

1 A bill to be entitled

2 An act relating to government accountability; amending
3 ss. 20.05, 25.382, 43.16, 218.33, and 1002.33, F.S.;
4 revising the responsibilities of department heads, the
5 Supreme Court as it relates to the state courts
6 system, the Justice Administrative Commission, state
7 attorneys, public defenders, criminal conflict and
8 civil regional counsel, the Guardian Ad Litem program,
9 the Florida Clerks of Court Operations Corporation,
10 local governmental entities, and governing bodies of
11 charter schools to include the responsibility of
12 establishing certain internal controls; amending s.
13 20.055, F.S.; revising provisions relating to agency
14 inspectors general; revising the definition of the
15 term "state agency" to include the Justice
16 Administrative Commission and the agencies it
17 administratively supports; expanding the definition of
18 the term "agency head"; amending s. 1001.42, F.S.;
19 revising the responsibilities of a district school
20 board's internal auditor to permit certain audits and
21 reviews; amending s. 1010.01, F.S.; requiring each
22 Florida College System institution to file certain
23 annual financial statements with the State Board of
24 Education; requiring each school district, Florida
25 College System institution, and state university to
26 establish certain internal controls; providing an

27 effective date.

28

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

30

31 Section 1. Paragraphs (g) and (h) of subsection (1) of
 32 section 20.05, Florida Statutes, are amended, and paragraph (i)
 33 is added to that subsection, to read:

34 20.05 Heads of departments; powers and duties.—

35 (1) Each head of a department, subject to the allotment of
 36 executive power under Article IV of the State Constitution, and
 37 except as otherwise provided by law, must:

38 (g) If a department is under the direct supervision of a
 39 board, including a board consisting of the Governor and Cabinet,
 40 however designated, employ an executive director to serve at its
 41 pleasure; ~~and~~

42 (h) Make recommendations concerning more effective
 43 internal structuring of the department to the Legislature.
 44 Unless otherwise required by law, such recommendations must be
 45 provided to the Legislature at least 30 days before the first
 46 day of the regular session at which they are to be considered,
 47 when practicable; and

48 (i) Establish, maintain, and document the effective
 49 operation of internal controls, including controls designed to
 50 prevent and detect fraud, waste, and abuse; to ensure the
 51 administration of assigned public duties and responsibilities in
 52 accordance with applicable laws, rules, contracts, grant

53 agreements, and best practices; to promote and encourage
54 economic and efficient operations; to ensure the reliability of
55 financial records and reports; and to safeguard assets.

56 Section 2. Paragraphs (a) and (b) of subsection (1) of
57 section 20.055, Florida Statutes, are amended to read:

58 20.055 Agency inspectors general.—

59 (1) For the purposes of this section:

60 (a) "State agency" means each department created pursuant
61 to this chapter, and also includes the Executive Office of the
62 Governor, the Department of Military Affairs, the Fish and
63 Wildlife Conservation Commission, the Office of Insurance
64 Regulation of the Financial Services Commission, the Office of
65 Financial Regulation of the Financial Services Commission, the
66 Public Service Commission, the Board of Governors of the State
67 University System, the Florida Housing Finance Corporation, the
68 Justice Administrative Commission and the agencies it
69 administratively supports pursuant to s. 43.16(5), and the state
70 courts system.

71 (b) "Agency head" means the Governor, a Cabinet officer, a
72 secretary as defined in s. 20.03(5), or an executive director as
73 defined in s. 20.03(6). It also includes the chair of the Public
74 Service Commission, the Director of the Office of Insurance
75 Regulation of the Financial Services Commission, the Director of
76 the Office of Financial Regulation of the Financial Services
77 Commission, the chair of the board of directors of the Florida
78 Housing Finance Corporation, the chair of the Justice

79 Administrative Commission, and the Chief Justice of the ~~State~~
 80 Supreme Court.

81 Section 3. Subsection (5) is added to section 25.382,
 82 Florida Statutes, to read:

83 25.382 State courts system.—

84 (5) The Supreme Court shall ensure that the state courts
 85 system establishes, maintains, and documents the effective
 86 operation of internal controls, including controls designed to
 87 prevent and detect fraud, waste, and abuse; to ensure the
 88 administration of assigned public duties and responsibilities in
 89 accordance with applicable laws, rules, contracts, grant
 90 agreements, and best practices; to promote and encourage
 91 economic and efficient operations; to ensure the reliability of
 92 financial records and reports; and to safeguard assets.

93 Section 4. Subsections (6) and (7) of section 43.16,
 94 Florida Statutes, are renumbered as subsections (7) and (8),
 95 respectively, and a new subsection (6) is added to that section
 96 to read:

97 43.16 Justice Administrative Commission; membership,
 98 powers and duties.—

99 (6) The commission, each state attorney, public defender,
 100 and criminal conflict and civil regional counsel, the Guardian
 101 Ad Litem program, and the Florida Clerks of Court Operations
 102 Corporation must establish, maintain, and document the effective
 103 operation of internal controls, including controls designed to
 104 prevent and detect fraud, waste, and abuse; to ensure the

105 administration of assigned public duties and responsibilities in
 106 accordance with applicable laws, rules, contracts, grant
 107 agreements, and best practices; to promote and encourage
 108 economic and efficient operations; to ensure the reliability of
 109 financial records and reports; and to safeguard assets.

110 Section 5. Subsection (3) of section 218.33, Florida
 111 Statutes, is renumbered as subsection (4), and a new subsection
 112 (3) is added to that section to read:

113 218.33 Local governmental entities; establishment of
 114 uniform fiscal years and accounting practices and procedures.—

115 (3) Each local governmental entity must establish,
 116 maintain, and document the effective operation of internal
 117 controls designed to prevent and detect fraud, waste, and abuse;
 118 to ensure the administration of assigned public duties and
 119 responsibilities in accordance with applicable laws, rules,
 120 contracts, grant agreements, and best practices; to promote and
 121 encourage economic and efficient operations; to ensure the
 122 reliability of financial records and reports; and to safeguard
 123 assets.

124 Section 6. Paragraph (1) of subsection (12) of section
 125 1001.42, Florida Statutes, is amended to read:

126 1001.42 Powers and duties of district school board.—The
 127 district school board, acting as a board, shall exercise all
 128 powers and perform all duties listed below:

129 (12) FINANCE.—Take steps to assure students adequate
 130 educational facilities through the financial procedure

131 authorized in chapters 1010 and 1011 and as prescribed below:

132 (1) Internal auditor.—May employ an internal auditor to
 133 perform ongoing financial verification of the financial records
 134 of the school district and such other audits and reviews as the
 135 district school board directs for the purpose of establishing,
 136 maintaining, and documenting the effective operation of internal
 137 controls, including controls designed to prevent and detect
 138 fraud, waste, and abuse; to ensure the administration of
 139 assigned public duties and responsibilities in accordance with
 140 applicable laws, rules, contracts, grant agreements, school
 141 board-approved policies, and best practices; to promote and
 142 encourage economic and efficient operations; to ensure the
 143 reliability of financial records and reports; and to safeguard
 144 assets. The internal auditor shall report directly to the
 145 district school board or its designee.

146 Section 7. Paragraph (j) of subsection (9) of section
 147 1002.33, Florida Statutes, is amended to read:

148 1002.33 Charter schools.—

149 (9) CHARTER SCHOOL REQUIREMENTS.—

150 (j) The governing body of the charter school shall be
 151 responsible for:

152 1. Establishing, maintaining, and documenting the
 153 effective operation of internal controls, including controls
 154 designed to prevent and detect fraud, waste, and abuse; to
 155 ensure the administration of assigned public duties and
 156 responsibilities in accordance with applicable laws, rules,

157 contracts, grant agreements, and best practices; to promote and
158 encourage economic and efficient operations; to ensure the
159 reliability of financial records and reports; and to safeguard
160 assets.

161 ~~2.1.~~ Ensuring that the charter school has retained the
162 services of a certified public accountant or auditor for the
163 annual financial audit, pursuant to s. 1002.345(2), who shall
164 submit the report to the governing body.

165 ~~3.2.~~ Reviewing and approving the audit report, including
166 audit findings and recommendations for the financial recovery
167 plan.

168 ~~4.3-a.~~ Performing the duties in s. 1002.345, including
169 monitoring a corrective action plan.

170 b. Monitoring a financial recovery plan in order to ensure
171 compliance.

172 ~~5.4.~~ Participating in governance training approved by the
173 department which must include government in the sunshine,
174 conflicts of interest, ethics, and financial responsibility.

175 Section 8. Subsections (3) and (4) of section 1010.01,
176 Florida Statutes, are renumbered as subsections (4) and (5),
177 respectively, and new subsections (3) and (6) are added to that
178 section to read:

179 1010.01 Uniform records and accounts.—

180 (3) Each Florida College System institution shall annually
181 file with the State Board of Education financial statements
182 prepared in conformity with accounting principles generally

183 accepted by the United States and the uniform classification of
184 accounts prescribed by the State Board of Education. The State
185 Board of Education's rules shall prescribe the filing deadline
186 for the financial statements.

187 (6) Each school district, Florida College System
188 institution, and state university shall establish, maintain, and
189 document the effective operation of internal controls, including
190 controls designed to prevent and detect fraud, waste, and abuse;
191 to ensure the administration of assigned public duties and
192 responsibilities in accordance with applicable laws, rules,
193 contracts, grant agreements, and best practices; to promote and
194 encourage economic and efficient operations; to ensure the
195 reliability of financial records and reports; and to safeguard
196 assets.

197 Section 9. This act shall take effect July 1, 2014.