

1 A bill to be entitled

2 An act relating to government accountability; amending
3 s. 11.40, F.S.; specifying that the Governor, the
4 Commissioner of Education, or the designee of the
5 Governor or of the Commissioner of Education may
6 notify the Legislative Auditing Committee of an
7 entity's failure to comply with certain auditing and
8 financial reporting requirements; amending s. 11.45,
9 F.S.; defining the terms "abuse", "fraud", and
10 "waste"; revising the definition of "local
11 governmental entity"; excluding water management
12 districts from certain audit requirements; revising
13 reporting requirements applicable to the Auditor
14 General; amending s. 28.35, F.S.; revising reporting
15 requirements applicable to the Florida Clerks of Court
16 Operations Corporation; amending s. 43.16, F.S.;
17 revising the responsibilities of the Justice
18 Administrative Commission, each state attorney, each
19 public defender, a criminal conflict and civil
20 regional counsel, a capital collateral counsel, and
21 the Guardian Ad Litem Program, to include the
22 establishment and maintenance of certain internal
23 controls; amending s. 112.31455, F.S.; authorizing the
24 Chief Financial Officer or a governing body to
25 withhold an amount of a fine owed and related
26 administrative costs from public salary-related

27 | payments of certain individuals; authorizing the Chief
28 | Financial Officer or a governing body to reduce the
29 | amount withheld if certain individuals demonstrate a
30 | hardship; transferring a provision relating to the
31 | garnishment of wages of specified individuals;
32 | creating s. 112.31456, F.S.; authorizing the
33 | Commission on Ethics to seek wage garnishment of
34 | certain individuals to satisfy unpaid fines;
35 | authorizing the commission to refer unpaid fines to a
36 | collection agency; establishing a statute of
37 | limitations with respect to the collection of an
38 | unpaid fine; amending s. 112.3261, F.S.; revising
39 | definitions to conform to changes made by the act;
40 | expanding the types of governmental entities that are
41 | subject to lobbyist registration requirements;
42 | amending ss. 129.03, 129.06, 166.241, and 189.016,
43 | F.S.; requiring counties, municipalities, and special
44 | districts to maintain certain budget documents on the
45 | entities' websites for a specified period; amending s.
46 | 215.425, F.S.; requiring a unit of government to
47 | investigate and take necessary action to recover
48 | prohibited compensation; specifying methods of
49 | recovery and liability for unintentional and willful
50 | violations; providing a penalty; authorizing the
51 | Governor to suspend officers under specified
52 | circumstances; establishing eligibility criteria and

53 amounts for rewards; specifying circumstances under
54 which an employee has a cause of action under the
55 Whistle-blower's Act; establishing causes of action if
56 a unit of government fails to recover prohibited
57 compensation within a certain timeframe; amending s.
58 215.86, F.S.; revising management systems and controls
59 to be employed by each state agency and the judicial
60 branch; amending s. 215.97, F.S.; revising the
61 definition of the term "audit threshold"; amending s.
62 215.985, F.S.; revising the requirements for a monthly
63 financial statement provided by a water management
64 district; amending s. 218.32, F.S.; revising the
65 requirements of the annual financial audit report of a
66 local governmental entity; authorizing the Department
67 of Financial Services to request additional
68 information from a local governmental entity;
69 requiring a local governmental entity to respond to
70 such requests within a specified timeframe; requiring
71 the department to notify the Legislative Auditing
72 Committee of noncompliance; amending s. 218.33, F.S.;
73 requiring local government entities to establish and
74 maintain internal controls; amending s. 218.39, F.S.;
75 requiring an audited entity to respond to audit
76 recommendations under specified circumstances;
77 amending s. 218.391, F.S.; revising the composition of
78 an audit committee; restricting the length of a

79 contract period; amending s. 288.92, F.S.; prohibiting
80 specified officers and board members of Enterprise
81 Florida, Inc., from representing a person or entity
82 for compensation before Enterprise Florida, Inc., for
83 a specified timeframe; amending s. 288.9604, F.S.;
84 prohibiting a director of the board of directors of
85 the Florida Development Finance Corporation from
86 representing a person or entity for compensation
87 before the corporation for a specified timeframe;
88 amending s. 373.536, F.S.; deleting obsolete language;
89 requiring water management districts to maintain
90 certain budget documents on the districts' websites
91 for a specified period; amending s. 1002.33, F.S.;
92 revising the responsibilities of the governing board
93 of a charter school to include the establishment and
94 maintenance of internal controls; amending s. 1002.37,
95 F.S.; requiring completion of an annual financial
96 audit of the Florida Virtual School; specifying audit
97 requirements; requiring an audit report to be
98 submitted to the board of trustees of the Florida
99 Virtual School and the Auditor General; removing an
100 obsolete provision; amending s. 1010.01, F.S.;
101 requiring each school district, Florida College System
102 institution, and state university to establish and
103 maintain certain internal controls; amending s.
104 1010.30, F.S.; requiring a district school board,

105 Florida College System board of trustees, or
 106 university board of trustees to respond to audit
 107 recommendations under certain circumstances; amending
 108 ss. 68.082, 68.083, and 218.503, F.S.; conforming
 109 provisions and cross-references to changes made by the
 110 act; declaring that the act fulfills an important
 111 state interest; providing an effective date.

112

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

114

115 Section 1. Subsection (2) of section 11.40, Florida
 116 Statutes, is amended to read:

117 11.40 Legislative Auditing Committee.—

118 (2) Following notification by the Auditor General, the
 119 Department of Financial Services, ~~or~~ the Division of Bond
 120 Finance of the State Board of Administration, the Governor or
 121 his or her designee, or the Commissioner of Education or his or
 122 her designee of the failure of a local governmental entity,
 123 district school board, charter school, or charter technical
 124 career center to comply with the applicable provisions within s.
 125 11.45(5)-(7), s. 218.32(1), s. 218.38, or s. 218.503(3), the
 126 Legislative Auditing Committee may schedule a hearing to
 127 determine if the entity should be subject to further state
 128 action. If the committee determines that the entity should be
 129 subject to further state action, the committee shall:

130 (a) In the case of a local governmental entity or district

131 school board, direct the Department of Revenue and the
132 Department of Financial Services to withhold any funds not
133 pledged for bond debt service satisfaction which are payable to
134 such entity until the entity complies with the law. The
135 committee shall specify the date such action shall begin, and
136 the directive must be received by the Department of Revenue and
137 the Department of Financial Services 30 days before the date of
138 the distribution mandated by law. The Department of Revenue and
139 the Department of Financial Services may implement the
140 provisions of this paragraph.

141 (b) In the case of a special district created by:

142 1. A special act, notify the President of the Senate, the
143 Speaker of the House of Representatives, the standing committees
144 of the Senate and the House of Representatives charged with
145 special district oversight as determined by the presiding
146 officers of each respective chamber, the legislators who
147 represent a portion of the geographical jurisdiction of the
148 special district pursuant to s. 189.034(2), and the Department
149 of Economic Opportunity that the special district has failed to
150 comply with the law. Upon receipt of notification, the
151 Department of Economic Opportunity shall proceed pursuant to s.
152 189.062 or s. 189.067. If the special district remains in
153 noncompliance after the process set forth in s. 189.034(3), or
154 if a public hearing is not held, the Legislative Auditing
155 Committee may request the department to proceed pursuant to s.
156 189.067(3).

157 2. A local ordinance, notify the chair or equivalent of
 158 the local general-purpose government pursuant to s. 189.035(2)
 159 and the Department of Economic Opportunity that the special
 160 district has failed to comply with the law. Upon receipt of
 161 notification, the department shall proceed pursuant to s.
 162 189.062 or s. 189.067. If the special district remains in
 163 noncompliance after the process set forth in s. 189.034(3), or
 164 if a public hearing is not held, the Legislative Auditing
 165 Committee may request the department to proceed pursuant to s.
 166 189.067(3).

167 3. Any manner other than a special act or local ordinance,
 168 notify the Department of Economic Opportunity that the special
 169 district has failed to comply with the law. Upon receipt of
 170 notification, the department shall proceed pursuant to s.
 171 189.062 or s. 189.067(3).

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

175 Section 2. Subsection (1), paragraph (j) of subsection
 176 (2), and paragraph (i) of subsection (7) of section 11.45,
 177 Florida Statutes, are amended to read:

178 11.45 Definitions; duties; authorities; reports; rules.—

179 (1) DEFINITIONS.—As used in ss. 11.40-11.51, the term:

180 (a) "Abuse" means behavior that is deficient or improper
 181 when compared with behavior that a prudent person would consider
 182 reasonable and necessary operational practice given the facts

183 and circumstances. The term includes the misuse of authority or
184 position for personal gain or for the benefit of another.

185 (b)~~(a)~~ "Audit" means a financial audit, operational audit,
186 or performance audit.

187 (c)~~(b)~~ "County agency" means a board of county
188 commissioners or other legislative and governing body of a
189 county, however styled, including that of a consolidated or
190 metropolitan government, a clerk of the circuit court, a
191 separate or ex officio clerk of the county court, a sheriff, a
192 property appraiser, a tax collector, a supervisor of elections,
193 or any other officer in whom any portion of the fiscal duties of
194 the above are under law separately placed.

195 (d)~~(e)~~ "Financial audit" means an examination of financial
196 statements in order to express an opinion on the fairness with
197 which they are presented in conformity with generally accepted
198 accounting principles and an examination to determine whether
199 operations are properly conducted in accordance with legal and
200 regulatory requirements. Financial audits must be conducted in
201 accordance with auditing standards generally accepted in the
202 United States and government auditing standards as adopted by
203 the Board of Accountancy. When applicable, the scope of
204 financial audits shall encompass the additional activities
205 necessary to establish compliance with the Single Audit Act
206 Amendments of 1996, 31 U.S.C. ss. 7501-7507, and other
207 applicable federal law.

208 (e) "Fraud" means obtaining of something of value through

209 willful misrepresentation, including, but not limited to, the
210 intentional misstatements or omissions of amounts or disclosures
211 in financial statements to deceive users of financial
212 statements, theft of an entity's assets, bribery, or the use of
213 one's position for personal enrichment through the deliberate
214 misuse or misapplication of an organization's resources.

215 (f)~~(d)~~ "Governmental entity" means a state agency, a
216 county agency, or any other entity, however styled, that
217 independently exercises any type of state or local governmental
218 function.

219 (g)~~(e)~~ "Local governmental entity" means a county agency,
220 municipality, tourist development council, county tourism
221 promotion agency, or special district as defined in s. 189.012.
222 The term, ~~but~~ does not include any housing authority established
223 under chapter 421.

224 (h)~~(f)~~ "Management letter" means a statement of the
225 auditor's comments and recommendations.

226 (i)~~(g)~~ "Operational audit" means an audit whose purpose is
227 to evaluate management's performance in establishing and
228 maintaining internal controls, including controls designed to
229 prevent and detect fraud, waste, and abuse, and in administering
230 assigned responsibilities in accordance with applicable laws,
231 administrative rules, contracts, grant agreements, and other
232 guidelines. Operational audits must be conducted in accordance
233 with government auditing standards. Such audits examine internal
234 controls that are designed and placed in operation to promote

235 and encourage the achievement of management's control objectives
236 in the categories of compliance, economic and efficient
237 operations, reliability of financial records and reports, and
238 safeguarding of assets, and identify weaknesses in those
239 internal controls.

240 (j)~~(h)~~ "Performance audit" means an examination of a
241 program, activity, or function of a governmental entity,
242 conducted in accordance with applicable government auditing
243 standards or auditing and evaluation standards of other
244 appropriate authoritative bodies. The term includes an
245 examination of issues related to:

- 246 1. Economy, efficiency, or effectiveness of the program.
- 247 2. Structure or design of the program to accomplish its
248 goals and objectives.
- 249 3. Adequacy of the program to meet the needs identified by
250 the Legislature or governing body.
- 251 4. Alternative methods of providing program services or
252 products.
- 253 5. Goals, objectives, and performance measures used by the
254 agency to monitor and report program accomplishments.
- 255 6. The accuracy or adequacy of public documents, reports,
256 or requests prepared under the program by state agencies.
- 257 7. Compliance of the program with appropriate policies,
258 rules, or laws.
- 259 8. Any other issues related to governmental entities as
260 directed by the Legislative Auditing Committee.

261 (k)~~(i)~~ "Political subdivision" means a separate agency or
 262 unit of local government created or established by law and
 263 includes, but is not limited to, the following and the officers
 264 thereof: authority, board, branch, bureau, city, commission,
 265 consolidated government, county, department, district,
 266 institution, metropolitan government, municipality, office,
 267 officer, public corporation, town, or village.

268 (l)~~(j)~~ "State agency" means a separate agency or unit of
 269 state government created or established by law and includes, but
 270 is not limited to, the following and the officers thereof:
 271 authority, board, branch, bureau, commission, department,
 272 division, institution, office, officer, or public corporation,
 273 as the case may be, except any such agency or unit within the
 274 legislative branch of state government other than the Florida
 275 Public Service Commission.

276 (m) "Waste" means the act of using or expending resources
 277 unreasonably, carelessly, extravagantly, or for no useful
 278 purpose.

279 (2) DUTIES.—The Auditor General shall:

280 (j) Conduct audits of local governmental entities when
 281 determined to be necessary by the Auditor General, when directed
 282 by the Legislative Auditing Committee, or when otherwise
 283 required by law. No later than 18 months after the release of
 284 the audit report, the Auditor General shall perform such
 285 appropriate followup procedures as he or she deems necessary to
 286 determine the audited entity's progress in addressing the

287 findings and recommendations contained within the Auditor
 288 General's previous report. The Auditor General shall notify each
 289 member of the audited entity's governing body and the
 290 Legislative Auditing Committee of the results of his or her
 291 determination. For purposes of this paragraph, local
 292 governmental entities do not include water management districts.

293
 294 The Auditor General shall perform his or her duties
 295 independently but under the general policies established by the
 296 Legislative Auditing Committee. This subsection does not limit
 297 the Auditor General's discretionary authority to conduct other
 298 audits or engagements of governmental entities as authorized in
 299 subsection (3).

300 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

301 (i) The Auditor General shall annually transmit by July
 302 15, to the President of the Senate, the Speaker of the House of
 303 Representatives, and the Department of Financial Services, a
 304 list of all school districts, charter schools, charter technical
 305 career centers, Florida College System institutions, state
 306 universities, and local governmental entities ~~water management~~
 307 ~~districts~~ that have failed to comply with the transparency
 308 requirements as identified in the audit reports reviewed
 309 pursuant to paragraph (b) and those conducted pursuant to
 310 subsection (2).

311 Section 3. Paragraph (d) of subsection (2) of section
 312 28.35, Florida Statutes, is amended to read:

313 28.35 Florida Clerks of Court Operations Corporation.—

314 (2) The duties of the corporation shall include the
315 following:

316 (d) Developing and certifying a uniform system of workload
317 measures and applicable workload standards for court-related
318 functions as developed by the corporation and clerk workload
319 performance in meeting the workload performance standards. These
320 workload measures and workload performance standards shall be
321 designed to facilitate an objective determination of the
322 performance of each clerk in accordance with minimum standards
323 for fiscal management, operational efficiency, and effective
324 collection of fines, fees, service charges, and court costs. The
325 corporation shall develop the workload measures and workload
326 performance standards in consultation with the Legislature. When
327 the corporation finds a clerk has not met the workload
328 performance standards, the corporation shall identify the nature
329 of each deficiency and any corrective action recommended and
330 taken by the affected clerk of the court. For quarterly periods
331 ending on the last day of March, June, September, and December
332 of each year, the corporation shall notify the Legislature of
333 any clerk not meeting workload performance standards and provide
334 a copy of any corrective action plans. Such notifications shall
335 be submitted no later than 45 days after the end of the
336 preceding quarterly period. As used in this subsection, the
337 term:

338 1. "Workload measures" means the measurement of the

339 activities and frequency of the work required for the clerk to
 340 adequately perform the court-related duties of the office as
 341 defined by the membership of the Florida Clerks of Court
 342 Operations Corporation.

343 2. "Workload performance standards" means the standards
 344 developed to measure the timeliness and effectiveness of the
 345 activities that are accomplished by the clerk in the performance
 346 of the court-related duties of the office as defined by the
 347 membership of the Florida Clerks of Court Operations
 348 Corporation.

349 Section 4. Present subsections (6) and (7) of section
 350 43.16, Florida Statutes, are redesignated as subsections (7) and
 351 (8), respectively, and a new subsection (6) is added to that
 352 section, to read:

353 43.16 Justice Administrative Commission; membership,
 354 powers and duties.—

355 (6) The commission, each state attorney, each public
 356 defender, the criminal conflict and civil regional counsel, the
 357 capital collateral regional counsel, and the Guardian Ad Litem
 358 Program shall establish and maintain internal controls designed
 359 to:

- 360 (a) Prevent and detect fraud, waste, and abuse.
- 361 (b) Promote and encourage compliance with applicable laws,
 362 rules, contracts, grant agreements, and best practices.
- 363 (c) Support economic and efficient operations.
- 364 (d) Ensure reliability of records and reports.

365 (e) Safeguard assets.

366 Section 5. Section 112.31455, Florida Statutes, is amended
367 to read:

368 112.31455 Withholding of public salary-related payments
369 ~~Collection methods~~ for unpaid automatic fines for failure to
370 timely file disclosure of financial interests.—

371 (1) Before referring any unpaid fine accrued pursuant to
372 s. 112.3144(5) or s. 112.3145(7) ~~s. 112.3145(6)~~ to the
373 Department of Financial Services, the commission shall attempt
374 to determine whether the individual owing such a fine is a
375 current public officer or current public employee. If so, the
376 commission may notify the Chief Financial Officer or the
377 governing body of the appropriate county, municipality, or
378 special district of the total amount of any fine owed to the
379 commission by such individual.

380 (a) After receipt and verification of the notice from the
381 commission, the Chief Financial Officer or the governing body of
382 the county, municipality, or special district shall withhold the
383 entire amount of any fine owed, and any administrative costs
384 incurred, from the individual's next public salary-related
385 payment. If the fine exceeds the amount of the next public
386 salary-related payment, all public salary-related payments must
387 be withheld until the fine and administrative costs are paid in
388 full ~~begin withholding the lesser of 10 percent or the maximum~~
389 ~~amount allowed under federal law from any salary-related~~
390 ~~payment.~~ The Chief Financial Officer or the governing body of

391 the county, municipality, or special district may retain an
392 amount of each withheld payment, as provided in s. 77.0305, to
393 cover the administrative costs incurred under this section. The
394 withheld payments shall be remitted to the commission until the
395 fine is satisfied.

396 ~~(b) The Chief Financial Officer or the governing body of~~
397 ~~the county, municipality, or special district may retain an~~
398 ~~amount of each withheld payment, as provided in s. 77.0305, to~~
399 ~~cover the administrative costs incurred under this section.~~

400 (b) If a current public officer or current public employee
401 demonstrates to the Chief Financial Officer or the governing
402 body responsible for paying him or her that the public salary is
403 his or her primary source of income and that withholding the
404 full amount of any fine owed from a public salary-related
405 payment would present an undue hardship, the withheld amount may
406 be reduced but must be at least 10 percent of the public salary-
407 related payment.

408 ~~(2) If the commission determines that the individual who~~
409 ~~is the subject of an unpaid fine accrued pursuant to s.~~
410 ~~112.3144(5) or s. 112.3145(6) is no longer a public officer or~~
411 ~~public employee or if the commission is unable to determine~~
412 ~~whether the individual is a current public officer or public~~
413 ~~employee, the commission may, 6 months after the order becomes~~
414 ~~final, seek garnishment of any wages to satisfy the amount of~~
415 ~~the fine, or any unpaid portion thereof, pursuant to chapter 77.~~
416 ~~Upon recording the order imposing the fine with the clerk of the~~

417 ~~circuit court, the order shall be deemed a judgment for purposes~~
418 ~~of garnishment pursuant to chapter 77.~~

419 (2)~~(3)~~ The commission may refer unpaid fines to the
420 appropriate collection agency, as directed by the Chief
421 Financial Officer, to use ~~utilize~~ any collection methods
422 provided by law. Except as expressly limited by this section,
423 any other collection methods authorized by law are allowed.

424 (3)~~(4)~~ Action may be taken to collect any unpaid fine
425 imposed by ss. 112.3144 and 112.3145 within 20 years after the
426 date the final order is rendered.

427 Section 6. Section 112.31456, Florida Statutes, is created
428 to read:

429 112.31456 Garnishment of wages for unpaid automatic fines
430 for failure to timely file disclosure of financial interests.-

431 (1) Before referring any unpaid fine accrued pursuant to
432 s. 112.3144(5) or s. 112.3145(7) to the Department of Financial
433 Services, the commission shall attempt to determine whether the
434 individual owing such a fine is a current public officer or
435 current public employee. If the commission determines that an
436 individual who is the subject of an unpaid fine accrued pursuant
437 to s. 112.3144(5) or s. 112.3145(7) is no longer a public
438 officer or public employee or if the commission cannot determine
439 whether the individual is a current public officer or current
440 public employee, the commission may, 6 months after the order
441 becomes final, seek garnishment of any wages to satisfy the
442 amount of the fine, or any unpaid portion thereof, pursuant to

443 chapter 77. Upon recording the order imposing the fine with the
 444 clerk of the circuit court, the order shall be deemed a judgment
 445 for purposes of garnishment pursuant to chapter 77.

446 (2) The commission may refer unpaid fines to the
 447 appropriate collection agency, as directed by the Chief
 448 Financial Officer, to use any collection methods provided by
 449 law. Except as expressly limited by this section, any other
 450 collection method authorized by law is allowed.

451 (3) Action may be taken to collect any unpaid fine imposed
 452 by ss. 112.3144 and 112.3145 within 20 years after the date the
 453 final order is rendered.

454 Section 7. Section 112.3261, Florida Statutes, is amended
 455 to read:

456 112.3261 Lobbying before governmental entities ~~water~~
 457 ~~management districts~~; registration and reporting.—

458 (1) As used in this section, the term:

459 (a) "Governmental entity" or "entity" ~~"District"~~ means a
 460 water management district created in s. 373.069 and operating
 461 under the authority of chapter 373, a hospital district, a
 462 children's services district, an expressway authority as the
 463 term "authority" is defined in s. 348.0002, a port authority as
 464 the term is defined in s. 315.02, or an independent special
 465 district with annual revenues of more than \$5 million which
 466 exercises ad valorem taxing authority.

467 (b) "Lobbies" means seeking, on behalf of another person,
 468 to influence a governmental entity ~~district~~ with respect to a

469 decision of the entity ~~district~~ in an area of policy or
470 procurement or an attempt to obtain the goodwill of an a
471 ~~district~~ official or employee of a governmental entity. The term
472 "lobbies" shall be interpreted and applied consistently with the
473 rules of the commission implementing s. 112.3215.

474 (c) "Lobbyist" has the same meaning as provided in s.
475 112.3215.

476 (d) "Principal" has the same meaning as provided in s.
477 112.3215.

478 (2) A person may not lobby a governmental entity ~~district~~
479 until such person has registered as a lobbyist with that entity
480 ~~district~~. Such registration shall be due upon initially being
481 retained to lobby and is renewable on a calendar-year basis
482 thereafter. Upon registration, the person shall provide a
483 statement signed by the principal or principal's representative
484 stating that the registrant is authorized to represent the
485 principal. The principal shall also identify and designate its
486 main business on the statement authorizing that lobbyist
487 pursuant to a classification system approved by the governmental
488 entity ~~district~~. Any changes to the information required by this
489 section must be disclosed within 15 days by filing a new
490 registration form. The registration form shall require each
491 lobbyist to disclose, under oath, the following:

492 (a) The lobbyist's name and business address.

493 (b) The name and business address of each principal
494 represented.

495 (c) The existence of any direct or indirect business
496 association, partnership, or financial relationship with an
497 official ~~any officer~~ or employee of a governmental entity
498 ~~district~~ with which he or she lobbies or intends to lobby.

499 (d) In lieu of creating its own lobbyist registration
500 forms, a governmental entity ~~district~~ may accept a completed
501 legislative branch or executive branch lobbyist registration
502 form.

503 (3) A governmental entity ~~district~~ shall make lobbyist
504 registrations available to the public. If a governmental entity
505 ~~district~~ maintains a website, a database of currently registered
506 lobbyists and principals must be available on the entity's
507 ~~district's~~ website.

508 (4) A lobbyist shall promptly send a written statement to
509 the governmental entity ~~district~~ canceling the registration for
510 a principal upon termination of the lobbyist's representation of
511 that principal. A governmental entity ~~district~~ may remove the
512 name of a lobbyist from the list of registered lobbyists if the
513 principal notifies the entity ~~district~~ that a person is no
514 longer authorized to represent that principal.

515 (5) A governmental entity ~~district~~ may establish an annual
516 lobbyist registration fee, not to exceed \$40, for each principal
517 represented. The governmental entity ~~district~~ may use
518 registration fees only to administer this section.

519 (6) A governmental entity ~~district~~ shall be diligent to
520 ascertain whether persons required to register pursuant to this

521 section have complied. A governmental entity ~~district~~ may not
 522 knowingly authorize a person who is not registered pursuant to
 523 this section to lobby the entity ~~district~~.

524 (7) Upon receipt of a sworn complaint alleging that a
 525 lobbyist or principal has failed to register with a governmental
 526 entity ~~district~~ or has knowingly submitted false information in
 527 a report or registration required under this section, the
 528 commission shall investigate a lobbyist or principal pursuant to
 529 the procedures established under s. 112.324. The commission
 530 shall provide the Governor with a report of its findings and
 531 recommendations in any investigation conducted pursuant to this
 532 subsection. The Governor is authorized to enforce the
 533 commission's findings and recommendations.

534 (8) A governmental entity ~~Water management districts~~ may
 535 adopt rules to establish procedures to govern the registration
 536 of lobbyists, including the adoption of forms and the
 537 establishment of a lobbyist registration fee.

538 Section 8. Paragraph (c) of subsection (3) of section
 539 129.03, Florida Statutes, is amended to read:

540 129.03 Preparation and adoption of budget.—

541 (3) The county budget officer, after tentatively
 542 ascertaining the proposed fiscal policies of the board for the
 543 next fiscal year, shall prepare and present to the board a
 544 tentative budget for the next fiscal year for each of the funds
 545 provided in this chapter, including all estimated receipts,
 546 taxes to be levied, and balances expected to be brought forward

547 and all estimated expenditures, reserves, and balances to be
548 carried over at the end of the year.

549 (c) The board shall hold public hearings to adopt
550 tentative and final budgets pursuant to s. 200.065. The hearings
551 shall be primarily for the purpose of hearing requests and
552 complaints from the public regarding the budgets and the
553 proposed tax levies and for explaining the budget and any
554 proposed or adopted amendments. The tentative budget must be
555 posted on the county's official website at least 2 days before
556 the public hearing to consider such budget and must remain on
557 the website for at least 45 days. The final budget must be
558 posted on the website within 30 days after adoption and must
559 remain on the website for at least 2 years. The tentative
560 budgets, adopted tentative budgets, and final budgets shall be
561 filed in the office of the county auditor as a public record.
562 Sufficient reference in words and figures to identify the
563 particular transactions shall be made in the minutes of the
564 board to record its actions with reference to the budgets.

565 Section 9. Paragraph (f) of subsection (2) of section
566 129.06, Florida Statutes, is amended to read:

567 129.06 Execution and amendment of budget.—

568 (2) The board at any time within a fiscal year may amend a
569 budget for that year, and may within the first 60 days of a
570 fiscal year amend the budget for the prior fiscal year, as
571 follows:

572 (f) Unless otherwise prohibited by law, if an amendment to

573 a budget is required for a purpose not specifically authorized
 574 in paragraphs (a)-(e), the amendment may be authorized by
 575 resolution or ordinance of the board of county commissioners
 576 adopted following a public hearing.

577 1. The public hearing must be advertised at least 2 days,
 578 but not more than 5 days, before the date of the hearing. The
 579 advertisement must appear in a newspaper of paid general
 580 circulation and must identify the name of the taxing authority,
 581 the date, place, and time of the hearing, and the purpose of the
 582 hearing. The advertisement must also identify each budgetary
 583 fund to be amended, the source of the funds, the use of the
 584 funds, and the total amount of each fund's appropriations.

585 2. If the board amends the budget pursuant to this
 586 paragraph, the adopted amendment must be posted on the county's
 587 official website within 5 days after adoption and must remain on
 588 the website for at least 2 years.

589 Section 10. Subsections (3) and (5) of section 166.241,
 590 Florida Statutes, are amended to read:

591 166.241 Fiscal years, budgets, and budget amendments.—

592 (3) The tentative budget must be posted on the
 593 municipality's official website at least 2 days before the
 594 budget hearing, held pursuant to s. 200.065 or other law, to
 595 consider such budget, and must remain on the website for at
 596 least 45 days. The final adopted budget must be posted on the
 597 municipality's official website within 30 days after adoption
 598 and must remain on the website for at least 2 years. If the

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599 municipality does not operate an official website, the
600 municipality must, within a reasonable period of time as
601 established by the county or counties in which the municipality
602 is located, transmit the tentative budget and final budget to
603 the manager or administrator of such county or counties who
604 shall post the budgets on the county's website.

605 (5) If the governing body of a municipality amends the
606 budget pursuant to paragraph (4) (c), the adopted amendment must
607 be posted on the official website of the municipality within 5
608 days after adoption and must remain on the website for at least
609 2 years. If the municipality does not operate an official
610 website, the municipality must, within a reasonable period of
611 time as established by the county or counties in which the
612 municipality is located, transmit the adopted amendment to the
613 manager or administrator of such county or counties who shall
614 post the adopted amendment on the county's website.

615 Section 11. Subsections (4) and (7) of section 189.016,
616 Florida Statutes, are amended to read:

617 189.016 Reports; budgets; audits.—

618 (4) The tentative budget must be posted on the special
619 district's official website at least 2 days before the budget
620 hearing, held pursuant to s. 200.065 or other law, to consider
621 such budget, and must remain on the website for at least 45
622 days. The final adopted budget must be posted on the special
623 district's official website within 30 days after adoption and
624 must remain on the website for at least 2 years. If the special

625 district does not operate an official website, the special
626 district must, within a reasonable period of time as established
627 by the local general-purpose government or governments in which
628 the special district is located or the local governing authority
629 to which the district is dependent, transmit the tentative
630 budget or final budget to the manager or administrator of the
631 local general-purpose government or the local governing
632 authority. The manager or administrator shall post the tentative
633 budget or final budget on the website of the local general-
634 purpose government or governing authority. This subsection and
635 subsection (3) do not apply to water management districts as
636 defined in s. 373.019.

637 (7) If the governing body of a special district amends the
638 budget pursuant to paragraph (6)(c), the adopted amendment must
639 be posted on the official website of the special district within
640 5 days after adoption and must remain on the website for at
641 least 2 years. If the special district does not operate an
642 official website, the special district must, within a reasonable
643 period of time as established by the local general-purpose
644 government or governments in which the special district is
645 located or the local governing authority to which the district
646 is dependent, transmit the adopted amendment to the manager or
647 administrator of the local general-purpose government or
648 governing authority. The manager or administrator shall post the
649 adopted amendment on the website of the local general-purpose
650 government or governing authority.

651 Section 12. Subsections (6) through (10) are added to
652 section 215.425, Florida Statutes, to read:

653 215.425 Extra compensation claims prohibited; bonuses;
654 severance pay.—

655 (6) Upon discovery or notification that a unit of
656 government has provided prohibited compensation to any officer,
657 agent, employee, or contractor in violation of this section,
658 such unit of government shall investigate and take all necessary
659 action to recover the prohibited compensation.

660 (a) If the violation was unintentional, the unit of
661 government shall recover the prohibited compensation from the
662 individual receiving the prohibited compensation through normal
663 recovery methods for overpayments.

664 (b) If the violation was willful, the unit of government
665 shall recover the prohibited compensation from either the
666 individual receiving the prohibited compensation or the
667 individual or individuals responsible for approving the
668 prohibited compensation. Each individual determined to have
669 willfully violated this section is jointly and severally liable
670 for repayment of the prohibited compensation.

671 (7) A person who willfully violates this section commits a
672 misdemeanor of the first degree, punishable as provided in s.
673 775.082 or s. 775.083. The Governor may suspend an officer who
674 willfully violates this section.

675 (8) (a) A person who reports a violation of this section is
676 eligible for a reward of at least \$500, or the lesser of 10

677 percent of the funds recovered or \$10,000 per incident of a
678 prohibited compensation payment recovered by the unit of
679 government, depending upon the extent to which the person
680 substantially contributed to the discovery, notification, and
681 recovery of such prohibited payment.

682 (b) In the event that the recovery of the prohibited
683 compensation is based primarily on disclosures of specific
684 information, other than information provided by such person,
685 relating to allegations or transactions in a criminal, civil, or
686 administrative hearing; a legislative, administrative, inspector
687 general, or other government report; auditor general report,
688 hearing, audit, or investigation; or from the news media, such
689 person is not eligible for a reward, or for an award of a
690 portion of the proceeds or payment of attorney fees and costs
691 pursuant to s. 68.085.

692 (c) If it is determined that the person who reported a
693 violation of this section was involved in the authorization,
694 approval, or receipt of the prohibited compensation or is
695 convicted of criminal conduct arising from his or her role in
696 the authorization, approval, or receipt of the prohibited
697 compensation, such person is not eligible for a reward, or for
698 an award of a portion of the proceeds or payment of attorney
699 fees and costs pursuant to s. 68.085.

700 (9) An employee who is discharged, demoted, suspended,
701 threatened, harassed, or in any manner discriminated against in
702 the terms and conditions of employment by his or her employer

703 because of lawful acts done by the employee on behalf of the
 704 employee or others in furtherance of an action under this
 705 section, including investigation for initiation of, testimony
 706 for, or assistance in an action filed or to be filed under this
 707 section, has a cause of action under s. 112.3187.

708 (10) If the unit of government fails to recover prohibited
 709 compensation for a willful violation of this section upon
 710 discovery and notification of such prohibited payment within 90
 711 days, a cause of action may be brought to:

712 (a) Recover state funds in accordance with ss. 68.082 and
 713 68.083.

714 (b) Recover other funds by the Department of Legal Affairs
 715 using the procedures set forth in ss. 68.082 and 68.083, except
 716 that venue shall lie in the circuit court of the county in which
 717 the unit of government is located.

718 (c) Recover other funds by a person using the procedures
 719 set forth in ss. 68.082 and 68.083, except that venue shall lie
 720 in the circuit court of the county in which the unit of
 721 government is located.

722 Section 13. Section 215.86, Florida Statutes, is amended
 723 to read:

724 215.86 Management systems and controls.—Each state agency
 725 and the judicial branch as defined in s. 216.011 shall establish
 726 and maintain management systems and internal controls designed
 727 to:

728 (1) Prevent and detect fraud, waste, and abuse. ~~that~~

729 (2) Promote and encourage compliance with applicable laws,
 730 rules, contracts, grant agreements, and best practices.†

731 (3) Support economic, efficient, and effective
 732 operations.†

733 (4) Ensure reliability of records and reports.†

734 (5) Safeguard ~~and safeguarding of assets. Accounting~~
 735 ~~systems and procedures shall be designed to fulfill the~~
 736 ~~requirements of generally accepted accounting principles.~~

737 Section 14. Paragraph (a) of subsection (2) of section
 738 215.97, Florida Statutes, is amended to read:

739 215.97 Florida Single Audit Act.—

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

741 (a) "Audit threshold" means the threshold amount used to
 742 determine when a state single audit or project-specific audit of
 743 a nonstate entity shall be conducted in accordance with this
 744 section. Each nonstate entity that expends a total amount of
 745 state financial assistance equal to or in excess of \$750,000
 746 ~~\$500,000~~ in any fiscal year of such nonstate entity shall be
 747 required to have a state single audit, or a project-specific
 748 audit, for such fiscal year in accordance with the requirements
 749 of this section. Periodically, ~~Every 2 years~~ the Auditor
 750 General, after consulting with the Executive Office of the
 751 Governor, the Department of Financial Services, and all state
 752 awarding agencies, shall review the threshold amount for
 753 requiring audits under this section and, if appropriate, may
 754 recommend to the Legislature a statutory change to revise the

755 threshold amount in the annual report submitted pursuant to s.
 756 11.45(7)(f) may adjust such threshold amount consistent with the
 757 purposes of this section.

758 Section 15. Subsection (11) of section 215.985, Florida
 759 Statutes, is amended to read:

760 215.985 Transparency in government spending.—

761 (11) Each water management district shall provide a
 762 monthly financial statement in the form and manner prescribed by
 763 the Department of Financial Services to the district's its
 764 governing board and make such monthly financial statement
 765 available for public access on its website.

766 Section 16. Paragraph (d) of subsection (1) and subsection
 767 (2) of section 218.32, Florida Statutes, are amended to read:

768 218.32 Annual financial reports; local governmental
 769 entities.—

770 (1)

771 (d) Each local governmental entity that is required to
 772 provide for an audit under s. 218.39(1) must submit a copy of
 773 the audit report and annual financial report to the department
 774 within 45 days after the completion of the audit report but no
 775 later than 9 months after the end of the fiscal year. An
 776 independent certified public accountant completing an audit of a
 777 local governmental entity pursuant to s. 218.39 shall report, as
 778 part of the audit, whether or not the entity's annual financial
 779 report is in agreement with the audit report, and, if the report
 780 is not in agreement, shall specify the significant differences

781 that exist between the annual financial report and the audit
 782 report.

783 (2) The department shall annually by December 1 file a
 784 verified report with the Governor, the Legislature, the Auditor
 785 General, and the Special District Accountability Program of the
 786 Department of Economic Opportunity showing the revenues, both
 787 locally derived and derived from intergovernmental transfers,
 788 and the expenditures of each local governmental entity, regional
 789 planning council, local government finance commission, and
 790 municipal power corporation that is required to submit an annual
 791 financial report. In preparing the verified report, the
 792 department may request additional information from the local
 793 governmental entity. The information requested must be provided
 794 to the department within 45 days of the request. If the local
 795 governmental entity does not comply with the request, the
 796 department shall notify the Legislative Auditing Committee,
 797 which may take action pursuant to s. 11.40(2). The report must
 798 include, but is not limited to:

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

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

807 Section 17. Present subsection (3) of section 218.33,
808 Florida Statutes, is redesignated as subsection (4), and a new
809 subsection (3) is added to that section, to read:

810 218.33 Local governmental entities; establishment of
811 uniform fiscal years and accounting practices and procedures.—

812 (3) Each local governmental entity shall establish and
813 maintain internal controls designed to:

814 (a) Prevent and detect fraud, waste, and abuse.

815 (b) Promote and encourage compliance with applicable laws,
816 rules, contracts, grant agreements, and best practices.

817 (c) Support economic and efficient operations.

818 (d) Ensure reliability of financial records and reports.

819 (e) Safeguard assets.

820 Section 18. Present subsections (8) through (12) of
821 section 218.39, Florida Statutes, are redesignated as
822 subsections (9) through (13), respectively, and a new subsection
823 (8) is added to that section, to read:

824 218.39 Annual financial audit reports.—

825 (8) If the audit report includes a recommendation that was
826 previously included in the preceding financial audit report, the
827 governing body of the audited entity, within 60 days after the
828 delivery of the audit report to the governing body and during a
829 regularly scheduled public meeting, shall indicate its intent
830 regarding corrective action, the corrective action to be taken,
831 and when the corrective action will occur. If the governing body
832 does not intend to take corrective action, it shall explain why

833 such action will not be taken at the regularly scheduled public
 834 meeting.

835 Section 19. Subsection (2) and paragraph (c) of subsection
 836 (7) of section 218.391, Florida Statutes, are amended to read:

837 218.391 Auditor selection procedures.—

838 (2) The governing body of a ~~charter~~ county, municipality,
 839 special district, district school board, charter school, or
 840 charter technical career center shall establish an audit
 841 committee. For a county, the ~~Each noncharter county shall~~
 842 ~~establish an~~ audit committee ~~that~~, at a minimum, shall consist
 843 of each of the county officers elected pursuant to the county
 844 charter or s. 1(d), Art. VIII of the State Constitution, or a
 845 designee, and one member of the board of county commissioners or
 846 its designee. For a municipality or a special district, the
 847 audit committee shall consist of at least three members, who
 848 must be members of the governing body of the municipality or the
 849 special district, respectively. For a county, municipality, or
 850 special district, a member of the audit committee may not
 851 exercise financial management responsibilities for the county,
 852 municipality, or special district. The primary purpose of the
 853 audit committee is to assist the governing body in selecting an
 854 auditor to conduct the annual financial audit required in s.
 855 218.39; however, the audit committee may serve other audit
 856 oversight purposes as determined by the entity's governing body.
 857 The public may ~~shall~~ not be excluded from the proceedings under
 858 this section.

859 (7) Every procurement of audit services shall be evidenced
 860 by a written contract embodying all provisions and conditions of
 861 the procurement of such services. For purposes of this section,
 862 an engagement letter signed and executed by both parties shall
 863 constitute a written contract. The written contract shall, at a
 864 minimum, include the following:

865 (c) A provision specifying the contract period, including
 866 renewals, and conditions under which the contract may be
 867 terminated or renewed. The contract period, including renewals,
 868 may not exceed 2 years.

869 Section 20. Paragraph (b) of subsection (2) of section
 870 288.92, Florida Statutes, is amended to read:

871 288.92 Divisions of Enterprise Florida, Inc.—

872 (2)

873 (b)1. The following officers and board members are subject
 874 to ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and
 875 112.3143(2):

876 a. Officers and members of the board of directors of the
 877 divisions of Enterprise Florida, Inc.

878 b. Officers and members of the board of directors of
 879 subsidiaries of Enterprise Florida, Inc.

880 c. Officers and members of the board of directors of
 881 corporations created to carry out the missions of Enterprise
 882 Florida, Inc.

883 d. Officers and members of the board of directors of
 884 corporations with which a division is required by law to

885 contract to carry out its missions.

886 2. The officers and members of the board of directors
 887 specified in subparagraph 1. may not represent another person or
 888 entity for compensation before Enterprise Florida, Inc., for a
 889 period of 2 years after retirement from or termination of
 890 service to a division.

891 ~~3.2.~~ For purposes of applying ss. 112.313(1)-(8), (10),
 892 (12), and (15); 112.3135; and 112.3143(2) to activities of the
 893 officers and members of the board of directors specified in
 894 subparagraph 1., those persons shall be considered public
 895 officers or employees and the corporation shall be considered
 896 their agency.

897 ~~4.3.~~ It is not a violation of s. 112.3143(2) or (4) for
 898 the officers or members of the board of directors of the Florida
 899 Tourism Industry Marketing Corporation to:

900 a. Vote on the 4-year marketing plan required under s.
 901 288.923 or vote on any individual component of or amendment to
 902 the plan.

903 b. Participate in the establishment or calculation of
 904 payments related to the private match requirements of s.
 905 288.904(3). The officer or member must file an annual disclosure
 906 describing the nature of his or her interests or the interests
 907 of his or her principals, including corporate parents and
 908 subsidiaries of his or her principal, in the private match
 909 requirements. This annual disclosure requirement satisfies the
 910 disclosure requirement of s. 112.3143(4). This disclosure must

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911 be placed either on the Florida Tourism Industry Marketing
912 Corporation's website or included in the minutes of each meeting
913 of the Florida Tourism Industry Marketing Corporation's board of
914 directors at which the private match requirements are discussed
915 or voted upon.

916 Section 21. Paragraph (a) of subsection (3) of section
917 288.9604, Florida Statutes, is amended to read:

918 288.9604 Creation of the authority.—

919 (3) (a) 1. A director may not receive compensation for his
920 or her services, but is entitled to necessary expenses,
921 including travel expenses, incurred in the discharge of his or
922 her duties. Each director shall hold office until his or her
923 successor has been appointed.

924 2. Directors are subject to ss. 112.313(1)-(8), (10),
925 (12), and (15); 112.3135; and 112.3143(2). For purposes of
926 applying ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and
927 112.3143(2) to activities of directors, directors shall be
928 considered public officers and the corporation shall be
929 considered their agency.

930 3. A director of the board of directors of the corporation
931 may not represent another person or entity for compensation
932 before the corporation for a period of 2 years following his or
933 her service on the board of directors.

934 Section 22. Paragraph (e) of subsection (4), paragraph (d)
935 of subsection (5), and paragraph (d) of subsection (6) of
936 section 373.536, Florida Statutes, are amended to read:

937 373.536 District budget and hearing thereon.—

938 (4) BUDGET CONTROLS; FINANCIAL INFORMATION.—

939 (e) ~~By September 1, 2012,~~ Each district shall provide a
 940 monthly financial statement in the form and manner prescribed by
 941 the Department of Financial Services to the district's governing
 942 board and make such monthly financial statement available for
 943 public access on its website.

944 (5) TENTATIVE BUDGET CONTENTS AND SUBMISSION; REVIEW AND
 945 APPROVAL.—

946 (d) Each district shall, by August 1 of each year, submit
 947 for review a tentative budget and a description of any
 948 significant changes from the preliminary budget submitted to the
 949 Legislature pursuant to s. 373.535 to the Governor, the
 950 President of the Senate, the Speaker of the House of
 951 Representatives, the chairs of all legislative committees and
 952 subcommittees having substantive or fiscal jurisdiction over
 953 water management districts, as determined by the President of
 954 the Senate or the Speaker of the House of Representatives, as
 955 applicable, the secretary of the department, and the governing
 956 body of each county in which the district has jurisdiction or
 957 derives any funds for the operations of the district. The
 958 tentative budget must be posted on the district's official
 959 website at least 2 days before budget hearings held pursuant to
 960 s. 200.065 or other law and must remain on the website for at
 961 least 45 days.

962 (6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS PLAN;

963 WATER RESOURCE DEVELOPMENT WORK PROGRAM.—

964 (d) The final adopted budget must be posted on the water
 965 management district's official website within 30 days after
 966 adoption and must remain on the website for at least 2 years.

967 Section 23. Paragraph (j) of subsection (9) of section
 968 1002.33, Florida Statutes, is amended to read:

969 1002.33 Charter schools.—

970 (9) CHARTER SCHOOL REQUIREMENTS.—

971 (j) The governing body of the charter school shall be
 972 responsible for:

973 1. Establishing and maintaining internal controls designed
 974 to:

975 a. Prevent and detect fraud, waste, and abuse.

976 b. Promote and encourage compliance with applicable laws,
 977 rules, contracts, grant agreements, and best practices.

978 c. Support economic and efficient operations.

979 d. Ensure reliability of financial records and reports.

980 e. Safeguard assets.

981 ~~2.1-~~ Ensuring that the charter school has retained the
 982 services of a certified public accountant or auditor for the
 983 annual financial audit, pursuant to s. 1002.345(2), who shall
 984 submit the report to the governing body.

985 ~~3.2-~~ Reviewing and approving the audit report, including
 986 audit findings and recommendations for the financial recovery
 987 plan.

988 ~~4.a.3.a.~~ Performing the duties in s. 1002.345, including

989 monitoring a corrective action plan.

990 b. Monitoring a financial recovery plan in order to ensure
991 compliance.

992 ~~5.4.~~ Participating in governance training approved by the
993 department which must include government in the sunshine,
994 conflicts of interest, ethics, and financial responsibility.

995 Section 24. Present subsections (6) through (10) of
996 section 1002.37, Florida Statutes, are redesignated as
997 subsections (7) through (11), respectively, a new subsection (6)
998 is added to that section, and present subsections (6) and (11)
999 of that section are amended, to read:

1000 1002.37 The Florida Virtual School.—

1001 (6) The Florida Virtual School shall have an annual
1002 financial audit of its accounts and records completed by an
1003 independent auditor who is a certified public accountant
1004 licensed under chapter 473. The independent auditor shall
1005 conduct the audit in accordance with rules adopted by the
1006 Auditor General pursuant to s. 11.45 and, upon completion of the
1007 audit, shall prepare an audit report in accordance with such
1008 rules. The independent auditor shall submit the audit report to
1009 the board of trustees and the Auditor General no later than 9
1010 months after the end of the preceding fiscal year.

1011 ~~(7)~~ ~~(6)~~ The board of trustees shall annually submit to the
1012 Governor, the Legislature, the Commissioner of Education, and
1013 the State Board of Education a complete and detailed report
1014 setting forth:

1015 (a) The operations and accomplishments of the Florida
 1016 Virtual School within the state and those occurring outside the
 1017 state as Florida Virtual School Global.

1018 (b) The marketing and operational plan for the Florida
 1019 Virtual School and Florida Virtual School Global, including
 1020 recommendations regarding methods for improving the delivery of
 1021 education through the Internet and other distance learning
 1022 technology.

1023 (c) The assets and liabilities of the Florida Virtual
 1024 School and Florida Virtual School Global at the end of the
 1025 fiscal year.

1026 (d) A copy of the an annual financial audit report
 1027 completed pursuant to subsection (6), and a written statement of
 1028 the board of trustees describing corrective action to be taken
 1029 in response to each of the independent auditor's recommendations
 1030 included in the audit report. ~~of the accounts and records of the~~
 1031 ~~Florida Virtual School and Florida Virtual School Global,~~
 1032 ~~conducted by an independent certified public accountant and~~
 1033 ~~performed in accordance with rules adopted by the Auditor~~
 1034 ~~General.~~

1035 (e) Recommendations regarding the unit cost of providing
 1036 services to students through the Florida Virtual School and
 1037 Florida Virtual School Global. In order to most effectively
 1038 develop public policy regarding any future funding of the
 1039 Florida Virtual School, it is imperative that the cost of the
 1040 program is accurately identified. The identified cost of the

1041 program must be based on reliable data.

1042 (f) Recommendations regarding an accountability mechanism
 1043 to assess the effectiveness of the services provided by the
 1044 Florida Virtual School and Florida Virtual School Global.

1045 ~~(11) The Auditor General shall conduct an operational~~
 1046 ~~audit of the Florida Virtual School, including Florida Virtual~~
 1047 ~~School Global. The scope of the audit shall include, but not be~~
 1048 ~~limited to, the administration of responsibilities relating to~~
 1049 ~~personnel; procurement and contracting; revenue production;~~
 1050 ~~school funds, including internal funds; student enrollment~~
 1051 ~~records; franchise agreements; information technology~~
 1052 ~~utilization, assets, and security; performance measures and~~
 1053 ~~standards; and accountability. The final report on the audit~~
 1054 ~~shall be submitted to the President of the Senate and the~~
 1055 ~~Speaker of the House of Representatives no later than January~~
 1056 ~~31, 2014.~~

1057 Section 25. Subsection (5) is added to section 1010.01,
 1058 Florida Statutes, to read:

1059 1010.01 Uniform records and accounts.—

1060 (5) Each school district, Florida College System
 1061 institution, and state university shall establish and maintain
 1062 internal controls designed to:

1063 (a) Prevent and detect fraud, waste, and abuse.

1064 (b) Promote and encourage compliance with applicable laws,
 1065 rules, contracts, grant agreements, and best practices.

1066 (c) Support economic and efficient operations.

1067 (d) Ensure reliability of financial records and reports.

1068 (e) Safeguard assets.

1069 Section 26. Subsection (2) of section 1010.30, Florida
1070 Statutes, is amended to read:

1071 1010.30 Audits required.—

1072 (2) If a school district, Florida College System
1073 institution, or university audit report includes a
1074 recommendation that was previously included in the preceding
1075 financial audit report, an audit contains a significant finding,
1076 the district school board, the Florida College System
1077 institution board of trustees, or the university board of
1078 trustees, within 60 days after the delivery of the audit report
1079 to the school district, Florida College System institution, or
1080 university and shall conduct an audit overview during a
1081 regularly scheduled public meeting, shall indicate its intent
1082 regarding corrective action, the corrective action to be taken,
1083 and when the corrective action will occur. If the district
1084 school board, Florida College System institution board of
1085 trustees, or university board of trustees does not intend to
1086 take corrective action, it shall explain why such action will
1087 not be taken at the regularly scheduled public meeting.

1088 Section 27. Subsection (2) of section 68.082, Florida
1089 Statutes, is amended to read:

1090 68.082 False claims against the state; definitions;
1091 liability.—

1092 (2) Any person who:

1093 (a) Knowingly presents or causes to be presented a false
 1094 or fraudulent claim for payment or approval;
 1095 (b) Knowingly authorizes, approves, or receives payment of
 1096 prohibited compensation in violation of s. 215.425;
 1097 (c)~~(b)~~ Knowingly makes, uses, or causes to be made or used
 1098 a false record or statement material to a false or fraudulent
 1099 claim;
 1100 (d)~~(e)~~ Conspires to commit a violation of this subsection;
 1101 (e)~~(d)~~ Has possession, custody, or control of property or
 1102 money used or to be used by the state and knowingly delivers or
 1103 causes to be delivered less than all of that money or property;
 1104 (f)~~(e)~~ Is authorized to make or deliver a document
 1105 certifying receipt of property used or to be used by the state
 1106 and, intending to defraud the state, makes or delivers the
 1107 receipt without knowing that the information on the receipt is
 1108 true;
 1109 (g)~~(f)~~ Knowingly buys or receives, as a pledge of an
 1110 obligation or a debt, public property from an officer or
 1111 employee of the state who may not sell or pledge the property;
 1112 or
 1113 (h)~~(g)~~ Knowingly makes, uses, or causes to be made or used
 1114 a false record or statement material to an obligation to pay or
 1115 transmit money or property to the state, or knowingly conceals
 1116 or knowingly and improperly avoids or decreases an obligation to
 1117 pay or transmit money or property to the state
 1118

1119 is liable to the state for a civil penalty of not less than
 1120 \$5,500 and not more than \$11,000 and for treble the amount of
 1121 damages the state sustains because of the act of that person.

1122 Section 28. Subsection (1) of section 68.083, Florida
 1123 Statutes, is amended to read:

1124 68.083 Civil actions for false claims.—

1125 (1) The department may diligently investigate a violation
 1126 under s. 68.082. If the department finds that a person has
 1127 violated or is violating s. 68.082, the department may bring a
 1128 civil action under the Florida False Claims Act against the
 1129 person. The Department of Financial Services may bring a civil
 1130 action under this section if the action arises from an
 1131 investigation by that department and the Department of Legal
 1132 Affairs has not filed an action under this act. For a violation
 1133 of s. 68.082 regarding prohibited compensation paid from state
 1134 funds, the Department of Financial Services may bring a civil
 1135 action under this section if the action arises from an
 1136 investigation by that department concerning a violation of s.
 1137 215.425 by the state and the Department of Legal Affairs has not
 1138 filed an action under this act.

1139 Section 29. Subsection (3) of section 218.503, Florida
 1140 Statutes, is amended to read:

1141 218.503 Determination of financial emergency.—

1142 (3) Upon notification that one or more of the conditions
 1143 in subsection (1) have occurred or will occur if action is not
 1144 taken to assist the local governmental entity or district school

1145 board, the Governor or his or her designee shall contact the
 1146 local governmental entity or the Commissioner of Education or
 1147 his or her designee shall contact the district school board to
 1148 determine what actions have been taken by the local governmental
 1149 entity or the district school board to resolve or prevent the
 1150 condition. The information requested must be provided within 45
 1151 days after the date of the request. If the local governmental
 1152 entity or the district school board does not comply with the
 1153 request, the Governor or his or her designee or the Commissioner
 1154 of Education or his or her designee shall notify ~~the members of~~
 1155 the Legislative Auditing Committee, which ~~who~~ may take action
 1156 pursuant to s. 11.40(2) ~~s. 11.40~~. The Governor or the
 1157 Commissioner of Education, as appropriate, shall determine
 1158 whether the local governmental entity or the district school
 1159 board needs state assistance to resolve or prevent the
 1160 condition. If state assistance is needed, the local governmental
 1161 entity or district school board is considered to be in a state
 1162 of financial emergency. The Governor or the Commissioner of
 1163 Education, as appropriate, has the authority to implement
 1164 measures as set forth in ss. 218.50-218.504 to assist the local
 1165 governmental entity or district school board in resolving the
 1166 financial emergency. Such measures may include, but are not
 1167 limited to:
 1168 (a) Requiring approval of the local governmental entity's
 1169 budget by the Governor or approval of the district school
 1170 board's budget by the Commissioner of Education.

1171 (b) Authorizing a state loan to a local governmental
 1172 entity and providing for repayment of same.

1173 (c) Prohibiting a local governmental entity or district
 1174 school board from issuing bonds, notes, certificates of
 1175 indebtedness, or any other form of debt until such time as it is
 1176 no longer subject to this section.

1177 (d) Making such inspections and reviews of records,
 1178 information, reports, and assets of the local governmental
 1179 entity or district school board as are needed. The appropriate
 1180 local officials shall cooperate in such inspections and reviews.

1181 (e) Consulting with officials and auditors of the local
 1182 governmental entity or the district school board and the
 1183 appropriate state officials regarding any steps necessary to
 1184 bring the books of account, accounting systems, financial
 1185 procedures, and reports into compliance with state requirements.

1186 (f) Providing technical assistance to the local
 1187 governmental entity or the district school board.

1188 (g)1. Establishing a financial emergency board to oversee
 1189 the activities of the local governmental entity or the district
 1190 school board. If a financial emergency board is established for
 1191 a local governmental entity, the Governor shall appoint board
 1192 members and select a chair. If a financial emergency board is
 1193 established for a district school board, the State Board of
 1194 Education shall appoint board members and select a chair. The
 1195 financial emergency board shall adopt such rules as are
 1196 necessary for conducting board business. The board may:

1197 a. Make such reviews of records, reports, and assets of
1198 the local governmental entity or the district school board as
1199 are needed.

1200 b. Consult with officials and auditors of the local
1201 governmental entity or the district school board and the
1202 appropriate state officials regarding any steps necessary to
1203 bring the books of account, accounting systems, financial
1204 procedures, and reports of the local governmental entity or the
1205 district school board into compliance with state requirements.

1206 c. Review the operations, management, efficiency,
1207 productivity, and financing of functions and operations of the
1208 local governmental entity or the district school board.

1209 d. Consult with other governmental entities for the
1210 consolidation of all administrative direction and support
1211 services, including, but not limited to, services for asset
1212 sales, economic and community development, building inspections,
1213 parks and recreation, facilities management, engineering and
1214 construction, insurance coverage, risk management, planning and
1215 zoning, information systems, fleet management, and purchasing.

1216 2. The recommendations and reports made by the financial
1217 emergency board must be submitted to the Governor for local
1218 governmental entities or to the Commissioner of Education and
1219 the State Board of Education for district school boards for
1220 appropriate action.

1221 (h) Requiring and approving a plan, to be prepared by
1222 officials of the local governmental entity or the district

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1223 school board in consultation with the appropriate state
1224 officials, prescribing actions that will cause the local
1225 governmental entity or district school board to no longer be
1226 subject to this section. The plan must include, but need not be
1227 limited to:

1228 1. Provision for payment in full of obligations outlined
1229 in subsection (1), designated as priority items, which are
1230 currently due or will come due.

1231 2. Establishment of priority budgeting or zero-based
1232 budgeting in order to eliminate items that are not affordable.

1233 3. The prohibition of a level of operations which can be
1234 sustained only with nonrecurring revenues.

1235 4. Provisions implementing the consolidation, sourcing, or
1236 discontinuance of all administrative direction and support
1237 services, including, but not limited to, services for asset
1238 sales, economic and community development, building inspections,
1239 parks and recreation, facilities management, engineering and
1240 construction, insurance coverage, risk management, planning and
1241 zoning, information systems, fleet management, and purchasing.

1242 Section 30. The Legislature finds that a proper and
1243 legitimate state purpose is served when internal controls are
1244 established to prevent and detect fraud, waste, and abuse and to
1245 safeguard and account for government funds and property.
1246 Therefore, the Legislature determines and declares that this act
1247 fulfills an important state interest.

1248 Section 31. This act shall take effect July 1, 2015.