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LEGISLATIVE ACTION

Senate

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House

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The Committee on Appropriations (Gaetz) recommended the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause  
and insert:

Section 1. Subsection (2) of section 11.40, Florida  
Statutes, is amended to read:

11.40 Legislative Auditing Committee.—

(2) Following notification by the Auditor General, the  
Department of Financial Services, ~~or~~ the Division of Bond  
Finance of the State Board of Administration, the Governor or



399826

11 his or her designee, or the Commissioner of Education or his or  
12 her designee of the failure of a local governmental entity,  
13 district school board, charter school, or charter technical  
14 career center to comply with the applicable provisions within s.  
15 11.45(5)-(7), s. 218.32(1), s. 218.38, or s. 218.503(3), the  
16 Legislative Auditing Committee may schedule a hearing to  
17 determine if the entity should be subject to further state  
18 action. If the committee determines that the entity should be  
19 subject to further state action, the committee shall:

20 (a) In the case of a local governmental entity or district  
21 school board, direct the Department of Revenue and the  
22 Department of Financial Services to withhold any funds not  
23 pledged for bond debt service satisfaction which are payable to  
24 such entity until the entity complies with the law. The  
25 committee shall specify the date that such action must ~~shall~~  
26 begin, and the directive must be received by the Department of  
27 Revenue and the Department of Financial Services 30 days before  
28 the date of the distribution mandated by law. The Department of  
29 Revenue and the Department of Financial Services may implement  
30 ~~the provisions of~~ this paragraph.

31 (b) In the case of a special district created by:

32 1. A special act, notify the President of the Senate, the  
33 Speaker of the House of Representatives, the standing committees  
34 of the Senate and the House of Representatives charged with  
35 special district oversight as determined by the presiding  
36 officers of each respective chamber, the legislators who  
37 represent a portion of the geographical jurisdiction of the  
38 special district pursuant to s. 189.034(2), and the Department  
39 of Economic Opportunity that the special district has failed to



399826

40 comply with the law. Upon receipt of notification, the  
41 Department of Economic Opportunity shall proceed pursuant to s.  
42 189.062 or s. 189.067. If the special district remains in  
43 noncompliance after the process set forth in s. 189.034(3), or  
44 if a public hearing is not held, the Legislative Auditing  
45 Committee may request the department to proceed pursuant to s.  
46 189.067(3).

47 2. A local ordinance, notify the chair or equivalent of the  
48 local general-purpose government pursuant to s. 189.035(2) and  
49 the Department of Economic Opportunity that the special district  
50 has failed to comply with the law. Upon receipt of notification,  
51 the department shall proceed pursuant to s. 189.062 or s.  
52 189.067. If the special district remains in noncompliance after  
53 the process set forth in s. 189.034(3), or if a public hearing  
54 is not held, the Legislative Auditing Committee may request the  
55 department to proceed pursuant to s. 189.067(3).

56 3. Any manner other than a special act or local ordinance,  
57 notify the Department of Economic Opportunity that the special  
58 district has failed to comply with the law. Upon receipt of  
59 notification, the department shall proceed pursuant to s.  
60 189.062 or s. 189.067(3).

61 (c) In the case of a charter school or charter technical  
62 career center, notify the appropriate sponsoring entity, which  
63 may terminate the charter pursuant to ss. 1002.33 and 1002.34.

64 Section 2. Subsection (1), paragraph (j) of subsection (2),  
65 paragraph (u) of subsection (3), and paragraph (i) of subsection  
66 (7) of section 11.45, Florida Statutes, are amended, and  
67 paragraph (x) is added to subsection (3) of that section, to  
68 read:



399826

69 11.45 Definitions; duties; authorities; reports; rules.—  
70 (1) DEFINITIONS.—As used in ss. 11.40-11.51, the term:  
71 (a) "Abuse" means behavior that is deficient or improper  
72 when compared with behavior that a prudent person would consider  
73 a reasonable and necessary operational practice given the facts  
74 and circumstances. The term includes the misuse of authority or  
75 position for personal gain.  
76 (b) ~~(a)~~ "Audit" means a financial audit, operational audit,  
77 or performance audit.  
78 (c) ~~(b)~~ "County agency" means a board of county  
79 commissioners or other legislative and governing body of a  
80 county, however styled, including that of a consolidated or  
81 metropolitan government, a clerk of the circuit court, a  
82 separate or ex officio clerk of the county court, a sheriff, a  
83 property appraiser, a tax collector, a supervisor of elections,  
84 or any other officer in whom any portion of the fiscal duties of  
85 a body or officer expressly stated in this paragraph are ~~the~~  
86 ~~above are under law~~ separately placed by law.  
87 (d) ~~(c)~~ "Financial audit" means an examination of financial  
88 statements in order to express an opinion on the fairness with  
89 which they are presented in conformity with generally accepted  
90 accounting principles and an examination to determine whether  
91 operations are properly conducted in accordance with legal and  
92 regulatory requirements. Financial audits must be conducted in  
93 accordance with auditing standards generally accepted in the  
94 United States and government auditing standards as adopted by  
95 the Board of Accountancy. When applicable, the scope of  
96 financial audits must ~~shall~~ encompass the additional activities  
97 necessary to establish compliance with the Single Audit Act



399826

98 Amendments of 1996, 31 U.S.C. ss. 7501-7507, and other  
99 applicable federal law.

100 (e) "Fraud" means obtaining something of value through  
101 willful misrepresentation, including, but not limited to, the  
102 intentional misstatements or omissions of amounts or disclosures  
103 in financial statements to deceive users of financial  
104 statements, theft of an entity's assets, bribery, or the use of  
105 one's position for personal enrichment through the deliberate  
106 misuse or misapplication of an organization's resources.

107 (f)-(d) "Governmental entity" means a state agency, a county  
108 agency, or any other entity, however styled, that independently  
109 exercises any type of state or local governmental function.

110 (g)-(e) "Local governmental entity" means a county agency,  
111 municipality, tourist development council, county tourism  
112 promotion agency, or special district as defined in s. 189.012.  
113 The term, ~~but~~ does not include any housing authority established  
114 under chapter 421.

115 (h)-(f) "Management letter" means a statement of the  
116 auditor's comments and recommendations.

117 (i)-(g) "Operational audit" means an audit whose purpose is  
118 to evaluate management's performance in establishing and  
119 maintaining internal controls, including controls designed to  
120 prevent and detect fraud, waste, and abuse, and in administering  
121 assigned responsibilities in accordance with applicable laws,  
122 administrative rules, contracts, grant agreements, and other  
123 guidelines. Operational audits must be conducted in accordance  
124 with government auditing standards. Such audits examine internal  
125 controls that are designed and placed in operation to promote  
126 and encourage the achievement of management's control objectives



399826

127 in the categories of compliance, economic and efficient  
128 operations, reliability of financial records and reports, and  
129 safeguarding of assets, and identify weaknesses in those  
130 internal controls.

131 (j)~~(h)~~ "Performance audit" means an examination of a  
132 program, activity, or function of a governmental entity,  
133 conducted in accordance with applicable government auditing  
134 standards or auditing and evaluation standards of other  
135 appropriate authoritative bodies. The term includes an  
136 examination of issues related to:

137 1. Economy, efficiency, or effectiveness of the program.

138 2. Structure or design of the program to accomplish its  
139 goals and objectives.

140 3. Adequacy of the program to meet the needs identified by  
141 the Legislature or governing body.

142 4. Alternative methods of providing program services or  
143 products.

144 5. Goals, objectives, and performance measures used by the  
145 agency to monitor and report program accomplishments.

146 6. The accuracy or adequacy of public documents, reports,  
147 or requests prepared under the program by state agencies.

148 7. Compliance of the program with appropriate policies,  
149 rules, or laws.

150 8. Any other issues related to governmental entities as  
151 directed by the Legislative Auditing Committee.

152 (k)~~(i)~~ "Political subdivision" means a separate agency or  
153 unit of local government created or established by law and  
154 includes, but is not limited to, the following and the officers  
155 thereof: authority, board, branch, bureau, city, commission,



399826

156 consolidated government, county, department, district,  
157 institution, metropolitan government, municipality, office,  
158 officer, public corporation, town, or village.

159 (1)~~(j)~~ "State agency" means a separate agency or unit of  
160 state government created or established by law and includes, but  
161 is not limited to, the following and the officers thereof:  
162 authority, board, branch, bureau, commission, department,  
163 division, institution, office, officer, or public corporation,  
164 as the case may be, except any such agency or unit within the  
165 legislative branch of state government other than the Florida  
166 Public Service Commission.

167 (m) "Waste" means the act of using or expending resources  
168 unreasonably, carelessly, extravagantly, or for no useful  
169 purpose.

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

171 (j) Conduct audits of local governmental entities when  
172 determined to be necessary by the Auditor General, when directed  
173 by the Legislative Auditing Committee, or when otherwise  
174 required by law. No later than 18 months after the release of  
175 the audit report, the Auditor General shall perform such  
176 appropriate followup procedures as he or she deems necessary to  
177 determine the audited entity's progress in addressing the  
178 findings and recommendations contained within the Auditor  
179 General's previous report. The Auditor General shall notify each  
180 member of the audited entity's governing body and the  
181 Legislative Auditing Committee of the results of his or her  
182 determination. For purposes of this paragraph, local  
183 governmental entities do not include water management districts.

184



185 The Auditor General shall perform his or her duties  
186 independently but under the general policies established by the  
187 Legislative Auditing Committee. This subsection does not limit  
188 the Auditor General's discretionary authority to conduct other  
189 audits or engagements of governmental entities as authorized in  
190 subsection (3).

191 (3) AUTHORITY FOR AUDITS AND OTHER ENGAGEMENTS.—The Auditor  
192 General may, pursuant to his or her own authority, or at the  
193 direction of the Legislative Auditing Committee, conduct audits  
194 or other engagements as determined appropriate by the Auditor  
195 General of:

196 (u) The Florida Virtual School ~~pursuant to s. 1002.37.~~

197 (x) Tourist development councils and county tourism  
198 promotion agencies.

199 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

200 (i) The Auditor General shall annually transmit by July 15,  
201 to the President of the Senate, the Speaker of the House of  
202 Representatives, and the Department of Financial Services, a  
203 list of all school districts, charter schools, charter technical  
204 career centers, Florida College System institutions, state  
205 universities, and local governmental entities ~~water management~~  
206 ~~districts~~ that have failed to comply with the transparency  
207 requirements as identified in the audit reports reviewed  
208 pursuant to paragraph (b) and those conducted pursuant to  
209 subsection (2).

210 Section 3. Paragraph (d) of subsection (2) of section  
211 28.35, Florida Statutes, is amended to read:

212 28.35 Florida Clerks of Court Operations Corporation.—

213 (2) The duties of the corporation shall include the





399826

214 following:

215 (d) Developing and certifying a uniform system of workload  
216 measures and applicable workload standards for court-related  
217 functions as developed by the corporation and clerk workload  
218 performance in meeting the workload performance standards. These  
219 workload measures and workload performance standards shall be  
220 designed to facilitate an objective determination of the  
221 performance of each clerk in accordance with minimum standards  
222 for fiscal management, operational efficiency, and effective  
223 collection of fines, fees, service charges, and court costs. The  
224 corporation shall develop the workload measures and workload  
225 performance standards in consultation with the Legislature. When  
226 the corporation finds a clerk has not met the workload  
227 performance standards, the corporation shall identify the nature  
228 of each deficiency and any corrective action recommended and  
229 taken by the affected clerk of the court. For quarterly periods  
230 ending on the last day of March, June, September, and December  
231 of each year, the corporation shall notify the Legislature of  
232 any clerk not meeting workload performance standards and provide  
233 a copy of any corrective action plans. Such notifications shall  
234 be submitted no later than 45 days after the end of the  
235 preceding quarterly period. As used in this subsection, the  
236 term:

237 1. "Workload measures" means the measurement of the  
238 activities and frequency of the work required for the clerk to  
239 adequately perform the court-related duties of the office as  
240 defined by the membership of the Florida Clerks of Court  
241 Operations Corporation.

242 2. "Workload performance standards" means the standards



399826

243 developed to measure the timeliness and effectiveness of the  
244 activities that are accomplished by the clerk in the performance  
245 of the court-related duties of the office as defined by the  
246 membership of the Florida Clerks of Court Operations  
247 Corporation.

248 Section 4. Present subsections (6) and (7) of section  
249 43.16, Florida Statutes, are redesignated as subsections (7) and  
250 (8), respectively, and a new subsection (6) is added to that  
251 section, to read:

252 43.16 Justice Administrative Commission; membership, powers  
253 and duties.—

254 (6) The commission, each state attorney, each public  
255 defender, the criminal conflict and civil regional counsel, the  
256 capital collateral regional counsel, and the Guardian Ad Litem  
257 Program shall establish and maintain internal controls designed  
258 to:

- 259 (a) Prevent and detect fraud, waste, and abuse.  
260 (b) Promote and encourage compliance with applicable laws,  
261 rules, contracts, grant agreements, and best practices.  
262 (c) Support economical and efficient operations.  
263 (d) Ensure reliability of financial records and reports.  
264 (e) Safeguard assets.

265 Section 5. Subsection (1) of section 112.31455, Florida  
266 Statutes, is amended to read:

267 112.31455 Collection methods for unpaid automatic fines for  
268 failure to timely file disclosure of financial interests.—

269 (1) Before referring any unpaid fine accrued pursuant to s.  
270 112.3144(5) or s. 112.3145(7) to the Department of Financial  
271 Services, the commission shall attempt to determine whether the



399826

272 individual owing such a fine is a current public officer or  
273 current public employee. If so, the commission may notify the  
274 Chief Financial Officer or the governing body of the appropriate  
275 county, municipality, school district, or special district of  
276 the total amount of any fine owed to the commission by such  
277 individual.

278 (a) After receipt and verification of the notice from the  
279 commission, the Chief Financial Officer or the governing body of  
280 the county, municipality, school district, or special district  
281 shall begin withholding the lesser of 10 percent or the maximum  
282 amount allowed under federal law from any salary-related  
283 payment. The withheld payments shall be remitted to the  
284 commission until the fine is satisfied.

285 (b) The Chief Financial Officer or the governing body of  
286 the county, municipality, school district, or special district  
287 may retain an amount of each withheld payment, as provided in s.  
288 77.0305, to cover the administrative costs incurred under this  
289 section.

290 Section 6. Section 112.3261, Florida Statutes, is amended  
291 to read:

292 112.3261 Lobbying before governmental entities ~~water~~  
293 ~~management districts~~; registration and reporting.—

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

295 (a) "Governmental entity" or "entity" ~~"District"~~ means a  
296 water management district created in s. 373.069 and operating  
297 under the authority of chapter 373, a hospital district, a  
298 children's services district, an expressway authority as the  
299 term "authority" is defined in s. 348.0002, the term "port  
300 authority" as defined in s. 315.02, a county or municipality



399826

301 that has not adopted lobbyist registration and reporting  
302 requirements, or an independent special district with annual  
303 revenues of more than \$5 million which exercises ad valorem  
304 taxing authority.

305 (b) "Lobbies" means seeking, on behalf of another person,  
306 to influence a governmental entity ~~district~~ with respect to a  
307 decision of the entity ~~district~~ in an area of policy or  
308 procurement or an attempt to obtain the goodwill of an a  
309 ~~district~~ official or employee of a governmental entity. The term  
310 "~~lobbies~~" shall be interpreted and applied consistently with the  
311 rules of the commission implementing s. 112.3215.

312 (c) "Lobbyist" has the same meaning as provided in s.  
313 112.3215.

314 (d) "Principal" has the same meaning as provided in s.  
315 112.3215.

316 (2) A person may not lobby a governmental entity ~~district~~  
317 until such person has registered as a lobbyist with that entity  
318 ~~district~~. Such registration shall be due upon initially being  
319 retained to lobby and is renewable on a calendar-year basis  
320 thereafter. Upon registration, the person shall provide a  
321 statement signed by the principal or principal's representative  
322 stating that the registrant is authorized to represent the  
323 principal. The principal shall also identify and designate its  
324 main business on the statement authorizing that lobbyist  
325 pursuant to a classification system approved by the governmental  
326 entity ~~district~~. Any changes to the information required by this  
327 section must be disclosed within 15 days by filing a new  
328 registration form. The registration form must ~~shall~~ require each  
329 lobbyist to disclose, under oath, the following:



399826

- 330 (a) The lobbyist's name and business address.
- 331 (b) The name and business address of each principal  
332 represented.
- 333 (c) The existence of any direct or indirect business  
334 association, partnership, or financial relationship with an  
335 official ~~any officer~~ or employee of a governmental entity  
336 ~~district~~ with which he or she lobbies or intends to lobby.
- 337 (d) A governmental entity shall create a lobbyist  
338 registration form modeled after the ~~In lieu of creating its own~~  
339 ~~lobbyist registration forms, a district may accept a completed~~  
340 legislative branch or executive branch lobbyist registration  
341 form, which must be returned to the governmental entity.
- 342 (3) A governmental entity ~~district~~ shall make lobbyist  
343 registrations available to the public. If a governmental entity  
344 ~~district~~ maintains a website, a database of currently registered  
345 lobbyists and principals must be available on the entity's  
346 ~~district's~~ website.
- 347 (4) A lobbyist shall promptly send a written statement to  
348 the governmental entity ~~district~~ canceling the registration for  
349 a principal upon termination of the lobbyist's representation of  
350 that principal. A governmental entity ~~district~~ may remove the  
351 name of a lobbyist from the list of registered lobbyists if the  
352 principal notifies the entity ~~district~~ that a person is no  
353 longer authorized to represent that principal.
- 354 (5) A governmental entity ~~district~~ may establish an annual  
355 lobbyist registration fee, not to exceed \$40, for each principal  
356 represented. The governmental entity ~~district~~ may use  
357 registration fees only to administer this section.
- 358 (6) A governmental entity ~~district~~ shall be diligent to



399826

359 ascertain whether persons required to register pursuant to this  
360 section have complied. A governmental entity ~~district~~ may not  
361 knowingly authorize a person who is not registered pursuant to  
362 this section to lobby the entity ~~district~~.

363 (7) Upon receipt of a sworn complaint alleging that a  
364 lobbyist or principal has failed to register with a governmental  
365 entity ~~district~~ or has knowingly submitted false information in  
366 a report or registration required under this section, the  
367 commission shall investigate a lobbyist or principal pursuant to  
368 the procedures established under s. 112.324. The commission  
369 shall provide the Governor with a report of its findings and  
370 recommendations in any investigation conducted pursuant to this  
371 subsection. The Governor is authorized to enforce the  
372 commission's findings and recommendations.

373 (8) A governmental entity ~~Water management districts~~ may  
374 adopt rules to establish procedures to govern the registration  
375 of lobbyists, including the adoption of forms and the  
376 establishment of a lobbyist registration fee.

377 Section 7. Paragraph (c) of subsection (3) of section  
378 129.03, Florida Statutes, is amended to read:

379 129.03 Preparation and adoption of budget.—

380 (3) The county budget officer, after tentatively  
381 ascertaining the proposed fiscal policies of the board for the  
382 next fiscal year, shall prepare and present to the board a  
383 tentative budget for the next fiscal year for each of the funds  
384 provided in this chapter, including all estimated receipts,  
385 taxes to be levied, and balances expected to be brought forward  
386 and all estimated expenditures, reserves, and balances to be  
387 carried over at the end of the year.



388 (c) The board shall hold public hearings to adopt tentative  
389 and final budgets pursuant to s. 200.065. The hearings shall be  
390 primarily for the purpose of hearing requests and complaints  
391 from the public regarding the budgets and the proposed tax  
392 levies and for explaining the budget and any proposed or adopted  
393 amendments. The tentative budget must be posted on the county's  
394 official website at least 2 days before the public hearing to  
395 consider such budget and must remain on the website for at least  
396 45 days. The final budget must be posted on the website within  
397 30 days after adoption and must remain on the website for at  
398 least 2 years. The tentative budgets, adopted tentative budgets,  
399 and final budgets shall be filed in the office of the county  
400 auditor as a public record. Sufficient reference in words and  
401 figures to identify the particular transactions must ~~shall~~ be  
402 made in the minutes of the board to record its actions with  
403 reference to the budgets.

404 Section 8. Paragraph (f) of subsection (2) of section  
405 129.06, Florida Statutes, is amended to read:

406 129.06 Execution and amendment of budget.-

407 (2) The board at any time within a fiscal year may amend a  
408 budget for that year, and may within the first 60 days of a  
409 fiscal year amend the budget for the prior fiscal year, as  
410 follows:

411 (f) Unless otherwise prohibited by law, if an amendment to  
412 a budget is required for a purpose not specifically authorized  
413 in paragraphs (a)-(e), the amendment may be authorized by  
414 resolution or ordinance of the board of county commissioners  
415 adopted following a public hearing.

416 1. The public hearing must be advertised at least 2 days,



399826

417 but not more than 5 days, before the date of the hearing. The  
418 advertisement must appear in a newspaper of paid general  
419 circulation and must identify the name of the taxing authority,  
420 the date, place, and time of the hearing, and the purpose of the  
421 hearing. The advertisement must also identify each budgetary  
422 fund to be amended, the source of the funds, the use of the  
423 funds, and the total amount of each fund's appropriations.

424 2. If the board amends the budget pursuant to this  
425 paragraph, the adopted amendment must be posted on the county's  
426 official website within 5 days after adoption and must remain on  
427 the website for at least 2 years.

428 Section 9. Subsections (3) and (5) of section 166.241,  
429 Florida Statutes, are amended to read:

430 166.241 Fiscal years, budgets, and budget amendments.—

431 (3) The tentative budget must be posted on the  
432 municipality's official website at least 2 days before the  
433 budget hearing, held pursuant to s. 200.065 or other law, to  
434 consider such budget, and must remain on the website for at  
435 least 45 days. The final adopted budget must be posted on the  
436 municipality's official website within 30 days after adoption  
437 and must remain on the website for at least 2 years. If the  
438 municipality does not operate an official website, the  
439 municipality must, within a reasonable period of time as  
440 established by the county or counties in which the municipality  
441 is located, transmit the tentative budget and final budget to  
442 the manager or administrator of such county or counties who  
443 shall post the budgets on the county's website.

444 (5) If the governing body of a municipality amends the  
445 budget pursuant to paragraph (4)(c), the adopted amendment must





399826

446 be posted on the official website of the municipality within 5  
447 days after adoption and must remain on the website for at least  
448 2 years. If the municipality does not operate an official  
449 website, the municipality must, within a reasonable period of  
450 time as established by the county or counties in which the  
451 municipality is located, transmit the adopted amendment to the  
452 manager or administrator of such county or counties who shall  
453 post the adopted amendment on the county's website.

454 Section 10. Subsections (4) and (7) of section 189.016,  
455 Florida Statutes, are amended to read:

456 189.016 Reports; budgets; audits.—

457 (4) The tentative budget must be posted on the special  
458 district's official website at least 2 days before the budget  
459 hearing, held pursuant to s. 200.065 or other law, to consider  
460 such budget, and must remain on the website for at least 45  
461 days. The final adopted budget must be posted on the special  
462 district's official website within 30 days after adoption and  
463 must remain on the website for at least 2 years. If the special  
464 district does not operate an official website, the special  
465 district must, within a reasonable period of time as established  
466 by the local general-purpose government or governments in which  
467 the special district is located or the local governing authority  
468 to which the district is dependent, transmit the tentative  
469 budget or final budget to the manager or administrator of the  
470 local general-purpose government or the local governing  
471 authority. The manager or administrator shall post the tentative  
472 budget or final budget on the website of the local general-  
473 purpose government or governing authority. This subsection and  
474 subsection (3) do not apply to water management districts as



399826

475 defined in s. 373.019.

476 (7) If the governing body of a special district amends the  
477 budget pursuant to paragraph (6)(c), the adopted amendment must  
478 be posted on the official website of the special district within  
479 5 days after adoption and must remain on the website for at  
480 least 2 years. If the special district does not operate an  
481 official website, the special district must, within a reasonable  
482 period of time as established by the local general-purpose  
483 government or governments in which the special district is  
484 located or the local governing authority to which the district  
485 is dependent, transmit the adopted amendment to the manager or  
486 administrator of the local general-purpose government or  
487 governing authority. The manager or administrator shall post the  
488 adopted amendment on the website of the local general-purpose  
489 government or governing authority.

490 Section 11. Section 215.425, Florida Statutes, is amended  
491 to read:

492 215.425 Extra compensation claims prohibited; bonuses;  
493 severance pay.—

494 (1) As used in this section, the term "public funds" means  
495 any taxes, tuition, state grants, fines, fees, or other charges  
496 or any other type of revenue collected by the state or any  
497 county, municipality, special district, school district, Florida  
498 College System institution, state university, or other separate  
499 unit of government created pursuant to law, including any  
500 office, department, agency, division, subdivision, political  
501 subdivision, board, bureau, or commission of such entities.  
502 However, if the payment and receipt does not otherwise violate  
503 part III of chapter 112, the following are not considered public



399826

504 funds:

505 (a) Revenues received by the Board of Governors or state  
506 universities through or from faculty practice plans; health  
507 services support organizations; hospitals with which state  
508 universities are affiliated; direct-support organizations; or  
509 federal, auxiliary, or private sources, except for tuition.

510 (b) Revenues received by Florida College System  
511 institutions through or from faculty practice plans; health  
512 services support organizations; direct-support organizations; or  
513 federal, auxiliary, or private sources, except for tuition.

514 (c) Revenues that are received by a hospital licensed under  
515 chapter 395 which has entered into a Medicaid provider contract  
516 and that:

517 1. Are not derived from the levy of an ad valorem tax;

518 2. Are not derived from patient services paid through the  
519 Medicaid or Medicare program;

520 3. Are derived from patient services pursuant to contracts  
521 with private insurers or private managed care entities, or paid  
522 by the patient or private entities; or

523 4. Are not appropriated by the Legislature or by any  
524 county, municipality, special district, school district, Florida  
525 College System institution, state university, or other separate  
526 unit of government created pursuant to law, including any  
527 office, department, agency, division, subdivision, political  
528 subdivision, board, bureau, commission, authority, or  
529 institution of such entities, except for revenues otherwise  
530 authorized to be used pursuant to subparagraphs 2. and 3.

531 (d) A clothing and maintenance allowance given to  
532 plainclothes deputies pursuant to s. 30.49.



399826

533 (e) Revenues or fees received by a seaport or airport from  
534 sources other than through the levy of a tax, or funds  
535 appropriated by any county or municipality or the Legislature.

536 (2)(1) Except as provided in subsections (3) and (4), no  
537 extra compensation shall be made from public funds to any  
538 officer, agent, employee, or contractor after the service has  
539 been rendered or the contract made; nor shall any public funds  
540 money be appropriated or paid on any claim the subject matter of  
541 which has not been provided for by preexisting laws, unless such  
542 compensation or claim is allowed by a law enacted by two-thirds  
543 of the members elected to each house of the Legislature.

544 However, when adopting salary schedules for a fiscal year, a  
545 district school board or community college district board of  
546 trustees may apply the schedule for payment of all services  
547 rendered subsequent to July 1 of that fiscal year.

548 ~~(2) This section does not apply to:~~

549 ~~(a) a bonus or severance pay that is paid wholly from~~  
550 ~~non-tax revenues and nonstate-appropriated funds, the payment and~~  
551 ~~receipt of which does not otherwise violate part III of chapter~~  
552 ~~112, and which is paid to an officer, agent, employee, or~~  
553 ~~contractor of a public hospital that is operated by a county or~~  
554 ~~a special district; or~~

555 ~~(b) A clothing and maintenance allowance given to~~  
556 ~~plainclothes deputies pursuant to s. 30.49.~~

557 (3) Any policy, ordinance, rule, or resolution designed to  
558 implement a bonus scheme must:

559 (a) Base the award of a bonus on work performance;

560 (b) Describe the performance standards and evaluation  
561 process by which a bonus will be awarded;



399826

562 (c) Notify all employees who meet the prescribed criteria  
563 for a particular bonus scheme of the policy, ordinance, rule, or  
564 resolution before the beginning of the evaluation period on  
565 which a bonus will be based; and

566 (d) Consider all employees who meet the prescribed criteria  
567 for a particular bonus scheme for the bonus.

568 (4) (a) ~~On or after July 1, 2011,~~ A unit of government, on  
569 or after July 1, 2011, or a state university, on or after July  
570 1, 2012, which ~~that~~ enters into a contract or employment  
571 agreement, or a renewal or renegotiation of an existing contract  
572 or employment agreement, which ~~that~~ contains a provision for  
573 severance pay with an officer, agent, employee, or contractor  
574 must include the following provisions in the contract:

575 1. A requirement that severance pay paid from public funds  
576 ~~provided~~ may not exceed an amount greater than 20 weeks of  
577 compensation.

578 2. A prohibition of provision of severance pay paid from  
579 public funds when the officer, agent, employee, or contractor  
580 has been fired for misconduct, as defined in s. 443.036(29), by  
581 the unit of government. However, the existence of a contract  
582 that includes a provision providing for severance pay does not  
583 limit the application of paragraph (b) to the settlement of a  
584 dispute.

585 (b) On or after July 1, 2011, an officer, agent, employee,  
586 or contractor may receive severance pay that is not provided for  
587 in a contract or employment agreement if the severance pay  
588 represents the settlement of an employment dispute. In  
589 determining the amount of severance pay that may be paid in  
590 accordance with this section, the unit of government or the



399826

591 state university shall consider the nature of the claim, the  
592 circumstances giving rise to the dispute, and the potential cost  
593 of resolving the dispute ~~Such severance pay may not exceed an~~  
594 ~~amount greater than 6 weeks of compensation.~~ The settlement may  
595 not include provisions that limit the ability of any party to  
596 the settlement to discuss the dispute or settlement.

597 (5) Any agreement or contract, executed on or after July 1,  
598 2011, which involves extra compensation between a unit of  
599 government and an officer, agent, employee, or contractor may  
600 not include provisions that limit the ability of any party to  
601 the agreement or contract to discuss the agreement or contract.

602 (6) Upon discovery or notification that a unit of  
603 government has provided prohibited compensation to any officer,  
604 agent, employee, or contractor in violation of this section,  
605 such unit of government shall investigate and take all  
606 reasonable action to recover the prohibited compensation.

607 (a) If the violation was unintentional, the unit of  
608 government shall take all reasonable action to recover the  
609 prohibited compensation from the individual receiving the  
610 prohibited compensation through normal recovery methods for  
611 overpayments.

612 (b) If the violation was willful, the unit of government  
613 shall take all reasonable action to recover the prohibited  
614 compensation from the individual receiving the prohibited  
615 compensation or the employee or employees of the unit of  
616 government who willfully violated this section. Each individual  
617 determined to have willfully violated this section is jointly  
618 and severally liable for repayment of the prohibited  
619 compensation.



399826

620           (7) An officer who exercises the powers and duties of a  
621 state or county officer and willfully violates this section is  
622 subject to the Governor's power under s. 7(a), Art. IV of the  
623 State Constitution. An officer who exercises powers and duties  
624 other than those of a state or county officer and willfully  
625 violates this section is subject to the suspension and removal  
626 procedures under s. 112.51.

627           (8) An employee who is discharged, demoted, suspended,  
628 threatened, harassed, or in any manner discriminated against in  
629 the terms and conditions of employment by his or her employer  
630 because of lawful acts done by the employee on behalf of the  
631 employee or others in furtherance of an action under this  
632 section, including investigation for initiation of, testimony  
633 for, or assistance in an action filed or to be filed under this  
634 section, has a cause of action under s. 112.3187.

635           (9) Subsections (6), (7), and (8) apply prospectively to  
636 contracts and employment agreements, and the renewal or  
637 renegotiation of an existing contract or employment agreement,  
638 effective on or after October 1, 2016.

639           Section 12. Section 215.86, Florida Statutes, is amended to  
640 read:

641           215.86 Management systems and controls.—Each state agency  
642 and the judicial branch as defined in s. 216.011 shall establish  
643 and maintain management systems and internal controls designed  
644 to:

645           (1) Prevent and detect fraud, waste, and abuse. ~~that~~

646           (2) Promote and encourage compliance with applicable laws,  
647 rules, contracts, and grant agreements.†

648           (3) Support economical and ~~economic,~~ efficient, ~~and~~



399826

649 ~~effective operations.~~

650 (4) Ensure reliability of financial records and reports.

651 (5) Safeguard ~~and safeguarding of assets. Accounting~~  
652 ~~systems and procedures shall be designed to fulfill the~~  
653 ~~requirements of generally accepted accounting principles.~~

654 Section 13. Paragraph (a) of subsection (2) of section  
655 215.97, Florida Statutes, is amended to read:

656 215.97 Florida Single Audit Act.—

657 (2) Definitions; as used in this section, the term:

658 (a) "Audit threshold" means the threshold amount used to  
659 determine when a state single audit or project-specific audit of  
660 a nonstate entity shall be conducted in accordance with this  
661 section. Each nonstate entity that expends a total amount of  
662 state financial assistance equal to or in excess of \$750,000  
663 ~~\$500,000~~ in any fiscal year of such nonstate entity shall be  
664 required to have a state single audit, or a project-specific  
665 audit, for such fiscal year in accordance with the requirements  
666 of this section. ~~Every 2 years the Auditor General,~~ After  
667 consulting with the Executive Office of the Governor, the  
668 Department of Financial Services, and all state awarding  
669 agencies, the Auditor General shall periodically review the  
670 threshold amount for requiring audits under this section and may  
671 recommend any appropriate statutory change to revise the  
672 threshold amount in the annual report submitted pursuant to s.  
673 11.45(7)(h) to the Legislature ~~may adjust such threshold amount~~  
674 ~~consistent with the purposes of this section.~~

675 Section 14. Subsection (11) of section 215.985, Florida  
676 Statutes, is amended to read:

677 215.985 Transparency in government spending.—





399826

678 (11) Each water management district shall provide a monthly  
679 financial statement in the form and manner prescribed by the  
680 Department of Financial Services to the district's ~~its~~ governing  
681 board and make such monthly financial statement available for  
682 public access on its website.

683 Section 15. Paragraph (d) of subsection (1) and subsection  
684 (2) of section 218.32, Florida Statutes, are amended to read:

685 218.32 Annual financial reports; local governmental  
686 entities.—

687 (1)

688 (d) Each local governmental entity that is required to  
689 provide for an audit under s. 218.39(1) must submit a copy of  
690 the audit report and annual financial report to the department  
691 within 45 days after the completion of the audit report but no  
692 later than 9 months after the end of the fiscal year. In  
693 conducting an audit of a local governmental entity pursuant to  
694 s. 218.39, an independent certified public accountant shall  
695 determine whether the entity's annual financial report is in  
696 agreement with the audited financial statements. The  
697 accountant's audit report must be supported by the same level of  
698 detail as required for the annual financial report. If the  
699 accountant's audit report is not in agreement with the annual  
700 financial report, the accountant shall specify and explain the  
701 significant differences that exist between the annual financial  
702 report and the audit report.

703 (2) The department shall annually by December 1 file a  
704 verified report with the Governor, the Legislature, the Auditor  
705 General, and the Special District Accountability Program of the  
706 Department of Economic Opportunity showing the revenues, both



399826

707 locally derived and derived from intergovernmental transfers,  
708 and the expenditures of each local governmental entity, regional  
709 planning council, local government finance commission, and  
710 municipal power corporation that is required to submit an annual  
711 financial report. In preparing the verified report, the  
712 department may request additional information from the local  
713 governmental entity. The information requested must be provided  
714 to the department within 45 days after the request. If the local  
715 governmental entity does not comply with the request, the  
716 department shall notify the Legislative Auditing Committee,  
717 which may take action pursuant to s. 11.40(2). The report must  
718 include, but is not limited to:

719 (a) The total revenues and expenditures of each local  
720 governmental entity that is a component unit included in the  
721 annual financial report of the reporting entity.

722 (b) The amount of outstanding long-term debt by each local  
723 governmental entity. For purposes of this paragraph, the term  
724 "long-term debt" means any agreement or series of agreements to  
725 pay money, which, at inception, contemplate terms of payment  
726 exceeding 1 year in duration.

727 Section 16. Present subsection (3) of section 218.33,  
728 Florida Statutes, is redesignated as subsection (4), and a new  
729 subsection (3) is added to that section, to read:

730 218.33 Local governmental entities; establishment of  
731 uniform fiscal years and accounting practices and procedures.—

732 (3) Each local governmental entity shall establish and  
733 maintain internal controls designed to:

734 (a) Prevent and detect fraud, waste, and abuse.

735 (b) Promote and encourage compliance with applicable laws,



399826

736 rules, contracts, grant agreements, and best practices.

737 (c) Support economical and efficient operations.

738 (d) Ensure reliability of financial records and reports.

739 (e) Safeguard assets.

740 Section 17. Present subsections (8) through (12) of section  
741 218.39, Florida Statutes, are redesignated as subsections (9)  
742 through (13), respectively, and a new subsection (8) is added to  
743 that section, to read:

744 218.39 Annual financial audit reports.—

745 (8) If the audit report includes a recommendation that was  
746 included in the preceding financial audit report but remains  
747 unaddressed, the governing body of the audited entity, within 60  
748 days after the delivery of the audit report to the governing  
749 body, shall indicate during a regularly scheduled public meeting  
750 whether it intends to take corrective action, the intended  
751 corrective action, and the timeframe for the corrective action.  
752 If the governing body indicates that it does not intend to take  
753 corrective action, it shall explain its decision at the public  
754 meeting.

755 Section 18. Subsection (2) of section 218.391, Florida  
756 Statutes, is amended, and subsection (9) is added to that  
757 section, to read:

758 218.391 Auditor selection procedures.—

759 (2) The governing body of a ~~charter~~ county, municipality,  
760 special district, district school board, charter school, or  
761 charter technical career center shall establish an audit  
762 committee.

763 (a) The audit committee for a county ~~Each noncharter county~~  
764 ~~shall establish an audit committee that,~~ at a minimum, shall



399826

765 consist of each of the county officers elected pursuant to the  
766 county charter or s. 1(d), Art. VIII of the State Constitution,  
767 or their respective designees ~~a designee~~, and one member of the  
768 board of county commissioners or its designee.

769 (b) The audit committee for a municipality, special  
770 district, district school board, charter school, or charter  
771 technical career center shall consist of at least three members.  
772 One member of the audit committee must be a member of the  
773 governing body of an entity specified in this paragraph, who  
774 shall also serve as the chair of the committee.

775 (c) An employee, chief executive officer, or chief  
776 financial officer of the county, municipality, special district,  
777 district school board, charter school, or charter technical  
778 career center may not serve as a member of an audit committee  
779 established under this subsection.

780 (d) The primary purpose of the audit committee is to assist  
781 the governing body in selecting an auditor to conduct the annual  
782 financial audit required in s. 218.39; however, the audit  
783 committee may serve other audit oversight purposes as determined  
784 by the entity's governing body. The public may ~~shall~~ not be  
785 excluded from the proceedings under this section.

786 (9) An audit report submitted pursuant to s. 218.39 must  
787 include an affidavit executed by the chair of the audit  
788 committee affirming that the committee complied with the  
789 requirements of subsections (3)-(6) in selecting an auditor. If  
790 the Auditor General determines that an entity failed to comply  
791 with the requirements of subsections (3)-(6) in selecting an  
792 auditor, the entity shall select a replacement auditor in  
793 accordance with this section to conduct audits for subsequent



399826

794 fiscal years if the original audit was performed under a  
795 multiyear contract. If the replacement of an auditor would  
796 preclude the entity from timely completing the annual financial  
797 audit required by s. 218.39, the entity shall replace an auditor  
798 in accordance with this section for the subsequent annual  
799 financial audit. A multiyear contract between an entity or an  
800 auditor may not prohibit or restrict an entity from complying  
801 with this subsection.

802 Section 19. Subsection (2) of section 286.0114, Florida  
803 Statutes, is amended to read:

804 286.0114 Public meetings; reasonable opportunity to be  
805 heard; attorney fees.-

806 (2) Members of the public shall be given a reasonable  
807 opportunity to be heard on a proposition before a board or  
808 commission. The opportunity to be heard need not occur at the  
809 same meeting at which the board or commission takes official  
810 action on the proposition if the opportunity occurs at a meeting  
811 that is during the decisionmaking process and is within  
812 reasonable proximity in time before the meeting at which the  
813 board or commission takes the official action. A board or  
814 commission may not require a member of the public to provide an  
815 advance written copy of his or her testimony or comments as a  
816 precondition of being given the opportunity to be heard at a  
817 meeting. This section does not prohibit a board or commission  
818 from maintaining orderly conduct or proper decorum in a public  
819 meeting. The opportunity to be heard is subject to rules or  
820 policies adopted by the board or commission, as provided in  
821 subsection (4).

822 Section 20. Paragraph (b) of subsection (2) of section



399826

823 288.92, Florida Statutes, is amended to read:  
824 288.92 Divisions of Enterprise Florida, Inc.—  
825 (2)  
826 (b)1. The following officers and board members are subject  
827 to ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and  
828 112.3143(2):  
829 a. Officers and members of the board of directors of the  
830 divisions of Enterprise Florida, Inc.  
831 b. Officers and members of the board of directors of  
832 subsidiaries of Enterprise Florida, Inc.  
833 c. Officers and members of the board of directors of  
834 corporations created to carry out the missions of Enterprise  
835 Florida, Inc.  
836 d. Officers and members of the board of directors of  
837 corporations with which a division is required by law to  
838 contract to carry out its missions.  
839 2. For a period of 2 years after retirement from or  
840 termination of service to a division, or for a period of 10  
841 years if removed or terminated for cause or for misconduct, as  
842 defined in s. 443.036(29), the officers and board members  
843 specified in subparagraph 1. may not represent another person or  
844 entity for compensation before:  
845 a. Enterprise Florida, Inc.;  
846 b. A division, a subsidiary, or the board of directors of  
847 corporations created to carry out the missions of Enterprise  
848 Florida, Inc.; or  
849 c. A division with which Enterprise Florida, Inc., is  
850 required by law to contract to carry out its missions.  
851 3.2- For purposes of applying ss. 112.313(1)-(8), (10),



852 (12), and (15); 112.3135; and 112.3143(2) to activities of the  
853 officers and members of the board of directors specified in  
854 subparagraph 1., those persons shall be considered public  
855 officers or employees and the corporation shall be considered  
856 their agency.

857 ~~4.3.~~ It is not a violation of s. 112.3143(2) or (4) for the  
858 officers or members of the board of directors of the Florida  
859 Tourism Industry Marketing Corporation to:

860 a. Vote on the 4-year marketing plan required under s.  
861 288.923 or vote on any individual component of or amendment to  
862 the plan.

863 b. Participate in the establishment or calculation of  
864 payments related to the private match requirements of s.  
865 288.904(3). The officer or member must file an annual disclosure  
866 describing the nature of his or her interests or the interests  
867 of his or her principals, including corporate parents and  
868 subsidiaries of his or her principal, in the private match  
869 requirements. This annual disclosure requirement satisfies the  
870 disclosure requirement of s. 112.3143(4). This disclosure must  
871 be placed ~~either~~ on the Florida Tourism Industry Marketing  
872 Corporation's website or included in the minutes of each meeting  
873 of the Florida Tourism Industry Marketing Corporation's board of  
874 directors at which the private match requirements are discussed  
875 or voted upon.

876 Section 21. Paragraph (a) of subsection (3) of section  
877 288.9604, Florida Statutes, is amended to read:

878 288.9604 Creation of the authority.—

879 (3)(a)1. A director may not receive compensation for his or  
880 her services, but is entitled to necessary expenses, including



399826

881 travel expenses, incurred in the discharge of his or her duties.  
882 Each director shall hold office until his or her successor has  
883 been appointed.

884 2. Directors are subject to ss. 112.313(1)-(8), (10), (12),  
885 and (15); 112.3135; and 112.3143(2). For purposes of applying  
886 ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and  
887 112.3143(2) to activities of directors, directors shall be  
888 considered public officers and the corporation shall be  
889 considered their agency.

890 3. A director of the corporation may not represent another  
891 person or entity for compensation before the corporation for a  
892 period of 2 years following his or her service on the board of  
893 directors.

894 Section 22. Paragraph (e) of subsection (4), paragraph (d)  
895 of subsection (5), and paragraph (d) of subsection (6) of  
896 section 373.536, Florida Statutes, are amended to read:

897 373.536 District budget and hearing thereon.—

898 (4) BUDGET CONTROLS; FINANCIAL INFORMATION.—

899 (e) ~~By September 1, 2012,~~ Each district shall provide a  
900 monthly financial statement in the form and manner prescribed by  
901 the Department of Financial Services to the district's governing  
902 board and make such monthly financial statement available for  
903 public access on its website.

904 (5) TENTATIVE BUDGET CONTENTS AND SUBMISSION; REVIEW AND  
905 APPROVAL.—

906 (d) Each district shall, by August 1 of each year, submit  
907 for review a tentative budget and a description of any  
908 significant changes from the preliminary budget submitted to the  
909 Legislature pursuant to s. 373.535 to the Governor, the





399826

910 President of the Senate, the Speaker of the House of  
911 Representatives, the chairs of all legislative committees and  
912 subcommittees having substantive or fiscal jurisdiction over  
913 water management districts, as determined by the President of  
914 the Senate or the Speaker of the House of Representatives, as  
915 applicable, the secretary of the department, and the governing  
916 body of each county in which the district has jurisdiction or  
917 derives any funds for the operations of the district. The  
918 tentative budget must be posted on the district's official  
919 website at least 2 days before budget hearings held pursuant to  
920 s. 200.065 or other law and must remain on the website for at  
921 least 45 days.

922 (6) FINAL BUDGET; ANNUAL AUDIT; CAPITAL IMPROVEMENTS PLAN;  
923 WATER RESOURCE DEVELOPMENT WORK PROGRAM.—

924 (d) The final adopted budget must be posted on the water  
925 management district's official website within 30 days after  
926 adoption and must remain on the website for at least 2 years.

927 Section 23. Paragraph (1) of subsection (12) of section  
928 1001.42, Florida Statutes, is amended, a new subsection (27) is  
929 added to that section, and present subsection (27) of that  
930 section is renumbered as subsection (28), to read:

931 1001.42 Powers and duties of district school board.—The  
932 district school board, acting as a board, shall exercise all  
933 powers and perform all duties listed below:

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

937 (1) *Internal auditor.*—May employ an internal auditor to  
938 perform ongoing financial verification of the financial records



399826

939 of the school district and such other audits and reviews as the  
940 district school board directs for the purpose of determining:

941 1. The adequacy of internal controls designed to prevent  
942 and detect fraud, waste, and abuse.

943 2. Compliance with applicable laws, rules, contracts, grant  
944 agreements, district school board-approved policies, and best  
945 practices.

946 3. The efficiency of operations.

947 4. The reliability of financial records and reports.

948 5. The safeguarding of assets.

949

950 The internal auditor shall report directly to the district  
951 school board or its designee.

952 (27) VISITATION OF SCHOOLS.—Visit the schools, observe the  
953 management and instruction, give suggestions for improvement,  
954 and advise citizens with the view of promoting interest in  
955 education and improving the school.

956 Section 24. Paragraph (j) of subsection (9) of section  
957 1002.33, Florida Statutes, is amended to read:

958 1002.33 Charter schools.—

959 (9) CHARTER SCHOOL REQUIREMENTS.—

960 (j) The governing body of the charter school shall be  
961 responsible for:

962 1. Establishing and maintaining internal controls designed  
963 to:

964 a. Prevent and detect fraud, waste, and abuse.

965 b. Promote and encourage compliance with applicable laws,  
966 rules, contracts, grant agreements, and best practices.

967 c. Support economical and efficient operations.



399826

968 d. Ensure reliability of financial records and reports.

969 e. Safeguard assets.

970 ~~2.1.~~ Ensuring that the charter school has retained the  
971 services of a certified public accountant or auditor for the  
972 annual financial audit, pursuant to s. 1002.345(2), who shall  
973 submit the report to the governing body.

974 ~~3.2.~~ Reviewing and approving the audit report, including  
975 audit findings and recommendations for the financial recovery  
976 plan.

977 ~~4.a.3.a.~~ Performing the duties in s. 1002.345, including  
978 monitoring a corrective action plan.

979 b. Monitoring a financial recovery plan in order to ensure  
980 compliance.

981 ~~5.4.~~ Participating in governance training approved by the  
982 department which must include government in the sunshine,  
983 conflicts of interest, ethics, and financial responsibility.

984 Section 25. Present subsections (6) through (10) of section  
985 1002.37, Florida Statutes, are redesignated as subsections (7)  
986 through (11), respectively, a new subsection (6) is added to  
987 that section, and present subsections (6) and (11) of that  
988 section are amended, to read:

989 1002.37 The Florida Virtual School.—

990 (6) The Florida Virtual School shall have an annual  
991 financial audit of its accounts and records conducted by an  
992 independent auditor who is a certified public accountant  
993 licensed under chapter 473. The independent auditor shall  
994 conduct the audit in accordance with rules adopted by the  
995 Auditor General pursuant to s. 11.45 and, upon completion of the  
996 audit, shall prepare an audit report in accordance with such



399826

997 rules. The audit report must include a written statement of the  
998 board of trustees describing corrective action to be taken in  
999 response to each of the recommendations of the independent  
1000 auditor included in the audit report. The independent auditor  
1001 shall submit the audit report to the board of trustees and the  
1002 Auditor General no later than 9 months after the end of the  
1003 preceding fiscal year.

1004 (7) ~~(6)~~ The board of trustees shall annually submit to the  
1005 Governor, the Legislature, the Commissioner of Education, and  
1006 the State Board of Education the audit report prepared pursuant  
1007 to subsection (6) and a complete and detailed report setting  
1008 forth:

1009 (a) The operations and accomplishments of the Florida  
1010 Virtual School within the state and those occurring outside the  
1011 state as Florida Virtual School Global.

1012 (b) The marketing and operational plan for the Florida  
1013 Virtual School and Florida Virtual School Global, including  
1014 recommendations regarding methods for improving the delivery of  
1015 education through the Internet and other distance learning  
1016 technology.

1017 (c) The assets and liabilities of the Florida Virtual  
1018 School and Florida Virtual School Global at the end of the  
1019 fiscal year.

1020 ~~(d) A copy of an annual financial audit of the accounts and~~  
1021 ~~records of the Florida Virtual School and Florida Virtual School~~  
1022 ~~Global, conducted by an independent certified public accountant~~  
1023 ~~and performed in accordance with rules adopted by the Auditor~~  
1024 ~~General.~~

1025 ~~(e)~~ Recommendations regarding the unit cost of providing



399826

1026 services to students through the Florida Virtual School and  
1027 Florida Virtual School Global. In order to most effectively  
1028 develop public policy regarding any future funding of the  
1029 Florida Virtual School, it is imperative that the cost of the  
1030 program is accurately identified. The identified cost of the  
1031 program must be based on reliable data.

1032 (e) ~~(f)~~ Recommendations regarding an accountability  
1033 mechanism to assess the effectiveness of the services provided  
1034 by the Florida Virtual School and Florida Virtual School Global.

1035 ~~(11) The Auditor General shall conduct an operational audit~~  
1036 ~~of the Florida Virtual School, including Florida Virtual School~~  
1037 ~~Global. The scope of the audit shall include, but not be limited~~  
1038 ~~to, the administration of responsibilities relating to~~  
1039 ~~personnel; procurement and contracting; revenue production;~~  
1040 ~~school funds, including internal funds; student enrollment~~  
1041 ~~records; franchise agreements; information technology~~  
1042 ~~utilization, assets, and security; performance measures and~~  
1043 ~~standards; and accountability. The final report on the audit~~  
1044 ~~shall be submitted to the President of the Senate and the~~  
1045 ~~Speaker of the House of Representatives no later than January~~  
1046 ~~31, 2014.~~

1047 Section 26. Subsection (5) is added to section 1010.01,  
1048 Florida Statutes, to read:

1049 1010.01 Uniform records and accounts.—

1050 (5) Each school district, Florida College System  
1051 institution, and state university shall establish and maintain  
1052 internal controls designed to:

1053 (a) Prevent and detect fraud, waste, and abuse.

1054 (b) Promote and encourage compliance with applicable laws,



399826

1055 rules, contracts, grant agreements, and best practices.

1056 (c) Support economical and efficient operations.

1057 (d) Ensure reliability of financial records and reports.

1058 (e) Safeguard assets.

1059 Section 27. Subsection (2) of section 1010.30, Florida  
1060 Statutes, is amended to read:

1061 1010.30 Audits required.—

1062 (2) If a school district, Florida College System

1063 institution, or university audit report includes a

1064 recommendation that was included in the preceding financial

1065 audit report but remains unaddressed, ~~an audit contains a~~

1066 ~~significant finding,~~ the district school board, the Florida

1067 College System institution board of trustees, or the university

1068 board of trustees, within 60 days after the delivery of the

1069 audit report to the school district, Florida College System

1070 institution, or university, shall indicate ~~conduct an audit~~

1071 ~~overview~~ during a regularly scheduled public meeting whether it

1072 intends to take corrective action, the intended corrective

1073 action, and the timeframe for the corrective action. If the

1074 district school board, Florida College System institution board

1075 of trustees, or university board of trustees indicates that it

1076 does not intend to take corrective action, it shall explain its

1077 decision at the public meeting.

1078 Section 28. Subsection (3) of section 218.503, Florida  
1079 Statutes, is amended to read:

1080 218.503 Determination of financial emergency.—

1081 (3) Upon notification that one or more of the conditions in

1082 subsection (1) have occurred or will occur if action is not

1083 taken to assist the local governmental entity or district school



399826

1084 board, the Governor or his or her designee shall contact the  
1085 local governmental entity or the Commissioner of Education or  
1086 his or her designee shall contact the district school board, as  
1087 appropriate, to determine what actions have been taken by the  
1088 local governmental entity or the district school board to  
1089 resolve or prevent the condition. The information requested must  
1090 be provided within 45 days after the date of the request. If the  
1091 local governmental entity or the district school board does not  
1092 comply with the request, the Governor or his or her designee or  
1093 the Commissioner of Education or his or her designee shall  
1094 notify ~~the members of~~ the Legislative Auditing Committee, which  
1095 ~~who~~ may take action pursuant to s. 11.40(2) ~~s. 11.40~~. The  
1096 Governor or the Commissioner of Education, as appropriate, shall  
1097 determine whether the local governmental entity or the district  
1098 school board needs state assistance to resolve or prevent the  
1099 condition. If state assistance is needed, the local governmental  
1100 entity or district school board is considered to be in a state  
1101 of financial emergency. The Governor or the Commissioner of  
1102 Education, as appropriate, has the authority to implement  
1103 measures as set forth in ss. 218.50-218.504 to assist the local  
1104 governmental entity or district school board in resolving the  
1105 financial emergency. Such measures may include, but are not  
1106 limited to:

1107 (a) Requiring approval of the local governmental entity's  
1108 budget by the Governor or approval of the district school  
1109 board's budget by the Commissioner of Education.

1110 (b) Authorizing a state loan to a local governmental entity  
1111 and providing for repayment of same.

1112 (c) Prohibiting a local governmental entity or district



399826

1113 school board from issuing bonds, notes, certificates of  
1114 indebtedness, or any other form of debt until such time as it is  
1115 no longer subject to this section.

1116 (d) Making such inspections and reviews of records,  
1117 information, reports, and assets of the local governmental  
1118 entity or district school board as are needed. The appropriate  
1119 local officials shall cooperate in such inspections and reviews.

1120 (e) Consulting with officials and auditors of the local  
1121 governmental entity or the district school board and the  
1122 appropriate state officials regarding any steps necessary to  
1123 bring the books of account, accounting systems, financial  
1124 procedures, and reports into compliance with state requirements.

1125 (f) Providing technical assistance to the local  
1126 governmental entity or the district school board.

1127 (g)1. Establishing a financial emergency board to oversee  
1128 the activities of the local governmental entity or the district  
1129 school board. If a financial emergency board is established for  
1130 a local governmental entity, the Governor shall appoint board  
1131 members and select a chair. If a financial emergency board is  
1132 established for a district school board, the State Board of  
1133 Education shall appoint board members and select a chair. The  
1134 financial emergency board shall adopt such rules as are  
1135 necessary for conducting board business. The board may:

1136 a. Make such reviews of records, reports, and assets of the  
1137 local governmental entity or the district school board as are  
1138 needed.

1139 b. Consult with officials and auditors of the local  
1140 governmental entity or the district school board and the  
1141 appropriate state officials regarding any steps necessary to





399826

1142 bring the books of account, accounting systems, financial  
1143 procedures, and reports of the local governmental entity or the  
1144 district school board into compliance with state requirements.

1145 c. Review the operations, management, efficiency,  
1146 productivity, and financing of functions and operations of the  
1147 local governmental entity or the district school board.

1148 d. Consult with other governmental entities for the  
1149 consolidation of all administrative direction and support  
1150 services, including, but not limited to, services for asset  
1151 sales, economic and community development, building inspections,  
1152 parks and recreation, facilities management, engineering and  
1153 construction, insurance coverage, risk management, planning and  
1154 zoning, information systems, fleet management, and purchasing.

1155 2. The recommendations and reports made by the financial  
1156 emergency board must be submitted to the Governor for local  
1157 governmental entities or to the Commissioner of Education and  
1158 the State Board of Education for district school boards for  
1159 appropriate action.

1160 (h) Requiring and approving a plan, to be prepared by  
1161 officials of the local governmental entity or the district  
1162 school board in consultation with the appropriate state  
1163 officials, prescribing actions that will cause the local  
1164 governmental entity or district school board to no longer be  
1165 subject to this section. The plan must include, but need not be  
1166 limited to:

1167 1. Provision for payment in full of obligations outlined in  
1168 subsection (1), designated as priority items, which are  
1169 currently due or will come due.

1170 2. Establishment of priority budgeting or zero-based



399826

1171 budgeting in order to eliminate items that are not affordable.

1172         3. The prohibition of a level of operations which can be  
1173 sustained only with nonrecurring revenues.

1174         4. Provisions implementing the consolidation, sourcing, or  
1175 discontinuance of all administrative direction and support  
1176 services, including, but not limited to, services for asset  
1177 sales, economic and community development, building inspections,  
1178 parks and recreation, facilities management, engineering and  
1179 construction, insurance coverage, risk management, planning and  
1180 zoning, information systems, fleet management, and purchasing.

1181         Section 29. Subsection (2) of section 1002.455, Florida  
1182 Statutes, is amended to read:

1183         1002.455 Student eligibility for K-12 virtual instruction.—

1184         (2) A student is eligible to participate in virtual  
1185 instruction if:

1186         (a) The student spent the prior school year in attendance  
1187 at a public school in the state and was enrolled and reported by  
1188 the school district for funding during October and February for  
1189 purposes of the Florida Education Finance Program surveys;

1190         (b) The student is a dependent child of a member of the  
1191 United States Armed Forces who was transferred within the last  
1192 12 months to this state from another state or from a foreign  
1193 country pursuant to a permanent change of station order;

1194         (c) The student was enrolled during the prior school year  
1195 in a virtual instruction program under s. 1002.45 or a full-time  
1196 Florida Virtual School program under s. 1002.37(9)(a) ~~s.~~  
1197 ~~1002.37(8)(a)~~;

1198         (d) The student has a sibling who is currently enrolled in  
1199 a virtual instruction program and the sibling was enrolled in



1200 that program at the end of the prior school year;

1201 (e) The student is eligible to enter kindergarten or first  
1202 grade; or

1203 (f) The student is eligible to enter grades 2 through 5 and  
1204 is enrolled full-time in a school district virtual instruction  
1205 program, virtual charter school, or the Florida Virtual School.

1206 Section 30. The Legislature finds that a proper and  
1207 legitimate state purpose is served when internal controls are  
1208 established to prevent and detect fraud, waste, and abuse and to  
1209 safeguard and account for government funds and property.

1210 Therefore, the Legislature determines and declares that this act  
1211 fulfills an important state interest.

1212 Section 31. This act shall take effect October 1, 2016.

1213  
1214 ===== T I T L E A M E N D M E N T =====

1215 And the title is amended as follows:

1216 Delete everything before the enacting clause  
1217 and insert:

1218 A bill to be entitled  
1219 An act relating to government accountability; amending  
1220 s. 11.40, F.S.; specifying that the Governor, the  
1221 Commissioner of Education, or the designee of the  
1222 Governor or of the Commissioner of Education may  
1223 notify the Legislative Auditing Committee of an  
1224 entity's failure to comply with certain auditing and  
1225 financial reporting requirements; amending s. 11.45,  
1226 F.S.; defining the terms "abuse," "fraud," and  
1227 "waste"; revising the definition of the term "local  
1228 governmental entity"; excluding water management



1229 districts from certain audit requirements; removing a  
1230 cross-reference; authorizing the Auditor General to  
1231 conduct audits of tourist development councils and  
1232 county tourism promotion agencies; revising reporting  
1233 requirements applicable to the Auditor General;  
1234 amending s. 28.35, F.S.; revising reporting  
1235 requirements applicable to the Florida Clerks of Court  
1236 Operations Corporation; amending s. 43.16, F.S.;  
1237 revising the responsibilities of the Justice  
1238 Administrative Commission, each state attorney, each  
1239 public defender, a criminal conflict and civil  
1240 regional counsel, a capital collateral regional  
1241 counsel, and the Guardian Ad Litem Program, to include  
1242 the establishment and maintenance of certain internal  
1243 controls; amending s. 112.31455, F.S.; revising  
1244 provisions governing collection methods for unpaid  
1245 automatic fines for failure to timely file disclosure  
1246 of financial interests to include school districts;  
1247 amending s. 112.3261, F.S.; revising terms to conform  
1248 to changes made by the act; expanding the types of  
1249 governmental entities that are subject to lobbyist  
1250 registration requirements; requiring a governmental  
1251 entity to create a lobbyist registration form;  
1252 amending ss. 129.03, 129.06, 166.241, and 189.016,  
1253 F.S.; requiring counties, municipalities, and special  
1254 districts to maintain certain budget documents on the  
1255 entities' websites for a specified period; amending s.  
1256 215.425, F.S.; defining the term "public funds";  
1257 revising exceptions to the prohibition on extra



399826

1258 compensation claims; revising minimum requirements for  
1259 any policy, ordinance, rule, or resolution designed to  
1260 implement a bonus scheme; requiring certain contracts  
1261 into which a unit of government or state university  
1262 enters to contain certain provisions regarding  
1263 severance pay; requiring a unit of government to  
1264 investigate and take reasonable action to recover  
1265 prohibited compensation; specifying methods of  
1266 recovery for unintentional and willful violations;  
1267 specifying applicability of procedures regarding  
1268 suspension and removal of an officer who commits a  
1269 willful violation; specifying circumstances under  
1270 which an employee has a cause of action under the  
1271 Whistle-blower's Act; providing for applicability;  
1272 amending s. 215.86, F.S.; revising the purposes for  
1273 which management systems and internal controls must be  
1274 established and maintained by each state agency and  
1275 the judicial branch; amending s. 215.97, F.S.;  
1276 revising the definition of the term "audit threshold";  
1277 amending s. 215.985, F.S.; revising the requirements  
1278 for a monthly financial statement provided by a water  
1279 management district; amending s. 218.32, F.S.;  
1280 revising the requirements of the annual financial  
1281 audit report of a local governmental entity;  
1282 authorizing the Department of Financial Services to  
1283 request additional information from a local  
1284 governmental entity; requiring a local governmental  
1285 entity to respond to such requests within a specified  
1286 timeframe; requiring the department to notify the



399826

1287 Legislative Auditing Committee of noncompliance;  
1288 amending s. 218.33, F.S.; requiring local governmental  
1289 entities to establish and maintain internal controls  
1290 to achieve specified purposes; amending s. 218.39,  
1291 F.S.; requiring an audited entity to respond to audit  
1292 recommendations under specified circumstances;  
1293 amending s. 218.391, F.S.; revising the composition of  
1294 an audit committee; prohibiting an audit committee  
1295 member from being an employee, a chief executive  
1296 officer, or a chief financial officer of the  
1297 respective governmental entity; requiring the chair of  
1298 an audit committee to sign and execute an affidavit  
1299 affirming compliance with auditor selection  
1300 procedures; prescribing procedures in the event of  
1301 noncompliance with auditor selection procedures;  
1302 amending s. 286.0114, F.S.; prohibiting a board or  
1303 commission from requiring an advance copy of testimony  
1304 or comments from a member of the public as a  
1305 precondition to being given the opportunity to be  
1306 heard at a public meeting; amending s. 288.92, F.S.;  
1307 prohibiting specified officers and board members of  
1308 Enterprise Florida, Inc., from representing a person  
1309 or entity for compensation before Enterprise Florida,  
1310 Inc., and associated entities thereof, for a specified  
1311 timeframe; amending s. 288.9604, F.S.; prohibiting a  
1312 director of the Florida Development Finance  
1313 Corporation from representing a person or an entity  
1314 for compensation before the corporation for a  
1315 specified timeframe; amending s. 373.536, F.S.;



399826

1316 deleting obsolete language; requiring water management  
1317 districts to maintain certain budget documents on the  
1318 districts' websites for a specified period; amending  
1319 s. 1001.42, F.S.; authorizing additional internal  
1320 audits as directed by the district school board;  
1321 specifying duties of the district school board  
1322 regarding visitation of schools; amending s. 1002.33,  
1323 F.S.; revising the responsibilities of the governing  
1324 board of a charter school to include the establishment  
1325 and maintenance of internal controls; amending s.  
1326 1002.37, F.S.; requiring completion of an annual  
1327 financial audit of the Florida Virtual School;  
1328 specifying audit requirements; requiring an audit  
1329 report to be submitted to the board of trustees of the  
1330 Florida Virtual School and the Auditor General;  
1331 removing obsolete provisions; amending s. 1010.01,  
1332 F.S.; requiring each school district, Florida College  
1333 System institution, and state university to establish  
1334 and maintain certain internal controls; amending s.  
1335 1010.30, F.S.; requiring a district school board,  
1336 Florida College System institution board of trustees,  
1337 or university board of trustees to respond to audit  
1338 recommendations under certain circumstances; amending  
1339 ss. 218.503 and 1002.455, F.S.; conforming cross-  
1340 references; declaring that the act fulfills an  
1341 important state interest; providing an effective date.