

By the Committees on Community Affairs; and Ethics and Elections; and Senator Gaetz

578-03181-15

20151372c2

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.; correcting a  
27      cross-reference; revising provisions governing  
28      collection methods for unpaid automatic fines for  
29      failure to timely file disclosure of financial

578-03181-15

20151372c2

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

578-03181-15

20151372c2

59 amending s. 215.86, F.S.; revising management systems  
60 and controls to be employed by each state agency and  
61 the judicial branch; amending s. 215.97, F.S.;  
62 revising the definition of the term "audit threshold";  
63 amending s. 215.985, F.S.; revising the requirements  
64 for a monthly financial statement provided by a water  
65 management district; amending s. 218.32, F.S.;  
66 revising the requirements of the annual financial  
67 audit report of a local governmental entity;  
68 authorizing the Department of Financial Services to  
69 request additional information from a local  
70 governmental entity; requiring a local governmental  
71 entity to respond to such requests within a specified  
72 timeframe; requiring the department to notify the  
73 Legislative Auditing Committee of noncompliance;  
74 amending s. 218.33, F.S.; requiring local governmental  
75 entities to establish and maintain internal controls;  
76 amending s. 218.39, F.S.; requiring an audited entity  
77 to respond to audit recommendations under specified  
78 circumstances; amending s. 218.391, F.S.; revising the  
79 composition of an audit committee; prohibiting an  
80 audit committee member from being an employee, chief  
81 executive officer, or chief financial officer of the  
82 respective governmental entity; requiring the chair of  
83 an audit committee to sign and execute an affidavit  
84 affirming compliance with auditor selection  
85 procedures; prescribing procedures in the event of  
86 noncompliance with auditor selection procedures;  
87 amending s. 288.92, F.S.; prohibiting specified

578-03181-15

20151372c2

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

578-03181-15

20151372c2

117 ss. 68.082, 68.083, 218.503, and 1002.455, F.S.;

118 conforming provisions and cross-references to changes

119 made by the act; declaring that the act fulfills an

120 important state interest; providing an effective date.

121

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

123

124 Section 1. Subsection (2) of section 11.40, Florida

125 Statutes, is amended to read:

126 11.40 Legislative Auditing Committee.—

127 (2) Following notification by the Auditor General, the

128 Department of Financial Services, ~~or~~ the Division of Bond

129 Finance of the State Board of Administration, the Governor or

130 his or her designee, or the Commissioner of Education or his or

131 her designee of the failure of a local governmental entity,

132 district school board, charter school, or charter technical

133 career center to comply with the applicable provisions within s.

134 11.45(5)-(7), s. 218.32(1), s. 218.38, or s. 218.503(3), the

135 Legislative Auditing Committee may schedule a hearing to

136 determine if the entity should be subject to further state

137 action. If the committee determines that the entity should be

138 subject to further state action, the committee shall:

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

140 school board, direct the Department of Revenue and the

141 Department of Financial Services to withhold any funds not

142 pledged for bond debt service satisfaction which are payable to

143 such entity until the entity complies with the law. The

144 committee shall specify the date such action shall begin, and

145 the directive must be received by the Department of Revenue and

578-03181-15

20151372c2

146 the Department of Financial Services 30 days before the date of  
147 the distribution mandated by law. The Department of Revenue and  
148 the Department of Financial Services may implement the  
149 provisions of this paragraph.

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

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

166 2. A local ordinance, notify the chair or equivalent of the  
167 local general-purpose government pursuant to s. 189.035(2) and  
168 the Department of Economic Opportunity that the special district  
169 has failed to comply with the law. Upon receipt of notification,  
170 the department shall proceed pursuant to s. 189.062 or s.  
171 189.067. If the special district remains in noncompliance after  
172 the process set forth in s. 189.034(3), or if a public hearing  
173 is not held, the Legislative Auditing Committee may request the  
174 department to proceed pursuant to s. 189.067(3).

578-03181-15

20151372c2

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

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

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

188 11.45 Definitions; duties; authorities; reports; rules.—

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

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

195 (b) ~~(a)~~ "Audit" means a financial audit, operational audit,  
196 or performance audit.

197 (c) ~~(b)~~ "County agency" means a board of county  
198 commissioners or other legislative and governing body of a  
199 county, however styled, including that of a consolidated or  
200 metropolitan government, a clerk of the circuit court, a  
201 separate or ex officio clerk of the county court, a sheriff, a  
202 property appraiser, a tax collector, a supervisor of elections,  
203 or any other officer in whom any portion of the fiscal duties of

578-03181-15

20151372c2

204 the above are under law separately placed.

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

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

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

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



578-03181-15

20151372c2

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

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

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

- 255            1. Economy, efficiency, or effectiveness of the program.
- 256            2. Structure or design of the program to accomplish its  
257 goals and objectives.
- 258            3. Adequacy of the program to meet the needs identified by  
259 the Legislature or governing body.
- 260            4. Alternative methods of providing program services or  
261 products.

578-03181-15

20151372c2

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

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

266 7. Compliance of the program with appropriate policies,  
267 rules, or laws.

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

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

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

285 (m) "Waste" means the act of using or expending resources  
286 unreasonably, carelessly, extravagantly, or for no useful  
287 purpose.

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

289 (j) Conduct audits of local governmental entities when  
290 determined to be necessary by the Auditor General, when directed

578-03181-15

20151372c2

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

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

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

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

315 (y) Tourist development councils and county tourism  
316 promotion agencies.

317 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

318 (i) The Auditor General shall annually transmit by July 15,  
319 to the President of the Senate, the Speaker of the House of

578-03181-15

20151372c2

320 Representatives, and the Department of Financial Services, a  
321 list of all school districts, charter schools, charter technical  
322 career centers, Florida College System institutions, state  
323 universities, and local governmental entities ~~water management~~  
324 ~~districts~~ that have failed to comply with the transparency  
325 requirements as identified in the audit reports reviewed  
326 pursuant to paragraph (b) and those conducted pursuant to  
327 subsection (2).

328 Section 3. Paragraph (d) of subsection (2) of section  
329 28.35, Florida Statutes, is amended to read:

330 28.35 Florida Clerks of Court Operations Corporation.—

331 (2) The duties of the corporation shall include the  
332 following:

333 (d) Developing and certifying a uniform system of workload  
334 measures and applicable workload standards for court-related  
335 functions as developed by the corporation and clerk workload  
336 performance in meeting the workload performance standards. These  
337 workload measures and workload performance standards shall be  
338 designed to facilitate an objective determination of the  
339 performance of each clerk in accordance with minimum standards  
340 for fiscal management, operational efficiency, and effective  
341 collection of fines, fees, service charges, and court costs. The  
342 corporation shall develop the workload measures and workload  
343 performance standards in consultation with the Legislature. When  
344 the corporation finds a clerk has not met the workload  
345 performance standards, the corporation shall identify the nature  
346 of each deficiency and any corrective action recommended and  
347 taken by the affected clerk of the court. For quarterly periods  
348 ending on the last day of March, June, September, and December

578-03181-15

20151372c2

349 of each year, the corporation shall notify the Legislature of  
350 any clerk not meeting workload performance standards and provide  
351 a copy of any corrective action plans. Such notifications shall  
352 be submitted no later than 45 days after the end of the  
353 preceding quarterly period. As used in this subsection, the  
354 term:

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

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

366 Section 4. Present subsections (6) and (7) of section  
367 43.16, Florida Statutes, are redesignated as subsections (7) and  
368 (8), respectively, and a new subsection (6) is added to that  
369 section, to read:

370 43.16 Justice Administrative Commission; membership, powers  
371 and duties.—

372 (6) The commission, each state attorney, each public  
373 defender, the criminal conflict and civil regional counsel, the  
374 capital collateral regional counsel, and the Guardian Ad Litem  
375 Program shall establish and maintain internal controls designed  
376 to:

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

578-03181-15

20151372c2

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

380       (c) Support economical and efficient operations.

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

382       (e) Safeguard assets.

383       Section 5. Subsection (1) of section 112.31455, Florida  
384 Statutes, is amended to read:

385       112.31455 Collection methods for unpaid automatic fines for  
386 failure to timely file disclosure of financial interests.—

387       (1) Before referring any unpaid fine accrued pursuant to s.  
388 112.3144(5) or s. 112.3145(7) ~~s. 112.3145(6)~~ to the Department  
389 of Financial Services, the commission shall attempt to determine  
390 whether the individual owing such a fine is a current public  
391 officer or current public employee. If so, the commission may  
392 notify the Chief Financial Officer or the governing body of the  
393 appropriate county, municipality, school district, or special  
394 district of the total amount of any fine owed to the commission  
395 by such individual.

396       (a) After receipt and verification of the notice from the  
397 commission, the Chief Financial Officer or the governing body of  
398 the county, municipality, school district, or special district  
399 shall begin withholding the lesser of 10 percent or the maximum  
400 amount allowed under federal law from any salary-related  
401 payment. The withheld payments shall be remitted to the  
402 commission until the fine is satisfied.

403       (b) The Chief Financial Officer or the governing body of  
404 the county, municipality, school district, or special district  
405 may retain an amount of each withheld payment, as provided in s.  
406 77.0305, to cover the administrative costs incurred under this

578-03181-15

20151372c2

407 section.

408 Section 6. Section 112.31456, Florida Statutes, is created  
409 to read:410 112.31456 Garnishment of wages for unpaid automatic fines  
411 for failure to timely file disclosure of financial interests.-412 (1) Before referring any unpaid fine accrued pursuant to s.  
413 112.3144(5) or s. 112.3145(7) to the Department of Financial  
414 Services, the commission shall attempt to determine whether the  
415 individual owing such a fine is a current public officer or  
416 current public employee. If the commission determines that an  
417 individual who is the subject of an unpaid fine accrued pursuant  
418 to s. 112.3144(5) or s. 112.3145(7) is no longer a public  
419 officer or public employee or if the commission cannot determine  
420 whether the individual is a current public officer or current  
421 public employee, the commission may, 6 months after the order  
422 becomes final, seek garnishment of any wages to satisfy the  
423 amount of the fine, or any unpaid portion thereof, pursuant to  
424 chapter 77. Upon recording the order imposing the fine with the  
425 clerk of the circuit court, the order shall be deemed a judgment  
426 for purposes of garnishment pursuant to chapter 77.427 (2) The commission may refer unpaid fines to the  
428 appropriate collection agency, as directed by the Chief  
429 Financial Officer, to use any collection methods provided by  
430 law. Except as expressly limited by this section, any other  
431 collection method authorized by law is allowed.432 (3) Action may be taken to collect any unpaid fine imposed  
433 by ss. 112.3144 and 112.3145 within 20 years after the date the  
434 final order is rendered.

435 Section 7. Section 112.3261, Florida Statutes, is amended

578-03181-15

20151372c2

436 to read:

437 112.3261 Lobbying before governmental entities ~~water~~  
438 ~~management districts~~; registration and reporting.—

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

440 (a) "Governmental entity" or "entity" ~~"District"~~ means a  
441 water management district created in s. 373.069 and operating  
442 under the authority of chapter 373, a hospital district, a  
443 children's services district, an expressway authority as the  
444 term "authority" as defined in s. 348.0002, the term "port  
445 authority" as defined in s. 315.02, or an independent special  
446 district with annual revenues of more than \$5 million which  
447 exercises ad valorem taxing authority.

448 (b) "Lobbies" means seeking, on behalf of another person,  
449 to influence a governmental entity ~~district~~ with respect to a  
450 decision of the entity ~~district~~ in an area of policy or  
451 procurement or an attempt to obtain the goodwill of an a  
452 ~~district~~ official or employee of a governmental entity. The term  
453 ~~"lobbies"~~ shall be interpreted and applied consistently with the  
454 rules of the commission implementing s. 112.3215.

455 (c) "Lobbyist" has the same meaning as provided in s.  
456 112.3215.

457 (d) "Principal" has the same meaning as provided in s.  
458 112.3215.

459 (2) A person may not lobby a governmental entity ~~district~~  
460 until such person has registered as a lobbyist with that entity  
461 ~~district~~. Such registration shall be due upon initially being  
462 retained to lobby and is renewable on a calendar-year basis  
463 thereafter. Upon registration, the person shall provide a  
464 statement signed by the principal or principal's representative



578-03181-15

20151372c2

465 stating that the registrant is authorized to represent the  
466 principal. The principal shall also identify and designate its  
467 main business on the statement authorizing that lobbyist  
468 pursuant to a classification system approved by the governmental  
469 entity ~~district~~. Any changes to the information required by this  
470 section must be disclosed within 15 days by filing a new  
471 registration form. The registration form shall require each  
472 lobbyist to disclose, under oath, the following:

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

474 (b) The name and business address of each principal  
475 represented.

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

480 (d) A governmental entity shall create a lobbyist  
481 registration form modeled after the ~~In lieu of creating its own~~  
482 ~~lobbyist registration forms, a district may accept a completed~~  
483 legislative branch or executive branch lobbyist registration  
484 form, which must be returned to the governmental entity.

485 (3) A governmental entity ~~district~~ shall make lobbyist  
486 registrations available to the public. If a governmental entity  
487 ~~district~~ maintains a website, a database of currently registered  
488 lobbyists and principals must be available on the entity's  
489 ~~district's~~ website.

490 (4) A lobbyist shall promptly send a written statement to  
491 the governmental entity ~~district~~ canceling the registration for  
492 a principal upon termination of the lobbyist's representation of  
493 that principal. A governmental entity ~~district~~ may remove the

578-03181-15

20151372c2

494 name of a lobbyist from the list of registered lobbyists if the  
495 principal notifies the entity ~~district~~ that a person is no  
496 longer authorized to represent that principal.

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

501 (6) A governmental entity ~~district~~ shall be diligent to  
502 ascertain whether persons required to register pursuant to this  
503 section have complied. A governmental entity ~~district~~ may not  
504 knowingly authorize a person who is not registered pursuant to  
505 this section to lobby the entity ~~district~~.

506 (7) Upon receipt of a sworn complaint alleging that a  
507 lobbyist or principal has failed to register with a governmental  
508 entity ~~district~~ or has knowingly submitted false information in  
509 a report or registration required under this section, the  
510 commission shall investigate a lobbyist or principal pursuant to  
511 the procedures established under s. 112.324. The commission  
512 shall provide the Governor with a report of its findings and  
513 recommendations in any investigation conducted pursuant to this  
514 subsection. The Governor is authorized to enforce the  
515 commission's findings and recommendations.

516 (8) A governmental entity ~~Water management districts~~ may  
517 adopt rules to establish procedures to govern the registration  
518 of lobbyists, including the adoption of forms and the  
519 establishment of a lobbyist registration fee.

520 Section 8. Paragraph (c) of subsection (3) of section  
521 129.03, Florida Statutes, is amended to read:

522 129.03 Preparation and adoption of budget.-

578-03181-15

20151372c2

523 (3) The county budget officer, after tentatively  
524 ascertaining the proposed fiscal policies of the board for the  
525 next fiscal year, shall prepare and present to the board a  
526 tentative budget for the next fiscal year for each of the funds  
527 provided in this chapter, including all estimated receipts,  
528 taxes to be levied, and balances expected to be brought forward  
529 and all estimated expenditures, reserves, and balances to be  
530 carried over at the end of the year.

531 (c) The board shall hold public hearings to adopt tentative  
532 and final budgets pursuant to s. 200.065. The hearings shall be  
533 primarily for the purpose of hearing requests and complaints  
534 from the public regarding the budgets and the proposed tax  
535 levies and for explaining the budget and any proposed or adopted  
536 amendments. The tentative budget must be posted on the county's  
537 official website at least 2 days before the public hearing to  
538 consider such budget and must remain on the website for at least  
539 45 days. The final budget must be posted on the website within  
540 30 days after adoption and must remain on the website for at  
541 least 2 years. The tentative budgets, adopted tentative budgets,  
542 and final budgets shall be filed in the office of the county  
543 auditor as a public record. Sufficient reference in words and  
544 figures to identify the particular transactions shall be made in  
545 the minutes of the board to record its actions with reference to  
546 the budgets.

547 Section 9. Paragraph (f) of subsection (2) of section  
548 129.06, Florida Statutes, is amended to read:

549 129.06 Execution and amendment of budget.—

550 (2) The board at any time within a fiscal year may amend a  
551 budget for that year, and may within the first 60 days of a

578-03181-15

20151372c2

552 fiscal year amend the budget for the prior fiscal year, as  
553 follows:

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

559 1. The public hearing must be advertised at least 2 days,  
560 but not more than 5 days, before the date of the hearing. The  
561 advertisement must appear in a newspaper of paid general  
562 circulation and must identify the name of the taxing authority,  
563 the date, place, and time of the hearing, and the purpose of the  
564 hearing. The advertisement must also identify each budgetary  
565 fund to be amended, the source of the funds, the use of the  
566 funds, and the total amount of each fund's appropriations.

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

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

573 166.241 Fiscal years, budgets, and budget amendments.—

574 (3) The tentative budget must be posted on the  
575 municipality's official website at least 2 days before the  
576 budget hearing, held pursuant to s. 200.065 or other law, to  
577 consider such budget, and must remain on the website for at  
578 least 45 days. The final adopted budget must be posted on the  
579 municipality's official website within 30 days after adoption  
580 and must remain on the website for at least 2 years. If the

578-03181-15

20151372c2

581 municipality does not operate an official website, the  
582 municipality must, within a reasonable period of time as  
583 established by the county or counties in which the municipality  
584 is located, transmit the tentative budget and final budget to  
585 the manager or administrator of such county or counties who  
586 shall post the budgets on the county's website.

587 (5) If the governing body of a municipality amends the  
588 budget pursuant to paragraph (4)(c), the adopted amendment must  
589 be posted on the official website of the municipality within 5  
590 days after adoption and must remain on the website for at least  
591 2 years. If the municipality does not operate an official  
592 website, the municipality must, within a reasonable period of  
593 time as established by the county or counties in which the  
594 municipality is located, transmit the adopted amendment to the  
595 manager or administrator of such county or counties who shall  
596 post the adopted amendment on the county's website.

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

599 189.016 Reports; budgets; audits.—

600 (4) The tentative budget must be posted on the special  
601 district's official website at least 2 days before the budget  
602 hearing, held pursuant to s. 200.065 or other law, to consider  
603 such budget, and must remain on the website for at least 45  
604 days. The final adopted budget must be posted on the special  
605 district's official website within 30 days after adoption and  
606 must remain on the website for at least 2 years. If the special  
607 district does not operate an official website, the special  
608 district must, within a reasonable period of time as established  
609 by the local general-purpose government or governments in which

578-03181-15

20151372c2

610 the special district is located or the local governing authority  
611 to which the district is dependent, transmit the tentative  
612 budget or final budget to the manager or administrator of the  
613 local general-purpose government or the local governing  
614 authority. The manager or administrator shall post the tentative  
615 budget or final budget on the website of the local general-  
616 purpose government or governing authority. This subsection and  
617 subsection (3) do not apply to water management districts as  
618 defined in s. 373.019.

619 (7) If the governing body of a special district amends the  
620 budget pursuant to paragraph (6) (c), the adopted amendment must  
621 be posted on the official website of the special district within  
622 5 days after adoption and must remain on the website for at  
623 least 2 years. If the special district does not operate an  
624 official website, the special district must, within a reasonable  
625 period of time as established by the local general-purpose  
626 government or governments in which the special district is  
627 located or the local governing authority to which the district  
628 is dependent, transmit the adopted amendment to the manager or  
629 administrator of the local general-purpose government or  
630 governing authority. The manager or administrator shall post the  
631 adopted amendment on the website of the local general-purpose  
632 government or governing authority.

633 Section 12. Present subsections (1) through (5) of section  
634 215.425, Florida Statutes, are redesignated as subsections (2)  
635 through (6), respectively, present subsection (2) and paragraph  
636 (a) of present subsection (4) of that section are amended, and a  
637 new subsection (1) and subsections (7) through (12) are added to  
638 that section, to read:

578-03181-15

20151372c2

639 215.425 Extra compensation claims prohibited; bonuses;  
640 severance pay.—

641 (1) As used in this section, the term "public funds" means  
642 any taxes, tuition, grants, fines, fees, or other charges or any  
643 other type of revenue collected by the state or any county,  
644 municipality, special district, school district, Florida College  
645 System institution, state university, or other separate unit of  
646 government created pursuant to law, including any office,  
647 department, agency, division, subdivision, political  
648 subdivision, board, bureau, commission, authority, or  
649 institution of such entities.

650 (3)-(2) This section does not apply to:

651 (a) a bonus or severance pay that is paid from sources  
652 other than public funds wholly from nontax revenues and  
653 nonstate-appropriated funds, the payment and receipt of which  
654 does not otherwise violate part III of chapter 112, and which is  
655 paid to an officer, agent, employee, or contractor of a public  
656 hospital that is operated by a county or a special district; or  
657 (b) a clothing and maintenance allowance given to  
658 plainclothes deputies pursuant to s. 30.49.

659 (5) (a)-(4) (a) On or after July 1, 2011, A unit of government  
660 that enters into a contract or employment agreement, or renewal  
661 or renegotiation of an existing contract or employment  
662 agreement, that contains a provision for severance pay with an  
663 officer, agent, employee, or contractor must include the  
664 following provisions in the contract:

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

578-03181-15

20151372c2

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

672           (7) Upon discovery or notification that a unit of  
673 government has provided prohibited compensation to any officer,  
674 agent, employee, or contractor in violation of this section,  
675 such unit of government shall investigate and take all necessary  
676 action to recover the prohibited compensation.

677           (a) If the violation was unintentional, the unit of  
678 government shall recover the prohibited compensation from the  
679 individual receiving the prohibited compensation through normal  
680 recovery methods for overpayments.

681           (b) If the violation was willful, the unit of government  
682 shall recover the prohibited compensation from either the  
683 individual receiving the prohibited compensation or the  
684 individual or individuals responsible for approving the  
685 prohibited compensation. Each individual determined to have  
686 willfully violated this section is jointly and severally liable  
687 for repayment of the prohibited compensation.

688           (8) A person who willfully violates this section commits a  
689 misdemeanor of the first degree, punishable as provided in s.  
690 775.082 or s. 775.083.

691           (9) An officer who exercises the powers and duties of a  
692 state or county officer and willfully violates this section is  
693 subject to the Governor's power under s. 7(a), Art. IV of the  
694 State Constitution. An officer who exercises powers and duties  
695 other than those of a state or county officer and willfully  
696 violates this section is subject to the suspension and removal



578-03181-15

20151372c2

697 procedures under s. 112.51.

698 (10) (a) A person who reports a violation of this section is  
699 eligible for a reward of at least \$500, or the lesser of 10  
700 percent of the funds recovered or \$10,000 per incident of a  
701 prohibited compensation payment recovered by the unit of  
702 government, depending upon the extent to which the person  
703 substantially contributed to the discovery, notification, and  
704 recovery of such prohibited payment.

705 (b) In the event that the recovery of the prohibited  
706 compensation is based primarily on disclosures of specific  
707 information, other than information provided by such person,  
708 relating to allegations or transactions in a criminal, civil, or  
709 administrative hearing; in a legislative, administrative,  
710 inspector general, or other government report; in an auditor  
711 general report, hearing, audit, or investigation; or from the  
712 news media, such person is not eligible for a reward, or for an  
713 award of a portion of the proceeds or payment of attorney fees  
714 and costs pursuant to s. 68.085.

715 (c) If it is determined that the person who reported a  
716 violation of this section was involved in the authorization,  
717 approval, or receipt of the prohibited compensation or is  
718 convicted of criminal conduct arising from his or her role in  
719 the authorization, approval, or receipt of the prohibited  
720 compensation, such person is not eligible for a reward, or for  
721 an award of a portion of the proceeds or payment of attorney  
722 fees and costs pursuant to s. 68.085.

723 (11) An employee who is discharged, demoted, suspended,  
724 threatened, harassed, or in any manner discriminated against in  
725 the terms and conditions of employment by his or her employer

578-03181-15

20151372c2

726 because of lawful acts done by the employee on behalf of the  
727 employee or others in furtherance of an action under this  
728 section, including investigation for initiation of, testimony  
729 for, or assistance in an action filed or to be filed under this  
730 section, has a cause of action under s. 112.3187.

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

735 (a) Recover state funds in accordance with ss. 68.082 and  
736 68.083.

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

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

745 Section 13. Section 215.86, Florida Statutes, is amended to  
746 read:

747 215.86 Management systems and controls.—Each state agency  
748 and the judicial branch as defined in s. 216.011 shall establish  
749 and maintain management systems and internal controls designed  
750 to:

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

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

754 (3) Support economical and ~~economic,~~ efficient, ~~and~~

578-03181-15

20151372c2

755 ~~effective operations.~~

756 (4) Ensure reliability of financial records and reports.

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

760 Section 14. Paragraph (a) of subsection (2) of section  
761 215.97, Florida Statutes, is amended to read:

762 215.97 Florida Single Audit Act.—

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

764 (a) "Audit threshold" means the threshold amount used to  
765 determine when a state single audit or project-specific audit of  
766 a nonstate entity shall be conducted in accordance with this  
767 section. Each nonstate entity that expends a total amount of  
768 state financial assistance equal to or in excess of \$750,000  
769 ~~\$500,000~~ in any fiscal year of such nonstate entity shall be  
770 required to have a state single audit, or a project-specific  
771 audit, for such fiscal year in accordance with the requirements  
772 of this section. Periodically, ~~Every 2 years~~ the Auditor  
773 General, after consulting with the Executive Office of the  
774 Governor, the Department of Financial Services, and all state  
775 awarding agencies, shall review the threshold amount for  
776 requiring audits under this section and, if appropriate, may  
777 recommend to the Legislature a statutory change to revise the  
778 threshold amount in the annual report submitted pursuant to s.  
779 11.45(7)(h) ~~may adjust such threshold amount consistent with the~~  
780 ~~purposes of this section.~~

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

783 215.985 Transparency in government spending.—

578-03181-15

20151372c2

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

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

791 218.32 Annual financial reports; local governmental  
792 entities.-

793 (1)

794 (d) Each local governmental entity that is required to  
795 provide for an audit under s. 218.39(1) must submit a copy of  
796 the audit report and annual financial report to the department  
797 within 45 days after the completion of the audit report but no  
798 later than 9 months after the end of the fiscal year. An  
799 independent certified public accountant completing an audit of a  
800 local governmental entity pursuant to s. 218.39 shall report, as  
801 part of the audit, as to whether the entity's annual financial  
802 report is in agreement with the audited financial statements.  
803 The accountant's audit report must be supported by the same  
804 level of detail as required for the annual financial report. If  
805 the accountant's audit report is not in agreement with the  
806 annual financial report, the accountant shall specify and  
807 explain the significant differences that exist between the  
808 annual financial report and the audit report.

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

578-03181-15

20151372c2

813 locally derived and derived from intergovernmental transfers,  
814 and the expenditures of each local governmental entity, regional  
815 planning council, local government finance commission, and  
816 municipal power corporation that is required to submit an annual  
817 financial report. In preparing the verified report, the  
818 department may request additional information from the local  
819 governmental entity. The information requested must be provided  
820 to the department within 45 days of the request. If the local  
821 governmental entity does not comply with the request, the  
822 department shall notify the Legislative Auditing Committee,  
823 which may take action pursuant to s. 11.40(2). The report must  
824 include, but is not limited to:

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

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

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

836 218.33 Local governmental entities; establishment of  
837 uniform fiscal years and accounting practices and procedures.—

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

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

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

578-03181-15

20151372c2

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

843 (c) Support economical and efficient operations.

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

845 (e) Safeguard assets.

846 Section 18. Present subsections (8) through (12) of section  
847 218.39, Florida Statutes, are redesignated as subsections (9)  
848 through (13), respectively, and a new subsection (8) is added to  
849 that section, to read:

850 218.39 Annual financial audit reports.-

851 (8) If the audit report includes a recommendation that was  
852 previously included in the preceding financial audit report, the  
853 governing body of the audited entity, within 60 days after the  
854 delivery of the audit report to the governing body and during a  
855 regularly scheduled public meeting, shall indicate its intent  
856 regarding corrective action, the corrective action to be taken,  
857 and when the corrective action will occur. If the governing body  
858 does not intend to take corrective action, it shall explain why  
859 such action will not be taken at the regularly scheduled public  
860 meeting.

861 Section 19. Subsection (2) of section 218.391, Florida  
862 Statutes, is amended, and subsection (9) is added to that  
863 section, to read:

864 218.391 Auditor selection procedures.-

865 (2) The governing body of a ~~charter~~ county, municipality,  
866 special district, district school board, charter school, or  
867 charter technical career center shall establish an audit  
868 committee.

869 (a) For a county, the ~~Each noncharter county shall~~  
870 ~~establish an~~ audit committee ~~that~~, at a minimum, shall consist

578-03181-15

20151372c2

871 of each of the county officers elected pursuant to the county  
872 charter or s. 1(d), Art. VIII of the State Constitution, or a  
873 designee, and one member of the board of county commissioners or  
874 its designee.

875 (b) For a municipality, special district, district school  
876 board, charter school, or charter technical career center, the  
877 audit committee shall consist of at least three members. One  
878 member of the audit committee must be a member of the governing  
879 body of an entity specified in this paragraph who shall also  
880 serve as the chair of the committee.

881 (c) A member of the audit committee may not be an employee,  
882 chief executive officer, or chief financial officer of the  
883 county, municipality, special district, district school board,  
884 charter school, or charter technical career center.

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

891 (9) An audit report submitted pursuant to s. 218.39 must  
892 include an affidavit executed by the chair of the audit  
893 committee affirming that the committee complied with the  
894 requirements of subsections (3)-(6) in selecting an auditor. If  
895 the Auditor General determines that an entity failed to comply  
896 with the requirements of subsections (3)-(6) in selecting an  
897 auditor, the entity shall select a replacement auditor in  
898 accordance with this section to conduct audits for subsequent  
899 fiscal years if the original audit was performed under a

578-03181-15

20151372c2

900 multiyear contract. If the replacement of an auditor would  
901 preclude the entity from timely completing the annual financial  
902 audit required by s. 218.39, the entity shall replace an auditor  
903 in accordance with this section for the subsequent annual  
904 financial audit. A multiyear contract between an entity or an  
905 auditor may not prohibit or restrict an entity from complying  
906 with this subsection.

907 Section 20. Paragraph (b) of subsection (2) of section  
908 288.92, Florida Statutes, is amended to read:

909 288.92 Divisions of Enterprise Florida, Inc.—

910 (2)

911 (b)1. The following officers and board members are subject  
912 to ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and  
913 112.3143(2):

914 a. Officers and members of the board of directors of the  
915 divisions of Enterprise Florida, Inc.

916 b. Officers and members of the board of directors of  
917 subsidiaries of Enterprise Florida, Inc.

918 c. Officers and members of the board of directors of  
919 corporations created to carry out the missions of Enterprise  
920 Florida, Inc.

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

924 2. The officers and board members specified in subparagraph  
925 1. may not represent another person or entity for compensation  
926 before Enterprise Florida, Inc., or a division, subsidiary, or  
927 the board of directors of corporations created to carry out the  
928 missions of Enterprise Florida, Inc., or with which a division



578-03181-15

20151372c2

929 is required by law to contract to carry out its missions, for a  
930 period of 2 years after retirement from or termination of  
931 service to a division.

932 ~~3.2.~~ For purposes of applying ss. 112.313(1)-(8), (10),  
933 (12), and (15); 112.3135; and 112.3143(2) to activities of the  
934 officers and members of the board of directors specified in  
935 subparagraph 1., those persons shall be considered public  
936 officers or employees and the corporation shall be considered  
937 their agency.

938 ~~4.3.~~ It is not a violation of s. 112.3143(2) or (4) for the  
939 officers or members of the board of directors of the Florida  
940 Tourism Industry Marketing Corporation to:

941 a. Vote on the 4-year marketing plan required under s.  
942 288.923 or vote on any individual component of or amendment to  
943 the plan.

944 b. Participate in the establishment or calculation of  
945 payments related to the private match requirements of s.  
946 288.904(3). The officer or member must file an annual disclosure  
947 describing the nature of his or her interests or the interests  
948 of his or her principals, including corporate parents and  
949 subsidiaries of his or her principal, in the private match  
950 requirements. This annual disclosure requirement satisfies the  
951 disclosure requirement of s. 112.3143(4). This disclosure must  
952 be placed either on the Florida Tourism Industry Marketing  
953 Corporation's website or included in the minutes of each meeting  
954 of the Florida Tourism Industry Marketing Corporation's board of  
955 directors at which the private match requirements are discussed  
956 or voted upon.

957 Section 21. Paragraph (a) of subsection (3) of section

578-03181-15

20151372c2

958 288.9604, Florida Statutes, is amended to read:

959 288.9604 Creation of the authority.—

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

965 2. Directors are subject to ss. 112.313(1)-(8), (10), (12),  
966 and (15); 112.3135; and 112.3143(2). For purposes of applying  
967 ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and  
968 112.3143(2) to activities of directors, directors shall be  
969 considered public officers and the corporation shall be  
970 considered their agency.

971 3. A director of the board of directors of the corporation  
972 may not represent another person or entity for compensation  
973 before the corporation for a period of 2 years following his or  
974 her service on the board of directors.

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

978 373.536 District budget and hearing thereon.—

979 (4) BUDGET CONTROLS; FINANCIAL INFORMATION.—

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

985 (5) TENTATIVE BUDGET CONTENTS AND SUBMISSION; REVIEW AND  
986 APPROVAL.—

578-03181-15

20151372c2

987 (d) Each district shall, by August 1 of each year, submit  
988 for review a tentative budget and a description of any  
989 significant changes from the preliminary budget submitted to the  
990 Legislature pursuant to s. 373.535 to the Governor, the  
991 President of the Senate, the Speaker of the House of  
992 Representatives, the chairs of all legislative committees and  
993 subcommittees having substantive or fiscal jurisdiction over  
994 water management districts, as determined by the President of  
995 the Senate or the Speaker of the House of Representatives, as  
996 applicable, the secretary of the department, and the governing  
997 body of each county in which the district has jurisdiction or  
998 derives any funds for the operations of the district. The  
999 tentative budget must be posted on the district's official  
1000 website at least 2 days before budget hearings held pursuant to  
1001 s. 200.065 or other law and must remain on the website for at  
1002 least 45 days.

1003 (6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS PLAN;  
1004 WATER RESOURCE DEVELOPMENT WORK PROGRAM.—

1005 (d) The final adopted budget must be posted on the water  
1006 management district's official website within 30 days after  
1007 adoption and must remain on the website for at least 2 years.

1008 Section 23. Paragraph (j) of subsection (9) of section  
1009 1002.33, Florida Statutes, is amended to read:

1010 1002.33 Charter schools.—

1011 (9) CHARTER SCHOOL REQUIREMENTS.—

1012 (j) The governing body of the charter school shall be  
1013 responsible for:

1014 1. Establishing and maintaining internal controls designed  
1015 to:

578-03181-15

20151372c2

- 1016       a. Prevent and detect fraud, waste, and abuse.
- 1017       b. Promote and encourage compliance with applicable laws,
- 1018 rules, contracts, grant agreements, and best practices.
- 1019       c. Support economical and efficient operations.
- 1020       d. Ensure reliability of financial records and reports.
- 1021       e. Safeguard assets.
- 1022       ~~2.1.~~ Ensuring that the charter school has retained the
- 1023 services of a certified public accountant or auditor for the
- 1024 annual financial audit, pursuant to s. 1002.345(2), who shall
- 1025 submit the report to the governing body.
- 1026       ~~3.2.~~ Reviewing and approving the audit report, including
- 1027 audit findings and recommendations for the financial recovery
- 1028 plan.
- 1029       ~~4.a.3.a.~~ Performing the duties in s. 1002.345, including
- 1030 monitoring a corrective action plan.
- 1031       b. Monitoring a financial recovery plan in order to ensure
- 1032 compliance.
- 1033       ~~5.4.~~ Participating in governance training approved by the
- 1034 department which must include government in the sunshine,
- 1035 conflicts of interest, ethics, and financial responsibility.
- 1036       Section 24. Present subsections (6) through (10) of section
- 1037 1002.37, Florida Statutes, are redesignated as subsections (7)
- 1038 through (11), respectively, a new subsection (6) is added to
- 1039 that section, and present subsections (6) and (11) of that
- 1040 section are amended, to read:
- 1041       1002.37 The Florida Virtual School.—
- 1042       (6) The Florida Virtual School shall have an annual
- 1043 financial audit of its accounts and records completed by an
- 1044 independent auditor who is a certified public accountant

578-03181-15

20151372c2

1045 licensed under chapter 473. The independent auditor shall  
1046 conduct the audit in accordance with rules adopted by the  
1047 Auditor General pursuant to s. 11.45 and, upon completion of the  
1048 audit, shall prepare an audit report in accordance with such  
1049 rules. The audit report must include a written statement of the  
1050 board of trustees describing corrective action to be taken in  
1051 response to each of the independent auditor's recommendations  
1052 included in the audit report. The independent auditor shall  
1053 submit the audit report to the board of trustees and the Auditor  
1054 General no later than 9 months after the end of the preceding  
1055 fiscal year.

1056 (7)-(6) The board of trustees shall annually submit to the  
1057 Governor, the Legislature, the Commissioner of Education, and  
1058 the State Board of Education, the audit report prepared pursuant  
1059 to subsection (6) and a complete and detailed report setting  
1060 forth:

1061 (a) The operations and accomplishments of the Florida  
1062 Virtual School within the state and those occurring outside the  
1063 state as Florida Virtual School Global.

1064 (b) The marketing and operational plan for the Florida  
1065 Virtual School and Florida Virtual School Global, including  
1066 recommendations regarding methods for improving the delivery of  
1067 education through the Internet and other distance learning  
1068 technology.

1069 (c) The assets and liabilities of the Florida Virtual  
1070 School and Florida Virtual School Global at the end of the  
1071 fiscal year.

1072 ~~(d) A copy of an annual financial audit of the accounts and~~  
1073 ~~records of the Florida Virtual School and Florida Virtual School~~

578-03181-15

20151372c2

1074 Global, ~~conducted by an independent certified public accountant~~  
1075 ~~and performed in accordance with rules adopted by the Auditor~~  
1076 ~~General.~~

1077 ~~(e)~~ Recommendations regarding the unit cost of providing  
1078 services to students through the Florida Virtual School and  
1079 Florida Virtual School Global. In order to most effectively  
1080 develop public policy regarding any future funding of the  
1081 Florida Virtual School, it is imperative that the cost of the  
1082 program is accurately identified. The identified cost of the  
1083 program must be based on reliable data.

1084 (e) ~~(f)~~ Recommendations regarding an accountability  
1085 mechanism to assess the effectiveness of the services provided  
1086 by the Florida Virtual School and Florida Virtual School Global.

1087 ~~(11) The Auditor General shall conduct an operational audit~~  
1088 ~~of the Florida Virtual School, including Florida Virtual School~~  
1089 ~~Global. The scope of the audit shall include, but not be limited~~  
1090 ~~to, the administration of responsibilities relating to~~  
1091 ~~personnel; procurement and contracting; revenue production;~~  
1092 ~~school funds, including internal funds; student enrollment~~  
1093 ~~records; franchise agreements; information technology~~  
1094 ~~utilization, assets, and security; performance measures and~~  
1095 ~~standards; and accountability. The final report on the audit~~  
1096 ~~shall be submitted to the President of the Senate and the~~  
1097 ~~Speaker of the House of Representatives no later than January~~  
1098 ~~31, 2014.~~

1099 Section 25. Subsection (5) is added to section 1010.01,  
1100 Florida Statutes, to read:

1101 1010.01 Uniform records and accounts.-

1102 (5) Each school district, Florida College System

578-03181-15

20151372c2

1103 institution, and state university shall establish and maintain  
1104 internal controls designed to:

1105 (a) Prevent and detect fraud, waste, and abuse.

1106 (b) Promote and encourage compliance with applicable laws,  
1107 rules, contracts, grant agreements, and best practices.

1108 (c) Support economical and efficient operations.

1109 (d) Ensure reliability of financial records and reports.

1110 (e) Safeguard assets.

1111 Section 26. Subsection (2) of section 1010.30, Florida  
1112 Statutes, is amended to read:

1113 1010.30 Audits required.—

1114 (2) If a school district, Florida College System  
1115 institution, or university audit report includes a  
1116 recommendation that was previously included in the preceding  
1117 financial audit report, ~~an audit contains a significant finding,~~  
1118 the district school board, the Florida College System  
1119 institution board of trustees, or the university board of  
1120 trustees, within 60 days after the delivery of the audit report  
1121 to the school district, Florida College System institution, or  
1122 university and ~~shall conduct an audit overview~~ during a  
1123 regularly scheduled public meeting, shall indicate its intent  
1124 regarding corrective action, the corrective action to be taken,  
1125 and when the corrective action will occur. If the district  
1126 school board, Florida College System institution board of  
1127 trustees, or university board of trustees does not intend to  
1128 take corrective action, it shall explain why such action will  
1129 not be taken at the regularly scheduled public meeting.

1130 Section 27. Subsection (2) of section 68.082, Florida  
1131 Statutes, is amended to read:

578-03181-15

20151372c2

1132           68.082 False claims against the state; definitions;  
1133 liability.—  
1134           (2) Any person who:  
1135           (a) Knowingly presents or causes to be presented a false or  
1136 fraudulent claim for payment or approval;  
1137           (b) Knowingly authorizes, approves, or receives payment of  
1138 prohibited compensation in violation of s. 215.425;  
1139           (c)~~(b)~~ Knowingly makes, uses, or causes to be made or used  
1140 a false record or statement material to a false or fraudulent  
1141 claim;  
1142           (d)~~(e)~~ Conspires to commit a violation of this subsection;  
1143           (e)~~(d)~~ Has possession, custody, or control of property or  
1144 money used or to be used by the state and knowingly delivers or  
1145 causes to be delivered less than all of that money or property;  
1146           (f)~~(e)~~ Is authorized to make or deliver a document  
1147 certifying receipt of property used or to be used by the state  
1148 and, intending to defraud the state, makes or delivers the  
1149 receipt without knowing that the information on the receipt is  
1150 true;  
1151           (g)~~(f)~~ Knowingly buys or receives, as a pledge of an  
1152 obligation or a debt, public property from an officer or  
1153 employee of the state who may not sell or pledge the property;  
1154 or  
1155           (h)~~(g)~~ Knowingly makes, uses, or causes to be made or used  
1156 a false record or statement material to an obligation to pay or  
1157 transmit money or property to the state, or knowingly conceals  
1158 or knowingly and improperly avoids or decreases an obligation to  
1159 pay or transmit money or property to the state  
1160



578-03181-15

20151372c2

1161 is liable to the state for a civil penalty of not less than  
1162 \$5,500 and not more than \$11,000 and for treble the amount of  
1163 damages the state sustains because of the act of that person.

1164 Section 28. Subsection (1) of section 68.083, Florida  
1165 Statutes, is amended to read:

1166 68.083 Civil actions for false claims.—

1167 (1) The department may diligently investigate a violation  
1168 under s. 68.082. If the department finds that a person has  
1169 violated or is violating s. 68.082, the department may bring a  
1170 civil action under the Florida False Claims Act against the  
1171 person. The Department of Financial Services may bring a civil  
1172 action under this section if the action arises from an  
1173 investigation by that department and the Department of Legal  
1174 Affairs has not filed an action under this act. For a violation  
1175 of s. 68.082 regarding prohibited compensation paid from state  
1176 funds, the Department of Financial Services may bring a civil  
1177 action under this section if the action arises from an  
1178 investigation by that department concerning a violation of s.  
1179 215.425 by the state and the Department of Legal Affairs has not  
1180 filed an action under this act.

1181 Section 29. Subsection (3) of section 218.503, Florida  
1182 Statutes, is amended to read:

1183 218.503 Determination of financial emergency.—

1184 (3) Upon notification that one or more of the conditions in  
1185 subsection (1) have occurred or will occur if action is not  
1186 taken to assist the local governmental entity or district school  
1187 board, the Governor or his or her designee shall contact the  
1188 local governmental entity or the Commissioner of Education or  
1189 his or her designee shall contact the district school board to

578-03181-15

20151372c2

1190 determine what actions have been taken by the local governmental  
1191 entity or the district school board to resolve or prevent the  
1192 condition. The information requested must be provided within 45  
1193 days after the date of the request. If the local governmental  
1194 entity or the district school board does not comply with the  
1195 request, the Governor or his or her designee or the Commissioner  
1196 of Education or his or her designee shall notify ~~the members of~~  
1197 the Legislative Auditing Committee, which ~~who~~ may take action  
1198 pursuant to s. 11.40(2) ~~s. 11.40~~. The Governor or the  
1199 Commissioner of Education, as appropriate, shall determine  
1200 whether the local governmental entity or the district school  
1201 board needs state assistance to resolve or prevent the  
1202 condition. If state assistance is needed, the local governmental  
1203 entity or district school board is considered to be in a state  
1204 of financial emergency. The Governor or the Commissioner of  
1205 Education, as appropriate, has the authority to implement  
1206 measures as set forth in ss. 218.50-218.504 to assist the local  
1207 governmental entity or district school board in resolving the  
1208 financial emergency. Such measures may include, but are not  
1209 limited to:

1210 (a) Requiring approval of the local governmental entity's  
1211 budget by the Governor or approval of the district school  
1212 board's budget by the Commissioner of Education.

1213 (b) Authorizing a state loan to a local governmental entity  
1214 and providing for repayment of same.

1215 (c) Prohibiting a local governmental entity or district  
1216 school board from issuing bonds, notes, certificates of  
1217 indebtedness, or any other form of debt until such time as it is  
1218 no longer subject to this section.

578-03181-15

20151372c2

1219 (d) Making such inspections and reviews of records,  
1220 information, reports, and assets of the local governmental  
1221 entity or district school board as are needed. The appropriate  
1222 local officials shall cooperate in such inspections and reviews.

1223 (e) Consulting with officials and auditors of the local  
1224 governmental entity or the district school board and the  
1225 appropriate state officials regarding any steps necessary to  
1226 bring the books of account, accounting systems, financial  
1227 procedures, and reports into compliance with state requirements.

1228 (f) Providing technical assistance to the local  
1229 governmental entity or the district school board.

1230 (g)1. Establishing a financial emergency board to oversee  
1231 the activities of the local governmental entity or the district  
1232 school board. If a financial emergency board is established for  
1233 a local governmental entity, the Governor shall appoint board  
1234 members and select a chair. If a financial emergency board is  
1235 established for a district school board, the State Board of  
1236 Education shall appoint board members and select a chair. The  
1237 financial emergency board shall adopt such rules as are  
1238 necessary for conducting board business. The board may:

1239 a. Make such reviews of records, reports, and assets of the  
1240 local governmental entity or the district school board as are  
1241 needed.

1242 b. Consult with officials and auditors of the local  
1243 governmental entity or the district school board and the  
1244 appropriate state officials regarding any steps necessary to  
1245 bring the books of account, accounting systems, financial  
1246 procedures, and reports of the local governmental entity or the  
1247 district school board into compliance with state requirements.

578-03181-15

20151372c2

1248 c. Review the operations, management, efficiency,  
1249 productivity, and financing of functions and operations of the  
1250 local governmental entity or the district school board.

1251 d. Consult with other governmental entities for the  
1252 consolidation of all administrative direction and support  
1253 services, including, but not limited to, services for asset  
1254 sales, economic and community development, building inspections,  
1255 parks and recreation, facilities management, engineering and  
1256 construction, insurance coverage, risk management, planning and  
1257 zoning, information systems, fleet management, and purchasing.

1258 2. The recommendations and reports made by the financial  
1259 emergency board must be submitted to the Governor for local  
1260 governmental entities or to the Commissioner of Education and  
1261 the State Board of Education for district school boards for  
1262 appropriate action.

1263 (h) Requiring and approving a plan, to be prepared by  
1264 officials of the local governmental entity or the district  
1265 school board in consultation with the appropriate state  
1266 officials, prescribing actions that will cause the local  
1267 governmental entity or district school board to no longer be  
1268 subject to this section. The plan must include, but need not be  
1269 limited to:

1270 1. Provision for payment in full of obligations outlined in  
1271 subsection (1), designated as priority items, which are  
1272 currently due or will come due.

1273 2. Establishment of priority budgeting or zero-based  
1274 budgeting in order to eliminate items that are not affordable.

1275 3. The prohibition of a level of operations which can be  
1276 sustained only with nonrecurring revenues.

578-03181-15

20151372c2

1277 4. Provisions implementing the consolidation, sourcing, or  
1278 discontinuance of all administrative direction and support  
1279 services, including, but not limited to, services for asset  
1280 sales, economic and community development, building inspections,  
1281 parks and recreation, facilities management, engineering and  
1282 construction, insurance coverage, risk management, planning and  
1283 zoning, information systems, fleet management, and purchasing.

1284 Section 30. Subsection (2) of section 1002.455, Florida  
1285 Statutes, is amended to read:

1286 1002.455 Student eligibility for K-12 virtual instruction.—

1287 (2) A student is eligible to participate in virtual  
1288 instruction if:

1289 (a) The student spent the prior school year in attendance  
1290 at a public school in the state and was enrolled and reported by  
1291 the school district for funding during October and February for  
1292 purposes of the Florida Education Finance Program surveys;

1293 (b) The student is a dependent child of a member of the  
1294 United States Armed Forces who was transferred within the last  
1295 12 months to this state from another state or from a foreign  
1296 country pursuant to a permanent change of station order;

1297 (c) The student was enrolled during the prior school year  
1298 in a virtual instruction program under s. 1002.45 or a full-time  
1299 Florida Virtual School program under s. 1002.37(9)(a) ~~s.~~

1300 ~~1002.37(8)(a)~~;

1301 (d) The student has a sibling who is currently enrolled in  
1302 a virtual instruction program and the sibling was enrolled in  
1303 that program at the end of the prior school year;

1304 (e) The student is eligible to enter kindergarten or first  
1305 grade; or

578-03181-15

20151372c2

1306 (f) The student is eligible to enter grades 2 through 5 and  
1307 is enrolled full-time in a school district virtual instruction  
1308 program, virtual charter school, or the Florida Virtual School.

1309 Section 31. The Legislature finds that a proper and  
1310 legitimate state purpose is served when internal controls are  
1311 established to prevent and detect fraud, waste, and abuse and to  
1312 safeguard and account for government funds and property.  
1313 Therefore, the Legislature determines and declares that this act  
1314 fulfills an important state interest.

1315 Section 32. This act shall take effect October 1, 2015.