of

1 books; disbursements by warrant; form of warrant.--The board
2 of supervisors in any district shall select and appoint some
3 competent person, bank or trust company, organized under the
4 laws of the state, as treasurer of such district, who shall
5 receive and receipt for all the drainage taxes collected by
6 the county collector or collectors, and the treasurer shall
7 also receive and receipt for the proceeds of all tax sales
8 made under the provisions of this chapter. Said treasurer
9 shall receive such compensation as may be fixed by the board
10 of supervisors. Said board of supervisors shall also have the
11 authority to employ a fiscal agent, who shall be either a
12 resident of the state or some corporation organized under the
13 laws of Florida and authorized by such laws to act as such
14 fiscal agent for municipal corporations, who shall assist in
15 the keeping of the tax books, collections of taxes, the
16 remitting of funds to pay maturing bonds and coupons, and
17 perform such other service in the general management of the
18 fiscal and clerical affairs of the district as may be
19 determined by such board; and said board shall have the right
20 to define the duties of such fiscal agent and fix its
21 compensation. Said board of supervisors shall furnish the
22 secretary and the treasurer with necessary office room,
23 furniture, stationery, maps, plats, typewriter, and postage.
24 The secretary and the treasurer, or either of them, may
25 appoint, by and with the advice and consent of the board of
26 supervisors, one or more deputies as may be necessary. Said
27 treasurer shall give bond in such amount as shall be fixed by
28 the board of supervisors, conditioned that the treasurer will
29 well and truly account for and pay out, as provided by law,
30 all moneys received by him or her as taxes from the county
31 collector, and the proceeds from tax sales for delinquent

1 taxes, and from any other source whatever on account or claim
2 of said district, which bond shall be signed by at least two
3 sureties, or by some surety or bonding company, approved and
4 accepted by said board of supervisors, and said bond shall be
5 in addition to the bond for proceeds of sales of bonds, which
6 is required by s. 298.47. Said bond shall be placed and
7 remain in the custody of the president of the board of
8 supervisors, and shall be kept separate from all papers in the
9 custody of the secretary or treasurer. Said treasurer shall
10 keep all funds received by him or her from any source whatever
11 deposited at all times in some bank, banks, or trust company
12 to be designated by the board of supervisors. All interest
13 accruing on such funds shall, when paid, be credited to the
14 district. The board of supervisors shall audit or have audited
15 the books of the said treasurer of said district at least once
16 each year and make a report thereof to the landowners at the
17 annual meeting and publish a statement within 30 days
18 thereafter, showing the amount of money received, the amount
19 paid out during such year, and the amount in the treasury at
20 the beginning and end of the year. A certified copy of said
21 annual audit shall be filed with the Office of Government
22 Accountability ~~state auditor~~. The treasurer of the district
23 shall pay out funds of the district only on warrants issued by
24 the district, said warrants to be signed by the president of
25 the board of supervisors and attested by the signature of the
26 secretary. All warrants shall be in the following form:

27
28 \$.... Fund No. of Warrant
29 Treasurer of Water Control District, State of Florida.
30 Pay to Dollars out of the money in fund of
31 Water Control District. For

1 By order of board of supervisors of Water Control
2 District, Florida.

3 (President of District.)
4 Attest: (Secretary of District.)

5 Section 96. Section 310.131, Florida Statutes, is
6 amended to read:

7 310.131 Assessment of percentage of gross
8 pilotage.--The department shall assess the licensed state
9 pilots in the respective ports of the state a percentage of
10 the gross amount of pilotage earned by such pilots during each
11 year, which percentage will be established by the board not to
12 exceed 2 percent, to be paid into the Professional Regulation
13 Trust Fund by such pilots at such time and in such manner as
14 the board prescribes or as is set forth in the General
15 Appropriations Act. The financial records of all pilots and
16 deputy pilots relating to pilotage are subject to audit by the
17 department and the Office of Government Accountability Auditor
18 ~~General~~. The department shall by rule set a procedure for
19 verifying the amount of pilotage at each port and may charge
20 costs to the appropriate port if the port does not comply with
21 such procedure.

22 Section 97. Paragraph (d) of subsection (5) of section
23 320.023, Florida Statutes, is amended to read:

24 320.023 Requests to establish voluntary checkoff on
25 motor vehicle registration application.--

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

31

1 (d) Any organization subject to audit pursuant to s.
2 215.97 shall submit an audit report in accordance with rules
3 adopted ~~promulgated~~ by the Office of Government Accountability
4 ~~Auditor General~~. The annual attestation shall be submitted to
5 the department for review within 9 months after the end of the
6 organization's fiscal year.

7 Section 98. Paragraph (e) of subsection (2), paragraph
8 (b) of subsection (9), and paragraph (c) of subsection (20) of
9 section 320.08058, Florida Statutes, are amended to read:

10 320.08058 Specialty license plates.--

11 (2) CHALLENGER LICENSE PLATES.--

12 (e) The Office of Government Accountability ~~Auditor~~
13 ~~General~~ has the authority to examine any and all records
14 pertaining to the Astronauts Memorial Foundation, Inc., and
15 the Technological Research and Development Authority to
16 determine compliance with the law.

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

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

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

1 funds must be used to support and promote major sporting
2 events, and the uses must be approved by the Florida Sports
3 Foundation.

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

20 3. The Florida Sports Foundation shall provide an
21 annual financial audit in accordance with s. 215.981 of its
22 financial accounts and records by an independent certified
23 public accountant pursuant to the contract established by the
24 Office of Tourism, Trade, and Economic Development as
25 specified in s. 288.1229(5). The auditor shall submit the
26 audit report to the Office of Tourism, Trade, and Economic
27 Development for review and approval. If the audit report is
28 approved, the office shall certify the audit report to the
29 Office of Government Accountability ~~Auditor General~~ for
30 review.

31 (20) PROTECT WILD DOLPHINS LICENSE PLATES.--

1 (c) The Office of Government Accountability Auditor
2 ~~General~~ may examine any records of the Harbor Branch
3 Oceanographic Institution, Inc., and any other organization
4 that receives funds from the sale of this plate, to determine
5 compliance with law.

6 Section 99. Paragraph (c) of subsection (1) of section
7 320.08062, Florida Statutes, is amended to read:

8 320.08062 Audits and attestations required; annual use
9 fees of specialty license plates.--

10 (1)

11 (c) Any organization subject to audit pursuant to s.
12 215.97 shall submit an audit report in accordance with rules
13 adopted promulgated by the Office of Government Accountability
14 ~~Auditor General~~. The annual attestation shall be submitted to
15 the department for review within 9 months after the end of the
16 organization's fiscal year.

17 Section 100. Paragraph (d) of subsection (5) of
18 section 322.081, Florida Statutes, is amended to read:

19 322.081 Requests to establish voluntary check-off on
20 driver's license application.--

21 (5) A voluntary contribution collected and distributed
22 under this chapter, or any interest earned from those
23 contributions, may not be used for commercial or for-profit
24 activities nor for general or administrative expenses, except
25 as authorized by law.

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

1 Section 101. Subsection (6) of section 322.135,
2 Florida Statutes, is amended to read:

3 322.135 Driver's license agents.--

4 (6) Administration of driver license services by a
5 county tax collector as the exclusive agent of the department
6 must be revenue neutral with no adverse state fiscal impact
7 and with no adverse unfunded mandate to the tax collector.
8 ~~Toward this end, the Cost Determination and Allocation Task~~
9 ~~Force is created, to be established by July 1, 2001. The task~~
10 ~~force shall be composed of two representatives appointed by~~
11 ~~the executive director of the department, two tax collectors~~
12 ~~appointed by the president of the Florida Tax Collectors,~~
13 ~~Inc., one from a small population county and one from a~~
14 ~~large population county; one person appointed by the Speaker~~
15 ~~of the House of Representatives; one person appointed by the~~
16 ~~President of the Senate; and the Governor's appointee. If~~
17 ~~requested by the task force, the Auditor General must provide~~
18 ~~technical assistance. The purpose of the task force is to~~
19 ~~recommend the allocation of cost between the Department of~~
20 ~~Highway Safety and Motor Vehicles and tax collectors to~~
21 ~~administer driver license services authorized in this chapter.~~
22 ~~These recommendations must be submitted in a written report by~~
23 ~~January 1, 2002. The task force shall dissolve on January 1,~~
24 ~~2002. The written report shall be presented to the President~~
25 ~~of the Senate, the Speaker of the House of Representatives,~~
26 ~~and the Executive Office of the Governor, and shall contain~~
27 ~~findings and determinations and related allocation~~
28 ~~recommendations dealing with costs, both construction and~~
29 ~~operating costs, of both the department and the applicable tax~~
30 ~~collectors, appropriate allocations of costs between the~~
31 ~~department and the tax collectors, and fee recommendations to~~

1 ~~assure that the fees paid for these driver license services do~~
2 ~~not result in a loss of revenue to the state in excess of~~
3 ~~costs incurred by the state.~~

4 Section 102. Subsection (1) of section 324.202,
5 Florida Statutes, is repealed.

6 Section 103. Subsection (2) of section 331.419,
7 Florida Statutes, is amended to read:

8 331.419 Reports and audits.--

9 (2) By September 1, 2000, the corporation, in
10 cooperation with the Office of Program Policy Analysis and
11 Government Accountability, shall develop a research design,
12 including goals and measurable objectives for the corporation,
13 which will provide the Legislature with a quantitative
14 evaluation of the corporation. The corporation shall utilize
15 the monitoring mechanisms and reports developed in the designs
16 and provide these reports to the Governor, the President of
17 the Senate, the Speaker of the House of Representatives, and
18 the Office of ~~Program Policy Analysis and Government~~
19 ~~Accountability.~~

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

22 334.0445 Model career service classification and
23 compensation plan.--

24 (4) The department shall issue a baseline report on
25 the performance measures outlined in subsection (3) within 30
26 days after implementation of this act and shall provide
27 quarterly progress reports to the Department of Management
28 Services, the Executive Office of the Governor, legislative
29 appropriations committees, legislative personnel committees,
30 ~~the Auditor General, the Office of Program Policy Analysis and~~
31 ~~Government Accountability, and the affected certified~~

1 bargaining unions. Such reports shall contain the mandatory
2 measures listed in this legislation, as well as other mutually
3 agreed-upon measures between the Department of Transportation,
4 the Department of Management Services, the Executive Office of
5 the Governor, legislative appropriations committees,
6 legislative personnel committees, and the affected certified
7 bargaining unions.

8 Section 105. Subsection (2) of section 336.022,
9 Florida Statutes, is amended to read:

10 336.022 County transportation trust fund; controls and
11 administrative remedies.--

12 (2) The Office of Government Accountability ~~Auditor~~
13 ~~General~~ shall conduct an audit of each such special trust fund
14 at such intervals of time as practicable and in accordance
15 with s. 11.45, to assure that the surplus of the
16 constitutional gas tax distributed to each county is being
17 expended in accordance with law. If, as a result of an audit,
18 the Office of Government Accountability ~~Auditor General~~
19 determines that a county has violated the constitutional or
20 statutory requirements for expenditure of transportation
21 funds, he or she shall immediately notify the county. The
22 county shall have an opportunity to respond to the auditor's
23 report within 30 days after the date of written notification
24 to the county. If the Office of Government Accountability
25 ~~Auditor General~~ refuses to modify or repeal its ~~his or her~~
26 findings, the county may have such findings reviewed pursuant
27 to the provisions of the Administrative Procedure Act, chapter
28 120. If the findings of the Office of Government
29 Accountability ~~Auditor General~~ are upheld after exhaustion of
30 all administrative and legal remedies of the county, no
31 further surplus constitutional gas tax funds in excess of

1 funds for committed projects shall be distributed to the
2 violating county until the county corrects the matters cited
3 by the Office of Government Accountability ~~Auditor General~~ and
4 such corrections have been certified by the Office of
5 Government Accountability ~~Auditor General~~ as having been
6 completed.

7 Section 106. Subsection (7) of section 339.406,
8 Florida Statutes, is amended to read:

9 339.406 Contract between the department and the
10 corporation.--The contract must provide for:

11 (7) The authority for the department and the Office of
12 Government Accountability ~~Auditor General~~ to conduct audits.

13 Section 107. Subsection (3) of section 365.173,
14 Florida Statutes, is amended to read:

15 365.173 Wireless Emergency Telephone System Fund.--

16 (3) The Office of Government Accountability ~~Auditor~~
17 ~~General~~ shall annually audit the fund to ensure that moneys in
18 the fund are being managed in accordance with this section and
19 s. 365.172. The Office of Government Accountability ~~Auditor~~
20 ~~General~~ shall provide a report of the annual audit to the
21 board.

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

24 373.45926 Everglades Trust Fund; allocation of
25 revenues and expenditure of funds for conservation and
26 protection of natural resources and abatement of water
27 pollution.--

28 (3) The South Florida Water Management District shall
29 furnish, on a quarterly basis, a detailed copy of its
30 expenditures from the Everglades Trust Fund to the Governor,
31 the President of the Senate, and the Speaker of the House of

1 Representatives, and shall make copies available to the
2 public. The information shall be provided in a format approved
3 by the Joint Legislative Committee on Everglades Oversight. At
4 the direction of the Joint Legislative Committee on Everglades
5 Oversight, an audit may be made from time to time by the
6 Office of Government Accountability Auditor General, and such
7 audit shall be within the authority of such Office of
8 Government Accountability ~~said Auditor General~~ to make.

9 Section 109. Paragraph (c) of subsection (3) of
10 section 373.4595, Florida Statutes, is amended to read:

11 373.4595 Lake Okeechobee Protection Program.--

12 (3) LAKE OKEECHOBEE PROTECTION PROGRAM.--A protection
13 program for Lake Okeechobee that achieves phosphorus load
14 reductions for Lake Okeechobee shall be immediately
15 implemented as specified in this subsection. The program shall
16 address the reduction of phosphorus loading to the lake from
17 both internal and external sources. Phosphorus load reductions
18 shall be achieved through a phased program of implementation.
19 Initial implementation actions shall be technology-based,
20 based upon a consideration of both the availability of
21 appropriate technology and the cost of such technology, and
22 shall include phosphorus reduction measures at both the source
23 and the regional level. The initial phase of phosphorus load
24 reductions shall be based upon the district's Technical
25 Publication 81-2 and the district's WOD program, with
26 subsequent phases of phosphorus load reductions based upon the
27 total maximum daily loads established in accordance with s.
28 403.067. In the development and administration of the Lake
29 Okeechobee Protection Program, the coordinating agencies shall
30 maximize opportunities provided by federal cost-sharing

31

1 programs and opportunities for partnerships with the private
2 sector.

3 (c) Lake Okeechobee Watershed Phosphorus Control
4 Program.--The Lake Okeechobee Watershed Phosphorus Control
5 Program is designed to be a multifaceted approach to reducing
6 phosphorus loads by improving the management of phosphorus
7 sources within the Lake Okeechobee watershed through continued
8 implementation of existing regulations and best management
9 practices, development and implementation of improved best
10 management practices, improvement and restoration of the
11 hydrologic function of natural and managed systems, and
12 utilization of alternative technologies for nutrient
13 reduction. The coordinating agencies shall facilitate the
14 application of federal programs that offer opportunities for
15 water quality treatment, including preservation, restoration,
16 or creation of wetlands on agricultural lands.

17 1. Agricultural nonpoint source best management
18 practices, developed in accordance with s. 403.067 and
19 designed to achieve the objectives of the Lake Okeechobee
20 Protection Program, shall be implemented on an expedited
21 basis. By March 1, 2001, the coordinating agencies shall
22 develop an interagency agreement pursuant to ss. 373.046 and
23 373.406(5) that assures the development of best management
24 practices that complement existing regulatory programs and
25 specifies how those best management practices are implemented
26 and verified. The interagency agreement shall address measures
27 to be taken by the coordinating agencies during any best
28 management practice reevaluation performed pursuant to
29 sub-subparagraph d. The department shall use best professional
30 judgment in making the initial determination of best
31 management practice effectiveness.

1 a. As provided in s. 403.067(7)(d), by October 1,
2 2000, the Department of Agriculture and Consumer Services, in
3 consultation with the department, the district, and affected
4 parties, shall initiate rule development for interim measures,
5 best management practices, conservation plans, nutrient
6 management plans, or other measures necessary for Lake
7 Okeechobee phosphorus load reduction. The rule shall include
8 thresholds for requiring conservation and nutrient management
9 plans and criteria for the contents of such plans. Development
10 of agricultural nonpoint source best management practices
11 shall initially focus on those priority basins listed in
12 subparagraph (b)1. The Department of Agriculture and Consumer
13 Services, in consultation with the department, the district,
14 and affected parties, shall conduct an ongoing program for
15 improvement of existing and development of new interim
16 measures or best management practices for the purpose of
17 adoption of such practices by rule.

18 b. Where agricultural nonpoint source best management
19 practices or interim measures have been adopted by rule of the
20 Department of Agriculture and Consumer Services, the owner or
21 operator of an agricultural nonpoint source addressed by such
22 rule shall either implement interim measures or best
23 management practices or demonstrate compliance with the
24 district's WOD program by conducting monitoring prescribed by
25 the department or the district. Owners or operators of
26 agricultural nonpoint sources who implement interim measures
27 or best management practices adopted by rule of the Department
28 of Agriculture and Consumer Services shall be subject to the
29 provisions of s. 403.067(7). The Department of Agriculture and
30 Consumer Services, in cooperation with the department and the
31 district, shall provide technical and financial assistance for

1 implementation of agricultural best management practices,
2 subject to the availability of funds.

3 c. The district or department shall conduct monitoring
4 at representative sites to verify the effectiveness of
5 agricultural nonpoint source best management practices.

6 d. Where water quality problems are detected for
7 agricultural nonpoint sources despite the appropriate
8 implementation of adopted best management practices, the
9 Department of Agriculture and Consumer Services, in
10 consultation with the other coordinating agencies and affected
11 parties, shall institute a reevaluation of the best management
12 practices and make appropriate changes to the rule adopting
13 best management practices.

14 2. Nonagricultural nonpoint source best management
15 practices, developed in accordance with s. 403.067 and
16 designed to achieve the objectives of the Lake Okeechobee
17 Protection Program, shall be implemented on an expedited
18 basis. By March 1, 2001, the department and the district shall
19 develop an interagency agreement pursuant to ss. 373.046 and
20 373.406(5) that assures the development of best management
21 practices that complement existing regulatory programs and
22 specifies how those best management practices are implemented
23 and verified. The interagency agreement shall address measures
24 to be taken by the department and the district during any best
25 management practice reevaluation performed pursuant to
26 sub-subparagraph d.

27 a. The department and the district are directed to
28 work with the University of Florida's Institute of Food and
29 Agricultural Sciences to develop appropriate nutrient
30 application rates for all nonagricultural soil amendments in
31 the watershed. As provided in s. 403.067(7)(c), by January 1,

1 2001, the department, in consultation with the district and
2 affected parties, shall develop interim measures, best
3 management practices, or other measures necessary for Lake
4 Okeechobee phosphorus load reduction. Development of
5 nonagricultural nonpoint source best management practices
6 shall initially focus on those priority basins listed in
7 subparagraph (b)1. The department, the district, and affected
8 parties shall conduct an ongoing program for improvement of
9 existing and development of new interim measures or best
10 management practices. The district shall adopt
11 technology-based standards under the district's WOD program
12 for nonagricultural nonpoint sources of phosphorus.

13 b. Where nonagricultural nonpoint source best
14 management practices or interim measures have been developed
15 by the department and adopted by the district, the owner or
16 operator of a nonagricultural nonpoint source shall implement
17 interim measures or best management practices and be subject
18 to the provisions of s. 403.067(7). The department and
19 district shall provide technical and financial assistance for
20 implementation of nonagricultural nonpoint source best
21 management practices, subject to the availability of funds.

22 c. The district or the department shall conduct
23 monitoring at representative sites to verify the effectiveness
24 of nonagricultural nonpoint source best management practices.

25 d. Where water quality problems are detected for
26 nonagricultural nonpoint sources despite the appropriate
27 implementation of adopted best management practices, the
28 department and the district shall institute a reevaluation of
29 the best management practices.

30 3. The provisions of subparagraphs 1. and 2. shall not
31 preclude the department or the district from requiring

1 compliance with water quality standards or with current best
2 management practices requirements set forth in any applicable
3 regulatory program authorized by law for the purpose of
4 protecting water quality. Additionally, subparagraphs 1. and
5 2. are applicable only to the extent that they do not conflict
6 with any rules promulgated by the department that are
7 necessary to maintain a federally delegated or approved
8 program.

9 4. Projects which reduce the phosphorus load
10 originating from domestic wastewater systems within the Lake
11 Okeechobee watershed shall be given funding priority in the
12 department's revolving loan program under s. 403.1835. The
13 department shall coordinate and provide assistance to those
14 local governments seeking financial assistance for such
15 priority projects.

16 5. Projects that make use of private lands, or lands
17 held in trust for Indian tribes, to reduce nutrient loadings
18 or concentrations within a basin by one or more of the
19 following methods: restoring the natural hydrology of the
20 basin, restoring wildlife habitat or impacted wetlands,
21 reducing peak flows after storm events, increasing aquifer
22 recharge, or protecting range and timberland from conversion
23 to development, are eligible for grants available under this
24 section from the coordinating agencies. For projects of
25 otherwise equal priority, special funding priority will be
26 given to those projects that make best use of the methods
27 outlined above that involve public-private partnerships or
28 that obtain federal match money. Preference ranking above the
29 special funding priority will be given to projects located in
30 a rural area of critical economic concern designated by the
31 Governor. Grant applications may be submitted by any person or

1 tribal entity, and eligible projects may include, but are not
2 limited to, the purchase of conservation and flowage
3 easements, hydrologic restoration of wetlands, creating
4 treatment wetlands, development of a management plan for
5 natural resources, and financial support to implement a
6 management plan.

7 6.a. The department shall require all entities
8 disposing of domestic wastewater residuals within the Lake
9 Okeechobee watershed and the remaining areas of Okeechobee,
10 Glades, and Hendry Counties to develop and submit to the
11 department an agricultural use plan that limits applications
12 based upon phosphorus loading. By July 1, 2005, phosphorus
13 concentrations originating from these application sites shall
14 not exceed the limits established in the district's WOD
15 program.

16 b. Private and government-owned utilities within
17 Monroe, Dade, Broward, Palm Beach, Martin, St. Lucie, Indian
18 River, Okeechobee, Highlands, Hendry, and Glades Counties that
19 dispose of wastewater residual sludge from utility operations
20 and septic removal by land spreading in the Lake Okeechobee
21 watershed may use a line item on local sewer rates to cover
22 wastewater residual treatment and disposal if such disposal
23 and treatment is done by approved alternative treatment
24 methodology at a facility located within the areas designated
25 by the Governor as rural areas of critical economic concern
26 pursuant to s. 288.0656. This additional line item is an
27 environmental protection disposal fee above the present sewer
28 rate and shall not be considered a part of the present sewer
29 rate to customers, notwithstanding provisions to the contrary
30 in chapter 367. The fee shall be established by the county
31 commission or its designated assignee in the county in which

1 the alternative method treatment facility is located. The fee
2 shall be calculated to be no higher than that necessary to
3 recover the facility's prudent cost of providing the service.
4 Upon request by an affected county commission, the Florida
5 Public Service Commission will provide assistance in
6 establishing the fee. Further, for utilities and utility
7 authorities that use the additional line item environmental
8 protection disposal fee, such fee shall not be considered a
9 rate increase under the rules of the Public Service Commission
10 and shall be exempt from such rules. Utilities using the
11 provisions of this section may immediately include in their
12 sewer invoicing the new environmental protection disposal fee.
13 Proceeds from this environmental protection disposal fee shall
14 be used for treatment and disposal of wastewater residuals,
15 including any treatment technology that helps reduce the
16 volume of residuals that require final disposal, but such
17 proceeds shall not be used for transportation or shipment
18 costs for disposal or any costs relating to the land
19 application of residuals in the Lake Okeechobee watershed.

20 c. No less frequently than once every 3 years, the
21 Florida Public Service Commission or the county commission
22 through the services of an independent auditor shall perform a
23 financial audit of all facilities receiving compensation from
24 an environmental protection disposal fee. The Florida Public
25 Service Commission or the county commission through the
26 services of an independent auditor shall also perform an audit
27 of the methodology used in establishing the environmental
28 protection disposal fee. The Florida Public Service Commission
29 or the county commission shall, within 120 days after
30 completion of an audit, file the audit report with the
31 President of the Senate and the Speaker of the House of

1 Representatives and shall provide copies to the county
2 commissions of the counties set forth in sub-subparagraph b.
3 The books and records of any facilities receiving compensation
4 from an environmental protection disposal fee shall be open to
5 the Florida Public Service Commission and the Office of
6 Government Accountability ~~Auditor General~~ for review upon
7 request.

8 7. The Department of Health shall require all entities
9 disposing of septage within the Lake Okeechobee watershed and
10 the remaining areas of Okeechobee, Glades, and Hendry Counties
11 to develop and submit to that agency, by July 1, 2003, an
12 agricultural use plan that limits applications based upon
13 phosphorus loading. By July 1, 2005, phosphorus
14 concentrations originating from these application sites shall
15 not exceed the limits established in the district's WOD
16 program.

17 8. The Department of Agriculture and Consumer Services
18 shall initiate rulemaking requiring entities within the Lake
19 Okeechobee watershed and the remaining areas of Okeechobee,
20 Glades, and Hendry Counties which land-apply animal manure to
21 develop conservation or nutrient management plans that limit
22 application, based upon phosphorus loading. Such rules may
23 include criteria and thresholds for the requirement to develop
24 a conservation or nutrient management plan, requirements for
25 plan approval, and recordkeeping requirements.

26 9. Prior to authorizing a discharge into works of the
27 district, the district shall require responsible parties to
28 demonstrate that proposed changes in land use will not result
29 in increased phosphorus loading over that of existing land
30 uses.

31

1 10. The district, the department, or the Department of
2 Agriculture and Consumer Services, as appropriate, shall
3 implement those alternative nutrient reduction technologies
4 determined to be feasible pursuant to subparagraph (d)6.

5 Section 110. Paragraph (a) of subsection (6) of
6 section 373.536, Florida Statutes, is amended to read:

7 373.536 District budget and hearing thereon.--

8 (6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS
9 PLAN; WATER RESOURCE DEVELOPMENT WORK PROGRAM.--

10 (a) Each district must, by the date specified for each
11 item, furnish copies of the following documents to the
12 Governor, the President of the Senate, the Speaker of the
13 House of Representatives, the chairs of all legislative
14 committees and subcommittees having substantive or fiscal
15 jurisdiction over the districts, as determined by the
16 President of the Senate or the Speaker of the House of
17 Representatives as applicable, the secretary of the
18 department, and the governing board of each county in which
19 the district has jurisdiction or derives any funds for the
20 operations of the district:

21 1. The adopted budget, to be furnished within 10 days
22 after its adoption.

23 2. A financial audit of its accounts and records, to
24 be furnished within 10 days after its acceptance by the
25 governing board. The audit must be conducted in accordance
26 with the provisions of s. 11.45 and the rules adopted
27 thereunder. In addition to the entities named above, the
28 district must provide a copy of the audit to the Office of
29 Government Accountability ~~Auditor General~~ within 10 days after
30 its acceptance by the governing board.

31

1 3. A 5-year capital improvements plan, to be furnished
2 within 45 days after the adoption of the final budget. The
3 plan must include expected sources of revenue for planned
4 improvements and must be prepared in a manner comparable to
5 the fixed capital outlay format set forth in s. 216.043.

6 4. A 5-year water resource development work program to
7 be furnished within 45 days after the adoption of the final
8 budget. The program must describe the district's
9 implementation strategy for the water resource development
10 component of each approved regional water supply plan
11 developed or revised under s. 373.0361. The work program must
12 address all the elements of the water resource development
13 component in the district's approved regional water supply
14 plans. Within 45 days after its submittal, the department
15 shall review the proposed work program and submit its
16 findings, questions, and comments to the district. The review
17 must include a written evaluation of the program's consistency
18 with the furtherance of the district's approved regional water
19 supply plans, and the adequacy of proposed expenditures. As
20 part of the review, the department shall give interested
21 parties the opportunity to provide written comments on each
22 district's proposed work program. Within 60 days after receipt
23 of the department's evaluation, the governing board shall
24 state in writing to the department which changes recommended
25 in the evaluation it will incorporate into its work program or
26 specify the reasons for not incorporating the changes. The
27 department shall include the district's responses in a final
28 evaluation report and shall submit a copy of the report to the
29 Governor, the President of the Senate, and the Speaker of the
30 House of Representatives.

31

1 Section 111. Paragraph (c) of subsection (6) of
2 section 403.1835, Florida Statutes, is amended to read:

3 403.1835 Water pollution control financial
4 assistance.--

5 (6) Prior to approval of financial assistance, the
6 applicant shall:

7 (c) Provide assurance that records will be kept using
8 generally accepted accounting principles and that the
9 department, the Office of Government Accountability Auditor
10 ~~General~~, or their agents will have access to all records
11 pertaining to the financial assistance provided.

12 Section 112. Paragraph (d) of subsection (11) of
13 section 403.8532, Florida Statutes, is amended to read:

14 403.8532 Drinking water state revolving loan fund;
15 use; rules.--

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

18 (d) Provide assurance that records will be kept using
19 generally accepted accounting principles and that the
20 department or its agents and the Office of Government
21 Accountability Auditor ~~General~~ will have access to all records
22 pertaining to the loan.

23 Section 113. Subsection (17) of section 409.2563,
24 Florida Statutes, is amended to read:

25 409.2563 Administrative establishment of child support
26 obligations.--

27 (17) EVALUATION.--

28 (a) For the purpose of identifying measurable outcomes
29 and evaluating the administrative process created by this
30 section, a study area shall be established. The study area
31 must be located in a county selected by the Department of

1 Revenue having a population of fewer than 500,000, in which
2 the Title IV-D caseload did not exceed 20,000 cases, and the
3 obligation rate was approximately 65 percent at the end of the
4 1999-2000 fiscal year. The Department of Revenue shall develop
5 measurable outcomes that at a minimum consist of the
6 department's support order establishment performance measures
7 that are applicable to the administrative process, a measure
8 of the effectiveness of the administrative process in
9 establishing support orders as compared to the judicial
10 process, and a measure of the cost efficiency of the
11 administrative process as compared to the judicial process.
12 The department shall use the procedures of this section to
13 establish support obligations in Title IV-D cases on behalf of
14 custodial parents or caretaker relatives residing in the
15 county selected for the study area. By June 30, 2002, the
16 Department of Revenue shall submit a report on the
17 implementation of the administrative process in the study area
18 to the Governor and Cabinet, the President of the Senate, and
19 the Speaker of the House of Representatives. The Office of
20 ~~Program Policy Analysis and~~ Government Accountability shall
21 conduct an evaluation of the operation and impact of the
22 administrative process in the study area. In evaluating the
23 administrative process, achievement of the measurable outcomes
24 must be considered. The Office of ~~Program Policy Analysis and~~
25 Government Accountability shall submit an evaluation report on
26 the administrative process in the study area by June 30, 2003,
27 which must include the findings of the evaluation and any
28 recommendations to improve the administrative process
29 established by this section. The department shall report to
30 the Governor and Cabinet, the President of the Senate, and the
31 Speaker of the House of Representatives by June 30, 2004, on

1 the implementation and results of the procedures established
2 by this section.

3 (b) The Office of ~~Program Policy Analysis and~~
4 Government Accountability shall conduct an evaluation of the
5 statewide implementation of the administrative process for
6 establishing child support provided for in this section. This
7 evaluation shall examine whether these processes have been
8 effectively implemented and administered statewide and are
9 operating to the benefit of the children, including, but not
10 limited to the ability of Title IV-D parents to easily access
11 the court system for necessary court action. The Office of
12 ~~Program Policy Analysis and~~ Government Accountability shall
13 submit an evaluation report on the statewide implementation of
14 the administrative processes for establishing child support by
15 January 31, 2005.

16 Section 114. Subsections (8) and (11) of section
17 411.01, Florida Statutes, are amended to read:

18 411.01 Florida Partnership for School Readiness;
19 school readiness coalitions.--

20 (8) STANDARDS; OUTCOME MEASURES.--All publicly funded
21 school readiness programs shall be required to meet the
22 performance standards and outcome measures developed and
23 approved by the partnership. The Office of ~~Program Policy~~
24 ~~Analysis and~~ Government Accountability shall provide
25 consultation to the partnership in the development of the
26 measures and standards. These performance standards and
27 outcome measures shall be applicable on a statewide basis.

28 ~~(11) REPORTS.--The Office of Program Policy Analysis~~
29 ~~and Government Accountability shall assess the implementation,~~
30 ~~efficiency, and outcomes of the school readiness program and~~
31 ~~report its findings to the President of the Senate and the~~

1 ~~Speaker of the House of Representatives by January 1, 2002.~~
2 ~~Subsequent reviews shall be conducted at the direction of the~~
3 ~~Joint Legislative Auditing Committee.~~

4 Section 115. Section 411.011, Florida Statutes, is
5 amended to read:

6 411.011 Records of children in school readiness
7 programs.--The individual records of children enrolled in
8 school readiness programs provided under s. 411.01, when held
9 in the possession of the school readiness coalition or the
10 Florida Partnership for School Readiness, are confidential and
11 exempt from the provisions of s. 119.07 and s. 24(a), Art. I
12 of the State Constitution. For the purposes of this section,
13 records include assessment data, health data, records of
14 teacher observations, and identifying data, including the
15 child's social security number. A parent, guardian, or
16 individual acting as a parent in the absence of a parent or
17 guardian has the right to inspect and review the individual
18 school readiness program record of his or her child and to
19 obtain a copy of the record. School readiness records may be
20 released to the United States Secretary of Education, the
21 United States Secretary of Health and Human Services, and the
22 Comptroller General of the United States for the purpose of
23 federal audits; to individuals or organizations conducting
24 studies for institutions to develop, validate, or administer
25 assessments or improve instruction; to accrediting
26 organizations in order to carry out their accrediting
27 functions; to appropriate parties in connection with an
28 emergency if the information is necessary to protect the
29 health or safety of the student or other individuals; to the
30 Office of Government Accountability ~~Auditor General~~ in
31 connection with its ~~his or her~~ official functions; to a court

1 of competent jurisdiction in compliance with an order of that
2 court pursuant to a lawfully issued subpoena; and to parties
3 to an interagency agreement among school readiness coalitions,
4 local governmental agencies, providers of school readiness
5 programs, state agencies, and the Florida Partnership for
6 School Readiness for the purpose of implementing the school
7 readiness program. Agencies, organizations, or individuals
8 that receive school readiness records in order to carry out
9 their official functions must protect the data in a manner
10 that will not permit the personal identification of students
11 and their parents by persons other than those authorized to
12 receive the records. This section is subject to the Open
13 Government Sunset Review Act of 1995 in accordance with s.
14 119.15 and shall stand repealed on October 2, 2005, unless
15 reviewed and saved from repeal through reenactment by the
16 Legislature.

17 Section 116. Subsection (2) of section 411.221,
18 Florida Statutes, is amended to read:

19 411.221 Prevention and early assistance strategic
20 plan; agency responsibilities.--

21 (2) The strategic plan and subsequent plan revisions
22 shall incorporate and otherwise utilize, to the fullest extent
23 possible, the evaluation findings and recommendations from
24 intraagency, independent third-party, field projects, and
25 reports issued by the ~~Auditor General or the~~ Office of ~~Program~~
26 ~~Policy Analysis and~~ Government Accountability, as well as the
27 recommendations of the State Coordinating Council for School
28 Readiness Programs.

29 Section 117. Subsection (1) of section 421.091,
30 Florida Statutes, is amended to read:

31

1 421.091 Financial accounting and investments; fiscal
2 year.--

3 (1) A complete and full financial accounting and audit
4 in accordance with federal audit standards of public housing
5 agencies shall be made biennially by a certified public
6 accountant. A copy of such audit shall be filed with the
7 governing body and with the Office of Government
8 Accountability Auditor General.

9 Section 118. Subsection (2) of section 427.705,
10 Florida Statutes, is amended to read:

11 427.705 Administration of the telecommunications
12 access system.--

13 (2) The administrator shall be audited annually by an
14 independent auditing firm to assure proper management of any
15 revenues it receives and disburses. The administrator's books
16 and records shall be open to the commission and to the Office
17 of Government Accountability Auditor General for review upon
18 request. The commission shall have the authority to establish
19 fiscal and operational requirements for the administrator to
20 follow in order to ensure that the administrative costs of the
21 system are reasonable.

22 Section 119. Section 443.1316, Florida Statutes, is
23 amended to read:

24 443.1316 Contract with Department of Revenue for
25 unemployment tax collection services.--By January 1, 2001, the
26 Agency for Workforce Innovation shall enter into a contract
27 with the Department of Revenue which shall provide for the
28 Department of Revenue to provide unemployment tax collection
29 services. The Department of Revenue, in consultation with the
30 Department of Labor and Employment Security, shall determine
31 the number of positions needed to provide unemployment tax

1 collection services within the Department of Revenue. The
2 number of unemployment tax collection service positions the
3 Department of Revenue determines are needed shall not exceed
4 the number of positions that, prior to the contract, were
5 authorized to the Department of Labor and Employment Security
6 for this purpose. Upon entering into the contract with the
7 Agency for Workforce Innovation to provide unemployment tax
8 collection services, the number of required positions, as
9 determined by the Department of Revenue, shall be authorized
10 within the Department of Revenue. Beginning January 1, 2002,
11 the Office of ~~Program Policy Analysis and Government~~
12 Accountability shall conduct a feasibility study regarding
13 privatization of unemployment tax collection services. A
14 report on the conclusions of this study shall be submitted to
15 the Governor, the President of the Senate, and the Speaker of
16 the House of Representatives. The Department of Revenue is
17 considered to be administering a revenue law of this state
18 when the department provides unemployment compensation tax
19 collection services pursuant to a contract of the department
20 with the Agency for Workforce Innovation. Sections 213.018,
21 213.025, 213.051, 213.053, 213.055, 213.071, 213.10, 213.2201,
22 213.23, 213.24(2), 213.27, 213.28, 213.285, 213.37, 213.50,
23 213.67, 213.69, 213.73, 213.733, 213.74, and 213.757 apply to
24 the collection of unemployment contributions by the Department
25 of Revenue unless prohibited by federal law.

26 Section 120. Subsection (6) of section 445.003,
27 Florida Statutes, is amended to read:

28 445.003 Implementation of the federal Workforce
29 Investment Act of 1998.--

30 (6) LONG-TERM CONSOLIDATION OF WORKFORCE
31 DEVELOPMENT.--

1 (a) Workforce Florida, Inc., may recommend
2 workforce-related divisions, bureaus, units, programs, duties,
3 commissions, boards, and councils that can be eliminated,
4 consolidated, or privatized.

5 ~~(b) The Office of Program Policy Analysis and~~
6 ~~Government Accountability shall review the workforce~~
7 ~~development system, as established by this act. The office~~
8 ~~shall submit its final report and recommendations by December~~
9 ~~31, 2002, to the President of the Senate and the Speaker of~~
10 ~~the House of Representatives.~~

11 Section 121. Subsections (8) and (9) of section
12 445.004, Florida Statutes, are amended to read:

13 445.004 Workforce Florida, Inc.; creation; purpose;
14 membership; duties and powers.--

15 ~~(8) The Auditor General may, pursuant to his or her~~
16 ~~own authority or at the direction of the Legislative Auditing~~
17 ~~Committee, conduct an audit of Workforce Florida, Inc., or the~~
18 ~~programs or entities created by Workforce Florida, Inc. The~~
19 ~~Office of Program Policy Analysis and Government~~
20 ~~Accountability, pursuant to its authority or at the direction~~
21 ~~of the Legislative Auditing Committee, may review the systems~~
22 ~~and controls related to performance outcomes and quality of~~
23 ~~services of Workforce Florida, Inc.~~

24 (8)(9) Workforce Florida, Inc., in collaboration with
25 the regional workforce boards and appropriate state agencies
26 and local public and private service providers, and in
27 consultation with the Office of ~~Program Policy Analysis and~~
28 Government Accountability, shall establish uniform measures
29 and standards to gauge the performance of the workforce
30 development strategy. These measures and standards must be
31 organized into three outcome tiers.

1 (a) The first tier of measures must be organized to
2 provide benchmarks for systemwide outcomes. Workforce Florida,
3 Inc., must, in collaboration with the Office of ~~Program Policy~~
4 ~~Analysis and~~ Government Accountability, establish goals for
5 the tier-one outcomes. Systemwide outcomes may include
6 employment in occupations demonstrating continued growth in
7 wages; continued employment after 3, 6, 12, and 24 months;
8 reduction in and elimination of public assistance reliance;
9 job placement; employer satisfaction; and positive return on
10 investment of public resources.

11 (b) The second tier of measures must be organized to
12 provide a set of benchmark outcomes for the initiatives of the
13 First Jobs/First Wages Council, the Better Jobs/Better Wages
14 Council, and the High Skills/High Wages Council and for each
15 of the strategic components of the workforce development
16 strategy. Cost per entered employment, earnings at placement,
17 retention in employment, job placement, and entered employment
18 rate must be included among the performance outcome measures.

19 (c) The third tier of measures must be the operational
20 output measures to be used by the agency implementing
21 programs, and it may be specific to federal requirements. The
22 tier-three measures must be developed by the agencies
23 implementing programs, and Workforce Florida, Inc., may be
24 consulted in this effort. Such measures must be reported to
25 Workforce Florida, Inc., by the appropriate implementing
26 agency.

27 (d) Regional differences must be reflected in the
28 establishment of performance goals and may include job
29 availability, unemployment rates, average worker wage, and
30 available employable population.

31

1 (e) Job placement must be reported pursuant to s.
2 1008.39. Positive outcomes for providers of education and
3 training must be consistent with ss. 1008.42 and 1008.43.

4 (f) The uniform measures of success that are adopted
5 by Workforce Florida, Inc., or the regional workforce boards
6 must be developed in a manner that provides for an equitable
7 comparison of the relative success or failure of any service
8 provider in terms of positive outcomes.

9 (g) By December 1 of each year, Workforce Florida,
10 Inc., shall provide the Legislature with a report detailing
11 the performance of Florida's workforce development system, as
12 reflected in the three-tier measurement system. Additionally,
13 this report must benchmark Florida outcomes, at all tiers,
14 against other states that collect data similarly.

15 Section 122. Paragraph (d) of subsection 445.009,
16 Florida Statutes, is repealed.

17 Section 123. Subsection (10) of section 446.609,
18 Florida Statutes, is amended to read:

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

20 (10) ASSESSMENT OF PROGRAM RESULTS.--The success of
21 the Jobs for Florida's Graduates Program shall be assessed as
22 follows:

23 (a) No later than November 1 of each year of the Jobs
24 for Florida's Graduates Program, Jobs for America's Graduates,
25 Inc., shall conduct and deliver to the Office of ~~Program~~
26 ~~Policy Analysis and~~ Government Accountability a full review
27 and report of the program's activities. The Office of ~~Program~~
28 ~~Policy Analysis and~~ Government Accountability shall audit and
29 review the report and deliver the report, along with its
30 analysis and any recommendations for expansion, curtailment,
31

1 modification, or continuation, to the board not later than
2 December 31 of the same year.

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

11 Section 124. Paragraph (d) of subsection (3) and
12 subsection (9) of section 455.32, Florida Statutes, are
13 amended to read:

14 455.32 Management Privatization Act.--

15 (3) Based upon the request of any board, commission,
16 or council, the department is authorized to contract with a
17 corporation or other business entity to perform support
18 services specified in the contract. The contract must be in
19 compliance with this section and other applicable laws and
20 must be approved by the board before the department enters
21 into the contract. The department shall retain responsibility
22 for any duties it currently exercises relating to its police
23 powers and any other current duty that is not provided to the
24 corporation by the contract. The contract shall provide, at a
25 minimum, that:

26 (d) The corporation keep financial and statistical
27 information as necessary to completely disclose the financial
28 condition and operation of the project and as requested by the
29 Office of ~~Program Policy Analysis and~~ Government
30 Accountability, ~~the Auditor General,~~ and the department.

31

1 (9) The corporation shall provide for an annual
2 financial audit of its financial accounts and records by an
3 independent certified public accountant. The annual audit
4 report shall include a management letter in accordance with s.
5 11.45 and a detailed supplemental schedule of expenditures for
6 each expenditure category. The annual audit report must be
7 submitted to the board, the department, and the Office of
8 Government Accountability Auditor General for review.

9 Section 125. Paragraph (j) of subsection (3) of
10 section 471.038, Florida Statutes, is amended to read:

11 471.038 Florida Engineers Management Corporation.--

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

25 (j) Provide for an annual financial audit of its
26 financial accounts and records by an independent certified
27 public accountant. The annual audit report shall include a
28 management letter in accordance with s. 11.45 and a detailed
29 supplemental schedule of expenditures for each expenditure
30 category. The annual audit report must be submitted to the
31

1 board, the department, and the Office of Government
2 Accountability Auditor General for review.

3 Section 126. Subsection (4) of section 527.22, Florida
4 Statutes, is amended to read:

5 527.22 Florida Propane Gas Education, Safety, and
6 Research Council established; membership; duties and
7 responsibilities.--

8 (4) The council shall keep minutes, accounting
9 records, and other records as necessary to clearly reflect all
10 of the acts and transactions of the council and regularly
11 report such information to the commissioner, along with such
12 other information as the commissioner requires. All records of
13 the council shall be kept on file with the department, and
14 these records and other documents about matters within the
15 jurisdiction of the council shall be subject to the review and
16 inspection of the department's Inspector General, the Office
17 of Government Accountability Auditor General the members of
18 the council, or other interested parties upon request. All
19 records of the council are subject to the provisions of s.
20 119.07.

21 Section 127. Paragraph (c) of subsection (2) of
22 section 550.125, Florida Statutes, is amended to read:

23 550.125 Uniform reporting system; bond requirement.--

24 (2)

25 (c) The ~~Auditor General and the~~ Office of Program
26 ~~Policy Analysis and~~ Government Accountability may, pursuant to
27 the direction of the Auditor General ~~their own authority~~ or at
28 the direction of the Legislative Auditing Committee, audit,
29 examine, and check the books and records of any permitholder.
30 These audit reports shall become part of, and be maintained
31 in, the division files.

1 Section 128. Paragraph (d) of subsection (10) of
2 section 601.15, Florida Statutes, is amended to read:

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

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

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

12 Section 129. Subsection (2) of section 616.263,
13 Florida Statutes, is amended to read:

14 616.263 Annual reports of authority.--

15 (2) The authority shall at all times maintain proper
16 accounting systems and procedures and shall be subject to
17 audit by the Office of Government Accountability Auditor
18 ~~General.~~

19 Section 130. Subsection (5) of section 744.708,
20 Florida Statutes, is amended to read:

21 744.708 Reports and standards.--

22 (5) An independent audit by a qualified certified
23 public accountant shall be performed at least every 2 years.
24 The audit should include an investigation into the practices
25 of the office for managing the person and property of the
26 wards. A copy of the report shall be submitted to the
27 Statewide Public Guardianship Office. In addition, the office
28 of public guardian shall be subject to audits or examinations
29 by the ~~Auditor General and the Office of Program Policy~~
30 ~~Analysis and Government Accountability~~ pursuant to law.

31

1 Section 131. Subsection (3) of section 943.25, Florida
2 Statutes, is amended to read:

3 943.25 Criminal justice trust funds; source of funds;
4 use of funds.--

5 (3) The Office of Government Accountability ~~Auditor~~
6 ~~General~~ is directed in its ~~her or his~~ audit of courts to
7 ascertain that such assessments have been collected and
8 remitted and shall report to the Legislature. All such records
9 of the courts shall be open for its ~~her or his~~ inspection. The
10 Office of Government Accountability ~~Auditor General~~ is further
11 directed to conduct audits of the expenditures of the trust
12 funds and to report to the Legislature. Such audits shall be
13 conducted in accordance with s. 11.45.

14 Section 132. Subsection (1) of section 944.105,
15 Florida Statutes, is amended to read:

16 944.105 Contractual arrangements with private entities
17 for operation and maintenance of correctional facilities and
18 supervision of inmates.--

19 (1) The Department of Corrections is authorized to
20 enter into contracts with private vendors for the provision of
21 the operation and maintenance of correctional facilities and
22 the supervision of inmates. However, no such contract shall
23 be entered into or renewed unless:

24 (a) The contract offers a substantial savings to the
25 department, as determined by the department. In determining
26 the cost savings, the department, after consultation with the
27 Office of Government Accountability ~~Auditor General~~, shall
28 calculate all the cost components that contribute to the
29 inmate per diem, including all administrative costs associated
30 with central and regional office administration. Services
31 which are provided to the department by other government

1 agencies without any direct cost to the department shall be
2 assigned an equivalent cost and included in the per diem. The
3 private firm shall be assessed the total annual cost to the
4 state of monitoring the contract;

5 (b) The contract provides for the same quality of
6 services as that offered by the department; and

7 (c) The Legislature has given specific appropriation
8 for the contract.

9 Section 133. Paragraph (c) of subsection (2) of
10 section 944.512, Florida Statutes, is amended to read:

11 944.512 State lien on proceeds from literary or other
12 type of account of crime for which convicted.--

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

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

27 Section 134. Subsections (3) and (5) of section
28 944.719, Florida Statutes, are amended to read:

29 944.719 Adoption of rules, monitoring, and
30 reporting.--

31

1 (3) The private vendor shall provide a work area at
2 the private correctional facility for use by the contract
3 monitor appointed by the department and shall provide the
4 monitor with access to all data, reports, and other materials
5 that the monitor and,~~the Auditor General, and the Office of~~
6 ~~Program Policy Analysis and Government Accountability~~
7 determine are necessary to carry out monitoring and auditing
8 responsibilities.

9 (5) The Office of ~~Program Policy Analysis and~~
10 Government Accountability shall conduct a performance audit,
11 including a review of the annual financial audit of the
12 private entity and shall deliver a report to the Legislature
13 by February 1 of the third year following any contract awarded
14 by the department for the operation of a correctional facility
15 by a private vendor.

16 (a) The report shall determine the reasonableness of
17 the cost analysis procedures used by the department for
18 comparing services provided under the contract and for
19 comparing the quality of the services provided under the
20 contract with the costs and quality of similar services
21 provided by the department.

22 (b) In preparing the report, the office shall
23 consider, in addition to other factors it determines are
24 significant:

25 1. The extent to which the private vendor and the
26 department have complied with the terms of the contract and
27 ss. 944.710-944.719.

28 2. The wages and benefits that are provided to the
29 staff of the private correctional facility as compared to
30 wages and benefits provided to employees of the department
31 performing comparable tasks.

1 Section 135. Subsections (1) and (3) of section
2 946.516, Florida Statutes, are amended to read:

3 946.516 Corporation status report and annual financial
4 audit report.--

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

21 (3) The corporation shall have an annual financial
22 audit of its accounts and records by an independent certified
23 public accountant retained by it and paid from its funds. ~~The~~
24 ~~Auditor General or the director of the Office of Program~~
25 ~~Policy Analysis and Government Accountability may, pursuant to~~
26 ~~his or her own authority or at the direction of the Joint~~
27 ~~Legislative Auditing Committee, conduct an audit of the~~
28 ~~corporation.~~

29 Section 136. Subsection (3) of section 948.15, Florida
30 Statutes, is amended to read:

31 948.15 Misdemeanor probation services.--

1 (3) Any private entity providing services for the
2 supervision of misdemeanor probationers must contract with the
3 county in which the services are to be rendered. In a county
4 with a population of less than 70,000, the county court judge,
5 or the administrative judge of the county court in a county
6 that has more than one county court judge, must approve the
7 contract. Terms of the contract must state, but are not
8 limited to:

9 (a) The extent of the services to be rendered by the
10 entity providing supervision or rehabilitation.

11 (b) Staff qualifications and criminal record checks of
12 staff in accordance with essential standards established by
13 the American Correctional Association as of January 1, 1991.

14 (c) Staffing levels.

15 (d) The number of face-to-face contacts with the
16 offender.

17 (e) Procedures for handling the collection of all
18 offender fees and restitution.

19 (f) Procedures for handling indigent offenders which
20 ensure placement irrespective of ability to pay.

21 (g) Circumstances under which revocation of an
22 offender's probation may be recommended.

23 (h) Reporting and recordkeeping requirements.

24 (i) Default and contract termination procedures.

25 (j) Procedures that aid offenders with job assistance.

26
27 In addition, the entity shall supply the chief judge's office
28 with a quarterly report summarizing the number of offenders
29 supervised by the private entity, payment of the required
30 contribution under supervision or rehabilitation, and the
31 number of offenders for whom supervision or rehabilitation

1 will be terminated. All records of the entity must be open to
2 inspection upon the request of the county, the court, the
3 ~~Auditor General, the Office of Program Policy Analysis and~~
4 Government Accountability, or agents thereof.

5 Section 137. Paragraph (a) of subsection (5) of
6 section 957.07, Florida Statutes, is amended to read:

7 957.07 Cost-saving requirements.--

8 (5)(a) By February 1, 2002, and each year thereafter,
9 the Prison Per-Diem Workgroup shall develop consensus per diem
10 rates to be used when determining per diem rates of privately
11 operated prisons. The Office of ~~Program Policy Analysis and~~
12 Government Accountability, ~~the Office of the Auditor General,~~
13 and the staffs of the appropriations committees of both the
14 Senate and the House of Representatives are the principals of
15 the workgroup. The workgroup may consult with other experts to
16 assist in the development of the consensus per diem rates. All
17 meetings of the workgroup shall be open to the public as
18 provided in chapter 286.

19 Section 138. Section 957.11, Florida Statutes, is
20 amended to read:

21 957.11 Evaluation of costs and benefits of
22 contracts.--The Office of ~~Program Policy Analysis and~~
23 Government Accountability may conduct an examination ~~shall~~
24 ~~develop and implement an evaluation of the costs and benefits~~
25 of each contract entered into under this chapter. This
26 evaluation must include a comparison of the costs and benefits
27 of constructing and operating prisons by the state versus by
28 private contractors. ~~The Office of Program Policy Analysis and~~
29 ~~Government Accountability shall also evaluate the performance~~
30 ~~of the private contractor at the end of the term of each~~
31 ~~management contract and make recommendations to the Speaker of~~

1 ~~the House of Representatives and the President of the Senate~~
2 ~~on whether to continue the contract.~~

3 Section 139. Paragraph (a) of subsection (1) of
4 section 985.31, Florida Statutes, is amended to read:

5 985.31 Serious or habitual juvenile offender.--

6 (1) ASSESSMENT AND TREATMENT SERVICES.--Pursuant to
7 the provisions of this chapter and the establishment of
8 appropriate program guidelines and standards, contractual
9 instruments, which shall include safeguards of all
10 constitutional rights, shall be developed as follows:

11 (a) The department shall provide for:

12 1. The oversight of implementation of assessment and
13 treatment approaches.

14 2. The identification and prequalification of
15 appropriate individuals or not-for-profit organizations,
16 including minority individuals or organizations when possible,
17 to provide assessment and treatment services to serious or
18 habitual delinquent children.

19 3. The monitoring and evaluation of assessment and
20 treatment services for compliance with the provisions of this
21 chapter and all applicable rules and guidelines pursuant
22 thereto.

23 4. The development of an annual report on the
24 performance of assessment and treatment to be presented to the
25 Governor, the Attorney General, the President of the Senate,
26 the Speaker of the House of Representatives, and the Office of
27 Government Accountability Auditor General no later than
28 January 1 of each year.

29 Section 140. Paragraph (a) of subsection (1) of
30 section 985.311, Florida Statutes, is amended to read:

31

1 985.311 Intensive residential treatment program for
2 offenders less than 13 years of age.--

3 (1) ASSESSMENT AND TREATMENT SERVICES.--Pursuant to
4 the provisions of this chapter and the establishment of
5 appropriate program guidelines and standards, contractual
6 instruments, which shall include safeguards of all
7 constitutional rights, shall be developed for intensive
8 residential treatment programs for offenders less than 13
9 years of age as follows:

10 (a) The department shall provide for:

11 1. The oversight of implementation of assessment and
12 treatment approaches.

13 2. The identification and prequalification of
14 appropriate individuals or not-for-profit organizations,
15 including minority individuals or organizations when possible,
16 to provide assessment and treatment services to intensive
17 offenders less than 13 years of age.

18 3. The monitoring and evaluation of assessment and
19 treatment services for compliance with the provisions of this
20 chapter and all applicable rules and guidelines pursuant
21 thereto.

22 4. The development of an annual report on the
23 performance of assessment and treatment to be presented to the
24 Governor, the Attorney General, the President of the Senate,
25 the Speaker of the House of Representatives, the ~~Auditor~~
26 ~~General~~, and the Office of ~~Program Policy Analysis and~~
27 Government Accountability no later than January 1 of each
28 year.

29 Section 141. Paragraph (d) of subsection (4) of
30 section 985.412, Florida Statutes, is amended to read:

31 985.412 Quality assurance and cost-effectiveness.--

1 (4)

2 (d) In collaboration with the Office of Economic and
3 Demographic Research, and contract service providers, the
4 department shall develop a work plan to refine the
5 cost-effectiveness model so that the model is consistent with
6 the performance-based program budgeting measures approved by
7 the Legislature to the extent the department deems
8 appropriate. The department shall notify the Office of ~~Program~~
9 ~~Policy Analysis and~~ Government Accountability of any meetings
10 to refine the model.

11 Section 142. Subsection (3) of section 985.416,
12 Florida Statutes, is amended to read:

13 985.416 Innovation zones.--The department shall
14 encourage each of the juvenile justice circuit boards to
15 propose at least one innovation zone within the circuit for
16 the purpose of implementing any experimental, pilot, or
17 demonstration project that furthers the legislatively
18 established goals of the department. An innovation zone is a
19 defined geographic area such as a circuit, commitment region,
20 county, municipality, service delivery area, school campus, or
21 neighborhood providing a laboratory for the research,
22 development, and testing of the applicability and efficacy of
23 model programs, policy options, and new technologies for the
24 department.

25 (3) Before implementing an innovation zone under this
26 subsection, the secretary shall, in conjunction with the
27 Office of ~~Program Policy Analysis and~~ Government
28 Accountability, develop measurable and valid objectives for
29 such zone within a negotiated reasonable period of time.
30 Moneys designated for an innovation zone in one operating

31

1 circuit may not be used to fund an innovation zone in another
2 operating circuit.

3 Section 143. Subsection (4) of section 1001.24,
4 Florida Statutes, is amended to read:

5 1001.24 Direct-support organization; use of property;
6 board of directors; audit.--

7 (4) ANNUAL AUDIT.--Each direct-support organization
8 shall provide for an annual financial audit in accordance with
9 s. 215.981. The identity of donors who desire to remain
10 anonymous shall be protected, and that anonymity shall be
11 maintained in the auditor's report. All records of the
12 organization other than the auditor's report, management
13 letter, and any supplemental data requested by the Auditor
14 ~~General and the Office of Program Policy Analysis and~~
15 Government Accountability shall be confidential and exempt
16 from the provisions of s. 119.07(1).

17 Section 144. Subsection (4) of section 1001.453,
18 Florida Statutes, is amended to read:

19 1001.453 Direct-support organization; use of property;
20 board of directors; audit.--

21 (4) ANNUAL AUDIT.--Each direct-support organization
22 with more than \$100,000 in expenditures or expenses shall
23 provide for an annual ~~financial~~ audit of its financial
24 statements in order to express an opinion on the fairness with
25 which they are presented in accordance with generally accepted
26 accounting principles. The audit is ~~accounts and records,~~to
27 be conducted by an independent certified public accountant in
28 accordance with rules adopted by the Office of Government
29 Accountability Auditor General pursuant to s. 11.45(8) and the
30 Commissioner of Education. The annual audit report shall be
31 submitted within 9 months after the fiscal year's end to the

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

13 Section 145. Paragraph (d) of subsection (3) of
14 section 1002.22, Florida Statutes, is amended to read:

15 1002.22 Student records and reports; rights of parents
16 and students; notification; penalty.--

17 (3) RIGHTS OF PARENT OR STUDENT.--The parent of any
18 student who attends or has attended any public school, area
19 technical center, or public postsecondary educational
20 institution shall have the following rights with respect to
21 any records or reports created, maintained, and used by any
22 public educational institution in the state. However,
23 whenever a student has attained 18 years of age, or is
24 attending a postsecondary educational institution, the
25 permission or consent required of, and the rights accorded to,
26 the parents of the student shall thereafter be required of and
27 accorded to the student only, unless the student is a
28 dependent student of such parents as defined in 26 U.S.C. s.
29 152 (s. 152 of the Internal Revenue Code of 1954). The State
30 Board of Education shall adopt rules whereby parents or
31 students may exercise these rights:

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

16 1. Officials of schools, school systems, technical
17 centers, or public postsecondary educational institutions in
18 which the student seeks or intends to enroll; and a copy of
19 such records or reports shall be furnished to the parent or
20 student upon request.

21 2. Other school officials, including teachers within
22 the educational institution or agency, who have legitimate
23 educational interests in the information contained in the
24 records.

25 3. The United States Secretary of Education, the
26 Director of the National Institute of Education, the Assistant
27 Secretary for Education, the Comptroller General of the United
28 States, or state or local educational authorities who are
29 authorized to receive such information subject to the
30 conditions set forth in applicable federal statutes and
31 regulations of the United States Department of Education, or

1 in applicable state statutes and rules of the State Board of
2 Education.

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

5 5. Individuals or organizations conducting studies for
6 or on behalf of an institution or a board of education for the
7 purpose of developing, validating, or administering predictive
8 tests, administering student aid programs, or improving
9 instruction, if such studies are conducted in such a manner as
10 will not permit the personal identification of students and
11 their parents by persons other than representatives of such
12 organizations and if such information will be destroyed when
13 no longer needed for the purpose of conducting such studies.

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

16 7. School readiness coalitions and the Florida
17 Partnership for School Readiness in order to carry out their
18 assigned duties.

19 8. For use as evidence in student expulsion hearings
20 conducted by a district school board pursuant to the
21 provisions of chapter 120.

22 9. Appropriate parties in connection with an
23 emergency, if knowledge of the information in the student's
24 educational records is necessary to protect the health or
25 safety of the student or other individuals.

26 10. ~~The Auditor General and the Office of Program~~
27 ~~Policy Analysis and Government Accountability~~ in connection
28 with their official functions; however, except when the
29 collection of personally identifiable information is
30 specifically authorized by law, any data collected by the
31 ~~Auditor General and the Office of Program Policy Analysis and~~

1 Government Accountability is confidential and exempt from the
2 provisions of s. 119.07(1) and shall be protected in such a
3 way as will not permit the personal identification of students
4 and their parents by other than the ~~Auditor General, the~~
5 Office of ~~Program Policy Analysis and~~ Government
6 Accountability, and its ~~their~~ staff, and such personally
7 identifiable data shall be destroyed when no longer needed for
8 the ~~Auditor General's and the~~ Office of ~~Program Policy~~
9 ~~Analysis and~~ Government Accountability's official use.

10 11.a. A court of competent jurisdiction in compliance
11 with an order of that court or the attorney of record pursuant
12 to a lawfully issued subpoena, upon the condition that the
13 student and the student's parent are notified of the order or
14 subpoena in advance of compliance therewith by the educational
15 institution or agency.

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

26 12. Credit bureaus, in connection with an agreement
27 for financial aid that the student has executed, provided that
28 such information may be disclosed only to the extent necessary
29 to enforce the terms or conditions of the financial aid
30 agreement. Credit bureaus shall not release any information
31 obtained pursuant to this paragraph to any person.

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

22
23 This paragraph does not prohibit any educational institution
24 from publishing and releasing to the general public directory
25 information relating to a student if the institution elects to
26 do so. However, no educational institution shall release, to
27 any individual, agency, or organization that is not listed in
28 subparagraphs 1.-13., directory information relating to the
29 student body in general or a portion thereof unless it is
30 normally published for the purpose of release to the public in
31 general. Any educational institution making directory

1 information public shall give public notice of the categories
2 of information that it has designated as directory information
3 with respect to all students attending the institution and
4 shall allow a reasonable period of time after such notice has
5 been given for a parent or student to inform the institution
6 in writing that any or all of the information designated
7 should not be released.

8 Section 146. Subsection (3) of section 1002.36,
9 Florida Statutes, is repealed.

10 Section 147. Paragraph (d) of subsection (5) of
11 section 1002.37, Florida Statutes, is amended to read:

12 1002.37 The Florida Virtual School.--

13 (5) The board of trustees shall annually submit to the
14 Governor, the Legislature, the Commissioner of Education, and
15 the State Board of Education a complete and detailed report
16 setting forth:

17 (d) A copy of an annual financial audit of the
18 accounts and records of the Florida Virtual School, conducted
19 by an independent certified public accountant and performed in
20 accordance with rules adopted by the Office of Government
21 Accountability Auditor General.

22 Section 148. Subsection (5) of section 1004.28,
23 Florida Statutes, is amended to read:

24 1004.28 Direct-support organizations; use of property;
25 board of directors; activities; audit; facilities.--

26 (5) ANNUAL AUDIT.--Each direct-support organization
27 shall provide for an annual ~~financial~~ audit of its financial
28 statements in order to express an opinion on the fairness with
29 which they are presented in accordance with generally accepted
30 accounting principles. The audit is ~~accounts and records~~ to be
31 conducted by an independent certified public accountant in

1 accordance with rules adopted by the Office of Government
2 Accountability Auditor General pursuant to s. 11.45 ~~s.~~
3 ~~11.45(8)~~ and by the university board of trustees. The annual
4 audit report shall be submitted, within 9 months after the end
5 of the fiscal year, to the Office of Government Accountability
6 ~~Auditor General~~ and the State Board of Education for review.
7 The State Board of Education, the university board of
8 trustees, ~~the Auditor General~~, and the Office of ~~Program~~
9 ~~Policy Analysis~~ and Government Accountability shall have the
10 authority to require and receive from the organization or from
11 its independent auditor any records relative to the operation
12 of the organization. The identity of donors who desire to
13 remain anonymous shall be protected, and that anonymity shall
14 be maintained in the auditor's report. All records of the
15 organization other than the auditor's report, management
16 letter, and any supplemental data requested by the State Board
17 of Education, the university board of trustees, ~~the Auditor~~
18 ~~General~~, and the Office of ~~Program Policy Analysis~~ and
19 Government Accountability shall be confidential and exempt
20 from the provisions of s. 119.07(1).

21 Section 149. Subsection (5) of section 1004.29,
22 Florida Statutes, is amended to read:

23 1004.29 University health services support
24 organizations.--

25 (5) Each university health services support
26 organization shall provide for an annual financial audit in
27 accordance with s. 1004.28(5). The auditor's report,
28 management letter, and any supplemental data requested by the
29 State Board of Education, the university board of trustees,
30 and the Office of Government Accountability Auditor General
31 shall be considered public records, pursuant to s. 119.07.

1 Section 150. Paragraph (d) of subsection (2) and
2 paragraph (b) of subsection (8) of section 1004.43, Florida
3 Statutes, are amended to read:

4 1004.43 H. Lee Moffitt Cancer Center and Research
5 Institute.--There is established the H. Lee Moffitt Cancer
6 Center and Research Institute at the University of South
7 Florida.

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

11 (d) Preparation of an annual financial audit of the
12 not-for-profit corporation's accounts and records and the
13 accounts and records of any subsidiaries to be conducted by an
14 independent certified public accountant. The annual audit
15 report shall include a management letter, as defined in s.
16 11.45, and shall be submitted to the Office of Government
17 Accountability Auditor General and the State Board of
18 Education. The State Board of Education, ~~the Auditor General,~~
19 and the Office of ~~Program Policy Analysis~~ and Government
20 Accountability shall have the authority to require and receive
21 from the not-for-profit corporation and any subsidiaries or
22 from their independent auditor any detail or supplemental data
23 relative to the operation of the not-for-profit corporation or
24 subsidiary.

25 (8)

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

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

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

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

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

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

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

4 6. Corporate officer and employee personnel
5 information;

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

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

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

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

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

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

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

7 Section 151. Paragraph (d) of subsection (3) of
8 section 1004.445, Florida Statutes, is amended to read:

9 1004.445 Florida Alzheimer's Center and Research
10 Institute.--

11 (3) The State Board of Education shall provide in the
12 agreement with the not-for-profit corporation for the
13 following:

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

27 Section 152. Subsection (2) of section 1004.58,
28 Florida Statutes, is amended to read:

29 1004.58 Leadership Board for Applied Research and
30 Public Service.--

31 (2) Membership of the board shall be:

1 (a) The Commissioner of Education, or the
2 commissioner's designee, who shall serve as chair.

3 (b) The director of the Office of Planning and
4 Budgeting of the Executive Office of the Governor.

5 (c) The secretary of the Department of Management
6 Services.

7 (d) The director of Economic and Demographic Research.

8 ~~(e) The director of the Office of Program Policy
9 Analysis and Government Accountability.~~

10 ~~(e)(f)~~ The President of the Florida League of Cities.

11 ~~(f)(g)~~ The President for the Florida Association of
12 Counties.

13 ~~(g)(h)~~ The President of the Florida School Board
14 Association.

15 ~~(h)(i)~~ Five additional university president members,
16 designated by the commissioner, to rotate annually.

17 Section 153. Subsection (6) of section 1004.70,
18 Florida Statutes, is amended to read:

19 1004.70 Community college direct-support
20 organizations.--

21 (6) ANNUAL AUDIT.--Each direct-support organization
22 shall provide for an annual ~~financial~~ audit of its financial
23 statements in order to express an opinion on the fairness with
24 which they are presented in conformity with generally accepted
25 accounting principles. The audit is to be conducted by an
26 independent certified public accountant in accordance with
27 rules adopted by the Office of Government Accountability
28 ~~Auditor General~~ pursuant to s. 11.45 ~~s. 11.45(8)~~. The annual
29 audit report must be submitted, within 9 months after the end
30 of the fiscal year, to the Office of Government Accountability
31 ~~Auditor General~~, the State Board of Education, and the board

1 of trustees for review. The board of trustees, ~~the Auditor~~
2 ~~General~~, and the Office of ~~Program Policy Analysis~~ and
3 Government Accountability may require and receive from the
4 organization or from its independent auditor any detail or
5 supplemental data relative to the operation of the
6 organization. The identity of donors who desire to remain
7 anonymous shall be protected, and that anonymity shall be
8 maintained in the auditor's report. All records of the
9 organization, other than the auditor's report, any information
10 necessary for the auditor's report, any information related to
11 the expenditure of funds, and any supplemental data requested
12 by the board of trustees, ~~the Auditor General~~, and the Office
13 of ~~Program Policy Analysis~~ and Government Accountability,
14 shall be confidential and exempt from the provisions of s.
15 119.07(1).

16 Section 154. Subsection (5) of section 1004.78,
17 Florida Statutes, is amended to read:

18 1004.78 Technology transfer centers at community
19 colleges.--

20 (5) A technology transfer center shall be financed
21 from the Academic Improvement Program or from moneys of a
22 community college which are on deposit or received for use in
23 the activities conducted in the center. Such moneys shall be
24 deposited by the community college in a permanent technology
25 transfer fund in a depository or depositories approved for the
26 deposit of state funds and shall be accounted for and
27 disbursed subject to audit by the Office of Government
28 Accountability Auditor General.

29 Section 155. Subsection (7) of section 1005.37,
30 Florida Statutes, is amended to read:

31 1005.37 Student Protection Fund.--

1 (7) The Student Protection Fund must be actuarially
2 sound, periodically audited by the Office of Government
3 Accountability Auditor General in connection with its ~~his or~~
4 ~~her~~ audit of the Department of Education, and reviewed to
5 determine if additional fees must be charged to schools
6 eligible to participate in the fund.

7 Section 156. Subsection (6) of section 1006.07,
8 Florida Statutes, is amended to read:

9 1006.07 District school board duties relating to
10 student discipline and school safety.--The district school
11 board shall provide for the proper accounting for all
12 students, for the attendance and control of students at
13 school, and for proper attention to health, safety, and other
14 matters relating to the welfare of students, including:

15 (6) SAFETY AND SECURITY BEST PRACTICES.--Use the
16 Safety and Security Best Practices developed by the Office of
17 ~~Program Policy Analysis and~~ Government Accountability to
18 conduct a self-assessment of the school districts' current
19 safety and security practices. Based on these self-assessment
20 findings, the district school superintendent shall provide
21 recommendations to the district school board which identify
22 strategies and activities that the district school board
23 should implement in order to improve school safety and
24 security. Annually each district school board must receive the
25 self-assessment results at a publicly noticed district school
26 board meeting to provide the public an opportunity to hear the
27 district school board members discuss and take action on the
28 report findings. Each district school superintendent shall
29 report the self-assessment results and school board action to
30 the commissioner within 30 days after the district school
31 board meeting.

1 Section 157. Section 1006.19, Florida Statutes, is
2 amended to read:

3 1006.19 Audit of records of nonprofit corporations and
4 associations handling interscholastic activities.--

5 (1) Each nonprofit association or corporation that
6 operates for the purpose of supervising and controlling
7 interscholastic activities of public high schools and whose
8 membership is composed of duly certified representatives of
9 public high schools, and whose rules and regulations are
10 established by members thereof, shall have an annual financial
11 audit of its accounts and records by an independent certified
12 public accountant retained by it and paid from its funds. The
13 accountant shall furnish a copy of the audit report to the
14 Office of Government Accountability ~~Auditor General~~.

15 (2) Any such nonprofit association or corporation
16 shall keep adequate and complete records of all moneys
17 received by it, including the source and amount, and all
18 moneys spent by it, including salaries, fees, expenses, travel
19 allowances, and all other items of expense. All records of
20 any such organization shall be open for inspection by the
21 Office of Government Accountability ~~Auditor General~~.

22 Section 158. Section 1008.35, Florida Statutes, is
23 amended to read:

24 1008.35 Best financial management practices for school
25 districts; standards; reviews; designation of school
26 districts.--

27 (1) The purpose of best financial management practices
28 reviews is to improve Florida school district management and
29 use of resources and to identify cost savings. The Office of
30 ~~Program Policy Analysis and Government Accountability~~ is
31 ~~(OPPAGA) and the Office of the Auditor General~~ are directed to

1 develop a system for reviewing the financial management
2 practices of school districts. ~~In this system, the Auditor~~
3 ~~General shall assist OPPAGA in examining district operations~~
4 ~~to determine whether they meet "best financial management~~
5 ~~practices."~~

6 (2) The best financial management practices adopted by
7 the Commissioner of Education may be updated periodically
8 after consultation with the Legislature, the Governor, the
9 Department of Education, school districts, and the Office of
10 Government Accountability Auditor General. The Office
11 Government Accountability ~~OPPAGA~~ shall submit to the
12 Commissioner of Education for review and adoption proposed
13 revisions to the best financial management practices adopted
14 by the commissioner. The best financial management practices,
15 at a minimum, must instill public confidence by addressing the
16 school district's use of resources, identifying ways that the
17 district could save funds, and improving districts'
18 performance accountability systems, including public
19 accountability. To achieve these objectives, best practices
20 shall be developed for, but need not be limited to, the
21 following areas:

- 22 (a) Management structures.
- 23 (b) Performance accountability.
- 24 (c) Efficient delivery of educational services,
25 including instructional materials.
- 26 (d) Administrative and instructional technology.
- 27 (e) Personnel systems and benefits management.
- 28 (f) Facilities construction.
- 29 (g) Facilities maintenance.
- 30 (h) Student transportation.
- 31 (i) Food service operations.

1 (j) Cost control systems, including asset management,
2 risk management, financial management, purchasing, internal
3 auditing, and financial auditing.

4
5 In areas for which the commissioner has not adopted best
6 practices, Office of Government Accountability ~~OPPAGA~~ may
7 develop additional best financial management practices, with
8 input from a broad range of stakeholders. The Office of
9 Government Accountability ~~OPPAGA~~ shall present any additional
10 best practices to the commissioner for review and adoption.
11 Revised best financial management practices adopted by the
12 commissioner must be used in the next year's scheduled school
13 district reviews conducted according to this section.

14 (3) The Office of Government Accountability ~~OPPAGA~~
15 shall contract with a private firm selected through a formal
16 request for proposal process to perform the review, to the
17 extent that funds are provided for this purpose in the General
18 Appropriations Act each year. When sufficient funds are not
19 provided to contract for all the scheduled best financial
20 management practices reviews, the Office of Government
21 Accountability ~~OPPAGA~~ shall conduct the remaining reviews
22 scheduled for that year, except as otherwise provided in this
23 act. At least one member of the private firm review team shall
24 have expertise in school district finance. The scope of the
25 review shall focus on the best practices adopted by the
26 Commissioner of Education, pursuant to subsection (2). The
27 Office of Government Accountability ~~OPPAGA~~ may include
28 additional items in the scope of the review after seeking
29 input from the school district and the Department of
30 Education.

31

1 (4) The Office of Government Accountability ~~OPAGA~~
2 shall consult with the Commissioner of Education throughout
3 the best practices review process to ensure that the technical
4 expertise of the Department of Education benefits the review
5 process and supports the school districts before, during, and
6 after the review.

7 (5) It is the intent of the Legislature that each
8 school district shall be subject to a best financial
9 management practices review. The Legislature also intends that
10 all school districts shall be reviewed on a continuing 5-year
11 cycle, as follows, unless specified otherwise in the General
12 Appropriations Act, or as provided in this section:

13 (a) Year 1: Hillsborough, Sarasota, Collier, Okaloosa,
14 Alachua, St. Lucie, Santa Rosa, Hernando, Indian River,
15 Monroe, Osceola, and Bradford.

16 (b) Year 2: Miami-Dade, Duval, Volusia, Bay, Columbia,
17 Suwannee, Wakulla, Baker, Union, Hamilton, Jefferson, Gadsden,
18 and Franklin.

19 (c) Year 3: Palm Beach, Orange, Seminole, Lee,
20 Escambia, Leon, Levy, Taylor, Madison, Gilchrist, Gulf, Dixie,
21 Liberty, and Lafayette.

22 (d) Year 4: Pinellas, Pasco, Marion, Manatee, Clay,
23 Charlotte, Citrus, Highlands, Nassau, Hendry, Okeechobee,
24 Hardee, DeSoto, and Glades.

25 (e) Year 5: Broward, Polk, Brevard, Lake, St. Johns,
26 Martin, Putnam, Jackson, Flagler, Walton, Sumter, Holmes,
27 Washington, and Calhoun.

28 (6)(a) The Joint Legislative Auditing Committee may
29 adjust the schedule of districts to be reviewed when
30 unforeseen circumstances prevent initiation of reviews
31 scheduled in a given year.

1 (b) Once the 5-year cycle has been completed, reviews
2 shall continue, beginning again with those districts included
3 in year one of the cycle unless a district has requested and
4 received a waiver as provided in subsection (17).

5 (7) At the direction of the ~~Joint~~ Legislative Auditing
6 Committee or the President of the Senate and the Speaker of
7 the House of Representatives, and subject to funding by the
8 Legislature, the Office of Government Accountability ~~OPPAGA~~
9 may conduct, or contract with a private firm to conduct, up to
10 two additional best financial management practices reviews in
11 districts not scheduled for review during that year if such
12 review is necessary to address adverse financial conditions.

13 (8) Reviews shall be conducted by the Office of
14 Government Accountability ~~OPPAGA~~ and the consultant to the
15 extent specifically funded by the Legislature in the General
16 Appropriations Act for this purpose. Such funds may be used
17 for the cost of reviews by the Office of Government
18 Accountability ~~OPPAGA~~ and private consultants contracted by
19 the Office of Government Accountability ~~director of OPPAGA~~.
20 Costs may include professional services, travel expenses of
21 the Office of Government Accountability ~~OPPAGA~~ and ~~staff of~~
22 ~~the Auditor General~~, and any other necessary expenses incurred
23 as part of a best financial management practices review.

24 (9) Districts scheduled for review must complete a
25 self-assessment instrument provided by the Office of
26 Government Accountability ~~OPPAGA~~ which indicates the school
27 district's evaluation of its performance on each best
28 practice. The district must begin the self-assessment not
29 later than 60 days prior to the commencement of the review.
30 The completed self-assessment instrument and supporting
31 documentation must be submitted to the Office of Government

1 Accountability ~~OPPAGA~~ not later than the date of commencement
2 of the review as notified by the Office of Government
3 Accountability ~~OPPAGA~~. The best practice review team will use
4 this self-assessment information during their review of the
5 district.

6 (10) During the review, the Office of Government
7 Accountability ~~OPPAGA~~ and the consultant conducting the
8 review, if any, shall hold at least one advertised public
9 forum as part of the review in order to explain the best
10 financial management practices review process and obtain input
11 from students, parents, the business community, and other
12 district residents regarding their concerns about the
13 operations and management of the school district.

14 (11) District reviews conducted under this section
15 must be completed within 6 months after commencement. The
16 Office of Government Accountability ~~OPPAGA~~ shall issue a final
17 report to the President of the Senate, the Speaker of the
18 House of Representatives, and the district regarding the
19 district's use of best financial management practices and cost
20 savings recommendations within 60 days after completing the
21 reviews. Copies of the final report shall be provided to the
22 Governor, the Commissioner of Education, and to the chairs of
23 school advisory councils and district advisory councils
24 established pursuant to s. 1001.452(1)(a) and (b). The
25 district school board shall notify all members of the school
26 advisory councils and district advisory council by mail that
27 the final report has been delivered to the school district and
28 to the council chairs. The notification shall also inform
29 members of the Office of Government Accountability ~~OPPAGA~~
30 website address at which an electronic copy of the report is
31 available.

1 (12) After receipt of the final report and before the
2 district school board votes whether to adopt the action plan,
3 or if no action plan was required because the district was
4 found to be using the best practices, the district school
5 board shall hold an advertised public forum to accept public
6 input and review the findings and recommendations of the
7 report. The district school board shall advertise and promote
8 this forum in a manner appropriate to inform school and
9 district advisory councils, parents, school district
10 employees, the business community, and other district
11 residents of the opportunity to attend this meeting. The
12 Office of Government Accountability ~~OPAGA~~ and the consultant,
13 if any, shall also be represented at this forum.

14 (13)(a) If the district is found not to conform to
15 best financial management practices, the report must contain
16 an action plan detailing how the district could meet the best
17 practices within 2 years. The district school board must
18 decide, by a majority plus one vote within 90 days after
19 receipt of the final report, whether or not to implement the
20 action plan and pursue a "Seal of Best Financial Management"
21 awarded by the State Board of Education to qualified school
22 districts. If a district fails to vote on the action plan
23 within 90 days, district school board members may be required
24 to appear and present testimony before a legislative
25 committee, pursuant to s. 11.143.

26 (b) The district school board may vote to reverse a
27 decision not to implement an action plan, provided that the
28 action plan is implemented and there is still sufficient time,
29 as determined by the district school board, to meet the best
30 practices within 2 years after issuance of the final report.

31

1 (c) Within 90 days after the receipt of the final
2 report, the district school board must notify the Office of
3 Government Accountability ~~OPPAGA~~ and the Commissioner of
4 Education in writing of the date and outcome of the district
5 school board vote on whether to adopt the action plan. If the
6 district school board fails to vote on whether to adopt the
7 action plan, the district school superintendent must notify
8 the Office of Government Accountability ~~OPPAGA~~ and the
9 Commissioner of Education. The Department of Education may
10 contact the school district, assess the situation, urge the
11 district school board to vote, and offer technical assistance,
12 if needed.

13 (14) If a district school board votes to implement the
14 action plan:

15 (a) No later than 1 year after receipt of the final
16 report, the district school board must submit an initial
17 status report to the President of the Senate, the Speaker of
18 the House of Representatives, the Governor, the Office of
19 Government Accountability ~~OPPAGA, the Auditor General~~, the
20 State Board of Education, and the Commissioner of Education on
21 progress made toward implementing the action plan and whether
22 changes have occurred in other areas of operation that would
23 affect compliance with the best practices.

24 (b) A second status report must be submitted by the
25 school district to the President of the Senate, the Speaker of
26 the House of Representatives, the Governor, the Office of
27 Governmental Accountability ~~OPPAGA, the Auditor General~~, the
28 Commissioner of Education, and the State Board of Education no
29 later than 1 year after submission of the initial report.

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31

1 Status reports are not required once the Office of Government
2 Accountability ~~OPPAGA~~ concludes that the district is using
3 best practices.

4 (15) After receipt of each of a district's two status
5 reports required by subsection (14), the Office of Government
6 Accountability ~~OPPAGA~~ shall assess the district's
7 implementation of the action plan and progress toward
8 implementing the best financial management practices in areas
9 covered by the plan. Following each assessment, the Office of
10 Government Accountability ~~OPPAGA~~ shall issue a report to the
11 President of the Senate, the Speaker of the House of
12 Representatives, and the district indicating whether the
13 district has successfully implemented the best financial
14 management practices. Copies of the report must be provided to
15 the Governor, ~~the Auditor General~~, the Commissioner of
16 Education, and the State Board of Education. If a district has
17 failed to implement an action plan adopted pursuant to
18 subsection (13), district school board members and the
19 district school superintendent may be required to appear
20 before a legislative committee, pursuant to s. 11.143, to
21 present testimony regarding the district's failure to
22 implement such action plan.

23 (16) District school boards that successfully
24 implement the best financial management practices within 2
25 years, or are determined in the review to be using the best
26 practices, are eligible to receive a "Seal of Best Financial
27 Management." Upon notification to the Commissioner of
28 Education and the State Board of Education by the Office of
29 Government Accountability ~~OPPAGA~~ that a district has been
30 found to be using the best financial management practices, the
31 State Board of Education shall award that district a "Seal of

1 Best Financial Management" certifying that the district is
2 adhering to the state's best financial management practices.
3 The State Board of Education designation shall be effective
4 for 5 years from the certification date or until the next
5 review is completed, whichever is later. During the
6 designation period, the district school board shall annually,
7 not later than the anniversary date of the certification,
8 notify the Office of Government Accountability ~~OPPAGA, the~~
9 ~~Auditor General~~, the Commissioner of Education, and the State
10 Board of Education of any changes in policies or operations or
11 any other situations that would not conform to the state's
12 best financial management practices. The State Board of
13 Education may revoke the designation of a district school
14 board at any time if it determines that a district is no
15 longer complying with the state's best financial management
16 practices. If no such changes have occurred and the district
17 school board determines that the school district continues to
18 conform to the best financial management practices, the
19 district school board shall annually report that information
20 to the State Board of Education, with copies to the Office of
21 Government Accountability ~~OPPAGA, the Auditor General~~, and the
22 Commissioner of Education.

23 (17)(a) A district school board that has been awarded
24 a "Seal of Best Financial Management" by the State Board of
25 Education and has annually reported to the State Board of
26 Education that the district is still conforming to the best
27 financial management practices may request a waiver from
28 undergoing its next scheduled Best Financial Management
29 Practices review.

30 (b) To apply for such waiver, not later than September
31 1 of the fiscal year prior to the fiscal year in which the

1 district is next scheduled for review, the district school
2 board shall certify to the Office of Government Accountability
3 ~~OPPAGA~~ and the Department of Education the district school
4 board's determination that the school district is still
5 conforming to the best financial management practices.

6 (c) After consultation with the Department of
7 Education and review of the district school board's
8 determination, the Office of Government Accountability ~~OPPAGA~~
9 may recommend to the Legislative Budget Commission that the
10 district be granted a waiver for the next scheduled Best
11 Financial Management Practices review. If approved for waiver,
12 the Office of Government Accountability ~~OPPAGA~~ shall notify
13 the school district and the Department of Education that no
14 review of that district will be conducted during the next
15 scheduled review cycle. In that event, the district school
16 board must continue annual reporting to the State Board of
17 Education as required in subsection (16). District school
18 boards granted a waiver for one review cycle are not eligible
19 for waiver of the next scheduled review cycle.

20 (18) District school boards that receive a best
21 financial management practices review must maintain records
22 that will enable independent verification of the
23 implementation of the action plan and any related fiscal
24 impacts.

25 (19) Unrestricted cost savings resulting from
26 implementation of the best financial management practices must
27 be spent at the school and classroom levels for teacher
28 salaries, teacher training, improved classroom facilities,
29 student supplies, textbooks, classroom technology, and other
30 direct student instruction activities. Cost savings identified
31

1 for a program that has restrictive expenditure requirements
2 shall be used for the enhancement of the specific program.

3 Section 159. Subsection (1) of section 1008.46,
4 Florida Statutes, is amended to read:

5 1008.46 State university accountability process.--It
6 is the intent of the Legislature that an accountability
7 process be implemented that provides for the systematic,
8 ongoing evaluation of quality and effectiveness of state
9 universities. It is further the intent of the Legislature that
10 this accountability process monitor performance at the system
11 level in each of the major areas of instruction, research, and
12 public service, while recognizing the differing missions of
13 each of the state universities. The accountability process
14 shall provide for the adoption of systemwide performance
15 standards and performance goals for each standard identified
16 through a collaborative effort involving state universities,
17 the Legislature, and the Governor's Office. These standards
18 and goals shall be consistent with s. 216.011(1) to maintain
19 congruity with the performance-based budgeting process. This
20 process requires that university accountability reports
21 reflect measures defined through performance-based budgeting.
22 The performance-based budgeting measures must also reflect the
23 elements of teaching, research, and service inherent in the
24 missions of the state universities.

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

1 consultation with the Governor's Office, the Office of ~~Program~~
2 ~~Policy Analysis and~~ Government Accountability, and the
3 Legislature.

4 Section 160. Subsection (4) of section 1009.265,
5 Florida Statutes, is amended to read:

6 1009.265 State employee fee waivers.--

7 (4) The Office of Government Accountability Auditor
8 ~~General~~ shall include a review of the cost assessment data in
9 conjunction with its ~~his or her~~ audit responsibilities for
10 community colleges, state universities, and the Department of
11 Education.

12 Section 161. Paragraph (c) of subsection (5) of
13 section 1009.53, Florida Statutes, is amended to read:

14 1009.53 Florida Bright Futures Scholarship Program.--

15 (5) The department shall issue awards from the
16 scholarship program annually. Annual awards may be for up to
17 45 semester credit hours or the equivalent. Before the
18 registration period each semester, the department shall
19 transmit payment for each award to the president or director
20 of the postsecondary education institution, or his or her
21 representative, except that the department may withhold
22 payment if the receiving institution fails to report or to
23 make refunds to the department as required in this section.

24 (c) Each institution that receives moneys through this
25 program shall prepare an annual report that includes an annual
26 financial audit, conducted by an independent certified public
27 accountant or the Office of Government Accountability Auditor
28 ~~General~~. The report shall include an audit of the
29 institution's administration of the program and a complete
30 accounting of the moneys for the program. This report must be
31 submitted to the department annually by March 1. The

1 department may conduct its own annual audit of an
2 institution's administration of the program. The department
3 may request a refund of any moneys overpaid to the institution
4 for the program. The department may suspend or revoke an
5 institution's eligibility to receive future moneys for the
6 program if the department finds that an institution has not
7 complied with this section. The institution must remit within
8 60 days any refund requested in accordance with this
9 subsection.

10 Section 162. Section 1009.976, Florida Statutes, is
11 amended to read:

12 1009.976 Annual report.--On or before March 31 of each
13 year, the Florida Prepaid College Board shall prepare or cause
14 to be prepared separate reports setting forth in appropriate
15 detail an accounting of the prepaid program and the savings
16 program which include a description of the financial condition
17 of each respective program at the close of the fiscal year.
18 The board shall submit copies of the reports to the Governor,
19 the President of the Senate, the Speaker of the House of
20 Representatives, and the minority leaders of the House and
21 Senate and shall make the report for the prepaid program
22 available to each purchaser and the report for the savings
23 program available to each benefactor and designated
24 beneficiary. The accounts of the fund for the prepaid program
25 and the savings program shall be subject to annual audits by
26 the Office of Government Accountability Auditor General.

27 Section 163. Subsection (3) of section 1009.983,
28 Florida Statutes, is amended to read:

29 1009.983 Direct-support organization; authority.--

30 (3) The direct-support organization shall provide for
31 an annual financial audit in accordance with s. 215.981. The

1 board and Office of Government Accountability ~~Auditor General~~
2 may require and receive from the organization or its
3 independent auditor any detail or supplemental data relative
4 to the operation of the organization.

5 Section 164. Subsection (1) of section 1010.305,
6 Florida Statutes, is amended to read:

7 1010.305 Audit of student enrollment.--

8 (1) The Office of Government Accountability ~~Auditor~~
9 ~~General~~ shall periodically examine the records of school
10 districts, and other agencies as appropriate, to determine
11 compliance with law and State Board of Education rules
12 relating to the classification, assignment, and verification
13 of full-time equivalent student enrollment and student
14 transportation reported under the Florida Education Finance
15 Program.

16 Section 165. Subsection (2) of section 1011.10,
17 Florida Statutes, is amended to read:

18 1011.10 Penalty.--

19 (2) Each member of any district school board voting to
20 incur an indebtedness against the district school funds in
21 excess of the expenditure allowed by law, or in excess of any
22 appropriation as adopted in the original official budget or
23 amendments thereto, or to approve or pay any illegal charge
24 against the funds, and any chair of a district school board or
25 district school superintendent who signs a warrant for payment
26 of any such claim or bill of indebtedness against any of the
27 funds shall be personally liable for the amount, and shall be
28 guilty of malfeasance in office and subject to removal by the
29 Governor. It shall be the duty of the Office of Government
30 Accountability ~~Auditor General~~, ~~other~~ state officials, or
31 independent certified public accountants charged by law with

1 the responsibility for auditing school accounts, upon
2 discovering any such illegal expenditure or expenditures in
3 excess of the appropriations in the budget as officially
4 amended, to certify such fact to the Department of Banking and
5 Finance, which thereupon shall verify such fact and it shall
6 be the duty of the Department of Banking and Finance to advise
7 the Department of Legal Affairs thereof, and it shall be the
8 duty of the Department of Legal Affairs to cause to be
9 instituted and prosecuted, either through its office or
10 through any state attorney, proceedings at law or in equity
11 against such member or members of a district school board or
12 district school superintendent. If either of the officers does
13 not institute proceedings within 90 days after the audit has
14 been certified to them by the Department of Banking and
15 Finance, any taxpayer may institute suit in his or her own
16 name on behalf of the district.

17 Section 166. Subsection (6) of section 1011.51,
18 Florida Statutes, is amended to read:

19 1011.51 Independent postsecondary endowment grants.--

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

1 ~~Analysis and~~ Government Accountability. If any institution
2 receiving a matching endowment grant pursuant to this section
3 ceases operations and undergoes dissolution proceedings, then
4 all funds received pursuant to this section from the state
5 shall be returned.

6 Section 167. Paragraph (f) of subsection (2) of
7 section 1013.35, Florida Statutes, is amended to read:

8 1013.35 School district educational facilities plan;
9 definitions; preparation, adoption, and amendment; long-term
10 work programs.--

11 (2) PREPARATION OF TENTATIVE DISTRICT EDUCATIONAL
12 FACILITIES PLAN.--

13 (f) Commencing on October 1, 2002, and not less than
14 once every 5 years thereafter, the district school board shall
15 contract with a qualified, independent third party to conduct
16 a financial management and performance audit of the
17 educational planning and construction activities of the
18 district. An audit conducted by the Office of ~~Program Policy~~
19 ~~Analysis and Government Accountability and the Auditor General~~
20 pursuant to s. 1008.35 satisfies this requirement.

21 Section 168. Subsections (2) and (5) of section
22 1013.512, Florida Statutes, are amended to read:

23 1013.512 Land Acquisition and Facilities Maintenance
24 Operations Advisory Board.--

25 1013.512 Land Acquisition and Facilities Advisory
26 Board.

27 (2) If the ~~director of the~~ Office of ~~Program Policy~~
28 ~~Analysis and Government Accountability (OPPAGA) or the Auditor~~
29 ~~General~~ determines in a review or examination that significant
30 deficiencies exist in a school district's land acquisition and
31 facilities operational processes, it ~~he or she~~ shall certify

1 to the President of the Senate, the Speaker of the House of
2 Representatives, the Legislative Budget Commission, and the
3 Governor that the deficiency exists. The Legislative Budget
4 Commission shall determine whether funds for the school
5 district will be placed in reserve until the deficiencies are
6 corrected.

7 (5) Within 60 days of convening, the Land Acquisition
8 and Facilities Advisory Board shall assess the district's
9 progress and corrective actions and report to the Commissioner
10 of Education. The advisory board's report must address the
11 release of any funds placed in reserve by the Executive Office
12 of the Governor. Any recommendation from the advisory board
13 for the release of funds shall include a certification that
14 policies established, procedures followed, and expenditures
15 made by the school board related to site acquisition and
16 facilities planning and construction are consistent with
17 recommendations of the Land Acquisition and Facilities
18 Advisory Board and will accomplish corrective action and
19 address recommendations made by the Office of ~~Program Policy~~
20 ~~Analysis and Government Accountability and the Auditor~~
21 ~~General~~. If the advisory board does not recommend release of
22 the funds held in reserve, they shall provide additional
23 assistance and submit a subsequent report 60 days after the
24 previous report.

25 Section 169. Section 34 of chapter 2002-22, Laws of
26 Florida, is amended to read:

27 Section 34. Before the 2005 Regular Session of the
28 Legislature, the Office of ~~Program Policy Analysis and~~
29 ~~Government Accountability~~ shall conduct a review of and
30 prepare a report on the progress of the Division of Vocational
31 Rehabilitation of the Department of Education.

1 Section 170. This act shall take effect July 1, 2003.

2

3 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
4 COMMITTEE SUBSTITUTE FOR
5 Senate Bill 1894

6

6 The Committee Substitute combines the Office of the Auditor
7 General with the separate Office of Program Policy Analysis
8 and Government Accountability and renames the combined offices
9 as the Office of Government Accountability. The combined
10 office will have separate financial post-audit and program
11 audit responsibilities. The bill provides the required
12 nomenclature changes in all current references in the Florida
13 Statutes to the now separate offices.

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