

By the Committees on Appropriations; and Education; and Senator Stargel

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1                   A bill to be entitled  
2       An act relating to school district accountability;  
3       amending s. 11.45, F.S.; revising the duties of the  
4       Auditor General; amending s. 112.313, F.S.;  
5       prohibiting former appointed district school  
6       superintendents from conducting certain lobbying  
7       activities; amending s. 112.31455, F.S.; requiring the  
8       governing body of a district school board to be  
9       notified if an officer or employee of the body owes a  
10      certain fine; requiring the governing body of a  
11      district school board to take specified actions under  
12      such circumstances; amending s. 1001.20, F.S.;  
13      requiring the Office of Inspector General of the  
14      Department of Education to investigate certain  
15      allegations and reports made by specified individuals;  
16      amending s. 1001.39, F.S.; requiring certain district  
17      school board member travel outside of the school  
18      district to be preapproved and meet certain criteria;  
19      providing requirements for a school board member's  
20      request for travel outside of the state; providing an  
21      opportunity for the public to speak on such travel;  
22      amending s. 1001.395, F.S.; providing that certain  
23      requirements for the salaries of district school board  
24      members apply every fiscal year, rather than one  
25      specific fiscal year; amending s. 1001.42, F.S.;  
26      providing that the standards of ethical conduct apply  
27      to administrative personnel and school officers;  
28      authorizing district school board members to request  
29      and receive specified budget information; requiring

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30 employment of internal auditors in certain school  
31 districts; revising provisions relating to the scope  
32 of such internal auditors; amending s. 1010.20, F.S.;  
33 requiring each school district to report certain  
34 expenditures to the Department of Education; providing  
35 department responsibilities; amending s. 1010.30,  
36 F.S.; requiring certain entities to conduct an audit  
37 overview under certain circumstances; providing the  
38 contents of the overview; amending ss. 1011.01 and  
39 1011.03, F.S.; conforming provisions and cross-  
40 references to changes made by the act; amending s.  
41 1011.035, F.S.; requiring each district school board  
42 to post on its website certain graphical  
43 representations and a link to a certain web-based tool  
44 on the department's website; providing requirements  
45 for such graphical representations; amending s.  
46 1011.051, F.S.; requiring a district school board to  
47 limit certain expenditures by a specified amount if  
48 certain financial conditions exist for a specified  
49 period of time; requiring the department to contract  
50 with a third party to conduct an investigation under  
51 certain circumstances; providing requirements for such  
52 investigation; requiring the results of such  
53 investigation to include certain information and be  
54 provided to certain entities; amending s. 1011.06,  
55 F.S.; requiring each district school board to approve  
56 certain expenditures by amending its budget and  
57 provide a public explanation for such budget  
58 amendments; amending s. 1011.09, F.S.; providing

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59 certain expenditure limitations for a school district  
60 that meets specified criteria; amending s. 1011.10,  
61 F.S.; requiring certain school districts to withhold  
62 certain district school board member and district  
63 school superintendent salaries until certain  
64 conditions are met; amending s. 1011.60, F.S.;  
65 conforming cross-references; repealing s. 1011.64,  
66 F.S., relating to school district minimum classroom  
67 expenditure requirements; amending s. 1012.23, F.S.;  
68 prohibiting a district school superintendent and  
69 district school board from appointing or employing  
70 certain individuals in certain positions; providing an  
71 exception; requiring the Commission on Ethics to  
72 investigate alleged violations; amending s. 1002.395,  
73 F.S.; conforming a cross-reference; providing an  
74 appropriation; providing an effective date.

75

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

77

78 Section 1. Present paragraph (k) of subsection (2) of  
79 section 11.45, Florida Statutes, is redesignated as paragraph  
80 (1), and a new paragraph (k) is added to that subsection, to  
81 read:

82 11.45 Definitions; duties; authorities; reports; rules.—

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

84 (k) Contact each district school board, as defined in s.

85 1003.01(1), with the findings and recommendations contained

86 within the Auditor General's previous operational audit report.

87 The district school board shall provide the Auditor General with

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88 evidence of the initiation of corrective action within 45 days  
89 after the date it is requested by the Auditor General and  
90 evidence of completion of corrective action within 180 days  
91 after the date it is requested by the Auditor General. If the  
92 district school board fails to comply with the Auditor General's  
93 request or is unable to take corrective action within the  
94 required timeframe, the Auditor General shall notify the  
95 Legislative Auditing Committee.

96  
97 The Auditor General shall perform his or her duties  
98 independently but under the general policies established by the  
99 Legislative Auditing Committee. This subsection does not limit  
100 the Auditor General's discretionary authority to conduct other  
101 audits or engagements of governmental entities as authorized in  
102 subsection (3).

103 Section 2. Subsection (14) of section 112.313, Florida  
104 Statutes, is amended to read:

105 112.313 Standards of conduct for public officers, employees  
106 of agencies, and local government attorneys.—

107 (14) LOBBYING BY FORMER LOCAL OFFICERS; PROHIBITION.—A  
108 person who has been elected to any county, municipal, special  
109 district, or school district office or appointed superintendent  
110 of a school district may not personally represent another person  
111 or entity for compensation before the government body or agency  
112 of which the person was an officer for a period of 2 years after  
113 vacating that office. For purposes of this subsection:

114 (a) The "government body or agency" of a member of a board  
115 of county commissioners consists of the commission, the chief  
116 administrative officer or employee of the county, and their

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117 immediate support staff.

118 (b) The "government body or agency" of any other county  
119 elected officer is the office or department headed by that  
120 officer, including all subordinate employees.

121 (c) The "government body or agency" of an elected municipal  
122 officer consists of the governing body of the municipality, the  
123 chief administrative officer or employee of the municipality,  
124 and their immediate support staff.

125 (d) The "government body or agency" of an elected special  
126 district officer is the special district.

127 (e) The "government body or agency" of an elected school  
128 district officer is the school district.

129 Section 3. Subsection (1) of section 112.31455, Florida  
130 Statutes, is amended to read:

131 112.31455 Collection methods for unpaid automatic fines for  
132 failure to timely file disclosure of financial interests.-

133 (1) Before referring any unpaid fine accrued pursuant to s.  
134 112.3144(5) or s. 112.3145(7) to the Department of Financial  
135 Services, the commission shall attempt to determine whether the  
136 individual owing such a fine is a current public officer or  
137 current public employee. If so, the commission may notify the  
138 Chief Financial Officer or the governing body of the appropriate  
139 county, municipality, district school board, or special district  
140 of the total amount of any fine owed to the commission by such  
141 individual.

142 (a) After receipt and verification of the notice from the  
143 commission, the Chief Financial Officer or the governing body of  
144 the county, municipality, district school board, or special  
145 district shall begin withholding the lesser of 10 percent or the

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146 maximum amount allowed under federal law from any salary-related  
147 payment. The withheld payments shall be remitted to the  
148 commission until the fine is satisfied.

149 (b) The Chief Financial Officer or the governing body of  
150 the county, municipality, district school board, or special  
151 district may retain an amount of each withheld payment, as  
152 provided in s. 77.0305, to cover the administrative costs  
153 incurred under this section.

154 Section 4. Paragraph (e) of subsection (4) of section  
155 1001.20, Florida Statutes, is amended to read:

156 1001.20 Department under direction of state board.—

157 (4) The Department of Education shall establish the  
158 following offices within the Office of the Commissioner of  
159 Education which shall coordinate their activities with all other  
160 divisions and offices:

161 (e) *Office of Inspector General.*—Organized using existing  
162 resources and funds and responsible for promoting  
163 accountability, efficiency, and effectiveness and detecting  
164 fraud and abuse within school districts, the Florida School for  
165 the Deaf and the Blind, and Florida College System institutions  
166 in Florida. If the Commissioner of Education determines that a  
167 district school board, the Board of Trustees for the Florida  
168 School for the Deaf and the Blind, or a Florida College System  
169 institution board of trustees is unwilling or unable to address  
170 substantiated allegations made by any person relating to waste,  
171 fraud, or financial mismanagement within the school district,  
172 the Florida School for the Deaf and the Blind, or the Florida  
173 College System institution, the office shall conduct,  
174 coordinate, or request investigations into such substantiated

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175 allegations. The office shall investigate allegations or reports  
176 of possible fraud or abuse against a district school board made  
177 by any member of the Cabinet; the presiding officer of either  
178 house of the Legislature; a chair of a substantive or  
179 appropriations committee with jurisdiction; or a member of the  
180 board for which an investigation is sought. The office shall  
181 have access to all information and personnel necessary to  
182 perform its duties and shall have all of its current powers,  
183 duties, and responsibilities authorized in s. 20.055.

184 Section 5. Subsection (1) of section 1001.39, Florida  
185 Statutes, is amended to read:

186 1001.39 District school board members; travel expenses.—

187 (1) In addition to the salary provided in s. 1001.395, each  
188 member of a district school board shall be allowed, from the  
189 district school fund, reimbursement of travel expenses as  
190 authorized in s. 112.061, ~~except as provided that in subsection~~  
191 ~~(2).~~ any travel outside the district which exceeds \$500 requires  
192 prior approval by the district school board to confirm that such  
193 travel is for official business of the school district and  
194 complies with shall also be governed by the rules of the State  
195 Board of Education. Any request for travel outside the state  
196 must include an itemized list detailing all anticipated travel  
197 expenses, including, but not limited to, the anticipated costs  
198 of all means of travel, lodging, and subsistence. Immediately  
199 preceding a request, the public must have an opportunity to  
200 speak on the specific travel agenda item.

201 Section 6. Subsection (3) of section 1001.395, Florida  
202 Statutes, is amended to read:

203 1001.395 District school board members; compensation.—

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204 (3) Notwithstanding the provisions of this section and s.  
 205 145.19, ~~for the 2010-2011 fiscal year,~~ the salary of each  
 206 district school board member shall be the amount calculated  
 207 pursuant to subsection (1) or the district's beginning salary  
 208 for teachers who hold baccalaureate degrees, whichever is less.

209 Section 7. Subsections (6) and (7), paragraphs (b) and (1)  
 210 of subsection (12), and paragraph (b) of subsection (17) of  
 211 section 1001.42, Florida Statutes, are amended to read:

212 1001.42 Powers and duties of district school board.—The  
 213 district school board, acting as a board, shall exercise all  
 214 powers and perform all duties listed below:

215 (6) STANDARDS OF ETHICAL CONDUCT FOR INSTRUCTIONAL  
 216 PERSONNEL, ADMINISTRATIVE PERSONNEL, AND SCHOOL OFFICERS  
 217 ~~ADMINISTRATORS~~.—Adopt policies establishing standards of ethical  
 218 conduct for instructional personnel, administrative personnel,  
 219 and school officers administrators. The policies must require  
 220 all instructional personnel, administrative personnel, and  
 221 school officers administrators, as defined in s. 1012.01, to  
 222 complete training on the standards; establish the duty of  
 223 instructional personnel, administrative personnel, and school  
 224 officers administrators to report, and procedures for reporting,  
 225 alleged misconduct by other instructional or administrative  
 226 personnel and school officers administrators which affects the  
 227 health, safety, or welfare of a student; and include an  
 228 explanation of the liability protections provided under ss.  
 229 39.203 and 768.095. A district school board, or any of its  
 230 employees, may not enter into a confidentiality agreement  
 231 regarding terminated or dismissed instructional or  
 232 administrative personnel or school officers administrators, ~~or~~



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233 ~~personnel or administrators~~ who resign in lieu of termination,  
234 based in whole or in part on misconduct that affects the health,  
235 safety, or welfare of a student, and may not provide  
236 instructional personnel, administrative personnel, or school  
237 officers ~~administrators~~ with employment references or discuss  
238 the personnel's or officers' ~~administrators'~~ performance with  
239 prospective employers in another educational setting, without  
240 disclosing the personnel's or officers' ~~administrators'~~  
241 misconduct. Any part of an agreement or contract that has the  
242 purpose or effect of concealing misconduct by instructional  
243 personnel, administrative personnel, or school officers  
244 ~~administrators~~ which affects the health, safety, or welfare of a  
245 student is void, is contrary to public policy, and may not be  
246 enforced.

247 (7) DISQUALIFICATION FROM EMPLOYMENT.—Disqualify  
248 instructional personnel and administrative personnel ~~school~~  
249 ~~administrators~~, as defined in s. 1012.01, from employment in any  
250 position that requires direct contact with students if the  
251 personnel ~~or administrators~~ are ineligible for such employment  
252 under s. 1012.315. An elected or appointed school board official  
253 forfeits his or her salary for 1 year if:

254 (a) The school board official knowingly signs and transmits  
255 to any state official a report of alleged misconduct by  
256 instructional personnel or administrative personnel ~~school~~  
257 ~~administrators~~ which affects the health, safety, or welfare of a  
258 student and the school board official knows the report to be  
259 false or incorrect; or

260 (b) The school board official knowingly fails to adopt  
261 policies that require instructional personnel and administrative

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262 ~~personnel school administrators~~ to report alleged misconduct by  
263 other instructional personnel and administrative personnel  
264 ~~school administrators~~, or that require the investigation of all  
265 reports of alleged misconduct by instructional personnel and  
266 administrative personnel ~~school administrators~~, if the  
267 misconduct affects the health, safety, or welfare of a student.

268 (12) FINANCE.—Take steps to assure students adequate  
269 educational facilities through the financial procedure  
270 authorized in chapters 1010 and 1011 and as prescribed below:

271 (b) *Annual budget.*—

272 1. Cause to be prepared, adopt, and have submitted to the  
273 Department of Education as required by law and rules of the  
274 State Board of Education, the annual school budget, such budget  
275 to be so prepared and executed as to promote the improvement of  
276 the district school system.

277 2. An individual school board member may request and shall  
278 receive any proposed, tentative, and official budget documents,  
279 including all supporting and background information.

280 (1) *Internal auditor.*—May or, in the case of a school  
281 district receiving annual federal, state, and local funds in  
282 excess of \$500 million, shall employ an internal auditor. The  
283 scope of the internal auditor shall not be restricted and shall  
284 include every functional and program area of the school system.

285 1. The internal auditor shall ~~to~~ perform ongoing financial  
286 verification of the financial records of the school district, a  
287 comprehensive risk assessment of all areas of the school system  
288 every 5 years, and other audits and reviews as the district  
289 school board directs for determining:

290 a. The adequacy of internal controls designed to prevent

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291 and detect fraud, waste, and abuse.

292 b. Compliance with applicable laws, rules, contracts, grant  
293 agreements, district school board-approved policies, and best  
294 practices.

295 c. The efficiency of operations.

296 d. The reliability of financial records and reports.

297 e. The safeguarding of assets.

298 f. Financial solvency.

299 g. Projected revenues and expenditures.

300 h. The rate of change in the general fund balance.

301 2. The internal auditor shall prepare audit reports of his  
302 or her findings and report directly to the district school board  
303 or its designee.

304 3. Any person responsible for furnishing or producing any  
305 book, record, paper, document, data, or sufficient information  
306 necessary to conduct a proper audit or examination which the  
307 internal auditor is by law authorized to perform is subject to  
308 the provisions of s. 11.47(3) and (4).

309 (17) PUBLIC INFORMATION AND PARENTAL INVOLVEMENT PROGRAM.—

310 (b) Adopt rules to strengthen family involvement and  
311 empowerment pursuant to s. 1002.23. The rules shall be developed  
312 in collaboration with administrative personnel ~~school~~  
313 ~~administrators~~, parents, teachers, and community partners.

314 Section 8. Subsection (2) of section 1010.20, Florida  
315 Statutes, is amended to read:

316 1010.20 Cost accounting and reporting for school  
317 districts.—

318 (2) COST REPORTING.—

319 (a) Each district shall report on a district-aggregate

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320 basis expenditures for inservice training pursuant to s.  
321 1011.62(3) and for categorical programs as provided in s.  
322 1011.62(6).

323 (b) Each district shall report to the department on a  
324 school-by-school and on an aggregate district basis expenditures  
325 for:

326 1. Each program funded in s. 1011.62(1)(c).

327 2. Total operating costs as reported pursuant to s.  
328 1010.215.

329 3. Expenditures for classroom instruction pursuant to the  
330 calculation in s. 1010.215(4)(b)1. and 2.

331 (c) The department shall:

332 1. Categorize all public schools and districts into  
333 appropriate groups based primarily on average full-time  
334 equivalent student enrollment as reported on the most recent  
335 student membership survey under s. 1011.62 and in state board  
336 rule to determine groups of peer schools and districts.

337 2. Annually calculate for each public school, district, and  
338 for the entire state the percentage of classroom expenditures to  
339 total operating costs expenditures reported in subparagraphs  
340 (b)2. and 3. The results shall be categorized pursuant to this  
341 paragraph.

342 3. Annually calculate for all public schools, districts,  
343 and the state the average percentage of classroom expenditures  
344 to total operating costs and expenditures reported in  
345 subparagraphs (b)2. and 3. The results shall be categorized  
346 pursuant to this paragraph.

347 4. Develop a web-based fiscal transparency tool that  
348 identifies public schools and districts that produce high

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349 academic achievement based on the ratio of classroom instruction  
350 expenditures to total expenditures. The fiscal transparency tool  
351 shall must combine the data calculated pursuant to this  
352 paragraph with the student performance measurements calculated  
353 pursuant to s. 1012.34(7) to determine the financial efficiency  
354 of each public school and district. The results shall be  
355 displayed in an easy-to-use format that enables the user to  
356 compare performance among public schools and districts.

357 (d)~~(e)~~ The Commissioner of Education shall present to the  
358 Legislature, prior to the opening of the regular session each  
359 year, a district-by-district report of the expenditures reported  
360 pursuant to paragraphs (a) and (b). The report shall include  
361 total expenditures, a detailed analysis showing expenditures for  
362 each program, and such other data as may be useful for  
363 management of the education system. The Commissioner of  
364 Education shall also compute cost factors relative to the base  
365 student allocation for each funded program in s. 1011.62(1)(c).

366 Section 9. Subsection (2) of section 1010.30, Florida  
367 Statutes, is amended to read:

368 1010.30 Audits required.—

369 (2) If an audit contains a significant deficiency or  
370 material weakness ~~finding~~, the district school board, the  
371 Florida College System institution board of trustees, or the  
372 university board of trustees shall conduct an audit overview  
373 during a public meeting. The audit overview shall describe the  
374 corrective action to be taken and a timeline for completion of  
375 such action.

376 Section 10. Paragraph (a) of subsection (3) of section  
377 1011.01, Florida Statutes, is amended to read:

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378 1011.01 Budget system established.—

379 (3) (a) Each district school board and each Florida College  
380 System institution board of trustees shall prepare, adopt, and  
381 submit to the Commissioner of Education an annual operating  
382 budget. Operating budgets shall be prepared and submitted in  
383 accordance with the provisions of law, rules of the State Board  
384 of Education, the General Appropriations Act, and for district  
385 school boards in accordance with the provisions of s. 200.065  
386 ~~ss. 200.065 and 1011.64.~~

387 Section 11. Subsection (2) of section 1011.03, Florida  
388 Statutes, is amended to read:

389 1011.03 Public hearings; budget to be submitted to  
390 Department of Education.—

391 ~~(2) The advertisement of a district that has been required~~  
392 ~~by the Legislature to increase classroom expenditures pursuant~~  
393 ~~to s. 1011.64 must include the following statement:~~  
394 ~~"This proposed budget reflects an increase in classroom~~  
395 ~~expenditures as a percent of total current operating~~  
396 ~~expenditures of XX percent over the (previous fiscal year)~~  
397 ~~fiscal year. This increase in classroom expenditures is required~~  
398 ~~by the Legislature because the district has performed below the~~  
399 ~~required performance standard on XX of XX student performance~~  
400 ~~standards for the (previous school year) school year. In order~~  
401 ~~to achieve the legislatively required level of classroom~~  
402 ~~expenditures as a percentage of total operating expenditures,~~  
403 ~~the proposed budget includes an increase in overall classroom~~  
404 ~~expenditures of \$XX,XXX,XXX above the amount spent for this same~~  
405 ~~purpose during the (previous fiscal year) fiscal year. In order~~  
406 ~~to achieve improved student academic performance, this proposed~~

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407 ~~increase is being budgeted for the following activities:~~  
408 ~~...(list activities and amount budgeted)...."~~

409 Section 12. Section 1011.035, Florida Statutes, is amended  
410 to read:

411 1011.035 School district fiscal ~~budget~~ transparency.-

412 (1) It is important for school districts to provide  
413 budgetary transparency to enable taxpayers, parents, and  
414 education advocates to obtain school district budget and related  
415 information in a manner that is simply explained and easily  
416 understandable. Budgetary transparency leads to more responsible  
417 spending, more citizen involvement, and improved accountability.  
418 A budget that is not transparent, accessible, and accurate  
419 cannot be properly analyzed, its implementation thoroughly  
420 monitored, or its outcomes evaluated.

421 (2) Each district school board shall post on its website a  
422 plain language version of each proposed, tentative, and official  
423 budget which describes each budget item in terms that are easily  
424 understandable to the public and includes:

425 (a) Graphical representations, for each public school  
426 within the district and for the school district, of the  
427 following:

428 1. Summary financial efficiency data.

429 2. Fiscal trend information for the previous 3 years on:

430 a. The ratio of full-time equivalent students to full-time  
431 equivalent instructional personnel.

432 b. The ratio of full-time equivalent students to full-time  
433 equivalent administrative personnel.

434 c. The total operating expenditures per full-time  
435 equivalent student.

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436 d. The total instructional expenditures per full-time  
437 equivalent student.

438 e. The general administrative expenditures as a percentage  
439 of total budget.

440 f. The rate of change in the general fund's ending fund  
441 balance not classified as restricted.

442 (b) A link to the web-based fiscal transparency tool  
443 developed by the department pursuant to s. 1010.20 to enable  
444 taxpayers to evaluate the financial efficiency of the school  
445 district and compare the financial efficiency of the school  
446 district with other similarly situated school districts.

447  
448 This information must be prominently posted on the school  
449 district's website in a manner that is readily accessible to the  
450 public.

451 (3) Each district school board is encouraged to post the  
452 following information on its website:

453 (a) Timely information as to when a budget hearing will be  
454 conducted.

455 (b) Each contract between the district school board and the  
456 teachers' union.

457 (c) Each contract between the district school board and  
458 noninstructional staff.

459 (d) Each contract exceeding \$35,000 between the school  
460 board and a vendor of services, supplies, or programs or for the  
461 purchase or lease of lands, facilities, or properties.

462 (e) Each contract exceeding \$35,000 that is an emergency  
463 procurement or is with a single source as authorized under s.  
464 287.057(3).



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465 (f) Recommendations of the citizens' budget advisory  
466 committee.

467 (g) Current and archived video recordings of each district  
468 school board meeting and workshop.

469 (4) The website should contain links to:

470 (a) Help explain or provide background information on  
471 various budget items that are required by state or federal law.

472 (b) Allow users to navigate to related sites to view  
473 supporting details.

474 (c) Enable taxpayers, parents, and education advocates to  
475 send e-mails asking questions about the budget and enable others  
476 to view the questions and responses.

477 Section 13. Section 1011.051, Florida Statutes, is amended  
478 to read:

479 1011.051 Guidelines for general funds.—The district school  
480 board shall maintain a general fund ending fund balance that is  
481 sufficient to address normal contingencies.

482 (1) If at any time the portion of the general fund's ending  
483 fund balance not classified as restricted, committed, or  
484 nonspendable in the district's approved operating budget is  
485 projected to fall below 3 percent of projected general fund  
486 revenues during the current fiscal year, the superintendent  
487 shall provide written notification to the district school board  
488 and the Commissioner of Education. If such financial condition  
489 exists for 2 consecutive fiscal years, the superintendent shall  
490 reduce the district's administrative expenditures reported  
491 pursuant to s. 1010.215(4) (a) in proportion to the reduction in  
492 the general fund's ending balance or the reduction in student  
493 enrollment, whichever is greater.

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494 (2) (a) If at any time the portion of the general fund's  
495 ending fund balance not classified as restricted, committed, or  
496 nonspendable in the district's approved operating budget is  
497 projected to fall below 2 percent of projected general fund  
498 revenues during the current fiscal year, the superintendent  
499 shall provide written notification to the district school board  
500 and the Commissioner of Education. Within 14 days after  
501 receiving such notification, if the commissioner determines that  
502 the district does not have a plan that is reasonably anticipated  
503 to avoid a financial emergency as determined pursuant to s.  
504 218.503, the commissioner shall appoint a financial emergency  
505 board that shall operate under the requirements, powers, and  
506 duties specified in s. 218.503(3)(g).

507 (b) If any of the conditions identified in s. 218.503(1)  
508 existed in the 2015-2016 school year or thereafter, the  
509 department shall contract with an independent third party to  
510 conduct an investigation of all accounts and records to  
511 determine the cause of the deficit, what efforts, if any, were  
512 made to avoid the deficit, and whether any of the conditions  
513 identified in s. 1011.10 have occurred. The investigation must  
514 include a detailed review and analysis of documents and records,  
515 including, but not limited to, budget reports, journal entries,  
516 budget methodologies, staff e-mails, hard copy records, monthly  
517 financial statements, quarterly revenue and expenditure reports,  
518 finance staff job descriptions, and minutes from meetings. The  
519 results of the investigation must include recommendations for  
520 corrective action and controls to avoid a reoccurrence of a  
521 future budget shortfall. A final report shall be provided to the  
522 district school board, the department, the Legislative Auditing

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523 Committee, and the district's financial emergency board, if  
 524 applicable.

525 Section 14. Subsection (2) of section 1011.06, Florida  
 526 Statutes, is amended to read:

527 1011.06 Expenditures.—

528 (2) EXPENDITURES FROM DISTRICT AND OTHER FUNDS.—

529 Expenditures from district and all other funds available for the  
 530 public school program of any district shall be authorized by law  
 531 and must be in accordance with procedures prescribed by the  
 532 district school board. A district school board may establish  
 533 policies that allow expenditures to exceed the amount budgeted  
 534 by function and object, provided that the district school board  
 535 complies with s. 1011.09(4) and approves the expenditure by  
 536 amending and amends the budget at the next scheduled public  
 537 meeting. The district school board must provide a full  
 538 explanation of any amendments at the public meeting ~~within~~  
 539 ~~timelines established by school board policies.~~

540 Section 15. Subsection (4) of section 1011.09, Florida  
 541 Statutes, is amended to read:

542 1011.09 Expenditure of funds by district school board.—All  
 543 state funds apportioned to the credit of any district constitute  
 544 a part of the district school fund of that district and must be  
 545 budgeted and expended under authority of the district school  
 546 board subject to the provisions of law and rules of the State  
 547 Board of Education.

548 (4) If the financial conditions in s. 1011.051 exist, a  
 549 district school board ~~During the 2009-2010 fiscal year, unless~~  
 550 ~~otherwise specifically approved by the district school board,~~  
 551 ~~public funds~~ may not make expenditures ~~be expended for out-of-~~

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552 ~~state~~ travel outside of the district or cellular phones,  
553 cellular phone service, personal digital assistants, or any  
554 other mobile wireless communication device or service, including  
555 text messaging, whether through purchasing, leasing,  
556 contracting, or any other method, while the financial conditions  
557 exist. The expenditure of public funds for art programs, music  
558 programs, sports programs, and extracurricular programs for  
559 students is a higher priority than expending funds for employee  
560 travel and cellular phones.

561 Section 16. Subsection (3) is added to section 1011.10,  
562 Florida Statutes, to read:

563 1011.10 Penalty.—

564 (3) If any of the conditions identified in s. 218.503(1)  
565 exist within a school district, the salary of each district  
566 school board member and district superintendent, calculated  
567 pursuant to ss. 1001.395 and 1001.47, shall be withheld until  
568 the conditions are corrected. This subsection does not apply to  
569 a district school board member or district superintendent  
570 elected or appointed within 1 year after the identification of  
571 the conditions in s. 218.503(1) if he or she did not participate  
572 in the approval or preparation of the final school district  
573 budget adopted before the identification of such conditions.

574 Section 17. Subsection (8) of section 1011.60, Florida  
575 Statutes, is amended to read:

576 1011.60 Minimum requirements of the Florida Education  
577 Finance Program.—Each district which participates in the state  
578 appropriations for the Florida Education Finance Program shall  
579 provide evidence of its effort to maintain an adequate school  
580 program throughout the district and shall meet at least the

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581 following requirements:

582 ~~(8) MINIMUM CLASSROOM EXPENDITURE REQUIREMENTS. Comply with~~  
583 ~~the minimum classroom expenditure requirements and associated~~  
584 ~~reporting pursuant to s. 1011.64.~~

585 Section 18. Section 1011.64, Florida Statutes, is repealed.

586 Section 19. Subsection (2) of section 1012.23, Florida  
587 Statutes, is amended to read:

588 1012.23 School district personnel policies.—

589 (2) The district school superintendent or a district school  
590 board member may not appoint or employ ~~or appoint~~ a relative, as  
591 defined in s. 112.3135, to work under the direct supervision of  
592 that district school board member or district school  
593 superintendent. The limitations of this subsection do not apply  
594 to employees appointed or employed before the election or  
595 appointment of a school board member or district school  
596 superintendent. The Commission on Ethics shall accept and  
597 investigate any alleged violations of this section pursuant to  
598 the procedures contained in ss. 112.322-112.3241.

599 Section 20. Paragraph (d) of subsection (9) of section  
600 1002.395, Florida Statutes, is amended to read:

601 1002.395 Florida Tax Credit Scholarship Program.—

602 (9) DEPARTMENT OF EDUCATION OBLIGATIONS.—The Department of  
603 Education shall:

604 (d) Annually verify the eligibility of expenditures as  
605 provided in paragraph (6) (d) using the audit required by  
606 paragraph (6) (m) and s. 11.45(2)(l) ~~s. 11.45(2)(k)~~.

607 Section 21. For the 2018-2019 fiscal year, the sum of  
608 \$850,000 in nonrecurring funds from the General Revenue Fund is  
609 appropriated to the Department of Education to implement the

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610 provisions of this act.

611 Section 22. This act shall take effect July 1, 2018.