

By the Committees on Appropriations; and Governmental Oversight and Accountability; and Senator Latvala

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1 A bill to be entitled
 2 An act relating to inspectors general; amending s.
 3 20.055, F.S.; revising provisions relating to the
 4 duties, appointment, and removal of agency inspectors
 5 general; updating a cross-reference; providing an
 6 effective date.

7
 8 Be It Enacted by the Legislature of the State of Florida:
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10 Section 1. Subsections (2), (3), (5), (7), and (8) of
 11 section 20.055, Florida Statutes, are amended to read:

12 20.055 Agency inspectors general.—

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

20 (a) Advise in the development of performance measures,
 21 standards, and procedures for the evaluation of state agency
 22 programs.

23 (b) Assess the reliability and validity of the information
 24 provided by the state agency on performance measures and
 25 standards, and make recommendations for improvement, if
 26 necessary, before ~~prior to~~ submission of such information ~~those~~
 27 ~~measures and standards to the Executive Office of the Governor~~
 28 pursuant to s. 216.1827 ~~s. 216.0166(1)~~.

29 (c) Review the actions taken by the state agency to improve

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30 program performance and meet program standards and make
31 recommendations for improvement, if necessary.

32 (d) Provide direction for, supervise, and coordinate
33 audits, investigations, and management reviews relating to the
34 programs and operations of the state agency, except that when
35 the inspector general does not possess the qualifications
36 specified in subsection (4), the director of auditing shall
37 conduct such audits.

38 (e) Conduct, supervise, or coordinate other activities
39 carried out or financed by that state agency for the purpose of
40 promoting economy and efficiency in the administration of, or
41 preventing and detecting fraud and abuse in, its programs and
42 operations.

43 (f) Keep the ~~such~~ agency head and, for state agencies under
44 the jurisdiction of the Governor, the Chief Inspector General,
45 informed concerning fraud, abuses, and deficiencies relating to
46 programs and operations administered or financed by the state
47 agency, recommend corrective action concerning fraud, abuses,
48 and deficiencies, and report on the progress made in
49 implementing corrective action.

50 (g) Ensure effective coordination and cooperation between
51 the Auditor General, federal auditors, and other governmental
52 bodies with a view toward avoiding duplication.

53 (h) Review, as appropriate, rules relating to the programs
54 and operations of such state agency and make recommendations
55 concerning their impact.

56 (i) Ensure that an appropriate balance is maintained
57 between audit, investigative, and other accountability
58 activities.

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59 (j) Comply with the General Principles and Standards for
60 Offices of Inspector General as published and revised by the
61 Association of Inspectors General.

62 (3) (a) For state agencies under the jurisdiction of the
63 Governor, the inspector general shall be appointed by the Chief
64 Inspector General ~~agency head~~. For all other state agencies
65 ~~under the direction of the Governor,~~ the inspector general shall
66 be appointed by the agency head. The agency head or Chief
67 Inspector General shall notify ~~appointment shall be made after~~
68 ~~notifying~~ the Governor ~~and the Chief Inspector General~~ in
69 writing, ~~at least 7 days prior to an offer of employment,~~ of his
70 or her ~~the agency head's~~ intention to hire the inspector general
71 at least 7 days before an offer of employment. The inspector
72 general shall be appointed without regard to political
73 affiliation.

74 (b) The ~~Each~~ inspector general shall report to and be under
75 the general supervision of the agency head and is ~~shall~~ not ~~be~~
76 subject to supervision by any other employee of the state agency
77 in which the office is established. In addition, for state
78 agencies under the jurisdiction of the Governor, the inspector
79 general shall report to the Chief Inspector General, and may
80 hire and remove staff within the office of the inspector general
81 in consultation with the Chief Inspector General but
82 independently of the agency ~~The inspector general shall be~~
83 ~~appointed without regard to political affiliation.~~

84 (c) 1. For state agencies under the jurisdiction of the
85 Governor, the ~~An~~ inspector general may be removed from office by
86 the Chief Inspector General for cause, including concerns
87 regarding performance, malfeasance, misfeasance, misconduct, or

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88 failure to carry out his or her duties under this section agency
89 head. The Chief Inspector General ~~For agencies under the~~
90 ~~direction of the Governor, the agency head~~ shall notify the
91 Governor ~~and the Chief Inspector General,~~ in writing~~,~~ of his or
92 her ~~the~~ intention to terminate the inspector general at least 21
93 7 days before ~~prior to~~ the removal. If the inspector general
94 objects to the removal, the inspector general may present
95 written objections to the agency head or the Governor within the
96 21 day period.

97 2. For all other state agencies ~~under the direction of the~~
98 ~~Governor and Cabinet,~~ the inspector general may be removed from
99 office by the agency head. The agency head shall notify the
100 ~~Governor and Cabinet in writing of the intention to terminate~~
101 ~~the inspector general at least 7 days prior to the removal.~~

102 (d) The Governor, the Governor and Cabinet, the agency
103 head, or agency staff may ~~shall~~ not prevent or prohibit the
104 inspector general from initiating, carrying out, or completing
105 any audit or investigation.

106 (5) In carrying out the auditing duties and
107 responsibilities in this section ~~of this act,~~ each inspector
108 general shall review and evaluate internal controls necessary to
109 ensure the fiscal accountability of the state agency. The
110 inspector general shall conduct financial, compliance,
111 electronic data processing, and performance audits of the agency
112 and prepare audit reports of his or her findings. The scope and
113 assignment of the audits shall be determined by the inspector
114 general; however, the agency head may at any time direct the
115 inspector general to perform an audit of a special program,
116 function, or organizational unit. The performance of the audit

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117 shall be under the direction of the inspector general, except
118 that if the inspector general does not possess the
119 qualifications specified in subsection (4), the director of
120 auditing shall perform the functions listed in this subsection.

121 (a) Such audits shall be conducted in accordance with the
122 current International Standards for the Professional Practice of
123 Internal Auditing as published by the Institute of Internal
124 Auditors, Inc., or, where appropriate, in accordance with
125 generally accepted governmental auditing standards. All audit
126 reports issued by internal audit staff shall include a statement
127 that the audit was conducted pursuant to the appropriate
128 standards.

129 (b) Audit workpapers and reports shall be public records to
130 the extent that they do not include information which has been
131 made confidential and exempt from the provisions of s. 119.07(1)
132 pursuant to law. However, when the inspector general or a member
133 of the staff receives from an individual a complaint or
134 information that falls within the definition provided in s.
135 112.3187(5), the name or identity of the individual shall not be
136 disclosed to anyone else without the written consent of the
137 individual, unless the inspector general determines that such
138 disclosure is unavoidable during the course of the audit or
139 investigation.

140 (c) The inspector general and the staff shall have access
141 to any records, data, and other information of the state agency
142 he or she deems necessary to carry out his or her duties. The
143 inspector general is also authorized to request such information
144 or assistance as may be necessary from the state agency or from
145 any federal, state, or local government entity.

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146 (d) At the conclusion of each audit, the inspector general
147 shall submit preliminary findings and recommendations to the
148 person responsible for supervision of the program function or
149 operational unit who shall respond to any adverse findings
150 within 20 working days after receipt of the preliminary
151 findings. Such response and the inspector general's rebuttal to
152 the response shall be included in the final audit report.

153 (e) At the conclusion of an audit in which the subject of
154 the audit is a specific entity contracting with the state or an
155 individual substantially affected, if the audit is not
156 confidential or otherwise exempt from disclosure by law, the
157 inspector general shall, consistent with s. 119.07(1), submit
158 the findings to the entity contracting with the state or the
159 individual substantially affected, who shall be advised in
160 writing that they may submit a written response within 20
161 working days after receipt of the findings. The response and the
162 inspector general's rebuttal to the response, if any, must be
163 included in the final audit report.

164 (f) The inspector general shall submit the final report to
165 the agency head, ~~and to the Auditor General, and, for state~~
166 agencies under the jurisdiction of the Governor, the Chief
167 Inspector General.

168 (g) The Auditor General, in connection with the independent
169 postaudit of the same agency pursuant to s. 11.45, shall give
170 appropriate consideration to internal audit reports and the
171 resolution of findings therein. The Legislative Auditing
172 Committee may inquire into the reasons or justifications for
173 failure of the agency head to correct the deficiencies reported
174 in internal audits that are also reported by the Auditor General

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175 and shall take appropriate action.

176 (h) The inspector general shall monitor the implementation
177 of the state agency's response to any report on the state agency
178 issued by the Auditor General or by the Office of Program Policy
179 Analysis and Government Accountability. No later than 6 months
180 after the Auditor General or the Office of Program Policy
181 Analysis and Government Accountability publishes a report on the
182 state agency, the inspector general shall provide a written
183 response to the agency head on the status of corrective actions
184 taken. The Inspector General shall file a copy of such response
185 with the Legislative Auditing Committee.

186 (i) The inspector general shall develop long-term and
187 annual audit plans based on the findings of periodic risk
188 assessments. If appropriate, the plan must, ~~where appropriate,~~
189 ~~should~~ include postaudit samplings of payments and accounts. The
190 plan shall show the individual audits to be conducted during
191 each year and related resources to be devoted to the respective
192 audits. The Chief Financial Officer, to assist in fulfilling the
193 responsibilities for examining, auditing, and settling accounts,
194 claims, and demands pursuant to s. 17.03(1), and examining,
195 auditing, adjusting, and settling accounts pursuant to s. 17.04,
196 may use ~~utilize~~ audits performed by the inspectors general and
197 internal auditors. For state agencies under the jurisdiction of
198 the Governor, the audit plans shall be submitted to the agency
199 head for review and to the ~~Governor's~~ Chief Inspector General.
200 The plan shall be submitted to the agency head for approval. A
201 copy of the approved plan shall be submitted to the Auditor
202 General.

203 (7) (a) Except as provided in paragraph (b), each inspector

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204 general shall, not later than September 30 of each year, prepare
205 an annual report summarizing the activities of the office during
206 the immediately preceding state fiscal year.

207 (b) The inspector general of the Florida Housing Finance
208 Corporation shall, not later than 90 days after the end of each
209 fiscal year, prepare an annual report summarizing the activities
210 of the Office of Inspector General during the immediately
211 preceding fiscal year.

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

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

219 2. A description of significant abuses and deficiencies
220 relating to the administration of programs and operations of the
221 agency disclosed by investigations, audits, reviews, or other
222 activities during the reporting period.

223 3. A description of the recommendations for corrective
224 action made by the inspector general during the reporting period
225 with respect to significant problems, abuses, or deficiencies
226 identified.

227 4. The identification of each significant recommendation
228 described in previous annual reports on which corrective action
229 has not been completed.

230 5. A summary of each audit and investigation completed
231 during the reporting period.

232 (8) The inspector general in each state agency shall

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233 provide to the agency head, upon receipt, all written complaints
234 concerning the duties and responsibilities in this section or
235 any allegation of misconduct related to the office of the
236 inspector general or its employees, if received from subjects of
237 audits or investigations who are individuals substantially
238 affected or entities contracting with the state, as defined in
239 this section. For state agencies ~~solely~~ under the jurisdiction
240 ~~direction~~ of the Governor, the inspector general shall also
241 provide the complaint to the Chief Inspector General.

242 Section 2. This act shall take effect July 1, 2014.