

By Senator Gaetz

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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

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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

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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;

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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:

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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

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

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

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

174 Section 2. Subsection (1), paragraph (j) of subsection (2),

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175 and paragraph (i) of subsection (7) of section 11.45, Florida  
176 Statutes, are amended to read:

177 11.45 Definitions; duties; authorities; reports; rules.—

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

179 (a) "Abuse" means behavior that is deficient or improper  
180 when compared with behavior that a prudent person would consider  
181 reasonable and necessary operational practice given the facts  
182 and circumstances. The term includes the misuse of authority or  
183 position for personal gain or for the benefit of another.

184 (b)-(a) "Audit" means a financial audit, operational audit,  
185 or performance audit.

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

194 (d)-(e) "Financial audit" means an examination of financial  
195 statements in order to express an opinion on the fairness with  
196 which they are presented in conformity with generally accepted  
197 accounting principles and an examination to determine whether  
198 operations are properly conducted in accordance with legal and  
199 regulatory requirements. Financial audits must be conducted in  
200 accordance with auditing standards generally accepted in the  
201 United States and government auditing standards as adopted by  
202 the Board of Accountancy. When applicable, the scope of  
203 financial audits shall encompass the additional activities

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204 necessary to establish compliance with the Single Audit Act  
205 Amendments of 1996, 31 U.S.C. ss. 7501-7507, and other  
206 applicable federal law.

207 (e) "Fraud" means obtaining of something of value through  
208 willful misrepresentation, including, but not limited to, the  
209 intentional misstatements or omissions of amounts or disclosures  
210 in financial statements to deceive users of financial  
211 statements, theft of an entity's assets, bribery, or the use of  
212 one's position for personal enrichment through the deliberate  
213 misuse or misapplication of an organization's resources.

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

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

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

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



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

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

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

259 (k)~~(i)~~ "Political subdivision" means a separate agency or  
260 unit of local government created or established by law and  
261 includes, but is not limited to, the following and the officers

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262 thereof: authority, board, branch, bureau, city, commission,  
263 consolidated government, county, department, district,  
264 institution, metropolitan government, municipality, office,  
265 officer, public corporation, town, or village.

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

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

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

278 (j) Conduct audits of local governmental entities when  
279 determined to be necessary by the Auditor General, when directed  
280 by the Legislative Auditing Committee, or when otherwise  
281 required by law. No later than 18 months after the release of  
282 the audit report, the Auditor General shall perform such  
283 appropriate followup procedures as he or she deems necessary to  
284 determine the audited entity's progress in addressing the  
285 findings and recommendations contained within the Auditor  
286 General's previous report. The Auditor General shall notify each  
287 member of the audited entity's governing body and the  
288 Legislative Auditing Committee of the results of his or her  
289 determination. For purposes of this paragraph, local  
290 governmental entities do not include water management districts.

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291  
292 The Auditor General shall perform his or her duties  
293 independently but under the general policies established by the  
294 Legislative Auditing Committee. This subsection does not limit  
295 the Auditor General's discretionary authority to conduct other  
296 audits or engagements of governmental entities as authorized in  
297 subsection (3).

298 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

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

309 Section 3. Paragraph (d) of subsection (2) of section  
310 28.35, Florida Statutes, is amended to read:

311 28.35 Florida Clerks of Court Operations Corporation.—

312 (2) The duties of the corporation shall include the  
313 following:

314 (d) Developing and certifying a uniform system of workload  
315 measures and applicable workload standards for court-related  
316 functions as developed by the corporation and clerk workload  
317 performance in meeting the workload performance standards. These  
318 workload measures and workload performance standards shall be  
319 designed to facilitate an objective determination of the

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320 performance of each clerk in accordance with minimum standards  
321 for fiscal management, operational efficiency, and effective  
322 collection of fines, fees, service charges, and court costs. The  
323 corporation shall develop the workload measures and workload  
324 performance standards in consultation with the Legislature. When  
325 the corporation finds a clerk has not met the workload  
326 performance standards, the corporation shall identify the nature  
327 of each deficiency and any corrective action recommended and  
328 taken by the affected clerk of the court. For quarterly periods  
329 ending on the last day of March, June, September, and December  
330 of each year, the corporation shall notify the Legislature of  
331 any clerk not meeting workload performance standards and provide  
332 a copy of any corrective action plans. Such notifications shall  
333 be submitted no later than 45 days after the end of the  
334 preceding quarterly period. As used in this subsection, the  
335 term:

336 1. "Workload measures" means the measurement of the  
337 activities and frequency of the work required for the clerk to  
338 adequately perform the court-related duties of the office as  
339 defined by the membership of the Florida Clerks of Court  
340 Operations Corporation.

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

347 Section 4. Present subsections (6) and (7) of section  
348 43.16, Florida Statutes, are redesignated as subsections (7) and

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349 (8), respectively, and a new subsection (6) is added to that  
 350 section, to read:

351 43.16 Justice Administrative Commission; membership, powers  
 352 and duties.—

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

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

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

361 (c) Support economic and efficient operations.

362 (d) Ensure reliability of records and reports.

363 (e) Safeguard assets.

364 Section 5. Section 112.31455, Florida Statutes, is amended  
 365 to read:

366 112.31455 Withholding of public salary-related payments  
 367 ~~Collection methods~~ for unpaid automatic fines for failure to  
 368 timely file disclosure of financial interests.—

369 (1) Before referring any unpaid fine accrued pursuant to s.  
 370 112.3144(5) or s. 112.3145(7) ~~s. 112.3145(6)~~ to the Department  
 371 of Financial Services, the commission shall attempt to determine  
 372 whether the individual owing such a fine is a current public  
 373 officer or current public employee. If so, the commission may  
 374 notify the Chief Financial Officer or the governing body of the  
 375 appropriate county, municipality, or special district of the  
 376 total amount of any fine owed to the commission by such  
 377 individual.

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378 (a) After receipt and verification of the notice from the  
379 commission, the Chief Financial Officer or the governing body of  
380 the county, municipality, or special district shall withhold the  
381 entire amount of any fine owed, and any administrative costs  
382 incurred, from the individual's next public salary-related  
383 payment. If the fine exceeds the amount of the next public  
384 salary-related payment, all public salary-related payments must  
385 be withheld until the fine and administrative costs are paid in  
386 full ~~begin withholding the lesser of 10 percent or the maximum~~  
387 ~~amount allowed under federal law from any salary-related~~  
388 ~~payment. The Chief Financial Officer or the governing body of~~  
389 ~~the county, municipality, or special district may retain an~~  
390 ~~amount of each withheld payment, as provided in s. 77.0305, to~~  
391 ~~cover the administrative costs incurred under this section. The~~  
392 ~~withheld payments shall be remitted to the commission until the~~  
393 ~~fine is satisfied.~~

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

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

406 ~~(2) If the commission determines that the individual who is~~

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

417 ~~(2)-(3)~~ The commission may refer unpaid fines to the  
418 appropriate collection agency, as directed by the Chief  
419 Financial Officer, to use ~~utilize~~ any collection methods  
420 provided by law. Except as expressly limited by this section,  
421 any other collection methods authorized by law are allowed.

422 ~~(3)-(4)~~ Action may be taken to collect any unpaid fine  
423 imposed by ss. 112.3144 and 112.3145 within 20 years after the  
424 date the final order is rendered.

425 Section 6. Section 112.31456, Florida Statutes, is created  
426 to read:

427 112.31456 Garnishment of wages for unpaid automatic fines  
428 for failure to timely file disclosure of financial interests.-

429 (1) Before referring any unpaid fine accrued pursuant to s.  
430 112.3144(5) or s. 112.3145(7) to the Department of Financial  
431 Services, the commission shall attempt to determine whether the  
432 individual owing such a fine is a current public officer or  
433 current public employee. If the commission determines that an  
434 individual who is the subject of an unpaid fine accrued pursuant  
435 to s. 112.3144(5) or s. 112.3145(7) is no longer a public

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436 officer or public employee or if the commission cannot determine  
 437 whether the individual is a current public officer or current  
 438 public employee, the commission may, 6 months after the order  
 439 becomes final, seek garnishment of any wages to satisfy the  
 440 amount of the fine, or any unpaid portion thereof, pursuant to  
 441 chapter 77. Upon recording the order imposing the fine with the  
 442 clerk of the circuit court, the order shall be deemed a judgment  
 443 for purposes of garnishment pursuant to chapter 77.

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

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

452 Section 7. Section 112.3261, Florida Statutes, is amended  
 453 to read:

454 112.3261 Lobbying before governmental entities ~~water~~  
 455 ~~management districts~~; registration and reporting.—

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

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



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465 (b) "Lobbies" means seeking, on behalf of another person,  
466 to influence a governmental entity ~~district~~ with respect to a  
467 decision of the entity ~~district~~ in an area of policy or  
468 procurement or an attempt to obtain the goodwill of an a  
469 ~~district~~ official or employee of a governmental entity. The term  
470 "lobbies" shall be interpreted and applied consistently with the  
471 rules of the commission implementing s. 112.3215.

472 (c) "Lobbyist" has the same meaning as provided in s.  
473 112.3215.

474 (d) "Principal" has the same meaning as provided in s.  
475 112.3215.

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

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

491 (b) The name and business address of each principal  
492 represented.

493 (c) The existence of any direct or indirect business

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494 association, partnership, or financial relationship with an  
495 official ~~any officer~~ or employee of a governmental entity  
496 ~~district~~ with which he or she lobbies or intends to lobby.

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

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

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

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

517 (6) A governmental entity ~~district~~ shall be diligent to  
518 ascertain whether persons required to register pursuant to this  
519 section have complied. A governmental entity ~~district~~ may not  
520 knowingly authorize a person who is not registered pursuant to  
521 this section to lobby the entity ~~district~~.

522 (7) Upon receipt of a sworn complaint alleging that a

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

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

536 Section 8. Paragraph (c) of subsection (3) of section  
537 129.03, Florida Statutes, is amended to read:

538 129.03 Preparation and adoption of budget.—

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

547 (c) The board shall hold public hearings to adopt tentative  
548 and final budgets pursuant to s. 200.065. The hearings shall be  
549 primarily for the purpose of hearing requests and complaints  
550 from the public regarding the budgets and the proposed tax  
551 levies and for explaining the budget and any proposed or adopted

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552 amendments. The tentative budget must be posted on the county's  
553 official website at least 2 days before the public hearing to  
554 consider such budget and must remain on the website for at least  
555 45 days. The final budget must be posted on the website within  
556 30 days after adoption and must remain on the website for at  
557 least 2 years. The tentative budgets, adopted tentative budgets,  
558 and final budgets shall be filed in the office of the county  
559 auditor as a public record. Sufficient reference in words and  
560 figures to identify the particular transactions shall be made in  
561 the minutes of the board to record its actions with reference to  
562 the budgets.

563 Section 9. Paragraph (f) of subsection (2) of section  
564 129.06, Florida Statutes, is amended to read:

565 129.06 Execution and amendment of budget.—

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

570 (f) Unless otherwise prohibited by law, if an amendment to  
571 a budget is required for a purpose not specifically authorized  
572 in paragraphs (a)-(e), the amendment may be authorized by  
573 resolution or ordinance of the board of county commissioners  
574 adopted following a public hearing.

575 1. The public hearing must be advertised at least 2 days,  
576 but not more than 5 days, before the date of the hearing. The  
577 advertisement must appear in a newspaper of paid general  
578 circulation and must identify the name of the taxing authority,  
579 the date, place, and time of the hearing, and the purpose of the  
580 hearing. The advertisement must also identify each budgetary

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581 fund to be amended, the source of the funds, the use of the  
582 funds, and the total amount of each fund's appropriations.

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

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

589 166.241 Fiscal years, budgets, and budget amendments.—

590 (3) The tentative budget must be posted on the  
591 municipality's official website at least 2 days before the  
592 budget hearing, held pursuant to s. 200.065 or other law, to  
593 consider such budget, and must remain on the website for at  
594 least 45 days. The final adopted budget must be posted on the  
595 municipality's official website within 30 days after adoption  
596 and must remain on the website for at least 2 years. If the  
597 municipality does not operate an official website, the  
598 municipality must, within a reasonable period of time as  
599 established by the county or counties in which the municipality  
600 is located, transmit the tentative budget and final budget to  
601 the manager or administrator of such county or counties who  
602 shall post the budgets on the county's website.

603 (5) If the governing body of a municipality amends the  
604 budget pursuant to paragraph (4)(c), the adopted amendment must  
605 be posted on the official website of the municipality within 5  
606 days after adoption and must remain on the website for at least  
607 2 years. If the municipality does not operate an official  
608 website, the municipality must, within a reasonable period of  
609 time as established by the county or counties in which the

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610 municipality is located, transmit the adopted amendment to the  
611 manager or administrator of such county or counties who shall  
612 post the adopted amendment on the county's website.

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

615 189.016 Reports; budgets; audits.—

616 (4) The tentative budget must be posted on the special  
617 district's official website at least 2 days before the budget  
618 hearing, held pursuant to s. 200.065 or other law, to consider  
619 such budget, and must remain on the website for at least 45  
620 days. The final adopted budget must be posted on the special  
621 district's official website within 30 days after adoption and  
622 must remain on the website for at least 2 years. If the special  
623 district does not operate an official website, the special  
624 district must, within a reasonable period of time as established  
625 by the local general-purpose government or governments in which  
626 the special district is located or the local governing authority  
627 to which the district is dependent, transmit the tentative  
628 budget or final budget to the manager or administrator of the  
629 local general-purpose government or the local governing  
630 authority. The manager or administrator shall post the tentative  
631 budget or final budget on the website of the local general-  
632 purpose government or governing authority. This subsection and  
633 subsection (3) do not apply to water management districts as  
634 defined in s. 373.019.

635 (7) If the governing body of a special district amends the  
636 budget pursuant to paragraph (6)(c), the adopted amendment must  
637 be posted on the official website of the special district within  
638 5 days after adoption and must remain on the website for at

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639 least 2 years. If the special district does not operate an  
640 official website, the special district must, within a reasonable  
641 period of time as established by the local general-purpose  
642 government or governments in which the special district is  
643 located or the local governing authority to which the district  
644 is dependent, transmit the adopted amendment to the manager or  
645 administrator of the local general-purpose government or  
646 governing authority. The manager or administrator shall post the  
647 adopted amendment on the website of the local general-purpose  
648 government or governing authority.

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

651 215.425 Extra compensation claims prohibited; bonuses;  
652 severance pay.—

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

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

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

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668 for repayment of the prohibited compensation.

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

673 (8) (a) A person who reports a violation of this section is  
674 eligible for a reward of at least \$500, or the lesser of 10  
675 percent of the funds recovered or \$10,000 per incident of a  
676 prohibited compensation payment recovered by the unit of  
677 government, depending upon the extent to which the person  
678 substantially contributed to the discovery, notification, and  
679 recovery of such prohibited payment.

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

690 (c) If it is determined that the person who reported a  
691 violation of this section was involved in the authorization,  
692 approval, or receipt of the prohibited compensation or is  
693 convicted of criminal conduct arising from his or her role in  
694 the authorization, approval, or receipt of the prohibited  
695 compensation, such person is not eligible for a reward, or for  
696 an award of a portion of the proceeds or payment of attorney



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697 fees and costs pursuant to s. 68.085.

698 (9) An employee who is discharged, demoted, suspended,  
699 threatened, harassed, or in any manner discriminated against in  
700 the terms and conditions of employment by his or her employer  
701 because of lawful acts done by the employee on behalf of the  
702 employee or others in furtherance of an action under this  
703 section, including investigation for initiation of, testimony  
704 for, or assistance in an action filed or to be filed under this  
705 section, has a cause of action under s. 112.3187.

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

710 (a) Recover state funds in accordance with ss. 68.082 and  
711 68.083.

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

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

720 Section 13. Section 215.86, Florida Statutes, is amended to  
721 read:

722 215.86 Management systems and controls.—Each state agency  
723 and the judicial branch as defined in s. 216.011 shall establish  
724 and maintain management systems and internal controls designed  
725 to:

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- 726 (1) Prevent and detect fraud, waste, and abuse. that
- 727 (2) Promote and encourage compliance with applicable laws,
- 728 rules, contracts, grant agreements, and best practices.†
- 729 (3) Support economic, efficient, and effective operations.†
- 730 (4) Ensure reliability of records and reports.†
- 731 (5) Safeguard and safeguarding of assets. Accounting

732 ~~systems and procedures shall be designed to fulfill the~~  
 733 ~~requirements of generally accepted accounting principles.~~

734 Section 14. Paragraph (a) of subsection (2) of section  
 735 215.97, Florida Statutes, is amended to read:

736 215.97 Florida Single Audit Act.—

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

738 (a) "Audit threshold" means the threshold amount used to  
 739 determine when a state single audit or project-specific audit of  
 740 a nonstate entity shall be conducted in accordance with this  
 741 section. Each nonstate entity that expends a total amount of  
 742 state financial assistance equal to or in excess of \$750,000  
 743 ~~\$500,000~~ in any fiscal year of such nonstate entity shall be  
 744 required to have a state single audit, or a project-specific  
 745 audit, for such fiscal year in accordance with the requirements  
 746 of this section. Periodically, ~~Every 2 years~~ the Auditor  
 747 General, after consulting with the Executive Office of the  
 748 Governor, the Department of Financial Services, and all state  
 749 awarding agencies, shall review the threshold amount for  
 750 requiring audits under this section and, if appropriate, may  
 751 recommend to the Legislature a statutory change to revise the  
 752 threshold amount in the annual report submitted pursuant to s.  
 753 11.45(7)(f) may adjust such threshold amount consistent with the  
 754 ~~purposes of this section.~~

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

757 215.985 Transparency in government spending.—

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

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

765 218.32 Annual financial reports; local governmental  
766 entities.—

767 (1)

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

780 (2) The department shall annually by December 1 file a  
781 verified report with the Governor, the Legislature, the Auditor  
782 General, and the Special District Accountability Program of the  
783 Department of Economic Opportunity showing the revenues, both

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784 locally derived and derived from intergovernmental transfers,  
785 and the expenditures of each local governmental entity, regional  
786 planning council, local government finance commission, and  
787 municipal power corporation that is required to submit an annual  
788 financial report. In preparing the verified report, the  
789 department may request additional information from the local  
790 governmental entity. The information requested must be provided  
791 to the department within 45 days of the request. If the local  
792 governmental entity does not comply with the request, the  
793 department shall notify the Legislative Auditing Committee,  
794 which may take action pursuant to s. 11.40(2). The report must  
795 include, but is not limited to:

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

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

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

807 218.33 Local governmental entities; establishment of  
808 uniform fiscal years and accounting practices and procedures.—

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

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

812 (b) Promote and encourage compliance with applicable laws,

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813 rules, contracts, grant agreements, and best practices.

814 (c) Support economic and efficient operations.

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

816 (e) Safeguard assets.

817 Section 18. Present subsections (8) through (12) of section  
818 218.39, Florida Statutes, are redesignated as subsections (9)  
819 through (13), respectively, and a new subsection (8) is added to  
820 that section, to read:

821 218.39 Annual financial audit reports.-

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

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

834 218.391 Auditor selection procedures.-

835 (2) The governing body of a ~~charter~~ county, municipality,  
836 special district, district school board, charter school, or  
837 charter technical career center shall establish an audit  
838 committee. For a county, the ~~Each noncharter county shall~~  
839 ~~establish an~~ audit committee ~~that~~, at a minimum, shall consist  
840 of each of the county officers elected pursuant to the county  
841 charter or s. 1(d), Art. VIII of the State Constitution, or a

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842 designee, and one member of the board of county commissioners or  
843 its designee. For a municipality or a special district, the  
844 audit committee shall consist of at least three members, who  
845 must be members of the governing body of the municipality or the  
846 special district, respectively. For a county, municipality, or  
847 special district, a member of the audit committee may not  
848 exercise financial management responsibilities for the county,  
849 municipality, or special district. The primary purpose of the  
850 audit committee is to assist the governing body in selecting an  
851 auditor to conduct the annual financial audit required in s.  
852 218.39; however, the audit committee may serve other audit  
853 oversight purposes as determined by the entity's governing body.  
854 The public may ~~shall~~ not be excluded from the proceedings under  
855 this section.

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

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

866 Section 20. Paragraph (b) of subsection (2) of section  
867 288.92, Florida Statutes, is amended to read:

868 288.92 Divisions of Enterprise Florida, Inc.—

869 (2)

870 (b)1. The following officers and board members are subject

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871 to ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and  
872 112.3143(2):

873 a. Officers and members of the board of directors of the  
874 divisions of Enterprise Florida, Inc.

875 b. Officers and members of the board of directors of  
876 subsidiaries of Enterprise Florida, Inc.

877 c. Officers and members of the board of directors of  
878 corporations created to carry out the missions of Enterprise  
879 Florida, Inc.

880 d. Officers and members of the board of directors of  
881 corporations with which a division is required by law to  
882 contract to carry out its missions.

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

888 ~~3.2.~~ For purposes of applying ss. 112.313(1)-(8), (10),  
889 (12), and (15); 112.3135; and 112.3143(2) to activities of the  
890 officers and members of the board of directors specified in  
891 subparagraph 1., those persons shall be considered public  
892 officers or employees and the corporation shall be considered  
893 their agency.

894 ~~4.3.~~ It is not a violation of s. 112.3143(2) or (4) for the  
895 officers or members of the board of directors of the Florida  
896 Tourism Industry Marketing Corporation to:

897 a. Vote on the 4-year marketing plan required under s.  
898 288.923 or vote on any individual component of or amendment to  
899 the plan.

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900           b. Participate in the establishment or calculation of  
901 payments related to the private match requirements of s.  
902 288.904(3). The officer or member must file an annual disclosure  
903 describing the nature of his or her interests or the interests  
904 of his or her principals, including corporate parents and  
905 subsidiaries of his or her principal, in the private match  
906 requirements. This annual disclosure requirement satisfies the  
907 disclosure requirement of s. 112.3143(4). This disclosure must  
908 be placed either on the Florida Tourism Industry Marketing  
909 Corporation's website or included in the minutes of each meeting  
910 of the Florida Tourism Industry Marketing Corporation's board of  
911 directors at which the private match requirements are discussed  
912 or voted upon.

913           Section 21. Paragraph (a) of subsection (3) of section  
914 288.9604, Florida Statutes, is amended to read:

915           288.9604 Creation of the authority.—

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

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

927           3. A director of the board of directors of the corporation  
928 may not represent another person or entity for compensation



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929 before the corporation for a period of 2 years following his or  
930 her service on the board of directors.

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

934 373.536 District budget and hearing thereon.—

935 (4) BUDGET CONTROLS; FINANCIAL INFORMATION.—

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

941 (5) TENTATIVE BUDGET CONTENTS AND SUBMISSION; REVIEW AND  
942 APPROVAL.—

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

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958 least 45 days.

959 (6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS PLAN;  
960 WATER RESOURCE DEVELOPMENT WORK PROGRAM.—

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

964 Section 23. Paragraph (j) of subsection (9) of section  
965 1002.33, Florida Statutes, is amended to read:

966 1002.33 Charter schools.—

967 (9) CHARTER SCHOOL REQUIREMENTS.—

968 (j) The governing body of the charter school shall be  
969 responsible for:

970 1. Establishing and maintaining internal controls designed  
971 to:

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

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

975 c. Support economic and efficient operations.

976 d. Ensure reliability of financial records and reports.

977 e. Safeguard assets.

978 ~~2.1.~~ Ensuring that the charter school has retained the  
979 services of a certified public accountant or auditor for the  
980 annual financial audit, pursuant to s. 1002.345(2), who shall  
981 submit the report to the governing body.

982 ~~3.2.~~ Reviewing and approving the audit report, including  
983 audit findings and recommendations for the financial recovery  
984 plan.

985 ~~4.a.3.a.~~ Performing the duties in s. 1002.345, including  
986 monitoring a corrective action plan.

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987 b. Monitoring a financial recovery plan in order to ensure  
988 compliance.

989 ~~5.4.~~ Participating in governance training approved by the  
990 department which must include government in the sunshine,  
991 conflicts of interest, ethics, and financial responsibility.

992 Section 24. Present subsections (6) through (10) of section  
993 1002.37, Florida Statutes, are redesignated as subsections (7)  
994 through (11), respectively, a new subsection (6) is added to  
995 that section, and present subsections (6) and (11) of that  
996 section are amended, to read:

997 1002.37 The Florida Virtual School.—

998 (6) The Florida Virtual School shall have an annual  
999 financial audit of its accounts and records completed by an  
1000 independent auditor who is a certified public accountant  
1001 licensed under chapter 473. The independent auditor shall  
1002 conduct the audit in accordance with rules adopted by the  
1003 Auditor General pursuant to s. 11.45 and, upon completion of the  
1004 audit, shall prepare an audit report in accordance with such  
1005 rules. The independent auditor shall submit the audit report to  
1006 the board of trustees and the Auditor General no later than 9  
1007 months after the end of the preceding fiscal year.

1008 ~~(7)-(6)~~ The board of trustees shall annually submit to the  
1009 Governor, the Legislature, the Commissioner of Education, and  
1010 the State Board of Education a complete and detailed report  
1011 setting forth:

1012 (a) The operations and accomplishments of the Florida  
1013 Virtual School within the state and those occurring outside the  
1014 state as Florida Virtual School Global.

1015 (b) The marketing and operational plan for the Florida

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1016 Virtual School and Florida Virtual School Global, including  
1017 recommendations regarding methods for improving the delivery of  
1018 education through the Internet and other distance learning  
1019 technology.

1020 (c) The assets and liabilities of the Florida Virtual  
1021 School and Florida Virtual School Global at the end of the  
1022 fiscal year.

1023 (d) A copy of the an annual financial audit report  
1024 completed pursuant to subsection (6), and a written statement of  
1025 the board of trustees describing corrective action to be taken  
1026 in response to each of the independent auditor's recommendations  
1027 included in the audit report. ~~of the accounts and records of the~~  
1028 ~~Florida Virtual School and Florida Virtual School Global,~~  
1029 ~~conducted by an independent certified public accountant and~~  
1030 ~~performed in accordance with rules adopted by the Auditor~~  
1031 ~~General.~~

1032 (e) Recommendations regarding the unit cost of providing  
1033 services to students through the Florida Virtual School and  
1034 Florida Virtual School Global. In order to most effectively  
1035 develop public policy regarding any future funding of the  
1036 Florida Virtual School, it is imperative that the cost of the  
1037 program is accurately identified. The identified cost of the  
1038 program must be based on reliable data.

1039 (f) Recommendations regarding an accountability mechanism  
1040 to assess the effectiveness of the services provided by the  
1041 Florida Virtual School and Florida Virtual School Global.

1042 ~~(11) The Auditor General shall conduct an operational audit~~  
1043 ~~of the Florida Virtual School, including Florida Virtual School~~  
1044 ~~Global. The scope of the audit shall include, but not be limited~~

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1045 ~~to, the administration of responsibilities relating to~~  
1046 ~~personnel; procurement and contracting; revenue production;~~  
1047 ~~school funds, including internal funds; student enrollment~~  
1048 ~~records; franchise agreements; information technology~~  
1049 ~~utilization, assets, and security; performance measures and~~  
1050 ~~standards; and accountability. The final report on the audit~~  
1051 ~~shall be submitted to the President of the Senate and the~~  
1052 ~~Speaker of the House of Representatives no later than January~~  
1053 ~~31, 2014.~~

1054 Section 25. Subsection (5) is added to section 1010.01,  
1055 Florida Statutes, to read:

1056 1010.01 Uniform records and accounts.—

1057 (5) Each school district, Florida College System  
1058 institution, and state university shall establish and maintain  
1059 internal controls designed to:

1060 (a) Prevent and detect fraud, waste, and abuse.

1061 (b) Promote and encourage compliance with applicable laws,  
1062 rules, contracts, grant agreements, and best practices.

1063 (c) Support economic and efficient operations.

1064 (d) Ensure reliability of financial records and reports.

1065 (e) Safeguard assets.

1066 Section 26. Subsection (2) of section 1010.30, Florida  
1067 Statutes, is amended to read:

1068 1010.30 Audits required.—

1069 (2) If a school district, Florida College System  
1070 institution, or university audit report includes a  
1071 recommendation that was previously included in the preceding  
1072 financial audit report, an audit contains a significant finding,  
1073 the district school board, the Florida College System

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1074 institution board of trustees, or the university board of  
 1075 trustees, within 60 days after the delivery of the audit report  
 1076 to the school district, Florida College System institution, or  
 1077 university and shall conduct an audit overview during a  
 1078 regularly scheduled public meeting, shall indicate its intent  
 1079 regarding corrective action, the corrective action to be taken,  
 1080 and when the corrective action will occur. If the district  
 1081 school board, Florida College System institution board of  
 1082 trustees, or university board of trustees does not intend to  
 1083 take corrective action, it shall explain why such action will  
 1084 not be taken at the regularly scheduled public meeting.

1085 Section 27. Subsection (2) of section 68.082, Florida  
 1086 Statutes, is amended to read:

1087 68.082 False claims against the state; definitions;  
 1088 liability.-

1089 (2) Any person who:

1090 (a) Knowingly presents or causes to be presented a false or  
 1091 fraudulent claim for payment or approval;

1092 (b) Knowingly authorizes, approves, or receives payment of  
 1093 prohibited compensation in violation of s. 215.425;

1094 (c)~~(b)~~ Knowingly makes, uses, or causes to be made or used  
 1095 a false record or statement material to a false or fraudulent  
 1096 claim;

1097 (d)~~(e)~~ Conspires to commit a violation of this subsection;

1098 (e)~~(d)~~ Has possession, custody, or control of property or  
 1099 money used or to be used by the state and knowingly delivers or  
 1100 causes to be delivered less than all of that money or property;

1101 (f)~~(e)~~ Is authorized to make or deliver a document  
 1102 certifying receipt of property used or to be used by the state

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1103 and, intending to defraud the state, makes or delivers the  
1104 receipt without knowing that the information on the receipt is  
1105 true;

1106 (g)~~(f)~~ Knowingly buys or receives, as a pledge of an  
1107 obligation or a debt, public property from an officer or  
1108 employee of the state who may not sell or pledge the property;  
1109 or

1110 (h)~~(g)~~ Knowingly makes, uses, or causes to be made or used  
1111 a false record or statement material to an obligation to pay or  
1112 transmit money or property to the state, or knowingly conceals  
1113 or knowingly and improperly avoids or decreases an obligation to  
1114 pay or transmit money or property to the state

1115  
1116 is liable to the state for a civil penalty of not less than  
1117 \$5,500 and not more than \$11,000 and for treble the amount of  
1118 damages the state sustains because of the act of that person.

1119 Section 28. Subsection (1) of section 68.083, Florida  
1120 Statutes, is amended to read:

1121 68.083 Civil actions for false claims.—

1122 (1) The department may diligently investigate a violation  
1123 under s. 68.082. If the department finds that a person has  
1124 violated or is violating s. 68.082, the department may bring a  
1125 civil action under the Florida False Claims Act against the  
1126 person. The Department of Financial Services may bring a civil  
1127 action under this section if the action arises from an  
1128 investigation by that department and the Department of Legal  
1129 Affairs has not filed an action under this act. For a violation  
1130 of s. 68.082 regarding prohibited compensation paid from state  
1131 funds, the Department of Financial Services may bring a civil

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1132 action under this section if the action arises from an  
1133 investigation by that department concerning a violation of s.  
1134 215.425 by the state and the Department of Legal Affairs has not  
1135 filed an action under this act.

1136 Section 29. Subsection (3) of section 218.503, Florida  
1137 Statutes, is amended to read:

1138 218.503 Determination of financial emergency.—

1139 (3) Upon notification that one or more of the conditions in  
1140 subsection (1) have occurred or will occur if action is not  
1141 taken to assist the local governmental entity or district school  
1142 board, the Governor or his or her designee shall contact the  
1143 local governmental entity or the Commissioner of Education or  
1144 his or her designee shall contact the district school board to  
1145 determine what actions have been taken by the local governmental  
1146 entity or the district school board to resolve or prevent the  
1147 condition. The information requested must be provided within 45  
1148 days after the date of the request. If the local governmental  
1149 entity or the district school board does not comply with the  
1150 request, the Governor or his or her designee or the Commissioner  
1151 of Education or his or her designee shall notify ~~the members of~~  
1152 the Legislative Auditing Committee, which ~~who~~ may take action  
1153 pursuant to s. 11.40(2) ~~s. 11.40~~. The Governor or the  
1154 Commissioner of Education, as appropriate, shall determine  
1155 whether the local governmental entity or the district school  
1156 board needs state assistance to resolve or prevent the  
1157 condition. If state assistance is needed, the local governmental  
1158 entity or district school board is considered to be in a state  
1159 of financial emergency. The Governor or the Commissioner of  
1160 Education, as appropriate, has the authority to implement



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1161 measures as set forth in ss. 218.50-218.504 to assist the local  
1162 governmental entity or district school board in resolving the  
1163 financial emergency. Such measures may include, but are not  
1164 limited to:

1165 (a) Requiring approval of the local governmental entity's  
1166 budget by the Governor or approval of the district school  
1167 board's budget by the Commissioner of Education.

1168 (b) Authorizing a state loan to a local governmental entity  
1169 and providing for repayment of same.

1170 (c) Prohibiting a local governmental entity or district  
1171 school board from issuing bonds, notes, certificates of  
1172 indebtedness, or any other form of debt until such time as it is  
1173 no longer subject to this section.

1174 (d) Making such inspections and reviews of records,  
1175 information, reports, and assets of the local governmental  
1176 entity or district school board as are needed. The appropriate  
1177 local officials shall cooperate in such inspections and reviews.

1178 (e) Consulting with officials and auditors of the local  
1179 governmental entity or the district school board and the  
1180 appropriate state officials regarding any steps necessary to  
1181 bring the books of account, accounting systems, financial  
1182 procedures, and reports into compliance with state requirements.

1183 (f) Providing technical assistance to the local  
1184 governmental entity or the district school board.

1185 (g)1. Establishing a financial emergency board to oversee  
1186 the activities of the local governmental entity or the district  
1187 school board. If a financial emergency board is established for  
1188 a local governmental entity, the Governor shall appoint board  
1189 members and select a chair. If a financial emergency board is

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1190 established for a district school board, the State Board of  
1191 Education shall appoint board members and select a chair. The  
1192 financial emergency board shall adopt such rules as are  
1193 necessary for conducting board business. The board may:

1194 a. Make such reviews of records, reports, and assets of the  
1195 local governmental entity or the district school board as are  
1196 needed.

1197 b. Consult with officials and auditors of the local  
1198 governmental entity or the district school board and the  
1199 appropriate state officials regarding any steps necessary to  
1200 bring the books of account, accounting systems, financial  
1201 procedures, and reports of the local governmental entity or the  
1202 district school board into compliance with state requirements.

1203 c. Review the operations, management, efficiency,  
1204 productivity, and financing of functions and operations of the  
1205 local governmental entity or the district school board.

1206 d. Consult with other governmental entities for the  
1207 consolidation of all administrative direction and support  
1208 services, including, but not limited to, services for asset  
1209 sales, economic and community development, building inspections,  
1210 parks and recreation, facilities management, engineering and  
1211 construction, insurance coverage, risk management, planning and  
1212 zoning, information systems, fleet management, and purchasing.

1213 2. The recommendations and reports made by the financial  
1214 emergency board must be submitted to the Governor for local  
1215 governmental entities or to the Commissioner of Education and  
1216 the State Board of Education for district school boards for  
1217 appropriate action.

1218 (h) Requiring and approving a plan, to be prepared by

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1219 officials of the local governmental entity or the district  
1220 school board in consultation with the appropriate state  
1221 officials, prescribing actions that will cause the local  
1222 governmental entity or district school board to no longer be  
1223 subject to this section. The plan must include, but need not be  
1224 limited to:

1225 1. Provision for payment in full of obligations outlined in  
1226 subsection (1), designated as priority items, which are  
1227 currently due or will come due.

1228 2. Establishment of priority budgeting or zero-based  
1229 budgeting in order to eliminate items that are not affordable.

1230 3. The prohibition of a level of operations which can be  
1231 sustained only with nonrecurring revenues.

1232 4. Provisions implementing the consolidation, sourcing, or  
1233 discontinuance of all administrative direction and support  
1234 services, including, but not limited to, services for asset  
1235 sales, economic and community development, building inspections,  
1236 parks and recreation, facilities management, engineering and  
1237 construction, insurance coverage, risk management, planning and  
1238 zoning, information systems, fleet management, and purchasing.

1239 Section 30. The Legislature finds that a proper and  
1240 legitimate state purpose is served when internal controls are  
1241 established to prevent and detect fraud, waste, and abuse and to  
1242 safeguard and account for government funds and property.  
1243 Therefore, the Legislature determines and declares that this act  
1244 fulfills an important state interest.

1245 Section 31. This act shall take effect July 1, 2015.