



1                   A bill to be entitled  
2           An act relating to government integrity; creating s.  
3           11.421, F.S.; creating the Florida Accountability  
4           Office under the Auditor General; providing  
5           definitions; providing duties and powers of the  
6           Florida Accountability Officer; amending s. 14.32,  
7           F.S.; providing definitions; providing investigative  
8           duties to the Chief Inspector General and agency  
9           inspectors general; requiring such inspectors general  
10          to provide a report to the Chief Financial Officer  
11          within a specified timeframe in certain circumstances;  
12          providing liability; amending s. 17.04, F.S.;  
13          authorizing the Chief Financial Officer to commence an  
14          investigation based on a complaint or referral from a  
15          state employee; amending s. 17.325, F.S.; requiring  
16          certain records to be sent to the Florida  
17          Accountability Officer within a specified timeframe;  
18          amending s. 20.055, F.S.; requiring agency inspectors  
19          general to make certain determinations and reports;  
20          amending s. 110.1245, F.S.; providing requirements for  
21          awards given to employees who make a report under the  
22          Whistle-blower's Act; authorizing expenditures for  
23          such awards; amending s. 112.3187, F.S.; revising the  
24          definition of the term "gross mismanagement" and  
25          revising terminology; conforming provisions to changes



26 | made by the act; creating s. 286.31, F.S.; requiring  
27 | certain claims for legal fees to be documented with  
28 | reasonable particularity of the services provided;  
29 | providing an exception for retainer agreements for  
30 | contractual legal services; amending s. 287.057, F.S.;  
31 | requiring certain state contracts to include a good  
32 | faith estimate of gross profit; requiring a  
33 | determination of reasonableness; prohibiting certain  
34 | state employees from participating in the negotiation  
35 | or award of state contracts; providing definitions;  
36 | revising the list of contractual services and  
37 | commodities that are not subject to competitive-  
38 | solicitation requirements; creating s. 288.00001,  
39 | F.S.; prohibiting tax incentive funds from being paid  
40 | to a state contractor or subcontractor; amending s.  
41 | 1001.42, F.S.; providing that an individual school  
42 | board member shall receive certain documents upon  
43 | request; requiring certain school districts to employ  
44 | an internal auditor; providing the duties of such  
45 | internal auditor; amending ss. 112.3188, 112.3189, and  
46 | 112.31895, F.S.; conforming provisions to changes made  
47 | by the act; authorizing the Office of the Auditor  
48 | General to use carryforward funds to fund the Florida  
49 | Accountability Office; providing an effective date.  
50 |



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

52

53 Section 1. Section 11.421, Florida Statutes, is created to  
54 read:

55 11.421 Florida Accountability Office.-

56 (1) There is created under the Auditor General the Florida  
57 Accountability Office for the purpose of ensuring accountability  
58 and integrity in state and local government and facilitating the  
59 elimination of fraud, waste, abuse, mismanagement, and  
60 misconduct in government.

61 (2) The Florida Accountability Officer shall be a  
62 legislative employee and be appointed by and serve at the  
63 pleasure of the Auditor General. The Florida Accountability  
64 Officer shall oversee the efficient operation of the office and  
65 report to and be under the general supervision of the Auditor  
66 General.

67 (3) The Auditor General shall employ qualified individuals  
68 for the office pursuant to s. 11.42.

69 (4) As used in this section, the term:

70 (a) "Abuse" means behavior that is deficient or improper  
71 when compared with behavior that a prudent person would consider  
72 a reasonable and necessary operational practice given the facts  
73 and circumstances. The term includes the misuse of authority or  
74 position for personal gain.

75 (b) "Appropriations project" means a specific



76 appropriation or proviso that provides funding for a specified  
77 entity that is a local government, private entity, or privately-  
78 operated program. The term does not include an appropriation or  
79 proviso:

80 1. Specifically authorized by statute;

81 2. That is part of a statewide distribution to local  
82 governments;

83 3. Recommended by a commission, council, or other similar  
84 entity created in statute to make annual funding  
85 recommendations, provided that such appropriation does not  
86 exceed the amount of funding recommended by the commission,  
87 council, or other similar entity;

88 4. For a specific transportation facility that is part of  
89 the Department of Transportation's 5-year work program submitted  
90 pursuant to s. 339.135;

91 5. For an education fixed capital outlay project that is  
92 submitted pursuant to s. 1013.60 or s. 1013.64; or

93 6. For a specified program, research initiative,  
94 institute, center, or similar entity at a specific state college  
95 or university recommended by the Board of Governors or the State  
96 Board of Education in its Legislative Budget Request.

97 (c) "Fraud" means obtaining something of value through  
98 willful misrepresentation, including, but not limited to, the  
99 intentional misstatements or intentional omissions of amounts or  
100 disclosures in financial statements to deceive users of



101 financial statements, theft of an organization's assets,  
102 bribery, or the use of one's position for personal enrichment  
103 through the deliberate misuse or misapplication of an  
104 organization's resources.

105 (d) "Mismanagement" has the same meaning as in s.  
106 112.3187.

107 (e) "Misconduct" means conduct which, though not illegal,  
108 is inappropriate for a person in his or her specified position.

109 (f) "Office" means the Florida Accountability Office.

110 (g) "Waste" means the act of using or expending resources  
111 unreasonably, carelessly, extravagantly, or for no useful  
112 purpose.

113 (5) The Florida Accountability Officer may receive and  
114 investigate a complaint alleging fraud, waste, abuse,  
115 mismanagement, or misconduct in connection with the expenditure  
116 of public funds.

117 (6) A complaint may be submitted to the office by any of  
118 the following persons:

119 (a) The President of the Senate.

120 (b) The Speaker of the House of Representatives.

121 (c) The chair of an appropriations committee in the Senate  
122 or House of Representatives.

123 (d) The Auditor General.

124 (7) (a) Upon receipt of a complaint, the Florida  
125 Accountability Officer shall determine whether the complaint is



126 supported by sufficient information indicating a reasonable  
127 probability of fraud, waste, abuse, mismanagement, or  
128 misconduct. If the Florida Accountability Officer determines  
129 that the complaint is not supported by sufficient information  
130 indicating a reasonable probability of fraud, waste, abuse,  
131 mismanagement, or misconduct, the Florida Accountability Officer  
132 shall notify the complainant in writing and the complaint shall  
133 be closed.

134 (b) If the complaint is supported by sufficient  
135 information indicating a reasonable probability of fraud, waste,  
136 abuse, mismanagement, or misconduct, the Florida Accountability  
137 Officer shall determine whether an investigation into the matter  
138 has already been initiated by a law enforcement agency, the  
139 Commission on Ethics, the Chief Financial Officer, the Office of  
140 Chief Inspector General, or the applicable agency inspector  
141 general. If such an investigation has been initiated, the  
142 Florida Accountability Officer shall notify the complainant in  
143 writing and the complaint may be closed.

144 (c) If the complaint is supported by sufficient  
145 information indicating a reasonable probability of fraud, waste,  
146 abuse, mismanagement, or misconduct, and an investigation into  
147 the matter has not already been initiated by a law enforcement  
148 agency, the Commission on Ethics, the Chief Financial Officer,  
149 the Office of Chief Inspector General, or the applicable agency  
150 inspector general, the Florida Accountability Officer shall,



151 within available resources, conduct an investigation and issue a  
152 report of the investigative findings to the complainant and to  
153 the President of the Senate and the Speaker of the House of  
154 Representatives. The Florida Accountability Officer may refer  
155 the matter to the Auditor General, the appropriate law  
156 enforcement agency, the Commission on Ethics, the Chief  
157 Financial Officer, the Office of the Chief Inspector General, or  
158 the applicable agency inspector general. The Auditor General may  
159 provide staff and other resources to assist the Florida  
160 Accountability Officer.

161 (8) (a) The Florida Accountability Officer, or his or her  
162 designee, may investigate the books, records, papers, documents,  
163 data, operation, and physical location of any public agency in  
164 this state, including any confidential information, and the  
165 public records of any entity that has received public funds.

166 (b) Upon the request of the Florida Accountability  
167 Officer, the Legislative Auditing Committee or any other  
168 committee of the Legislature may issue subpoenas and subpoenas  
169 duces tecum, as provided in s. 11.143, to compel testimony or  
170 the production of evidence when deemed necessary to an  
171 investigation authorized by this section. Consistent with s.  
172 11.143, such subpoenas and subpoenas duces tecum may be issued  
173 as provided by applicable legislative rules, or in the absence  
174 of applicable rules, by the chair of the Legislative Auditing  
175 Committee with the approval of the Legislative Auditing



176 Committee and of the President of the Senate and the Speaker of  
177 the House of Representatives, or either the President or Speaker  
178 if such officer alone designated the Legislative Auditing  
179 Committee under s. 1.01(17).

180 (c) If a witness fails or refuses to comply with a lawful  
181 subpoena or subpoena duces tecum issued pursuant to this  
182 subsection at a time when the Legislature is not in session, the  
183 Florida Accountability Officer may file a complaint before any  
184 circuit court of the state to enforce the subpoena or subpoena  
185 duces tecum. On the filing of such complaint, the court shall  
186 take jurisdiction of the witness and the subject matter of the  
187 complaint and shall direct the witness to respond to all lawful  
188 questions and to produce all documentary evidence in the  
189 possession of the witness which is lawfully demanded. The  
190 failure of a witness to comply with such order constitutes a  
191 direct and criminal contempt of court, and the court shall  
192 punish the witness accordingly.

193 (d) When the Legislature is in session, upon the request  
194 of the Florida Accountability Officer to the committee issuing  
195 the subpoena or subpoena duces tecum, either house of the  
196 Legislature may seek compliance with the subpoena and subpoena  
197 duces tecum in accordance with the state constitution, general  
198 law, the joint rules of the Legislature, or the rules of the  
199 house issuing the subpoena.

200 (9) The Florida Accountability Officer shall receive





201 copies of all reports required by ss. 14.32, 17.325, and 20.055.

202 (10) (a) Beginning with the 2019-2020 fiscal year, the  
203 Auditor General and the Florida Accountability Officer, within  
204 available resources, shall randomly select and review  
205 appropriations projects appropriated in the prior fiscal year  
206 and, if appropriate, investigate and recommend an audit of such  
207 projects. The review, investigation, or audit may be delayed on  
208 a selected project until a subsequent year if the timeline of  
209 the project warrants such a delay. Each investigation or audit  
210 must include, but is not limited to, evaluating whether the  
211 recipient of the appropriations project administered the project  
212 in an efficient and effective manner. When an audit is  
213 recommended by the Florida Accountability Officer under this  
214 subsection, the Auditor General shall determine whether the  
215 audit is appropriate.

216 (b) Beginning with the 2019-2020 fiscal year, the Auditor  
217 General and the Florida Accountability Officer, within available  
218 resources, shall select and review, audit, or investigate the  
219 financial activities of political subdivisions, special  
220 districts, public authorities, public hospitals, state and local  
221 councils or commissions, units of local government, or public  
222 education entities in this state; as well as any authorities,  
223 councils, commissions, direct-support organizations,  
224 institutions, foundations, or similar entities created by law or  
225 ordinance to pursue a public purpose, entitled by law or



226 ordinance to any distribution of tax or fee revenues, or  
227 organized for the sole purpose of supporting one of the public  
228 entities listed in this paragraph.

229 Section 2. Subsections (1) through (5) of section 14.32,  
230 Florida Statutes, are renumbered as subsections (2) through (6),  
231 respectively, and new subsections (1) and (7) are added to that  
232 section, to read:

233 14.32 Office of Chief Inspector General.—

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

235 (a) "Abuse" means behavior that is deficient or improper  
236 when compared with behavior that a prudent person would consider  
237 a reasonable and necessary operational practice given the facts  
238 and circumstances. The term includes the misuse of authority or  
239 position for personal gain.

240 (b) "Fraud" means obtaining something of value through  
241 willful misrepresentation, including, but not limited to, the  
242 intentional misstatements or intentional omissions of amounts or  
243 disclosures in financial statements to deceive users of  
244 financial statements, theft of an organization's assets,  
245 bribery, or the use of one's position for personal enrichment  
246 through the deliberate misuse or misapplication of an  
247 organization's resources.

248 (c) "Independent contractor" has the same meaning as in s.  
249 112.3187.

250 (d) "Misconduct" means conduct which, though not illegal,



251 is inappropriate for a person in his or her specified position.

252 (e) "Mismanagement" has the same meaning as in s.

253 112.3187.

254 (f) "Waste" means the act of using or expending resources

255 unreasonably, carelessly, extravagantly, or for no useful

256 purpose.

257 (7) (a) Within 6 months of the initiation of an

258 investigation of fraud, waste, abuse, mismanagement, or

259 misconduct in government, the Chief Inspector General or an

260 agency inspector general must determine whether there is

261 reasonable probability that fraud, waste, abuse, mismanagement,

262 or misconduct in government has occurred. If there has not been

263 a determination of such reasonable probability and the

264 investigation continues, a new determination must be made every

265 3 months until the investigation is closed or such reasonable

266 probability is found to exist.

267 (b) If the Chief Inspector General or an agency inspector

268 general determines that there is reasonable probability that a

269 public official, independent contractor, or agency has

270 committed fraud, waste, abuse, mismanagement, or misconduct in

271 government, the inspector general shall report such findings to

272 the Florida Accountability Officer and to the Commission on

273 Ethics, Office of Fiscal Integrity within the Chief Financial

274 Officer's office, or other proper law enforcement agency, if the

275 commission, Office of Fiscal Integrity, or law enforcement



276 agency has jurisdiction over the subject matter.

277 (c) If the findings of an investigation conducted pursuant  
278 to this subsection conclude that a public official, independent  
279 contractor, or agency has committed fraud, waste, abuse,  
280 mismanagement, or misconduct in government, the Chief Inspector  
281 General or agency inspector general shall report such findings  
282 to the Chief Financial Officer within 30 days after the  
283 investigation is closed. Such public official, independent  
284 contractor, or person responsible within the agency is  
285 personally liable for repayment of the funds that were diverted  
286 or lost as a result of the fraud, waste, abuse, mismanagement,  
287 or misconduct in government. If the person liable fails to repay  
288 such funds voluntarily and the state does not agree to a  
289 settlement, the Chief Financial Officer shall bring a civil  
290 action to recover the funds within 60 days after receipt of such  
291 findings.

292 Section 3. Section 17.04, Florida Statutes, is amended to  
293 read:

294 17.04 To audit and adjust accounts of officers and those  
295 indebted to the state.—The Chief Financial Officer, using  
296 generally accepted auditing procedures for testing or sampling,  
297 shall examine, audit, adjust, and settle the accounts of all the  
298 officers of this state, and any other person in anywise  
299 entrusted with, or who may have received any property, funds, or  
300 moneys of this state, or who may be in anywise indebted or



301 | accountable to this state for any property, funds, or moneys,  
302 | and require such officer or persons to render full accounts  
303 | thereof, and to yield up such property or funds according to  
304 | law, or pay such moneys into the treasury of this state, or to  
305 | such officer or agent of the state as may be appointed to  
306 | receive the same, and on failure so to do, to cause to be  
307 | instituted and prosecuted proceedings, criminal or civil, at law  
308 | or in equity, against such persons, according to law. The Chief  
309 | Financial Officer may conduct investigations within or outside  
310 | of this state as it deems necessary to aid in the enforcement of  
311 | this section. The Chief Financial Officer may commence an  
312 | investigation pursuant to this section based on a complaint or  
313 | referral from any source. An employee of a state agency or a  
314 | state contractor having knowledge of suspected misuse of state  
315 | funds may report such information to the Chief Financial  
316 | Officer. If during an investigation the Chief Financial Officer  
317 | has reason to believe that any criminal statute of this state  
318 | has or may have been violated, the Chief Financial Officer shall  
319 | refer any records tending to show such violation to state or  
320 | federal law enforcement or prosecutorial agencies and shall  
321 | provide investigative assistance to those agencies as required.

322 |       Section 4. Subsections (4) and (5) of section 17.325,  
323 | Florida Statutes, are renumbered as subsections (5) and (6),  
324 | respectively, and a new subsection (4) is added to that section,  
325 | to read:



326 17.325 Governmental efficiency hotline; duties of Chief  
327 Financial Officer.—

328 (4) A copy of each suggestion or item of information  
329 received through the hotline that is logged pursuant to this  
330 section must be provided to the Florida Accountability Officer  
331 by the 15th of the month following receipt of the suggestion or  
332 item of information.

333 Section 5. Paragraph (g) is added to subsection (7) of  
334 section 20.055, Florida Statutes, to read:

335 20.055 Agency inspectors general.—

336 (7) In carrying out the investigative duties and  
337 responsibilities specified in this section, each inspector  
338 general shall initiate, conduct, supervise, and coordinate  
339 investigations designed to detect, deter, prevent, and eradicate  
340 fraud, waste, mismanagement, misconduct, and other abuses in  
341 state government. For these purposes, each inspector general  
342 shall:

343 (g) Make determinations and reports as required by s.  
344 14.32(7).

345 Section 6. Paragraphs (a) and (b) of subsection (1) and  
346 subsection (2) of section 110.1245, Florida Statutes, are  
347 amended, and a new subsection (6) is added to that section, to  
348 read:

349 110.1245 Savings sharing program; bonus payments; other  
350 awards.—



351 (1) (a) The Department of Management Services shall adopt  
352 rules that prescribe procedures and promote a savings sharing  
353 program for an individual or group of employees who propose  
354 procedures or ideas that are adopted and that result in  
355 eliminating or reducing state expenditures, including employees  
356 reporting under the Whistle-blower's Act, if such proposals are  
357 placed in effect and may be implemented under current statutory  
358 authority.

359 (b) Each agency head shall recommend employees  
360 individually or by group to be awarded an amount of money, which  
361 amount shall be directly related to the cost savings realized.  
362 Each proposed award and amount of money must be approved by the  
363 Legislative Budget Commission, except an award under subsection  
364 (6).

365 (2) In June of each year, bonuses shall be paid to  
366 employees from funds authorized by the Legislature in an  
367 appropriation specifically for bonuses. For purposes of this  
368 subsection, awards issued under subsection (6) are not  
369 considered bonuses. Each agency shall develop a plan for  
370 awarding lump-sum bonuses, which plan shall be submitted no  
371 later than September 15 of each year and approved by the Office  
372 of Policy and Budget in the Executive Office of the Governor.  
373 Such plan shall include, at a minimum, but is not limited to:

374 (a) A statement that bonuses are subject to specific  
375 appropriation by the Legislature.



376 (b) Eligibility criteria as follows:

377 1. The employee must have been employed before ~~prior to~~  
378 July 1 of that fiscal year and have been continuously employed  
379 through the date of distribution.

380 2. The employee must not have been on leave without pay  
381 consecutively for more than 6 months during the fiscal year.

382 3. The employee must have had no sustained disciplinary  
383 action during the period beginning July 1 through the date the  
384 bonus checks are distributed. Disciplinary actions include  
385 written reprimands, suspensions, dismissals, and involuntary or  
386 voluntary demotions that were associated with a disciplinary  
387 action.

388 4. The employee must have demonstrated a commitment to the  
389 agency mission by reducing the burden on those served,  
390 continually improving the way business is conducted, producing  
391 results in the form of increased outputs, and working to improve  
392 processes.

393 5. The employee must have demonstrated initiative in work  
394 and have exceeded normal job expectations.

395 6. The employee must have modeled the way for others by  
396 displaying agency values of fairness, cooperation, respect,  
397 commitment, honesty, excellence, and teamwork.

398 (c) A periodic evaluation process of the employee's  
399 performance.

400 (d) A process for peer input that is fair, respectful of





401 employees, and affects the outcome of the bonus distribution.

402 (e) A division of the agency by work unit for purposes of  
403 peer input and bonus distribution.

404 (f) A limitation on bonus distributions equal to 35  
405 percent of the agency's total authorized positions. This  
406 requirement may be waived by the Office of Policy and Budget in  
407 the Executive Office of the Governor upon a showing of  
408 exceptional circumstances.

409 (6) Each agency inspector general shall report employees  
410 whose reports under the Whistle-blower's Act resulted in savings  
411 or recovery of public funds in excess of \$1,000 to the agency  
412 head. Whistle-blower awards shall be awarded by each agency, and  
413 each agency head is authorized to incur expenditures to provide  
414 such awards. The award shall be paid from the specific  
415 appropriation or trust fund from which the savings or recovery  
416 resulted. The agency inspector general to whom the whistle-  
417 blower report was made or referred shall certify the identity of  
418 the employee and, along with the agency head or his or her  
419 designee, the savings or recovery resulting from the  
420 investigation. If more than one employee makes a relevant  
421 report, the award shall be shared in proportion to each  
422 employee's contribution to the investigation as certified by the  
423 agency inspector general. Whistle-blower awards shall be made in  
424 the following amounts:

425 (a) A career service employee shall receive 10 percent of



426 the savings or recovery certified, but not less than \$500 and  
427 not more than a total of \$50,000 for whistle-blower reports in  
428 any 1 year. If the employee had any fault for the misspending or  
429 attempted misspending of public funds identified in the  
430 investigation that resulted in the savings, the award may be  
431 denied at the discretion of the agency head. If the award is not  
432 denied by the agency head, the award may not exceed \$500. The  
433 agency inspector general shall certify any fault on the part of  
434 the employee.

435 (b) A Senior Management Service employee or employee in a  
436 select exempt position shall receive 5 percent of the savings or  
437 recovery certified, but not more than a total of \$1,000 for  
438 whistle-blower reports in any 1 year. An employee may not  
439 receive an award under this subsection if he or she had any  
440 fault for the misspending or attempted misspending of public  
441 funds identified in the investigation that resulted in the  
442 savings or recovery. The agency inspector general shall certify  
443 any fault on the part of the employee.

444 Section 7. Subsection (2), paragraph (e) of subsection  
445 (3), and paragraph (b) of subsection (5) of section 112.3187,  
446 Florida Statutes, are amended to read:

447 112.3187 Adverse action against employee for disclosing  
448 information of specified nature prohibited; employee remedy and  
449 relief.—

450 (2) LEGISLATIVE INTENT.—It is the intent of the



451 Legislature to prevent agencies or independent contractors from  
452 taking retaliatory action against an employee who reports to an  
453 appropriate agency violations of law on the part of a public  
454 employer or independent contractor that create a substantial and  
455 specific danger to the public's health, safety, or welfare. It  
456 is further the intent of the Legislature to prevent agencies or  
457 independent contractors from taking retaliatory action against  
458 any person who discloses information to an appropriate agency  
459 alleging improper use of governmental office, ~~gross~~ waste of  
460 funds, or any other abuse or ~~gross~~ neglect of duty on the part  
461 of an agency, public officer, or employee.

462 (3) DEFINITIONS.—As used in this act, unless otherwise  
463 specified, the following words or terms shall have the meanings  
464 indicated:

465 (e) "~~Gross~~ Mismanagement" means a continuous pattern of  
466 managerial abuses, wrongful or arbitrary and capricious actions,  
467 or fraudulent or criminal conduct which may have a substantial  
468 adverse economic impact.

469 (5) NATURE OF INFORMATION DISCLOSED.—The information  
470 disclosed under this section must include:

471 (b) Any act or suspected act of ~~gross~~ mismanagement,  
472 malfeasance, misfeasance, ~~gross~~ waste of public funds, suspected  
473 or actual Medicaid fraud or abuse, or ~~gross~~ neglect of duty  
474 committed by an employee or agent of an agency or independent  
475 contractor.



476 Section 8. Subsection (1) of section 112.3188, Florida  
477 Statutes, is amended to read:

478 112.3188 Confidentiality of information given to the Chief  
479 Inspector General, internal auditors, inspectors general, local  
480 chief executive officers, or other appropriate local officials.—

481 (1) The name or identity of any individual who discloses  
482 in good faith to the Chief Inspector General or an agency  
483 inspector general, a local chief executive officer, or other  
484 appropriate local official information that alleges that an  
485 employee or agent of an agency or independent contractor:

486 (a) Has violated or is suspected of having violated any  
487 federal, state, or local law, rule, or regulation, thereby  
488 creating and presenting a substantial and specific danger to the  
489 public's health, safety, or welfare; or

490 (b) Has committed an act of ~~gross~~ mismanagement,  
491 malfeasance, misfeasance, ~~gross~~ waste of public funds, or ~~gross~~  
492 neglect of duty

493

494 may not be disclosed to anyone other than a member of the Chief  
495 Inspector General's, agency inspector general's, internal  
496 auditor's, local chief executive officer's, or other appropriate  
497 local official's staff without the written consent of the  
498 individual, unless the Chief Inspector General, internal  
499 auditor, agency inspector general, local chief executive  
500 officer, or other appropriate local official determines that:



501 the disclosure of the individual's identity is necessary to  
502 prevent a substantial and specific danger to the public's  
503 health, safety, or welfare or to prevent the imminent commission  
504 of a crime; or the disclosure is unavoidable and absolutely  
505 necessary during the course of the audit, evaluation, or  
506 investigation.

507 Section 9. Paragraph (c) of subsection (3), subsection  
508 (4), and paragraph (a) of subsection (5) of section 112.3189,  
509 Florida Statutes, are amended to read:

510 112.3189 Investigative procedures upon receipt of whistle-  
511 blower information from certain state employees.—

512 (3) When a person alleges information described in s.  
513 112.3187(5), the Chief Inspector General or agency inspector  
514 general actually receiving such information shall within 20 days  
515 of receiving such information determine:

516 (c) Whether the information actually disclosed  
517 demonstrates reasonable cause to suspect that an employee or  
518 agent of an agency or independent contractor has violated any  
519 federal, state, or local law, rule, or regulation, thereby  
520 creating and presenting a substantial and specific danger to the  
521 public's health, safety, or welfare, or has committed an act of  
522 ~~gross~~ mismanagement, malfeasance, misfeasance, ~~gross~~ waste of  
523 public funds, or ~~gross~~ neglect of duty.

524 (4) If the Chief Inspector General or agency inspector  
525 general under subsection (3) determines that the information



526 | disclosed is not the type of information described in s.  
527 | 112.3187(5), or that the source of the information is not a  
528 | person who is an employee or former employee of, or an applicant  
529 | for employment with, a state agency, as defined in s. 216.011,  
530 | or that the information disclosed does not demonstrate  
531 | reasonable cause to suspect that an employee or agent of an  
532 | agency or independent contractor has violated any federal,  
533 | state, or local law, rule, or regulation, thereby creating and  
534 | presenting a substantial and specific danger to the public's  
535 | health, safety, or welfare, or has committed an act of ~~gross~~  
536 | mismanagement, malfeasance, misfeasance, ~~gross~~ waste of public  
537 | funds, or ~~gross~~ neglect of duty, the Chief Inspector General or  
538 | agency inspector general shall notify the complainant of such  
539 | fact and copy and return, upon request of the complainant, any  
540 | documents and other materials that were provided by the  
541 | complainant.

542 |       (5) (a) If the Chief Inspector General or agency inspector  
543 | general under subsection (3) determines that the information  
544 | disclosed is the type of information described in s.  
545 | 112.3187(5), that the source of the information is from a person  
546 | who is an employee or former employee of, or an applicant for  
547 | employment with, a state agency, as defined in s. 216.011, and  
548 | that the information disclosed demonstrates reasonable cause to  
549 | suspect that an employee or agent of an agency or independent  
550 | contractor has violated any federal, state, or local law, rule,



551 or regulation, thereby creating a substantial and specific  
552 danger to the public's health, safety, or welfare, or has  
553 committed an act of ~~gross~~ mismanagement, malfeasance,  
554 misfeasance, ~~gross~~ waste of public funds, or ~~gross~~ neglect of  
555 duty, the Chief Inspector General or agency inspector general  
556 making such determination shall then conduct an investigation,  
557 unless the Chief Inspector General or the agency inspector  
558 general determines, within 30 days after receiving the  
559 allegations from the complainant, that such investigation is  
560 unnecessary. For purposes of this subsection, the Chief  
561 Inspector General or the agency inspector general shall consider  
562 the following factors, but is not limited to only the following  
563 factors, when deciding whether the investigation is not  
564 necessary:

- 565 1. The gravity of the disclosed information compared to  
566 the time and expense of an investigation.
- 567 2. The potential for an investigation to yield  
568 recommendations that will make state government more efficient  
569 and effective.
- 570 3. The benefit to state government to have a final report  
571 on the disclosed information.
- 572 4. Whether the alleged whistle-blower information  
573 primarily concerns personnel practices that may be investigated  
574 under chapter 110.
- 575 5. Whether another agency may be conducting an



576 investigation and whether any investigation under this section  
577 could be duplicative.

578 6. The time that has elapsed between the alleged event and  
579 the disclosure of the information.

580 Section 10. Paragraph (a) of subsection (3) of section  
581 112.31895, Florida Statutes, is amended to read:

582 112.31895 Investigative procedures in response to  
583 prohibited personnel actions.—

584 (3) CORRECTIVE ACTION AND TERMINATION OF INVESTIGATION.—

585 (a) The Florida Commission on Human Relations, in  
586 accordance with this act and for the sole purpose of this act,  
587 is empowered to:

588 1. Receive and investigate complaints from employees  
589 alleging retaliation by state agencies, as the term "state  
590 agency" is defined in s. 216.011.

591 2. Protect employees and applicants for employment with  
592 such agencies from prohibited personnel practices under s.  
593 112.3187.

594 3. Petition for stays and petition for corrective actions,  
595 including, but not limited to, temporary reinstatement.

596 4. Recommend disciplinary proceedings pursuant to  
597 investigation and appropriate agency rules and procedures.

598 5. Coordinate with the Chief Inspector General in the  
599 Executive Office of the Governor and the Florida Commission on  
600 Human Relations to receive, review, and forward to appropriate





601 agencies, legislative entities, or the Department of Law  
602 Enforcement disclosures of a violation of any law, rule, or  
603 regulation, or disclosures of ~~gross~~ mismanagement, malfeasance,  
604 misfeasance, nonfeasance, neglect of duty, or ~~gross~~ waste of  
605 public funds.

606 6. Review rules pertaining to personnel matters issued or  
607 proposed by the Department of Management Services, the Public  
608 Employees Relations Commission, and other agencies, and, if the  
609 Florida Commission on Human Relations finds that any rule or  
610 proposed rule, on its face or as implemented, requires the  
611 commission of a prohibited personnel practice, provide a written  
612 comment to the appropriate agency.

613 7. Investigate, request assistance from other governmental  
614 entities, and, if appropriate, bring actions concerning,  
615 allegations of retaliation by state agencies under subparagraph  
616 1.

617 8. Administer oaths, examine witnesses, take statements,  
618 issue subpoenas, order the taking of depositions, order  
619 responses to written interrogatories, and make appropriate  
620 motions to limit discovery, pursuant to investigations under  
621 subparagraph 1.

622 9. Intervene or otherwise participate, as a matter of  
623 right, in any appeal or other proceeding arising under this  
624 section before the Public Employees Relations Commission or any  
625 other appropriate agency, except that the Florida Commission on



626 Human Relations must comply with the rules of the commission or  
627 other agency and may not seek corrective action or intervene in  
628 an appeal or other proceeding without the consent of the person  
629 protected under ss. 112.3187-112.31895.

630 10. Conduct an investigation, in the absence of an  
631 allegation, to determine whether reasonable grounds exist to  
632 believe that a prohibited action or a pattern of prohibited  
633 action has occurred, is occurring, or is to be taken.

634 Section 11. Section 286.31, Florida Statutes, is created  
635 to read:

636 286.31 Use of state or local funds to pay legal fees.—  
637 Notwithstanding any other provision of law, a claim for legal  
638 fees under any provision of law to be compensated, credited, or  
639 approved, in whole or in part, by any state or local agency  
640 shall be documented with reasonable particularity of the  
641 services provided, including for each date services were  
642 rendered, an itemization of each task performed and the time  
643 expended on each task. If such compensation is pursuant to a  
644 retainer agreement for contractual legal services provided to a  
645 state or local agency and compensation is due before the end of  
646 the contract period invoiced, the documentation required by this  
647 section may be satisfied by documenting the contractual services  
648 rendered in the immediately preceding contract period, provided  
649 the agreement and related invoices are public records accessible  
650 to the general public. If a contractor refuses in writing to



651 provide such documentation without an amendment to the contract,  
652 this provision does not apply to compensation under the contract  
653 until 1 year following the effective date of this act.

654 Section 12. Paragraph (e) of subsection (3) and subsection  
655 (9) of section 287.057, Florida Statutes, are amended, and new  
656 subsections (24) and (25) are added to that section, to read:

657 287.057 Procurement of commodities or contractual  
658 services.—

659 (3) If the purchase price of commodities or contractual  
660 services exceeds the threshold amount provided in s. 287.017 for  
661 CATEGORY TWO, purchase of commodities or contractual services  
662 may not be made without receiving competitive sealed bids,  
663 competitive sealed proposals, or competitive sealed replies  
664 unless:

665 (e) The following contractual services and commodities are  
666 not subject to the competitive-solicitation requirements of this  
667 section:

668 1. Artistic services. As used in this subsection, the term  
669 "artistic services" does not include advertising or typesetting.  
670 As used in this subparagraph, the term "advertising" means the  
671 making of a representation in any form in connection with a  
672 trade, business, craft, or profession in order to promote the  
673 supply of commodities or services by the person promoting the  
674 commodities or contractual services.

675 2. Academic program reviews if the fee for such services



676 | does not exceed \$50,000.

677 |       3. Lectures by individuals.

678 |       4. Legal services, including attorney, paralegal, expert  
679 | witness, appraisal, or mediator services.

680 |       5. Health services involving examination, diagnosis,  
681 | treatment, prevention, medical consultation, or administration.  
682 | The term also includes, but is not limited to, substance abuse  
683 | and mental health services involving examination, diagnosis,  
684 | treatment, prevention, or medical consultation if such services  
685 | are offered to eligible individuals participating in a specific  
686 | program that qualifies multiple providers and uses a standard  
687 | payment methodology. Reimbursement of administrative costs for  
688 | providers of services purchased in this manner are also exempt.  
689 | For purposes of this subparagraph, the term "providers" means  
690 | health professionals and health facilities, or organizations  
691 | that deliver or arrange for the delivery of health services.

692 |       6. Services provided to persons with mental or physical  
693 | disabilities by not-for-profit corporations that have obtained  
694 | exemptions under s. 501(c)(3) of the United States Internal  
695 | Revenue Code or when such services are governed by Office of  
696 | Management and Budget Circular A-122. However, in acquiring such  
697 | services, the agency shall consider the ability of the vendor,  
698 | past performance, willingness to meet time requirements, and  
699 | price.

700 |       7. Medicaid services delivered to an eligible Medicaid



701 recipient unless the agency is directed otherwise in law.

702 8. Family placement services.

703 9. Prevention services related to mental health, including

704 drug abuse prevention programs, child abuse prevention programs,

705 and shelters for runaways, operated by not-for-profit

706 corporations. However, in acquiring such services, the agency

707 shall consider the ability of the vendor, past performance,

708 willingness to meet time requirements, and price.

709 10. Training and education services provided to injured

710 employees pursuant to s. 440.491(6).

711 11. Contracts entered into pursuant to s. 337.11.

712 12. Services or commodities provided by governmental

713 entities.

714 13. ~~Statewide~~ Public service announcement programs

715 ~~provided by a Florida statewide nonprofit corporation under s.~~

716 ~~501(c)(6) of the Internal Revenue Code~~ which have a guaranteed

717 documented match of at least \$3 to \$1.

718 (9) An agency shall not divide the solicitation of

719 commodities or contractual services so as to avoid the

720 requirements of subsections (1)-(3) or subsection (24).

721 (24) (a) For any contract in excess of \$50,000 that is

722 awarded through an invitation to negotiate or awarded without

723 competitive solicitation under paragraph (3) (c) or paragraph

724 (3) (e) or subsection (10), the proposal, offer, or response of

725 the contractor must include a good faith estimate of gross



726 profit for each year of the proposed contract, including renewal  
727 years. If, in determining the good faith estimate of gross  
728 profit, the contractor includes the cost of products or services  
729 expected to be provided by a participant closely associated with  
730 the contractor, the contractor must also identify such  
731 participant, describe the association, and provide a good faith  
732 estimate of gross profit for such participant for each year of  
733 the contract, which must be attested to by an authorized  
734 representative of the participant. The agency must, before  
735 awarding the contract, make a written determination that the  
736 estimated gross profit is not excessive and specify the reasons  
737 for such determination. Notwithstanding any provision of the  
738 contract, a contractor is liable to the agency for three times  
739 the amount or value of any misrepresentation of estimated gross  
740 profit as liquidated damages for such misrepresentation.

741 (b) For purposes of this subsection, the term:

742 1. "Closely associated with the contractor" means the  
743 contractor, a principal of the contractor, or a family member or  
744 business associate of a principal of the contractor is a  
745 principal of the participant. "Principal" means a person who  
746 owns at least 5 percent interest in the business or entity or is  
747 a manager of the business or entity. "Business associate" means  
748 a person or entity with whom a principal of the contractor has  
749 substantial investment, employment, or partnership interests.

750 2. "Good faith estimate of gross profit" means a good



751 faith estimate of the total receipts expected under the contract  
752 less the cost of providing contracted commodities and services  
753 under the contract, not including overhead costs. "Overhead  
754 costs" means all costs not directly related to contract  
755 performance, including, but not limited to, marketing and  
756 administrative expenses.

757 3. "Participant" means a person or entity with whom the  
758 contractor expects to subcontract for services or commodities in  
759 carrying out a contract with an agency.

760 (25) Notwithstanding any other provision of law, a state  
761 employee who is registered to lobby the Legislature, other than  
762 an agency head, may not participate in the negotiation or award  
763 of any contract required or expressly funded under a specific  
764 legislative appropriation or proviso in an appropriation act.

765 Section 13. Section 288.00001, Florida Statutes, is  
766 created to read:

767 288.00001 Use of state or local incentive funds to pay for  
768 services.—Notwithstanding any other provision of law, a tax  
769 incentive may not be awarded or paid to a state contractor or  
770 any subcontractor for services provided or expenditures incurred  
771 pursuant to a state contract.

772 Section 14. Paragraphs (b) and (l) of subsection (12) of  
773 section 1001.42, Florida Statutes, are amended to read:

774 1001.42 Powers and duties of district school board.—The  
775 district school board, acting as a board, shall exercise all



776 powers and perform all duties listed below:

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

780 (b) Annual budget.—

781 1. Cause to be prepared, adopt, and have submitted to the  
782 Department of Education as required by law and rules of the  
783 State Board of Education, the annual school budget, such budget  
784 to be so prepared and executed as to promote the improvement of  
785 the district school system.

786 2. If requested, an individual school board member shall  
787 receive any proposed, tentative, or official budget documents,  
788 including all supporting and background information.

789 (1) Internal auditor.—May or, in the case of a school  
790 district receiving annual federal, state, and local funds in  
791 excess of \$500 million, shall employ an internal auditor. The  
792 scope of the internal auditor may not be restricted and must  
793 include every functional and program area of the school system.

794 1. The internal auditor shall ~~to~~ perform ongoing financial  
795 verification of the financial records of the school district, a  
796 comprehensive risk assessment of all areas of the school system  
797 every 5 years, and other audits and reviews as the district  
798 school board directs for determining:—

799 a. The adequacy of internal controls designed to prevent  
800 and detect fraud, waste, and abuse.





801        b. Compliance with applicable laws, rules, contracts,  
802 grant agreements, district school board-approved policies, and  
803 best practices.

804        c. The efficiency of operations.

805        d. The reliability of financial records and reports.

806        e. The safeguarding of assets.

807        f. Financial solvency.

808        g. Projected revenues and expenditures.

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

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

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

818        Section 15. The Office of the Auditor General is  
819 authorized to use carryforward funds to fund the establishment  
820 and operations of the Florida Accountability Office as created  
821 by this act.

822        Section 16. This act shall take effect July 1, 2018.