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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/03/2014	.	
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The Committee on Governmental Oversight and Accountability
(Hays) recommended the following:

Senate Amendment

Delete lines 132 - 203

and insert:

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



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11 and prepare audit reports of his or her findings. The scope and
12 assignment of the audits shall be determined by the inspector
13 general; however, the agency head may at any time direct the
14 inspector general to perform an audit of a special program,
15 function, or organizational unit. The performance of the audit
16 shall be under the direction of the inspector general, except
17 that if the inspector general does not possess the
18 qualifications specified in subsection (4), the director of
19 auditing shall perform the functions listed in this subsection.

20 (a) Such audits shall be conducted in accordance with the
21 current International Standards for the Professional Practice of
22 Internal Auditing as published by the Institute of Internal
23 Auditors, Inc., or, where appropriate, in accordance with
24 generally accepted governmental auditing standards. All audit
25 reports issued by internal audit staff shall include a statement
26 that the audit was conducted pursuant to the appropriate
27 standards.

28 (b) Audit workpapers and reports shall be public records to
29 the extent that they do not include information which has been
30 made confidential and exempt from the provisions of s. 119.07(1)
31 pursuant to law. However, when the inspector general or a member
32 of the staff receives from an individual a complaint or
33 information that falls within the definition provided in s.
34 112.3187(5), the name or identity of the individual shall not be
35 disclosed to anyone else without the written consent of the
36 individual, unless the inspector general determines that such
37 disclosure is unavoidable during the course of the audit or
38 investigation.

39 (c) The inspector general and the staff shall have access



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40 to any records, data, and other information of the state agency
41 he or she deems necessary to carry out his or her duties. The
42 inspector general is also authorized to request such information
43 or assistance as may be necessary from the state agency or from
44 any federal, state, or local government entity.

45 (d) At the conclusion of each audit, the inspector general
46 shall submit preliminary findings and recommendations to the
47 person responsible for supervision of the program function or
48 operational unit who shall respond to any adverse findings
49 within 20 working days after receipt of the preliminary
50 findings. Such response and the inspector general's rebuttal to
51 the response shall be included in the final audit report.

52 (e) At the conclusion of an audit in which the subject of
53 the audit is a specific entity contracting with the state or an
54 individual substantially affected, if the audit is not
55 confidential or otherwise exempt from disclosure by law, the
56 inspector general shall, consistent with s. 119.07(1), submit
57 the findings to the entity contracting with the state or the
58 individual substantially affected, who shall be advised in
59 writing that they may submit a written response within 20
60 working days after receipt of the findings. The response and the
61 inspector general's rebuttal to the response, if any, must be
62 included in the final audit report.

63 (f) The inspector general shall submit the final report to
64 the agency head, and to the Auditor General, and, for state
65 agencies under the jurisdiction of the Governor, the Chief
66 Inspector General.

67 (g) The Auditor General, in connection with the independent
68 postaudit of the same agency pursuant to s. 11.45, shall give



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69 appropriate consideration to internal audit reports and the
70 resolution of findings therein. The Legislative Auditing
71 Committee may inquire into the reasons or justifications for
72 failure of the agency head to correct the deficiencies reported
73 in internal audits that are also reported by the Auditor General
74 and shall take appropriate action.

75 (h) The inspector general shall monitor the implementation
76 of the state agency's response to any report on the state agency
77 issued by the Auditor General or by the Office of Program Policy
78 Analysis and Government Accountability. No later than 6 months
79 after the Auditor General or the Office of Program Policy
80 Analysis and Government Accountability publishes a report on the
81 state agency, the inspector general shall provide a written
82 response to the agency head on the status of corrective actions
83 taken. The Inspector General shall file a copy of such response
84 with the Legislative Auditing Committee.

85 (i) The inspector general shall develop long-term and
86 annual audit plans based on the findings of periodic risk
87 assessments. If appropriate, the plan must, ~~where appropriate,~~
88 ~~should~~ include postaudit samplings of payments and accounts. The
89 plan shall show the individual audits to be conducted during
90 each year and related resources to be devoted to the respective
91 audits. The Chief Financial Officer, to assist in fulfilling the
92 responsibilities for examining, auditing, and settling accounts,
93 claims, and demands pursuant to s. 17.03(1), and examining,
94 auditing, adjusting, and settling accounts pursuant to s. 17.04,
95 may use ~~utilize~~ audits performed by the inspectors general and
96 internal auditors. For state agencies under the jurisdiction of
97 the Governor, the audit plans shall be submitted to the agency



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98 head for review and to the Governor's Chief Inspector General.
99 The plan shall be submitted to the agency head for approval. For
100 all other state agencies, the plan shall be submitted to the
101 agency head for approval. A copy of the approved plan shall be
102 submitted to the Auditor General.

103 (7) (a) Except as provided in paragraph (b), each inspector
104 general shall, not later than September 30 of each year, prepare
105 an annual report summarizing the activities of the office during
106 the immediately preceding state fiscal year.

107 (b) The inspector general of the Florida Housing Finance
108 Corporation shall, not later than 90 days after the end of each
109 fiscal year, prepare an annual report summarizing the activities
110 of the Office of Inspector General during the immediately
111 preceding fiscal year.

112 (c) The final reports prepared pursuant to paragraphs (a)
113 and (b) shall be furnished to the heads of the respective
114 agencies and, for state agencies under the jurisdiction of the
115 Governor, the Chief Inspector General. Such reports must ~~shall~~
116 include, but need not be limited to:

117 1. A description of activities relating to the development,
118 assessment, and validation of performance measures.

119 2. A description of significant abuses and deficiencies
120 relating to the administration of programs and operations of the
121 agency disclosed by investigations, audits, reviews, or other
122 activities during the reporting period.

123 3. A description of the recommendations for corrective
124 action made by the inspector general during the reporting period
125 with respect to significant problems, abuses, or deficiencies
126 identified.



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127 4. The identification of each significant recommendation
128 described in previous annual reports on which corrective action
129 has not been completed.

130 5. A summary of each audit and investigation completed
131 during the reporting period.