

1                                   A bill to be entitled  
 2           An act relating to inmate labor and correctional work  
 3           programs; amending s. 946.516, F.S.; requiring Prison  
 4           Rehabilitative Industries and Diversified Enterprises,  
 5           Inc., or PRIDE Enterprises, to prepare an annual report  
 6           detailing the effectiveness of its internal-control  
 7           mechanisms; requiring that the report be subject to an  
 8           attestation by an independent certified public accountant  
 9           retained by and paid from the funds of PRIDE; requiring  
 10          that the attestation report be prepared in addition to,  
 11          and not supplant, the annual financial audit required by  
 12          law; providing an effective date.

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14 Be It Enacted by the Legislature of the State of Florida:

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16           Section 1. Section 946.516, Florida Statutes, is amended  
 17 to read:

18           946.516 Corporation status report; monitoring internal  
 19 controls; and annual financial audit report.--

20           (1) The corporation shall submit to the Governor and the  
 21 Legislature, on or before July 1 of each year, a report on the  
 22 status of the correctional work programs, including, but not  
 23 limited to, the proposed use of the profits from such programs,  
 24 a breakdown of the amount of noninmate labor used, work  
 25 subcontracted to other vendors, use of consultants, finished  
 26 goods purchased for resale, and the number of inmates working in  
 27 the correctional work programs at the time of the ~~such~~ report.

28 In addition, the corporation shall submit to the department, the

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29 Governor, the Legislature, and the Auditor General an annual  
30 financial audit report and such other information as may be  
31 requested by the Legislature, together with recommendations  
32 relating to provisions for reasonable tax incentives to private  
33 enterprises which employ inmates, parolees, or former inmates  
34 who have participated in correctional work programs.

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

40 (3) In order to enhance the monitoring of its risk-  
41 assessment procedures and the performance of its internal  
42 controls, the corporation shall prepare an annual report  
43 detailing the effectiveness of its internal-control mechanisms.  
44 The report must be subject to an attestation by an independent  
45 certified public accountant retained by the corporation and paid  
46 from the funds of the corporation. The preparation of the  
47 attestation of the corporation's management controls shall be in  
48 addition to, and may not supplant, the annual financial audit  
49 required in subsection (4).

50 (4)~~(3)~~ The corporation shall have an annual financial  
51 audit of its accounts and records by an independent certified  
52 public accountant retained by it and paid from its funds. The  
53 Auditor General or the director of the Office of Program Policy  
54 Analysis and Government Accountability may, pursuant to his or  
55 her own authority or at the direction of the Joint Legislative  
56 Auditing Committee, conduct an audit of the corporation.

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57 |        (5)~~(4)~~ The corporation shall be governed by the generally  
58 | accepted accounting principles as established by the Financial  
59 | Accounting Standards Board (FASB) in order to carry out the  
60 | intent of s. 946.502(2) and (5).

61 |        Section 2. This act shall take effect July 1, 2007.