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LEGISLATIVE ACTION

Senate	.	House
Comm: WD	.	
03/17/2021	.	
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The Committee on Community Affairs (Hooper) recommended the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause  
and insert:

Section 1. Paragraph (j) of subsection (1) of section  
11.45, Florida Statutes, is amended to read:

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

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

(j) "Performance audit" means an audit ~~examination~~ of a  
program, activity, or function of a governmental entity.7



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11 Performance audits must be conducted in accordance with  
12 applicable government auditing standards ~~or auditing and~~  
13 ~~evaluation standards of other appropriate authoritative bodies.~~  
14 The term includes an assessment ~~examination~~ of issues related  
15 to:

- 16 1. Economy, efficiency, or effectiveness of the program;;-
- 17 2. Structure or design of the program to accomplish its  
18 goals and objectives;;-
- 19 3. Adequacy of the program to meet the needs identified by  
20 the Legislature or governing body;;-
- 21 4. Alternative methods of providing program services or  
22 products;;-
- 23 5. Goals, objectives, and performance measures used by the  
24 agency to monitor and report program accomplishments;;-
- 25 6. The accuracy or adequacy of public documents, reports,  
26 or requests prepared under the program by state agencies;;-
- 27 7. Compliance of the program with appropriate policies,  
28 rules, or laws;or -
- 29 8. Any other issues related to governmental entities as  
30 directed by the Legislative Auditing Committee.

31 Section 2. Section 189.0695, Florida Statutes, is created  
32 to read:

33 189.0695 Independent special districts; performance  
34 audits.-

35 (1) The term "performance audit" has the same meaning as in  
36 s. 11.45(1).

37 (2) (a) Each independent special district as described in  
38 paragraph (c) must contract with an independent audit  
39 organization, as defined in accordance with applicable



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40 government auditing standards and other professional standards,  
41 to conduct a performance audit of the district and follow the  
42 procurement process outlined in s. 287.057. At a minimum, an  
43 audit organization must have experience conducting performance  
44 audits, must conduct audits according to applicable auditing or  
45 evaluation standards of appropriate authoritative bodies, and  
46 must follow any applicable industry best practices.

47 (b) The audit organization's final report of the  
48 performance audit must be filed with the governing board of the  
49 district, the Auditor General, the President of the Senate, and  
50 the Speaker of the House of Representatives no later than 9  
51 months from the beginning of the district's fiscal year  
52 according to the schedule provided in paragraph (c). However, a  
53 performance audit of a district conducted by the Auditor General  
54 during the same fiscal year in which a performance audit is due  
55 pursuant to paragraph (c) qualifies as that district's scheduled  
56 performance audit under this section.

57 (c)1. Beginning October 1, 2021, and every 5 years  
58 thereafter, each independent special fire control district as  
59 defined in s. 191.003, must have a performance audit conducted.

60 2. Beginning October 1, 2022, and every 5 years thereafter,  
61 each hospital licensed under chapter 395 which is governed by  
62 the governing body of a special district as defined in s.  
63 189.012 or by the board of trustees of a public health trust  
64 created under s. 154.07, must have a performance audit  
65 conducted.

66 (3) The Office of Program Policy Analysis and Government  
67 Accountability must conduct a performance audit of all  
68 independent special districts within the classifications



69 described in paragraphs (a) and (b). The performance audit must  
70 compare the services provided by each district examined with  
71 similar services provided by the county and municipal  
72 governments wholly or partially within the boundaries of the  
73 district, expressly stating the similarities and differences  
74 between the services provided by the district and those provided  
75 by the relevant counties and municipalities. The Office of  
76 Program Policy Analysis and Government Accountability shall  
77 submit the final report of the performance audit to the  
78 President of the Senate and the Speaker of the House of  
79 Representatives as follows:

80 (a) For all independent mosquito control districts as  
81 defined in s. 388.011, no later than September 30, 2023.

82 (b) For all soil and water conservation districts as  
83 defined in s. 582.01, no later than September 30, 2024.

84 Section 3. Paragraph (e) of subsection (1) of section  
85 218.32, Florida Statutes, is amended to read:

86 218.32 Annual financial reports; local governmental  
87 entities.—

88 (1) (e) 1. Each local governmental entity that is not  
89 required to provide for an audit under s. 218.39 must submit the  
90 annual financial report to the department no later than 9 months  
91 after the end of the fiscal year. The department shall consult  
92 with the Auditor General in the development of the format of  
93 annual financial reports submitted pursuant to this paragraph.  
94 The format must include balance sheet information used by the  
95 Auditor General pursuant to s. 11.45(7)(f). The department must  
96 forward the financial information contained within the annual  
97 financial reports to the Auditor General in electronic form.



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98 This paragraph does not apply to housing authorities created  
99 under chapter 421.

100 2. The annual financial report filed by a dependent special  
101 district or an independent special district shall specify  
102 separately:

103 a. The total number of district employees.

104 b. The amounts budgeted by the district for employee  
105 salaries and the amounts budgeted for employee benefits.

106 c. Each construction project approved by the district to  
107 begin after October 1 of the fiscal year being reported together  
108 with the amount budgeted for such project.

109 3. The annual financial report of an independent special  
110 district that imposes ad valorem taxes shall include the millage  
111 rate or rates imposed by the district, the total amount of ad  
112 valorem taxes collected by or on behalf of the district, and the  
113 total amount of outstanding bonds issued by the district and the  
114 terms of such bonds.

115 4. The annual financial report of an independent special  
116 district that imposes non-ad valorem special assessments shall  
117 include the rate or rates of such assessments imposed by the  
118 district, the total amount of special assessments collected by  
119 or on behalf of the district, and the total amount of  
120 outstanding bonds issued by the district and the terms of such  
121 bonds.

122 Section 4. Paragraph (c) is added to subsection (3) of  
123 section 218.39, Florida Statutes, to read:

124 218.39 Annual financial audit reports.—

125 (3)

126 (c) The financial audit of a dependent special district or



127 of an independent special district, or the financial audit of a  
128 local governmental entity including the information of a  
129 dependent special district as provided in paragraph (a) of this  
130 subsection, shall separately include and specify the information  
131 required in s. 218.32(1)(e)2.

132 Section 5. This act shall take effect October 1, 2021.

133  
134 ===== T I T L E A M E N D M E N T =====

135 And the title is amended as follows:

136 Delete everything before the enacting clause  
137 and insert:

138 A bill to be entitled  
139 An act relating to special district accountability;  
140 amending s. 11.45, F.S.; revising the definition of  
141 the term "performance audit"; creating s. 189.0695,  
142 F.S.; defining the term "performance audit"; requiring  
143 certain independent special districts to contract with  
144 an independent audit organization to conduct  
145 performance audits; specifying the frequency of such  
146 audits; requiring the Office of Program Policy  
147 Analysis and Government Accountability to conduct  
148 performance audits of certain classifications of  
149 independent special districts; providing criteria for  
150 contracting for such audits; requiring specified  
151 performance audits to be reported by certain times;  
152 amending s. 218.32, F.S.; requiring additional  
153 information to be reported by special districts in the  
154 annual report; amending s. 218.39, F.S.; conforming  
155 provisions to changes made by the act; providing an



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effective date.