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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/07/2019	.	
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The Committee on Community Affairs (Hooper) recommended the following:

Senate Amendment (with title amendment)

Delete lines 523 - 567

and insert:

Section 14. Subsections (2), (3), and (4) of section 218.391, Florida Statutes, are amended, and subsection (9) is added to that section, to read:

218.391 Auditor selection procedures.—

(2) The governing body of a ~~charter~~ county, municipality, special district, district school board, charter school, or



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11 charter technical career center shall establish an auditor
12 selection ~~audit~~ committee.

13 (a) The auditor selection committee for a ~~Each noncharter~~
14 county must ~~shall establish an audit committee that,~~ at a
15 minimum, ~~shall~~ consist of each of the county officers elected
16 pursuant to the county charter or s. 1(d), Art. VIII of the
17 State Constitution, or their respective designees ~~a designee,~~
18 and one member of the board of county commissioners or its
19 designee.

20 (b) The auditor selection committee for a municipality,
21 special district, district school board, charter school, or
22 charter technical career center must consist of at least three
23 members. One member of the auditor selection committee must be a
24 member of the governing body of an entity specified in this
25 paragraph, who shall serve as the chair of the committee.

26 (c) An employee, a chief executive officer, or a chief
27 financial officer of the county, municipality, special district,
28 district school board, charter school, or charter technical
29 career center may not serve as a member of an auditor selection
30 committee established under this subsection; however, an
31 employee, a chief executive officer, or a chief financial
32 officer of the county, municipality, special district, district
33 school board, charter school, or charter technical career center
34 may serve in an advisory capacity.

35 (d) The primary purpose of the auditor selection ~~audit~~
36 committee is to assist the governing body in selecting an
37 auditor to conduct the annual financial audit required in s.
38 218.39; however, the ~~audit~~ committee may serve other audit
39 oversight purposes as determined by the entity's governing body.



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40 The public may ~~shall~~ not be excluded from the proceedings under
41 this section.

42 (3) The auditor selection ~~audit~~ committee shall:

43 (a) Establish factors to use for the evaluation of audit
44 services to be provided by a certified public accounting firm
45 duly licensed under chapter 473 and qualified to conduct audits
46 in accordance with government auditing standards as adopted by
47 the Florida Board of Accountancy. Such factors shall include,
48 but are not limited to, ability of personnel, experience,
49 ability to furnish the required services, and such other factors
50 as may be determined by the committee to be applicable to its
51 particular requirements.

52 (b) Publicly announce requests for proposals. Public
53 announcements must include, at a minimum, a brief description of
54 the audit and indicate how interested firms can apply for
55 consideration.

56 (c) Provide interested firms with a request for proposal.
57 The request for proposal shall include information on how
58 proposals are to be evaluated and such other information the
59 committee determines is necessary for the firm to prepare a
60 proposal.

61 (d) Evaluate proposals provided by qualified firms. If
62 compensation is one of the factors established pursuant to
63 paragraph (a), it shall not be the sole or predominant factor
64 used to evaluate proposals.

65 (e) Rank and recommend in order of preference no fewer than
66 three firms deemed to be the most highly qualified to perform
67 the required services after considering the factors established
68 pursuant to paragraph (a). If fewer than three firms respond to



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69 the request for proposal, the committee shall recommend such
70 firms as it deems to be the most highly qualified.

71 (4) The governing body shall inquire of qualified firms as
72 to the basis of compensation, select one of the firms
73 recommended by the auditor selection ~~audit~~ committee, and
74 negotiate a contract, using one of the following methods:

75 (a) If compensation is not one of the factors established
76 pursuant to paragraph (3) (a) and not used to evaluate firms
77 pursuant to paragraph (3) (e), the governing body shall negotiate
78 a contract with the firm ranked first. If the governing body is
79 unable to negotiate a satisfactory contract with that firm,
80 negotiations with that firm shall be formally terminated, and
81 the governing body shall then undertake negotiations with the
82 second-ranked firm. Failing accord with the second-ranked firm,
83 negotiations shall then be terminated with that firm and
84 undertaken with the third-ranked firm. Negotiations with the
85 other ranked firms shall be undertaken in the same manner. The
86 governing body, in negotiating with firms, may reopen formal
87 negotiations with any one of the three top-ranked firms, but it
88 may not negotiate with more than one firm at a time.

89 (b) If compensation is one of the factors established
90 pursuant to paragraph (3) (a) and used in the evaluation of
91 proposals pursuant to paragraph (3) (d), the governing body shall
92 select the highest-ranked qualified firm or must document in its
93 public records the reason for not selecting the highest-ranked
94 qualified firm.

95 (c) The governing body may select a firm recommended by the
96 audit committee and negotiate a contract with one of the
97 recommended firms using an appropriate alternative negotiation



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98 method for which compensation is not the sole or predominant
99 factor used to select the firm.

100 (d) In negotiations with firms under this section, the
101 governing body may allow a designee to conduct negotiations on
102 its behalf.

103 (9) If the entity fails to select the auditor in accordance
104 with the requirements of subsections (3)-(6), the entity must
105 again perform the auditor selection process in accordance with
106 this section to select an auditor to conduct audits for
107 subsequent fiscal years.

108

109 ===== T I T L E A M E N D M E N T =====

110 And the title is amended as follows:

111 Delete lines 49 - 54

112 and insert:

113 specified purposes; amending s. 218.391, F.S.;

114 revising membership, and restrictions thereof, for an

115 auditor selection committee; prescribing requirements

116 and procedures for selecting an auditor if certain

117 conditions exist; amending s.