

By the Committee on Ethics and Elections; and 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 the term "local
11 governmental entity"; excluding water management
12 districts from certain audit requirements; removing a
13 cross-reference; authorizing the Auditor General to
14 conduct audits of tourist development councils and
15 county tourism promotion agencies; revising reporting
16 requirements applicable to the Auditor General;
17 amending s. 28.35, F.S.; revising reporting
18 requirements applicable to the Florida Clerks of Court
19 Operations Corporation; amending s. 43.16, F.S.;
20 revising the responsibilities of the Justice
21 Administrative Commission, each state attorney, each
22 public defender, a criminal conflict and civil
23 regional counsel, a capital collateral regional
24 counsel, and the Guardian Ad Litem Program, to include
25 the establishment and maintenance of certain internal
26 controls; amending s. 112.31455, F.S.; authorizing the
27 Chief Financial Officer or a governing body to
28 withhold an amount of a fine owed and related
29 administrative costs from public salary-related

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30 payments of certain individuals; authorizing the Chief
31 Financial Officer or a governing body to reduce the
32 amount withheld if certain individuals demonstrate a
33 hardship; transferring a provision relating to the
34 garnishment of wages of specified individuals;
35 creating s. 112.31456, F.S.; authorizing the
36 Commission on Ethics to seek wage garnishment of
37 certain individuals to satisfy unpaid fines;
38 authorizing the commission to refer unpaid fines to a
39 collection agency; establishing a statute of
40 limitations with respect to the collection of an
41 unpaid fine; amending s. 112.3261, F.S.; revising
42 terms to conform to changes made by the act; expanding
43 the types of governmental entities that are subject to
44 lobbyist registration requirements; amending ss.
45 129.03, 129.06, 166.241, and 189.016, F.S.; requiring
46 counties, municipalities, and special districts to
47 maintain certain budget documents on the entities'
48 websites for a specified period; amending s. 215.425,
49 F.S.; defining the term "public funds"; requiring a
50 unit of government to investigate and take necessary
51 action to recover prohibited compensation; specifying
52 methods of recovery and liability for unintentional
53 and willful violations; providing a penalty;
54 specifying applicability of procedures regarding
55 suspension and removal of an officer who commits a
56 willful violation; establishing eligibility criteria
57 and amounts for rewards; specifying circumstances
58 under which an employee has a cause of action under

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59 the Whistle-blower's Act; establishing causes of
60 action if a unit of government fails to recover
61 prohibited compensation within a certain timeframe;
62 amending s. 215.86, F.S.; revising management systems
63 and controls to be employed by each state agency and
64 the judicial branch; amending s. 215.97, F.S.;;
65 revising the definition of the term "audit threshold";
66 amending s. 215.985, F.S.; revising the requirements
67 for a monthly financial statement provided by a water
68 management district; amending s. 218.32, F.S.;;
69 revising the requirements of the annual financial
70 audit report of a local governmental entity;
71 authorizing the Department of Financial Services to
72 request additional information from a local
73 governmental entity; requiring a local governmental
74 entity to respond to such requests within a specified
75 timeframe; requiring the department to notify the
76 Legislative Auditing Committee of noncompliance;
77 amending s. 218.33, F.S.; requiring local governmental
78 entities to establish and maintain internal controls;
79 amending s. 218.39, F.S.; requiring an audited entity
80 to respond to audit recommendations under specified
81 circumstances; amending s. 218.391, F.S.; revising the
82 composition of an audit committee; prohibiting an
83 audit committee member from exercising financial
84 management duties on behalf of the governmental
85 entity; restricting the length of a contract period;
86 requiring the chair of an audit committee to sign and
87 execute an affidavit affirming compliance with auditor

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88 selection procedures; prescribing procedures in the
89 event of noncompliance with auditor selection
90 procedures; amending s. 288.92, F.S.; prohibiting
91 specified officers and board members of Enterprise
92 Florida, Inc., from representing a person or entity
93 for compensation before Enterprise Florida, Inc., and
94 associated entities thereof, for a specified
95 timeframe; amending s. 288.9604, F.S.; prohibiting a
96 director of the board of directors of the Florida
97 Development Finance Corporation from representing a
98 person or entity for compensation before the
99 corporation for a specified timeframe; amending s.
100 373.536, F.S.; deleting obsolete language; requiring
101 water management districts to maintain certain budget
102 documents on the districts' websites for a specified
103 period; amending s. 1002.33, F.S.; revising the
104 responsibilities of the governing board of a charter
105 school to include the establishment and maintenance of
106 internal controls; amending s. 1002.37, F.S.;
107 requiring completion of an annual financial audit of
108 the Florida Virtual School; specifying audit
109 requirements; requiring an audit report to be
110 submitted to the board of trustees of the Florida
111 Virtual School and the Auditor General; removing an
112 obsolete provision; amending s. 1010.01, F.S.;
113 requiring each school district, Florida College System
114 institution, and state university to establish and
115 maintain certain internal controls; amending s.
116 1010.30, F.S.; requiring a district school board,

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117 Florida College System institution board of trustees,
118 or university board of trustees to respond to audit
119 recommendations under certain circumstances; amending
120 ss. 68.082, 68.083, 218.503, and 1002.455, F.S.;
121 conforming provisions and cross-references to changes
122 made by the act; declaring that the act fulfills an
123 important state interest; providing an effective date.
124

125 Be It Enacted by the Legislature of the State of Florida:
126

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

129 11.40 Legislative Auditing Committee.—

130 (2) Following notification by the Auditor General, the
131 Department of Financial Services, ~~or~~ the Division of Bond
132 Finance of the State Board of Administration, the Governor or
133 his or her designee, or the Commissioner of Education or his or
134 her designee of the failure of a local governmental entity,
135 district school board, charter school, or charter technical
136 career center to comply with the applicable provisions within s.
137 11.45(5)-(7), s. 218.32(1), s. 218.38, or s. 218.503(3), the
138 Legislative Auditing Committee may schedule a hearing to
139 determine if the entity should be subject to further state
140 action. If the committee determines that the entity should be
141 subject to further state action, the committee shall:

142 (a) In the case of a local governmental entity or district
143 school board, direct the Department of Revenue and the
144 Department of Financial Services to withhold any funds not
145 pledged for bond debt service satisfaction which are payable to

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146 such entity until the entity complies with the law. The
147 committee shall specify the date such action shall begin, and
148 the directive must be received by the Department of Revenue and
149 the Department of Financial Services 30 days before the date of
150 the distribution mandated by law. The Department of Revenue and
151 the Department of Financial Services may implement the
152 provisions of this paragraph.

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

154 1. A special act, notify the President of the Senate, the
155 Speaker of the House of Representatives, the standing committees
156 of the Senate and the House of Representatives charged with
157 special district oversight as determined by the presiding
158 officers of each respective chamber, the legislators who
159 represent a portion of the geographical jurisdiction of the
160 special district pursuant to s. 189.034(2), and the Department
161 of Economic Opportunity that the special district has failed to
162 comply with the law. Upon receipt of notification, the
163 Department of Economic Opportunity shall proceed pursuant to s.
164 189.062 or s. 189.067. If the special district remains in
165 noncompliance after the process set forth in s. 189.034(3), or
166 if a public hearing is not held, the Legislative Auditing
167 Committee may request the department to proceed pursuant to s.
168 189.067(3).

169 2. A local ordinance, notify the chair or equivalent of the
170 local general-purpose government pursuant to s. 189.035(2) and
171 the Department of Economic Opportunity that the special district
172 has failed to comply with the law. Upon receipt of notification,
173 the department shall proceed pursuant to s. 189.062 or s.
174 189.067. If the special district remains in noncompliance after

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175 the process set forth in s. 189.034(3), or if a public hearing
176 is not held, the Legislative Auditing Committee may request the
177 department to proceed pursuant to s. 189.067(3).

178 3. Any manner other than a special act or local ordinance,
179 notify the Department of Economic Opportunity that the special
180 district has failed to comply with the law. Upon receipt of
181 notification, the department shall proceed pursuant to s.
182 189.062 or s. 189.067(3).

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

186 Section 2. Subsection (1), paragraph (j) of subsection (2),
187 paragraph (v) of subsection (3), and paragraph (i) of subsection
188 (7) of section 11.45, Florida Statutes, are amended, and
189 paragraph (y) is added to subsection (3) of that section, to
190 read:

191 11.45 Definitions; duties; authorities; reports; rules.—

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

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

198 (b)~~(a)~~ "Audit" means a financial audit, operational audit,
199 or performance audit.

200 (c)~~(b)~~ "County agency" means a board of county
201 commissioners or other legislative and governing body of a
202 county, however styled, including that of a consolidated or
203 metropolitan government, a clerk of the circuit court, a

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204 separate or ex officio clerk of the county court, a sheriff, a
205 property appraiser, a tax collector, a supervisor of elections,
206 or any other officer in whom any portion of the fiscal duties of
207 the above are under law separately placed.

208 (d)~~(e)~~ "Financial audit" means an examination of financial
209 statements in order to express an opinion on the fairness with
210 which they are presented in conformity with generally accepted
211 accounting principles and an examination to determine whether
212 operations are properly conducted in accordance with legal and
213 regulatory requirements. Financial audits must be conducted in
214 accordance with auditing standards generally accepted in the
215 United States and government auditing standards as adopted by
216 the Board of Accountancy. When applicable, the scope of
217 financial audits shall encompass the additional activities
218 necessary to establish compliance with the Single Audit Act
219 Amendments of 1996, 31 U.S.C. ss. 7501-7507, and other
220 applicable federal law.

221 (e) "Fraud" means obtaining something of value through
222 willful misrepresentation, including, but not limited to, the
223 intentional misstatements or omissions of amounts or disclosures
224 in financial statements to deceive users of financial
225 statements, theft of an entity's assets, bribery, or the use of
226 one's position for personal enrichment through the deliberate
227 misuse or misapplication of an organization's resources.

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

231 (g)~~(e)~~ "Local governmental entity" means a county agency,
232 municipality, tourist development council, county tourism

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233 promotion agency, or special district as defined in s. 189.012.
234 The term, ~~but~~ does not include any housing authority established
235 under chapter 421.

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

238 (i)~~(g)~~ "Operational audit" means an audit whose purpose is
239 to evaluate management's performance in establishing and
240 maintaining internal controls, including controls designed to
241 prevent and detect fraud, waste, and abuse, and in administering
242 assigned responsibilities in accordance with applicable laws,
243 administrative rules, contracts, grant agreements, and other
244 guidelines. Operational audits must be conducted in accordance
245 with government auditing standards. Such audits examine internal
246 controls that are designed and placed in operation to promote
247 and encourage the achievement of management's control objectives
248 in the categories of compliance, economic and efficient
249 operations, reliability of financial records and reports, and
250 safeguarding of assets, and identify weaknesses in those
251 internal controls.

252 (j)~~(h)~~ "Performance audit" means an examination of a
253 program, activity, or function of a governmental entity,
254 conducted in accordance with applicable government auditing
255 standards or auditing and evaluation standards of other
256 appropriate authoritative bodies. The term includes an
257 examination of issues related to:

- 258 1. Economy, efficiency, or effectiveness of the program.
- 259 2. Structure or design of the program to accomplish its
260 goals and objectives.
- 261 3. Adequacy of the program to meet the needs identified by

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262 the Legislature or governing body.

263 4. Alternative methods of providing program services or
264 products.

265 5. Goals, objectives, and performance measures used by the
266 agency to monitor and report program accomplishments.

267 6. The accuracy or adequacy of public documents, reports,
268 or requests prepared under the program by state agencies.

269 7. Compliance of the program with appropriate policies,
270 rules, or laws.

271 8. Any other issues related to governmental entities as
272 directed by the Legislative Auditing Committee.

273 (k)~~(i)~~ "Political subdivision" means a separate agency or
274 unit of local government created or established by law and
275 includes, but is not limited to, the following and the officers
276 thereof: authority, board, branch, bureau, city, commission,
277 consolidated government, county, department, district,
278 institution, metropolitan government, municipality, office,
279 officer, public corporation, town, or village.

280 (l)~~(j)~~ "State agency" means a separate agency or unit of
281 state government created or established by law and includes, but
282 is not limited to, the following and the officers thereof:
283 authority, board, branch, bureau, commission, department,
284 division, institution, office, officer, or public corporation,
285 as the case may be, except any such agency or unit within the
286 legislative branch of state government other than the Florida
287 Public Service Commission.

288 (m) "Waste" means the act of using or expending resources
289 unreasonably, carelessly, extravagantly, or for no useful
290 purpose.

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291 (2) DUTIES.—The Auditor General shall:
292 (j) Conduct audits of local governmental entities when
293 determined to be necessary by the Auditor General, when directed
294 by the Legislative Auditing Committee, or when otherwise
295 required by law. No later than 18 months after the release of
296 the audit report, the Auditor General shall perform such
297 appropriate followup procedures as he or she deems necessary to
298 determine the audited entity's progress in addressing the
299 findings and recommendations contained within the Auditor
300 General's previous report. The Auditor General shall notify each
301 member of the audited entity's governing body and the
302 Legislative Auditing Committee of the results of his or her
303 determination. For purposes of this paragraph, local
304 governmental entities do not include water management districts.
305

306 The Auditor General shall perform his or her duties
307 independently but under the general policies established by the
308 Legislative Auditing Committee. This subsection does not limit
309 the Auditor General's discretionary authority to conduct other
310 audits or engagements of governmental entities as authorized in
311 subsection (3).

312 (3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.—The Auditor
313 General may, pursuant to his or her own authority, or at the
314 direction of the Legislative Auditing Committee, conduct audits
315 or other engagements as determined appropriate by the Auditor
316 General of:

317 (v) The Florida Virtual School ~~pursuant to s. 1002.37.~~

318 (y) Tourist development councils and county tourism
319 promotion agencies.

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320 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

321 (i) The Auditor General shall annually transmit by July 15,
322 to the President of the Senate, the Speaker of the House of
323 Representatives, and the Department of Financial Services, a
324 list of all school districts, charter schools, charter technical
325 career centers, Florida College System institutions, state
326 universities, and local governmental entities ~~water management~~
327 ~~districts~~ that have failed to comply with the transparency
328 requirements as identified in the audit reports reviewed
329 pursuant to paragraph (b) and those conducted pursuant to
330 subsection (2).

331 Section 3. Paragraph (d) of subsection (2) of section
332 28.35, Florida Statutes, is amended to read:

333 28.35 Florida Clerks of Court Operations Corporation.—

334 (2) The duties of the corporation shall include the
335 following:

336 (d) Developing and certifying a uniform system of workload
337 measures and applicable workload standards for court-related
338 functions as developed by the corporation and clerk workload
339 performance in meeting the workload performance standards. These
340 workload measures and workload performance standards shall be
341 designed to facilitate an objective determination of the
342 performance of each clerk in accordance with minimum standards
343 for fiscal management, operational efficiency, and effective
344 collection of fines, fees, service charges, and court costs. The
345 corporation shall develop the workload measures and workload
346 performance standards in consultation with the Legislature. When
347 the corporation finds a clerk has not met the workload
348 performance standards, the corporation shall identify the nature

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349 of each deficiency and any corrective action recommended and
350 taken by the affected clerk of the court. For quarterly periods
351 ending on the last day of March, June, September, and December
352 of each year, the corporation shall notify the Legislature of
353 any clerk not meeting workload performance standards and provide
354 a copy of any corrective action plans. Such notifications shall
355 be submitted no later than 45 days after the end of the
356 preceding quarterly period. As used in this subsection, the
357 term:

358 1. "Workload measures" means the measurement of the
359 activities and frequency of the work required for the clerk to
360 adequately perform the court-related duties of the office as
361 defined by the membership of the Florida Clerks of Court
362 Operations Corporation.

363 2. "Workload performance standards" means the standards
364 developed to measure the timeliness and effectiveness of the
365 activities that are accomplished by the clerk in the performance
366 of the court-related duties of the office as defined by the
367 membership of the Florida Clerks of Court Operations
368 Corporation.

369 Section 4. Present subsections (6) and (7) of section
370 43.16, Florida Statutes, are redesignated as subsections (7) and
371 (8), respectively, and a new subsection (6) is added to that
372 section, to read:

373 43.16 Justice Administrative Commission; membership, powers
374 and duties.—

375 (6) The commission, each state attorney, each public
376 defender, the criminal conflict and civil regional counsel, the
377 capital collateral regional counsel, and the Guardian Ad Litem

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378 Program shall establish and maintain internal controls designed
379 to:

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

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

383 (c) Support economical and efficient operations.

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

385 (e) Safeguard assets.

386 Section 5. Section 112.31455, Florida Statutes, is amended
387 to read:

388 112.31455 Withholding of public salary-related payments
389 ~~Collection methods~~ for unpaid automatic fines for failure to
390 timely file disclosure of financial interests.—

391 (1) Before referring any unpaid fine accrued pursuant to s.
392 112.3144(5) or s. 112.3145(7) ~~s. 112.3145(6)~~ to the Department
393 of Financial Services, the commission shall attempt to determine
394 whether the individual owing such a fine is a current public
395 officer or current public employee. If so, the commission may
396 notify the Chief Financial Officer or the governing body of the
397 appropriate county, municipality, or special district of the
398 total amount of any fine owed to the commission by such
399 individual.

400 (a) After receipt and verification of the notice from the
401 commission, the Chief Financial Officer or the governing body of
402 the county, municipality, or special district shall withhold 25
403 percent of the entire amount of any fine owed, and any
404 administrative costs incurred, from the individual's next public
405 salary-related payment. The same percentage of each successive
406 public salary-related payment must be withheld until the fine

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407 ~~and administrative costs are paid in full~~ begin withholding the
408 ~~lesser of 10 percent or the maximum amount allowed under federal~~
409 ~~law from any salary-related payment.~~ The Chief Financial Officer
410 or the governing body of the county, municipality, or special
411 district may retain an amount of each withheld payment, as
412 provided in s. 77.0305, to cover the administrative costs
413 incurred under this section. The withheld payments shall be
414 remitted to the commission until the fine is satisfied.

415 (b) If a current public officer or current public employee
416 demonstrates to the Chief Financial Officer or the governing
417 body responsible for paying him or her that the public salary is
418 his or her primary source of income and that withholding 25
419 percent of the entire amount of any fine owed from a public
420 salary-related payment would present an undue hardship, the
421 withheld amount may be reduced but must be at least 10 percent
422 of the public salary-related payment ~~The Chief Financial Officer~~
423 ~~or the governing body of the county, municipality, or special~~
424 ~~district may retain an amount of each withheld payment, as~~
425 ~~provided in s. 77.0305, to cover the administrative costs~~
426 ~~incurred under this section.~~

427 (2) ~~If the commission determines that the individual who is~~
428 ~~the subject of an unpaid fine accrued pursuant to s. 112.3144(5)~~
429 ~~or s. 112.3145(6) is no longer a public officer or public~~
430 ~~employee or if the commission is unable to determine whether the~~
431 ~~individual is a current public officer or public employee, the~~
432 ~~commission may, 6 months after the order becomes final, seek~~
433 ~~garnishment of any wages to satisfy the amount of the fine, or~~
434 ~~any unpaid portion thereof, pursuant to chapter 77. Upon~~
435 ~~recording the order imposing the fine with the clerk of the~~

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

438 ~~(2)(3)~~ The commission may refer unpaid fines to the
439 appropriate collection agency, as directed by the Chief
440 Financial Officer, to use ~~utilize~~ any collection methods
441 provided by law. Except as expressly limited by this section,
442 any other collection methods authorized by law are allowed.

443 ~~(3)(4)~~ Action may be taken to collect any unpaid fine
444 imposed by ss. 112.3144 and 112.3145 within 20 years after the
445 date the final order is rendered.

446 Section 6. Section 112.31456, Florida Statutes, is created
447 to read:

448 112.31456 Garnishment of wages for unpaid automatic fines
449 for failure to timely file disclosure of financial interests.-

450 (1) Before referring any unpaid fine accrued pursuant to s.
451 112.3144(5) or s. 112.3145(7) to the Department of Financial
452 Services, the commission shall attempt to determine whether the
453 individual owing such a fine is a current public officer or
454 current public employee. If the commission determines that an
455 individual who is the subject of an unpaid fine accrued pursuant
456 to s. 112.3144(5) or s. 112.3145(7) is no longer a public
457 officer or public employee or if the commission cannot determine
458 whether the individual is a current public officer or current
459 public employee, the commission may, 6 months after the order
460 becomes final, seek garnishment of any wages to satisfy the
461 amount of the fine, or any unpaid portion thereof, pursuant to
462 chapter 77. Upon recording the order imposing the fine with the
463 clerk of the circuit court, the order shall be deemed a judgment
464 for purposes of garnishment pursuant to chapter 77.

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465 (2) The commission may refer unpaid fines to the
466 appropriate collection agency, as directed by the Chief
467 Financial Officer, to use any collection methods provided by
468 law. Except as expressly limited by this section, any other
469 collection method authorized by law is allowed.

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

473 Section 7. Section 112.3261, Florida Statutes, is amended
474 to read:

475 112.3261 Lobbying before governmental entities ~~water~~
476 ~~management districts~~; registration and reporting.—

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

478 (a) "Governmental entity" or "entity" ~~"District"~~ means a
479 water management district created in s. 373.069 and operating
480 under the authority of chapter 373, a hospital district, a
481 children's services district, an expressway authority as the
482 term "authority" as defined in s. 348.0002, the term "port
483 authority" as defined in s. 315.02, or an independent special
484 district with annual revenues of more than \$5 million which
485 exercises ad valorem taxing authority.

486 (b) "Lobbies" means seeking, on behalf of another person,
487 to influence a governmental entity ~~district~~ with respect to a
488 decision of the entity ~~district~~ in an area of policy or
489 procurement or an attempt to obtain the goodwill of an a
490 ~~district~~ official or employee of a governmental entity. The term
491 ~~"lobbies"~~ shall be interpreted and applied consistently with the
492 rules of the commission implementing s. 112.3215.

493 (c) "Lobbyist" has the same meaning as provided in s.

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494 112.3215.

495 (d) "Principal" has the same meaning as provided in s.
496 112.3215.

497 (2) A person may not lobby a governmental entity ~~district~~
498 until such person has registered as a lobbyist with that entity
499 ~~district~~. Such registration shall be due upon initially being
500 retained to lobby and is renewable on a calendar-year basis
501 thereafter. Upon registration, the person shall provide a
502 statement signed by the principal or principal's representative
503 stating that the registrant is authorized to represent the
504 principal. The principal shall also identify and designate its
505 main business on the statement authorizing that lobbyist
506 pursuant to a classification system approved by the governmental
507 entity ~~district~~. Any changes to the information required by this
508 section must be disclosed within 15 days by filing a new
509 registration form. The registration form shall require each
510 lobbyist to disclose, under oath, the following:

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

512 (b) The name and business address of each principal
513 represented.

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

518 (d) In lieu of creating its own lobbyist registration
519 forms, a governmental entity ~~district~~ may accept a completed
520 legislative branch or executive branch lobbyist registration
521 form.

522 (3) A governmental entity ~~district~~ shall make lobbyist

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523 registrations available to the public. If a governmental entity
524 ~~district~~ maintains a website, a database of currently registered
525 lobbyists and principals must be available on the entity's
526 ~~district's~~ website.

527 (4) A lobbyist shall promptly send a written statement to
528 the governmental entity ~~district~~ canceling the registration for
529 a principal upon termination of the lobbyist's representation of
530 that principal. A governmental entity ~~district~~ may remove the
531 name of a lobbyist from the list of registered lobbyists if the
532 principal notifies the entity ~~district~~ that a person is no
533 longer authorized to represent that principal.

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

538 (6) A governmental entity ~~district~~ shall be diligent to
539 ascertain whether persons required to register pursuant to this
540 section have complied. A governmental entity ~~district~~ may not
541 knowingly authorize a person who is not registered pursuant to
542 this section to lobby the entity ~~district~~.

543 (7) Upon receipt of a sworn complaint alleging that a
544 lobbyist or principal has failed to register with a governmental
545 entity ~~district~~ or has knowingly submitted false information in
546 a report or registration required under this section, the
547 commission shall investigate a lobbyist or principal pursuant to
548 the procedures established under s. 112.324. The commission
549 shall provide the Governor with a report of its findings and
550 recommendations in any investigation conducted pursuant to this
551 subsection. The Governor is authorized to enforce the

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552 commission's findings and recommendations.

553 (8) A governmental entity ~~Water management districts~~ may
554 adopt rules to establish procedures to govern the registration
555 of lobbyists, including the adoption of forms and the
556 establishment of a lobbyist registration fee.

557 Section 8. Paragraph (c) of subsection (3) of section
558 129.03, Florida Statutes, is amended to read:

559 129.03 Preparation and adoption of budget.—

560 (3) The county budget officer, after tentatively
561 ascertaining the proposed fiscal policies of the board for the
562 next fiscal year, shall prepare and present to the board a
563 tentative budget for the next fiscal year for each of the funds
564 provided in this chapter, including all estimated receipts,
565 taxes to be levied, and balances expected to be brought forward
566 and all estimated expenditures, reserves, and balances to be
567 carried over at the end of the year.

568 (c) The board shall hold public hearings to adopt tentative
569 and final budgets pursuant to s. 200.065. The hearings shall be
570 primarily for the purpose of hearing requests and complaints
571 from the public regarding the budgets and the proposed tax
572 levies and for explaining the budget and any proposed or adopted
573 amendments. The tentative budget must be posted on the county's
574 official website at least 2 days before the public hearing to
575 consider such budget and must remain on the website for at least
576 45 days. The final budget must be posted on the website within
577 30 days after adoption and must remain on the website for at
578 least 2 years. The tentative budgets, adopted tentative budgets,
579 and final budgets shall be filed in the office of the county
580 auditor as a public record. Sufficient reference in words and

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581 figures to identify the particular transactions shall be made in
582 the minutes of the board to record its actions with reference to
583 the budgets.

584 Section 9. Paragraph (f) of subsection (2) of section
585 129.06, Florida Statutes, is amended to read:

586 129.06 Execution and amendment of budget.—

587 (2) The board at any time within a fiscal year may amend a
588 budget for that year, and may within the first 60 days of a
589 fiscal year amend the budget for the prior fiscal year, as
590 follows:

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

596 1. The public hearing must be advertised at least 2 days,
597 but not more than 5 days, before the date of the hearing. The
598 advertisement must appear in a newspaper of paid general
599 circulation and must identify the name of the taxing authority,
600 the date, place, and time of the hearing, and the purpose of the
601 hearing. The advertisement must also identify each budgetary
602 fund to be amended, the source of the funds, the use of the
603 funds, and the total amount of each fund's appropriations.

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

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

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610 166.241 Fiscal years, budgets, and budget amendments.—

611 (3) The tentative budget must be posted on the
612 municipality's official website at least 2 days before the
613 budget hearing, held pursuant to s. 200.065 or other law, to
614 consider such budget, and must remain on the website for at
615 least 45 days. The final adopted budget must be posted on the
616 municipality's official website within 30 days after adoption
617 and must remain on the website for at least 2 years. If the
618 municipality does not operate an official website, the
619 municipality must, within a reasonable period of time as
620 established by the county or counties in which the municipality
621 is located, transmit the tentative budget and final budget to
622 the manager or administrator of such county or counties who
623 shall post the budgets on the county's website.

624 (5) If the governing body of a municipality amends the
625 budget pursuant to paragraph (4)(c), the adopted amendment must
626 be posted on the official website of the municipality within 5
627 days after adoption and must remain on the website for at least
628 2 years. If the municipality does not operate an official
629 website, the municipality must, within a reasonable period of
630 time as established by the county or counties in which the
631 municipality is located, transmit the adopted amendment to the
632 manager or administrator of such county or counties who shall
633 post the adopted amendment on the county's website.

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

636 189.016 Reports; budgets; audits.—

637 (4) The tentative budget must be posted on the special
638 district's official website at least 2 days before the budget

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639 hearing, held pursuant to s. 200.065 or other law, to consider
640 such budget, and must remain on the website for at least 45
641 days. The final adopted budget must be posted on the special
642 district's official website within 30 days after adoption and
643 must remain on the website for at least 2 years. If the special
644 district does not operate an official website, the special
645 district must, within a reasonable period of time as established
646 by the local general-purpose government or governments in which
647 the special district is located or the local governing authority
648 to which the district is dependent, transmit the tentative
649 budget or final budget to the manager or administrator of the
650 local general-purpose government or the local governing
651 authority. The manager or administrator shall post the tentative
652 budget or final budget on the website of the local general-
653 purpose government or governing authority. This subsection and
654 subsection (3) do not apply to water management districts as
655 defined in s. 373.019.

656 (7) If the governing body of a special district amends the
657 budget pursuant to paragraph (6) (c), the adopted amendment must
658 be posted on the official website of the special district within
659 5 days after adoption and must remain on the website for at
660 least 2 years. If the special district does not operate an
661 official website, the special district must, within a reasonable
662 period of time as established by the local general-purpose
663 government or governments in which the special district is
664 located or the local governing authority to which the district
665 is dependent, transmit the adopted amendment to the manager or
666 administrator of the local general-purpose government or
667 governing authority. The manager or administrator shall post the

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668 adopted amendment on the website of the local general-purpose
669 government or governing authority.

670 Section 12. Present subsections (1) through (5) of section
671 215.425, Florida Statutes, are redesignated as subsections (2)
672 through (6), respectively, present subsection (2) and paragraph
673 (a) of subsection (4) of that section are amended, and a new
674 subsection (1) and subsections (7) through (12) are added to
675 that section, to read:

676 215.425 Extra compensation claims prohibited; bonuses;
677 severance pay.—

678 (1) As used in this section, the term "public funds" means
679 any taxes, tuition, grants, fines, fees, or other charges or any
680 other type of revenue collected by the state or any county,
681 municipality, special district, school district, Florida College
682 System institution, state university, or other separate unit of
683 government created pursuant to law, including any office,
684 department, agency, division, subdivision, political
685 subdivision, board, bureau, commission, authority, or
686 institution of such entities.

687 ~~(3)(2)~~ This section does not apply to:

688 ~~(a)~~ a bonus or severance pay that is paid from sources
689 other than public funds ~~wholly from nontax revenues and~~
690 ~~nonstate appropriated funds, the payment and receipt of which~~
691 ~~does not otherwise violate part III of chapter 112, and which is~~
692 ~~paid to an officer, agent, employee, or contractor of a public~~
693 ~~hospital that is operated by a county or a special district; or~~

694 ~~(b)~~ a clothing and maintenance allowance given to
695 plainclothes deputies pursuant to s. 30.49.

696 (5) (a) (4) (a) ~~On or after July 1, 2011,~~ A unit of government

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697 that enters into a contract or employment agreement, or renewal
698 or renegotiation of an existing contract or employment
699 agreement, that contains a provision for severance pay with an
700 officer, agent, employee, or contractor must include the
701 following provisions in the contract:

702 1. A requirement that severance pay paid from public funds
703 ~~provided~~ may not exceed an amount greater than 20 weeks of
704 compensation.

705 2. A prohibition of provision of severance pay paid from
706 public funds when the officer, agent, employee, or contractor
707 has been fired for misconduct, as defined in s. 443.036(29), by
708 the unit of government.

709 (7) Upon discovery or notification that a unit of
710 government has provided prohibited compensation to any officer,
711 agent, employee, or contractor in violation of this section,
712 such unit of government shall investigate and take all necessary
713 action to recover the prohibited compensation.

714 (a) If the violation was unintentional, the unit of
715 government shall recover the prohibited compensation from the
716 individual receiving the prohibited compensation through normal
717 recovery methods for overpayments.

718 (b) If the violation was willful, the unit of government
719 shall recover the prohibited compensation from either the
720 individual receiving the prohibited compensation or the
721 individual or individuals responsible for approving the
722 prohibited compensation. Each individual determined to have
723 willfully violated this section is jointly and severally liable
724 for repayment of the prohibited compensation.

725 (8) A person who willfully violates this section commits a

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726 misdemeanor of the first degree, punishable as provided in s.
727 775.082 or s. 775.083.

728 (9) An officer who exercises the powers and duties of a
729 state or county officer and willfully violates this section is
730 subject to the Governor's power under s. 7(a), Art. IV of the
731 State Constitution. An officer who exercises powers and duties
732 other than that of a state or county officer and willfully
733 violates this section is subject to the suspension and removal
734 procedures under s. 112.51.

735 (10) (a) A person who reports a violation of this section is
736 eligible for a reward of at least \$500, or the lesser of 10
737 percent of the funds recovered or \$10,000 per incident of a
738 prohibited compensation payment recovered by the unit of
739 government, depending upon the extent to which the person
740 substantially contributed to the discovery, notification, and
741 recovery of such prohibited payment.

742 (b) In the event that the recovery of the prohibited
743 compensation is based primarily on disclosures of specific
744 information, other than information provided by such person,
745 relating to allegations or transactions in a criminal, civil, or
746 administrative hearing; a legislative, administrative, inspector
747 general, or other government report; auditor general report,
748 hearing, audit, or investigation; or from the news media, such
749 person is not eligible for a reward, or for an award of a
750 portion of the proceeds or payment of attorney fees and costs
751 pursuant to s. 68.085.

752 (c) If it is determined that the person who reported a
753 violation of this section was involved in the authorization,
754 approval, or receipt of the prohibited compensation or is

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755 convicted of criminal conduct arising from his or her role in
756 the authorization, approval, or receipt of the prohibited
757 compensation, such person is not eligible for a reward, or for
758 an award of a portion of the proceeds or payment of attorney
759 fees and costs pursuant to s. 68.085.

760 (11) An employee who is discharged, demoted, suspended,
761 threatened, harassed, or in any manner discriminated against in
762 the terms and conditions of employment by his or her employer
763 because of lawful acts done by the employee on behalf of the
764 employee or others in furtherance of an action under this
765 section, including investigation for initiation of, testimony
766 for, or assistance in an action filed or to be filed under this
767 section, has a cause of action under s. 112.3187.

768 (12) If the unit of government fails to recover prohibited
769 compensation for a willful violation of this section upon
770 discovery and notification of such prohibited payment within 90
771 days, a cause of action may be brought to:

772 (a) Recover state funds in accordance with ss. 68.082 and
773 68.083.

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

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

782 Section 13. Section 215.86, Florida Statutes, is amended to
783 read:

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784 215.86 Management systems and controls.—Each state agency
785 and the judicial branch as defined in s. 216.011 shall establish
786 and maintain management systems and internal controls designed
787 to:

- 788 (1) Prevent and detect fraud, waste, and abuse. ~~that~~
789 (2) Promote and encourage compliance with applicable laws,
790 rules, contracts, grant agreements, and best practices.†
791 (3) Support economical and ~~economic,~~ efficient, and
792 effective operations.†
793 (4) Ensure reliability of financial records and reports.†
794 (5) Safeguard and ~~safeguarding of~~ assets. ~~Accounting~~
795 systems and procedures shall be designed to fulfill the
796 requirements of generally accepted accounting principles.

797 Section 14. Paragraph (a) of subsection (2) of section
798 215.97, Florida Statutes, is amended to read:

799 215.97 Florida Single Audit Act.—

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

801 (a) "Audit threshold" means the threshold amount used to
802 determine when a state single audit or project-specific audit of
803 a nonstate entity shall be conducted in accordance with this
804 section. Each nonstate entity that expends a total amount of
805 state financial assistance equal to or in excess of \$750,000
806 ~~\$500,000~~ in any fiscal year of such nonstate entity shall be
807 required to have a state single audit, or a project-specific
808 audit, for such fiscal year in accordance with the requirements
809 of this section. Periodically, ~~Every 2 years~~ the Auditor
810 General, after consulting with the Executive Office of the
811 Governor, the Department of Financial Services, and all state
812 awarding agencies, shall review the threshold amount for

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813 requiring audits under this section and, if appropriate, may
814 recommend to the Legislature a statutory change to revise the
815 threshold amount in the annual report submitted pursuant to s.
816 11.45(7)(h) may adjust such threshold amount consistent with the
817 purposes of this section.

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

820 215.985 Transparency in government spending.—

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

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

828 218.32 Annual financial reports; local governmental
829 entities.—

830 (1)

831 (d) Each local governmental entity that is required to
832 provide for an audit under s. 218.39(1) must submit a copy of
833 the audit report and annual financial report to the department
834 within 45 days after the completion of the audit report but no
835 later than 9 months after the end of the fiscal year. An
836 independent certified public accountant completing an audit of a
837 local governmental entity pursuant to s. 218.39 shall report, as
838 part of the audit, as to whether the entity's annual financial
839 report is in agreement with the audited financial statements.
840 The accountant's audit report must be supported by the same
841 level of detail as required for the annual financial report. If

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842 the accountant's audit report is not in agreement with the
843 annual financial report, the accountant shall specify and
844 explain the significant differences that exist between the
845 annual financial report and the audit report.

846 (2) The department shall annually by December 1 file a
847 verified report with the Governor, the Legislature, the Auditor
848 General, and the Special District Accountability Program of the
849 Department of Economic Opportunity showing the revenues, both
850 locally derived and derived from intergovernmental transfers,
851 and the expenditures of each local governmental entity, regional
852 planning council, local government finance commission, and
853 municipal power corporation that is required to submit an annual
854 financial report. In preparing the verified report, the
855 department may request additional information from the local
856 governmental entity. The information requested must be provided
857 to the department within 45 days of the request. If the local
858 governmental entity does not comply with the request, the
859 department shall notify the Legislative Auditing Committee,
860 which may take action pursuant to s. 11.40(2). The report must
861 include, but is not limited to:

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

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

870 Section 17. Present subsection (3) of section 218.33,

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871 Florida Statutes, is redesignated as subsection (4), and a new
872 subsection (3) is added to that section, to read:

873 218.33 Local governmental entities; establishment of
874 uniform fiscal years and accounting practices and procedures.-

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

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

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

880 (c) Support economical and efficient operations.

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

882 (e) Safeguard assets.

883 Section 18. Present subsections (8) through (12) of section
884 218.39, Florida Statutes, are redesignated as subsections (9)
885 through (13), respectively, and a new subsection (8) is added to
886 that section, to read:

887 218.39 Annual financial audit reports.-

888 (8) If the audit report includes a recommendation that was
889 previously included in the preceding financial audit report, the
890 governing body of the audited entity, within 60 days after the
891 delivery of the audit report to the governing body and during a
892 regularly scheduled public meeting, shall indicate its intent
893 regarding corrective action, the corrective action to be taken,
894 and when the corrective action will occur. If the governing body
895 does not intend to take corrective action, it shall explain why
896 such action will not be taken at the regularly scheduled public
897 meeting.

898 Section 19. Subsection (2) and paragraph (c) of subsection
899 (7) of section 218.391, Florida Statutes, are amended, and a new

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900 subsection (9) is added to that section, to read:

901 218.391 Auditor selection procedures.—

902 (2) The governing body of a ~~charter~~ county, municipality,
903 special district, district school board, charter school, or
904 charter technical career center shall establish an audit
905 committee.

906 (a) For a county, the ~~Each noncharter county shall~~
907 ~~establish an~~ audit committee ~~that~~, at a minimum, shall consist
908 of each of the county officers elected pursuant to the county
909 charter or s. 1(d), Art. VIII of the State Constitution, or a
910 designee, and one member of the board of county commissioners or
911 its designee.

912 (b) For a municipality, special district, district school
913 board, charter school, or charter technical career center, the
914 audit committee shall consist of at least three members. One
915 member of the audit committee must be a member of the governing
916 body of an entity specified in this paragraph who shall also
917 serve as the chair of the committee.

918 (c) A member of the audit committee may not exercise
919 financial management responsibilities for the county,
920 municipality, special district, district school board, charter
921 school, or charter technical career center.

922 (d) The primary purpose of the audit committee is to assist
923 the governing body in selecting an auditor to conduct the annual
924 financial audit required in s. 218.39; however, the audit
925 committee may serve other audit oversight purposes as determined
926 by the entity's governing body. The public may ~~shall~~ not be
927 excluded from the proceedings under this section.

928 (7) Every procurement of audit services shall be evidenced

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929 by a written contract embodying all provisions and conditions of
930 the procurement of such services. For purposes of this section,
931 an engagement letter signed and executed by both parties shall
932 constitute a written contract. The written contract shall, at a
933 minimum, include the following:

934 (c) A provision specifying the contract period, including
935 renewals, and conditions under which the contract may be
936 terminated or renewed. The contract period may not exceed 5
937 years. Upon conclusion of the contract, the contracting firm is
938 ineligible to conduct a financial audit of the entity pursuant
939 to s. 218.39 for a period of 2 years.

940 (9) An audit report submitted pursuant to s. 218.39 must
941 include an affidavit executed by the chair of the audit
942 committee affirming that the committee complied with the
943 requirements of subsections (3) through (6) in selecting an
944 auditor. If the Auditor General determines that an entity failed
945 to comply with the requirements of subsections (3) through (6)
946 in selecting an auditor, the entity shall select a replacement
947 auditor in accordance with this section to conduct audits for
948 subsequent fiscal years if the original audit was performed
949 under a multiyear contract. If the replacement of an auditor
950 would preclude the entity from timely completing the annual
951 financial audit required by s. 218.39, the entity shall replace
952 an auditor in accordance with this section for the subsequent
953 annual financial audit. A multiyear contract between an entity
954 or an auditor may not prohibit or restrict an entity from
955 complying with this subsection.

956 Section 20. Paragraph (b) of subsection (2) of section
957 288.92, Florida Statutes, is amended to read:

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958 288.92 Divisions of Enterprise Florida, Inc.—

959 (2)

960 (b)1. The following officers and board members are subject
961 to ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and
962 112.3143(2):

963 a. Officers and members of the board of directors of the
964 divisions of Enterprise Florida, Inc.

965 b. Officers and members of the board of directors of
966 subsidiaries of Enterprise Florida, Inc.

967 c. Officers and members of the board of directors of
968 corporations created to carry out the missions of Enterprise
969 Florida, Inc.

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

973 2. The officers and board members specified in subparagraph
974 1. may not represent another person or entity for compensation
975 before Enterprise Florida, Inc., or a division, subsidiary, or
976 the board of directors of corporations created to carry out the
977 missions of Enterprise Florida, Inc., or with which a division
978 is required by law to contract to carry out its missions, for a
979 period of 2 years after retirement from or termination of
980 service to a division.

981 ~~3.2.~~ For purposes of applying ss. 112.313(1)-(8), (10),
982 (12), and (15); 112.3135; and 112.3143(2) to activities of the
983 officers and members of the board of directors specified in
984 subparagraph 1., those persons shall be considered public
985 officers or employees and the corporation shall be considered
986 their agency.

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987 ~~4.3.~~ It is not a violation of s. 112.3143(2) or (4) for the
988 officers or members of the board of directors of the Florida
989 Tourism Industry Marketing Corporation to:

990 a. Vote on the 4-year marketing plan required under s.
991 288.923 or vote on any individual component of or amendment to
992 the plan.

993 b. Participate in the establishment or calculation of
994 payments related to the private match requirements of s.
995 288.904(3). The officer or member must file an annual disclosure
996 describing the nature of his or her interests or the interests
997 of his or her principals, including corporate parents and
998 subsidiaries of his or her principal, in the private match
999 requirements. This annual disclosure requirement satisfies the
1000 disclosure requirement of s. 112.3143(4). This disclosure must
1001 be placed either on the Florida Tourism Industry Marketing
1002 Corporation's website or included in the minutes of each meeting
1003 of the Florida Tourism Industry Marketing Corporation's board of
1004 directors at which the private match requirements are discussed
1005 or voted upon.

1006 Section 21. Paragraph (a) of subsection (3) of section
1007 288.9604, Florida Statutes, is amended to read:

1008 288.9604 Creation of the authority.—

1009 (3) (a) 1. A director may not receive compensation for his or
1010 her services, but is entitled to necessary expenses, including
1011 travel expenses, incurred in the discharge of his or her duties.
1012 Each director shall hold office until his or her successor has
1013 been appointed.

1014 2. Directors are subject to ss. 112.313(1)-(8), (10), (12),
1015 and (15); 112.3135; and 112.3143(2). For purposes of applying

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1016 ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and
1017 112.3143(2) to activities of directors, directors shall be
1018 considered public officers and the corporation shall be
1019 considered their agency.

1020 3. A director of the board of directors of the corporation
1021 may not represent another person or entity for compensation
1022 before the corporation for a period of 2 years following his or
1023 her service on the board of directors.

1024 Section 22. Paragraph (e) of subsection (4), paragraph (d)
1025 of subsection (5), and paragraph (d) of subsection (6) of
1026 section 373.536, Florida Statutes, are amended to read:

1027 373.536 District budget and hearing thereon.—

1028 (4) BUDGET CONTROLS; FINANCIAL INFORMATION.—

1029 (e) ~~By September 1, 2012,~~ Each district shall provide a
1030 monthly financial statement in the form and manner prescribed by
1031 the Department of Financial Services to the district's governing
1032 board and make such monthly financial statement available for
1033 public access on its website.

1034 (5) TENTATIVE BUDGET CONTENTS AND SUBMISSION; REVIEW AND
1035 APPROVAL.—

1036 (d) Each district shall, by August 1 of each year, submit
1037 for review a tentative budget and a description of any
1038 significant changes from the preliminary budget submitted to the
1039 Legislature pursuant to s. 373.535 to the Governor, the
1040 President of the Senate, the Speaker of the House of
1041 Representatives, the chairs of all legislative committees and
1042 subcommittees having substantive or fiscal jurisdiction over
1043 water management districts, as determined by the President of
1044 the Senate or the Speaker of the House of Representatives, as

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1045 applicable, the secretary of the department, and the governing
1046 body of each county in which the district has jurisdiction or
1047 derives any funds for the operations of the district. The
1048 tentative budget must be posted on the district's official
1049 website at least 2 days before budget hearings held pursuant to
1050 s. 200.065 or other law and must remain on the website for at
1051 least 45 days.

1052 (6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS PLAN;
1053 WATER RESOURCE DEVELOPMENT WORK PROGRAM.—

1054 (d) The final adopted budget must be posted on the water
1055 management district's official website within 30 days after
1056 adoption and must remain on the website for at least 2 years.

1057 Section 23. Paragraph (j) of subsection (9) of section
1058 1002.33, Florida Statutes, is amended to read:

1059 1002.33 Charter schools.—

1060 (9) CHARTER SCHOOL REQUIREMENTS.—

1061 (j) The governing body of the charter school shall be
1062 responsible for:

1063 1. Establishing and maintaining internal controls designed
1064 to:

1065 a. Prevent and detect fraud, waste, and abuse.

1066 b. Promote and encourage compliance with applicable laws,
1067 rules, contracts, grant agreements, and best practices.

1068 c. Support economical and efficient operations.

1069 d. Ensure reliability of financial records and reports.

1070 e. Safeguard assets.

1071 2.1- Ensuring that the charter school has retained the
1072 services of a certified public accountant or auditor for the
1073 annual financial audit, pursuant to s. 1002.345(2), who shall

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1074 submit the report to the governing body.

1075 ~~3.2.~~ Reviewing and approving the audit report, including
1076 audit findings and recommendations for the financial recovery
1077 plan.

1078 ~~4.a.3.a.~~ Performing the duties in s. 1002.345, including
1079 monitoring a corrective action plan.

1080 b. Monitoring a financial recovery plan in order to ensure
1081 compliance.

1082 ~~5.4.~~ Participating in governance training approved by the
1083 department which must include government in the sunshine,
1084 conflicts of interest, ethics, and financial responsibility.

1085 Section 24. Present subsections (6) through (10) of section
1086 1002.37, Florida Statutes, are redesignated as subsections (7)
1087 through (11), respectively, a new subsection (6) is added to
1088 that section, and present subsections (6) and (11) of that
1089 section are amended, to read:

1090 1002.37 The Florida Virtual School.—

1091 (6) The Florida Virtual School shall have an annual
1092 financial audit of its accounts and records completed by an
1093 independent auditor who is a certified public accountant
1094 licensed under chapter 473. The independent auditor shall
1095 conduct the audit in accordance with rules adopted by the
1096 Auditor General pursuant to s. 11.45 and, upon completion of the
1097 audit, shall prepare an audit report in accordance with such
1098 rules. The audit report must include a written statement of the
1099 board of trustees describing corrective action to be taken in
1100 response to each of the independent auditor's recommendations
1101 included in the audit report. The independent auditor shall
1102 submit the audit report to the board of trustees and the Auditor

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1103 General no later than 9 months after the end of the preceding
1104 fiscal year.

1105 (7)~~(6)~~ The board of trustees shall annually submit to the
1106 Governor, the Legislature, the Commissioner of Education, and
1107 the State Board of Education, the audit report prepared pursuant
1108 to subsection (6) and a complete and detailed report setting
1109 forth:

1110 (a) The operations and accomplishments of the Florida
1111 Virtual School within the state and those occurring outside the
1112 state as Florida Virtual School Global.

1113 (b) The marketing and operational plan for the Florida
1114 Virtual School and Florida Virtual School Global, including
1115 recommendations regarding methods for improving the delivery of
1116 education through the Internet and other distance learning
1117 technology.

1118 (c) The assets and liabilities of the Florida Virtual
1119 School and Florida Virtual School Global at the end of the
1120 fiscal year.

1121 ~~(d) A copy of an annual financial audit of the accounts and~~
1122 ~~records of the Florida Virtual School and Florida Virtual School~~
1123 ~~Global, conducted by an independent certified public accountant~~
1124 ~~and performed in accordance with rules adopted by the Auditor~~
1125 ~~General.~~

1126 ~~(e)~~ Recommendations regarding the unit cost of providing
1127 services to students through the Florida Virtual School and
1128 Florida Virtual School Global. In order to most effectively
1129 develop public policy regarding any future funding of the
1130 Florida Virtual School, it is imperative that the cost of the
1131 program is accurately identified. The identified cost of the

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1132 program must be based on reliable data.

1133 (e)~~(f)~~ Recommendations regarding an accountability
1134 mechanism to assess the effectiveness of the services provided
1135 by the Florida Virtual School and Florida Virtual School Global.

1136 ~~(11) The Auditor General shall conduct an operational audit
1137 of the Florida Virtual School, including Florida Virtual School
1138 Global. The scope of the audit shall include, but not be limited
1139 to, the administration of responsibilities relating to
1140 personnel; procurement and contracting; revenue production;
1141 school funds, including internal funds; student enrollment
1142 records; franchise agreements; information technology
1143 utilization, assets, and security; performance measures and
1144 standards; and accountability. The final report on the audit
1145 shall be submitted to the President of the Senate and the
1146 Speaker of the House of Representatives no later than January
1147 31, 2014.~~

1148 Section 25. Subsection (5) is added to section 1010.01,
1149 Florida Statutes, to read:

1150 1010.01 Uniform records and accounts.—

1151 (5) Each school district, Florida College System
1152 institution, and state university shall establish and maintain
1153 internal controls designed to:

1154 (a) Prevent and detect fraud, waste, and abuse.

1155 (b) Promote and encourage compliance with applicable laws,
1156 rules, contracts, grant agreements, and best practices.

1157 (c) Support economical and efficient operations.

1158 (d) Ensure reliability of financial records and reports.

1159 (e) Safeguard assets.

1160 Section 26. Subsection (2) of section 1010.30, Florida

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1161 Statutes, is amended to read:

1162 1010.30 Audits required.—

1163 (2) If a school district, Florida College System
1164 institution, or university audit report includes a
1165 recommendation that was previously included in the preceding
1166 financial audit report, an audit contains a significant finding,
1167 the district school board, the Florida College System
1168 institution board of trustees, or the university board of
1169 trustees, within 60 days after the delivery of the audit report
1170 to the school district, Florida College System institution, or
1171 university and shall conduct an audit overview during a
1172 regularly scheduled public meeting, shall indicate its intent
1173 regarding corrective action, the corrective action to be taken,
1174 and when the corrective action will occur. If the district
1175 school board, Florida College System institution board of
1176 trustees, or university board of trustees does not intend to
1177 take corrective action, it shall explain why such action will
1178 not be taken at the regularly scheduled public meeting.

1179 Section 27. Subsection (2) of section 68.082, Florida
1180 Statutes, is amended to read:

1181 68.082 False claims against the state; definitions;
1182 liability.—

1183 (2) Any person who:

1184 (a) Knowingly presents or causes to be presented a false or
1185 fraudulent claim for payment or approval;

1186 (b) Knowingly authorizes, approves, or receives payment of
1187 prohibited compensation in violation of s. 215.425;

1188 (c) ~~(b)~~ Knowingly makes, uses, or causes to be made or used
1189 a false record or statement material to a false or fraudulent

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1190 claim;

1191 (d)~~(e)~~ Conspires to commit a violation of this subsection;

1192 (e)~~(d)~~ Has possession, custody, or control of property or

1193 money used or to be used by the state and knowingly delivers or

1194 causes to be delivered less than all of that money or property;

1195 (f)~~(e)~~ Is authorized to make or deliver a document

1196 certifying receipt of property used or to be used by the state

1197 and, intending to defraud the state, makes or delivers the

1198 receipt without knowing that the information on the receipt is

1199 true;

1200 (g)~~(f)~~ Knowingly buys or receives, as a pledge of an

1201 obligation or a debt, public property from an officer or

1202 employee of the state who may not sell or pledge the property;

1203 or

1204 (h)~~(g)~~ Knowingly makes, uses, or causes to be made or used

1205 a false record or statement material to an obligation to pay or

1206 transmit money or property to the state, or knowingly conceals

1207 or knowingly and improperly avoids or decreases an obligation to

1208 pay or transmit money or property to the state

1209

1210 is liable to the state for a civil penalty of not less than

1211 \$5,500 and not more than \$11,000 and for treble the amount of

1212 damages the state sustains because of the act of that person.

1213 Section 28. Subsection (1) of section 68.083, Florida

1214 Statutes, is amended to read:

1215 68.083 Civil actions for false claims.—

1216 (1) The department may diligently investigate a violation

1217 under s. 68.082. If the department finds that a person has

1218 violated or is violating s. 68.082, the department may bring a

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1219 civil action under the Florida False Claims Act against the
1220 person. The Department of Financial Services may bring a civil
1221 action under this section if the action arises from an
1222 investigation by that department and the Department of Legal
1223 Affairs has not filed an action under this act. For a violation
1224 of s. 68.082 regarding prohibited compensation paid from state
1225 funds, the Department of Financial Services may bring a civil
1226 action under this section if the action arises from an
1227 investigation by that department concerning a violation of s.
1228 215.425 by the state and the Department of Legal Affairs has not
1229 filed an action under this act.

1230 Section 29. Subsection (3) of section 218.503, Florida
1231 Statutes, is amended to read:

1232 218.503 Determination of financial emergency.—

1233 (3) Upon notification that one or more of the conditions in
1234 subsection (1) have occurred or will occur if action is not
1235 taken to assist the local governmental entity or district school
1236 board, the Governor or his or her designee shall contact the
1237 local governmental entity or the Commissioner of Education or
1238 his or her designee shall contact the district school board to
1239 determine what actions have been taken by the local governmental
1240 entity or the district school board to resolve or prevent the
1241 condition. The information requested must be provided within 45
1242 days after the date of the request. If the local governmental
1243 entity or the district school board does not comply with the
1244 request, the Governor or his or her designee or the Commissioner
1245 of Education or his or her designee shall notify ~~the members of~~
1246 the Legislative Auditing Committee, which ~~who~~ may take action
1247 pursuant to s. 11.40(2) ~~s. 11.40~~. The Governor or the

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1248 Commissioner of Education, as appropriate, shall determine
1249 whether the local governmental entity or the district school
1250 board needs state assistance to resolve or prevent the
1251 condition. If state assistance is needed, the local governmental
1252 entity or district school board is considered to be in a state
1253 of financial emergency. The Governor or the Commissioner of
1254 Education, as appropriate, has the authority to implement
1255 measures as set forth in ss. 218.50-218.504 to assist the local
1256 governmental entity or district school board in resolving the
1257 financial emergency. Such measures may include, but are not
1258 limited to:

1259 (a) Requiring approval of the local governmental entity's
1260 budget by the Governor or approval of the district school
1261 board's budget by the Commissioner of Education.

1262 (b) Authorizing a state loan to a local governmental entity
1263 and providing for repayment of same.

1264 (c) Prohibiting a local governmental entity or district
1265 school board from issuing bonds, notes, certificates of
1266 indebtedness, or any other form of debt until such time as it is
1267 no longer subject to this section.

1268 (d) Making such inspections and reviews of records,
1269 information, reports, and assets of the local governmental
1270 entity or district school board as are needed. The appropriate
1271 local officials shall cooperate in such inspections and reviews.

1272 (e) Consulting with officials and auditors of the local
1273 governmental entity or the district school board and the
1274 appropriate state officials regarding any steps necessary to
1275 bring the books of account, accounting systems, financial
1276 procedures, and reports into compliance with state requirements.

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1277 (f) Providing technical assistance to the local
1278 governmental entity or the district school board.

1279 (g)1. Establishing a financial emergency board to oversee
1280 the activities of the local governmental entity or the district
1281 school board. If a financial emergency board is established for
1282 a local governmental entity, the Governor shall appoint board
1283 members and select a chair. If a financial emergency board is
1284 established for a district school board, the State Board of
1285 Education shall appoint board members and select a chair. The
1286 financial emergency board shall adopt such rules as are
1287 necessary for conducting board business. The board may:

1288 a. Make such reviews of records, reports, and assets of the
1289 local governmental entity or the district school board as are
1290 needed.

1291 b. Consult with officials and auditors of the local
1292 governmental entity or the district school board and the
1293 appropriate state officials regarding any steps necessary to
1294 bring the books of account, accounting systems, financial
1295 procedures, and reports of the local governmental entity or the
1296 district school board into compliance with state requirements.

1297 c. Review the operations, management, efficiency,
1298 productivity, and financing of functions and operations of the
1299 local governmental entity or the district school board.

1300 d. Consult with other governmental entities for the
1301 consolidation of all administrative direction and support
1302 services, including, but not limited to, services for asset
1303 sales, economic and community development, building inspections,
1304 parks and recreation, facilities management, engineering and
1305 construction, insurance coverage, risk management, planning and

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1306 zoning, information systems, fleet management, and purchasing.

1307 2. The recommendations and reports made by the financial
1308 emergency board must be submitted to the Governor for local
1309 governmental entities or to the Commissioner of Education and
1310 the State Board of Education for district school boards for
1311 appropriate action.

1312 (h) Requiring and approving a plan, to be prepared by
1313 officials of the local governmental entity or the district
1314 school board in consultation with the appropriate state
1315 officials, prescribing actions that will cause the local
1316 governmental entity or district school board to no longer be
1317 subject to this section. The plan must include, but need not be
1318 limited to:

1319 1. Provision for payment in full of obligations outlined in
1320 subsection (1), designated as priority items, which are
1321 currently due or will come due.

1322 2. Establishment of priority budgeting or zero-based
1323 budgeting in order to eliminate items that are not affordable.

1324 3. The prohibition of a level of operations which can be
1325 sustained only with nonrecurring revenues.

1326 4. Provisions implementing the consolidation, sourcing, or
1327 discontinuance of all administrative direction and support
1328 services, including, but not limited to, services for asset
1329 sales, economic and community development, building inspections,
1330 parks and recreation, facilities management, engineering and
1331 construction, insurance coverage, risk management, planning and
1332 zoning, information systems, fleet management, and purchasing.

1333 Section 30. Subsection (2) of section 1002.455, Florida
1334 Statutes, is amended to read:

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1335 1002.455 Student eligibility for K-12 virtual instruction.-

1336 (2) A student is eligible to participate in virtual
1337 instruction if:

1338 (a) The student spent the prior school year in attendance
1339 at a public school in the state and was enrolled and reported by
1340 the school district for funding during October and February for
1341 purposes of the Florida Education Finance Program surveys;

1342 (b) The student is a dependent child of a member of the
1343 United States Armed Forces who was transferred within the last
1344 12 months to this state from another state or from a foreign
1345 country pursuant to a permanent change of station order;

1346 (c) The student was enrolled during the prior school year
1347 in a virtual instruction program under s. 1002.45 or a full-time
1348 Florida Virtual School program under s. 1002.37(9)(a) ~~s.~~
1349 ~~1002.37(8)(a)~~;

1350 (d) The student has a sibling who is currently enrolled in
1351 a virtual instruction program and the sibling was enrolled in
1352 that program at the end of the prior school year;

1353 (e) The student is eligible to enter kindergarten or first
1354 grade; or

1355 (f) The student is eligible to enter grades 2 through 5 and
1356 is enrolled full-time in a school district virtual instruction
1357 program, virtual charter school, or the Florida Virtual School.

1358 Section 31. The Legislature finds that a proper and
1359 legitimate state purpose is served when internal controls are
1360 established to prevent and detect fraud, waste, and abuse and to
1361 safeguard and account for government funds and property.
1362 Therefore, the Legislature determines and declares that this act
1363 fulfills an important state interest.

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1364

Section 32. This act shall take effect October 1, 2015.