

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Governmental Oversight and Accountability Committee

BILL: CS/CS/SB 1796

INTRODUCER: Governmental Oversight and Accountability Committee, Policy and Steering Committee on Ways and Means, and Senator Alexander

SUBJECT: Governmental Financial Information

DATE: April 7, 2009

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Hawkins	Kelly	WPSC	Fav/CS
2.	Wilson	Wilson	GO	Fav/CS
3.			RC	
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

- A. COMMITTEE SUBSTITUTE..... Statement of Substantial Changes
- B. AMENDMENTS..... Technical amendments were recommended
- Amendments were recommended
- Significant amendments were recommended

I. Summary:

The bill requires a website be established for public access to government entity financial information. The initial phase will include appropriations data and expenditure data for all branches of state government to be established by the Executive Office of the Governor in consultation with the legislative appropriations committees. The Joint Legislative Auditing Committee will oversee the website and will propose additional phases of information to be made available. The committee will provide a proposal by March 1, 2010, that will include a schedule of additional phases of information by the type of information to be provided for specific governmental entities, including local government units, community colleges, state universities and other government entities that receive state appropriations. The proposal will include timeframes for additional phases as well as a proposed development entity for the additional information.

This bill creates s. 215.985, Florida Statutes.

II. Present Situation:

Chapters 215 and 216, F.S., specify governing principles and organizations involved in the management of the state’s financial matters. Chapter 215, F.S., primarily addresses matters pertaining to management, accountability and reporting requirements for funds in the state treasury by the Chief Financial Officer. Chapter 216, F.S., contains the processes by which the state’s budget is developed and implemented by Governor’s Office, the legislature and state agencies.

Sections 215.90 – 215.96, F.S., govern the establishment and operation of the Florida Financial Management Information System (FFMIS). Section 215.91(8), F.S., requires the FFMIS system, through its functional owner subsystems, to include a data gathering and data distribution facility to support management decision-making by providing access to statewide financial, administrative, planning and program information. The following FFMIS subsystems are established by s. 215.93, F.S.:

Subsystems of the Florida Financial Management Information System (FFMIS)

Subsystem	Functional Owner
Planning and Budgeting System (PBS)	Executive Office of the Governor
Accounting Information Resource Subsystem (FLAIR)	Chief Financial Officer
Cash Management Subsystem (CMS)	Chief Financial Officer
Purchasing Subsystem (SPURS/MFMP)	Department of Management Services
Personnel Information System (COPEs/PF)	Department of Management Services
Legislative Appropriations System (LAS/PBS)	Senate and House of Representatives
State Unified Tax System (SUNTAX)	Department of Revenue

Not all public agencies funded in the General Appropriations Act operate identical FFMIS accounting systems. The eleven state universities use at least four separate commercial, off-the-shelf accounting packages which are compatible with the relevant parts of FFMIS. This compatibility has two features: first, it permits the ability to pay, acquire and audit, an essential requirement of the FFMIS statute; and, second, it can permit the development of more facile search capabilities since these commercial software packages were developed after widespread use of the Internet.

There are other systemic approaches in Florida law for the reporting of local government financial information. Section 218.32, F.S., requires the preparation and submission of an annual financial report to the Department of Revenue. That information collection device serves as the basis for the development of the uniform accounting system manual used by the department for the recording and reporting of this information.

The Florida Single Audit Act, s. 215.97, F.S., establishes uniform fund accountability for the audit of state funds allocated to non-state entities. The act places the Auditor General as the compliance authority for determining adherence to this act at the award, accounting, expenditure, and post-audit level.

Additional linkages to web sites maintained by the Legislature's Office of the Auditor General and the Office of Program Policy Analysis and Governmental Accountability would permit the collection of post-audit and performance analysis on the financial data bases.

III. Effect of Proposed Changes:

The bill requires the Executive Office of the Governor, in consultation with the legislative appropriations committees, to establish a website available through the state's internet portal which provides public access to state financial information. The initial phase of the website will include appropriations data and expenditure data for all branches of state government. Although the bill provides that the initial phase is to be established "as soon as possible", it is expected that this phase will be available by mid-July 2009. The state financial data provided in the website will be data currently available in the state's financial management system referenced in section 215.93, F.S.

The Joint Legislative Auditing Committee will oversee the website and will propose additional phases of information to be made available. The additional information for state agencies is to include, but not be limited to, non-operating budget authority detail, trust fund balance reports, General Revenue Fund balance reports, fixed capital outlay expenditure data, and a history of state appropriations by agency.

The Joint Legislative Auditing Committee is to propose, by March 1, 2010, a schedule for adding information to the website for other governmental entities, including community colleges, state universities, local government units and any entities which receive state appropriations. The schedule will be submitted to the Legislative Budget Commission for approval.

The proposal will include the type of information to be provided for specific governmental entities as well as a proposed development entity for the additional information. The committee is required to recommend a format for collecting and displaying this information.

The bill requires, by July 1, 2009, all branches of state government to establish allotments for planned expenditures in the Florida Accounting Information Resource (FLAIR) subsystem.

The bill requires the Joint Legislative Auditing Committee to coordinate with the Financial Management Information Board in developing any recommendations for including information on the website which is necessary to meet the requirements of section 215.91(8), F.S. The committee also is required to submit a report on the status of the website's implementation annually, beginning November 1, 2011.

Municipalities and special districts with less than 10,000 in population are exempt from the Act's provisions.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

Exemptions to the public records are contained in the provisions of ch. 119, F.S. Many of these security provisions shield personal identifying information on the basis of address, protected identification, security protocol, or trade secrets. The bill prohibits the release of any information exempted from disclosure by federal and state laws.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

The cost to non-governmental entities to provide information in subsequent phases of the Transparency Florida website, to be outlined in the March, 1, 2010, proposal developed by the Joint Legislative Auditing Committee is not known at this time.

C. Government Sector Impact:

Development costs associated with providing financial information for all branches of state government are approximately \$500,000 with recurring maintenance costs of \$75,000 annually.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Governmental Oversight and Accountability Committee on April 7, 2009:
Exempts special districts with a population less than 10,000 from the the collection of financial information.

CS by Policy and Steering Committee on Ways and Means on March 26, 2009:

- Provides that as soon as possible, information from the operating budget shall be available in a single website on the official state internet portal. The Governor in consultation with House and Senate appropriations committees initiate the website;
- Operating data will be data currently available for all branches of state government including the following detail data:
 - Disbursements by object code with further detail by warrant date, number and vendor;
 - Personnel data including benefits detail for each position;
 - Allotment information if available (some agencies don't do allotments) which is the agencies proposed spending plan at a detail level;
 - Adjustments to the approved budget including budget amendments and 5 % transfers;
- Joint Legislative Auditing Committee shall propose additional information to be added to the website including:
 - Non-operating budget authority;
 - Trust fund balance reports;
 - General revenue fund balance Reports;
 - Fixed capital outlay data;
 - Links to state audits or reports related to expenditure and dispersal of state funds;
- The Joint Legislative Auditing Committee shall propose a format for collecting additional information from universities, community colleges, local government units or other entities that receive state appropriations;
- By March 1, 2010, the committee shall establish a schedule for additional phases of information to be submitted to the LBC for approval. Information may include:
 - Disbursements, including FLAIR allotments for state budgets;
 - Revenues;
 - Information pertaining to bonded indebtedness;
 - Links to government websites; and
 - Links to program or activity descriptions for which funds may be expended;
- By August 31, 2009, all branches of state government are required to establish allotments in the state's accounting system;
- The Joint Legislative Auditing Committee shall coordinate with the Financial Management Information Board on recommendations for consistency with s. 215.91 (8);
- Municipalities and special districts with population less than 10,000 are exempt;
- Information which by law is confidential will not be on the website;
- Information shall be maintained for a period of 10 years;
- The Joint Legislative Auditing Committee shall prepare an annual report detailing implementation progress.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
