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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/25/2015	.	
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The Committee on Ethics and Elections (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



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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 such action shall begin, and
26 the directive must be received by the Department of Revenue and
27 the Department of Financial Services 30 days before the date of
28 the distribution mandated by law. The Department of Revenue and
29 the Department of Financial Services may implement the
30 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



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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 (v) of subsection (3), and paragraph (i) of subsection
66 (7) of section 11.45, Florida Statutes, are amended, and
67 paragraph (y) is added to subsection (3) of that section, to
68 read:



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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 reasonable and necessary operational practice given the facts
74 and circumstances. The term includes the misuse of authority or
75 position for personal gain or for the benefit of another.
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 the above are under law separately placed.
86 (d)~~(e)~~ "Financial audit" means an examination of financial
87 statements in order to express an opinion on the fairness with
88 which they are presented in conformity with generally accepted
89 accounting principles and an examination to determine whether
90 operations are properly conducted in accordance with legal and
91 regulatory requirements. Financial audits must be conducted in
92 accordance with auditing standards generally accepted in the
93 United States and government auditing standards as adopted by
94 the Board of Accountancy. When applicable, the scope of
95 financial audits shall encompass the additional activities
96 necessary to establish compliance with the Single Audit Act
97 Amendments of 1996, 31 U.S.C. ss. 7501-7507, and other



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98 applicable federal law.

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

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

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

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

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



127 operations, reliability of financial records and reports, and
128 safeguarding of assets, and identify weaknesses in those
129 internal controls.

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

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

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

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

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

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

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

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

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

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



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156 institution, metropolitan government, municipality, office,
157 officer, public corporation, town, or village.

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

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

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

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

183
184 The Auditor General shall perform his or her duties



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

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

195 (v) The Florida Virtual School ~~pursuant to s. 1002.37.~~

196 (y) Tourist development councils and county tourism
197 promotion agencies.

198 (7) AUDITOR GENERAL REPORTING REQUIREMENTS.—

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

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

211 28.35 Florida Clerks of Court Operations Corporation.—

212 (2) The duties of the corporation shall include the
213 following:



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

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

241 2. "Workload performance standards" means the standards
242 developed to measure the timeliness and effectiveness of the



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

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

251 43.16 Justice Administrative Commission; membership, powers
252 and duties.—

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

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

259 (b) Promote and encourage compliance with applicable laws,
260 rules, contracts, grant agreements, and best practices.

261 (c) Support economical and efficient operations.

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

263 (e) Safeguard assets.

264 Section 5. Section 112.31455, Florida Statutes, is amended
265 to read:

266 112.31455 Withholding of public salary-related payments
267 ~~Collection methods~~ for unpaid automatic fines for failure to
268 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) ~~s. 112.3145(6)~~ to the Department
271 of Financial Services, the commission shall attempt to determine



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272 whether the individual owing such a fine is a current public
273 officer or current public employee. If so, the commission may
274 notify the Chief Financial Officer or the governing body of the
275 appropriate county, municipality, or special district of the
276 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, or special district shall withhold 25
281 percent of the entire amount of any fine owed, and any
282 administrative costs incurred, from the individual's next public
283 salary-related payment. The same percentage of each successive
284 public salary-related payment must be withheld until the fine
285 and administrative costs are paid in full ~~begin withholding the~~
286 ~~lesser of 10 percent or the maximum amount allowed under federal~~
287 ~~law from any salary-related payment. The Chief Financial Officer~~
288 ~~or the governing body of the county, municipality, or special~~
289 district may retain an amount of each withheld payment, as
290 provided in s. 77.0305, to cover the administrative costs
291 incurred under this section. The withheld payments shall be
292 remitted to the commission until the fine is satisfied.

293 (b) If a current public officer or current public employee
294 demonstrates to the Chief Financial Officer or the governing
295 body responsible for paying him or her that the public salary is
296 his or her primary source of income and that withholding 25
297 percent of the entire amount of any fine owed from a public
298 salary-related payment would present an undue hardship, the
299 withheld amount may be reduced but must be at least 10 percent
300 of the public salary-related payment ~~The Chief Financial Officer~~



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301 ~~or the governing body of the county, municipality, or special~~
302 ~~district may retain an amount of each withheld payment, as~~
303 ~~provided in s. 77.0305, to cover the administrative costs~~
304 ~~incurred under this section.~~

305 ~~(2) If the commission determines that the individual who is~~
306 ~~the subject of an unpaid fine accrued pursuant to s. 112.3144(5)~~
307 ~~or s. 112.3145(6) is no longer a public officer or public~~
308 ~~employee or if the commission is unable to determine whether the~~
309 ~~individual is a current public officer or public employee, the~~
310 ~~commission may, 6 months after the order becomes final, seek~~
311 ~~garnishment of any wages to satisfy the amount of the fine, or~~
312 ~~any unpaid portion thereof, pursuant to chapter 77. Upon~~
313 ~~recording the order imposing the fine with the clerk of the~~
314 ~~circuit court, the order shall be deemed a judgment for purposes~~
315 ~~of garnishment pursuant to chapter 77.~~

316 ~~(2)(3)~~ The commission may refer unpaid fines to the
317 appropriate collection agency, as directed by the Chief
318 Financial Officer, to use ~~utilize~~ any collection methods
319 provided by law. Except as expressly limited by this section,
320 any other collection methods authorized by law are allowed.

321 ~~(3)(4)~~ Action may be taken to collect any unpaid fine
322 imposed by ss. 112.3144 and 112.3145 within 20 years after the
323 date the final order is rendered.

324 Section 6. Section 112.31456, Florida Statutes, is created
325 to read:

326 112.31456 Garnishment of wages for unpaid automatic fines
327 for failure to timely file disclosure of financial interests.-

328 (1) Before referring any unpaid fine accrued pursuant to s.
329 112.3144(5) or s. 112.3145(7) to the Department of Financial



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330 Services, the commission shall attempt to determine whether the
331 individual owing such a fine is a current public officer or
332 current public employee. If the commission determines that an
333 individual who is the subject of an unpaid fine accrued pursuant
334 to s. 112.3144(5) or s. 112.3145(7) is no longer a public
335 officer or public employee or if the commission cannot determine
336 whether the individual is a current public officer or current
337 public employee, the commission may, 6 months after the order
338 becomes final, seek garnishment of any wages to satisfy the
339 amount of the fine, or any unpaid portion thereof, pursuant to
340 chapter 77. Upon recording the order imposing the fine with the
341 clerk of the circuit court, the order shall be deemed a judgment
342 for purposes of garnishment pursuant to chapter 77.

343 (2) The commission may refer unpaid fines to the
344 appropriate collection agency, as directed by the Chief
345 Financial Officer, to use any collection methods provided by
346 law. Except as expressly limited by this section, any other
347 collection method authorized by law is allowed.

348 (3) Action may be taken to collect any unpaid fine imposed
349 by ss. 112.3144 and 112.3145 within 20 years after the date the
350 final order is rendered.

351 Section 7. Section 112.3261, Florida Statutes, is amended
352 to read:

353 112.3261 Lobbying before governmental entities ~~water~~
354 ~~management districts~~; registration and reporting.-

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

356 (a) "Governmental entity" or "entity" "District" means a
357 water management district created in s. 373.069 and operating
358 under the authority of chapter 373, a hospital district, a



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359 children's services district, an expressway authority as the
360 term "authority" as defined in s. 348.0002, the term "port
361 authority" as defined in s. 315.02, or an independent special
362 district with annual revenues of more than \$5 million which
363 exercises ad valorem taxing authority.

364 (b) "Lobbies" means seeking, on behalf of another person,
365 to influence a governmental entity ~~district~~ with respect to a
366 decision of the entity ~~district~~ in an area of policy or
367 procurement or an attempt to obtain the goodwill of an a
368 ~~district~~ official or employee of a governmental entity. The term
369 "~~lobbies~~" shall be interpreted and applied consistently with the
370 rules of the commission implementing s. 112.3215.

371 (c) "Lobbyist" has the same meaning as provided in s.
372 112.3215.

373 (d) "Principal" has the same meaning as provided in s.
374 112.3215.

375 (2) A person may not lobby a governmental entity ~~district~~
376 until such person has registered as a lobbyist with that entity
377 ~~district~~. Such registration shall be due upon initially being
378 retained to lobby and is renewable on a calendar-year basis
379 thereafter. Upon registration, the person shall provide a
380 statement signed by the principal or principal's representative
381 stating that the registrant is authorized to represent the
382 principal. The principal shall also identify and designate its
383 main business on the statement authorizing that lobbyist
384 pursuant to a classification system approved by the governmental
385 entity ~~district~~. Any changes to the information required by this
386 section must be disclosed within 15 days by filing a new
387 registration form. The registration form shall require each



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388 lobbyist to disclose, under oath, the following:

389 (a) The lobbyist's name and business address.

390 (b) The name and business address of each principal
391 represented.

392 (c) The existence of any direct or indirect business
393 association, partnership, or financial relationship with an
394 official ~~any officer~~ or employee of a governmental entity
395 ~~district~~ with which he or she lobbies or intends to lobby.

396 (d) In lieu of creating its own lobbyist registration
397 forms, a governmental entity ~~district~~ may accept a completed
398 legislative branch or executive branch lobbyist registration
399 form.

400 (3) A governmental entity ~~district~~ shall make lobbyist
401 registrations available to the public. If a governmental entity
402 ~~district~~ maintains a website, a database of currently registered
403 lobbyists and principals must be available on the entity's
404 ~~district's~~ website.

405 (4) A lobbyist shall promptly send a written statement to
406 the governmental entity ~~district~~ canceling the registration for
407 a principal upon termination of the lobbyist's representation of
408 that principal. A governmental entity ~~district~~ may remove the
409 name of a lobbyist from the list of registered lobbyists if the
410 principal notifies the entity ~~district~~ that a person is no
411 longer authorized to represent that principal.

412 (5) A governmental entity ~~district~~ may establish an annual
413 lobbyist registration fee, not to exceed \$40, for each principal
414 represented. The governmental entity ~~district~~ may use
415 registration fees only to administer this section.

416 (6) A governmental entity ~~district~~ shall be diligent to



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417 ascertain whether persons required to register pursuant to this
418 section have complied. A governmental entity ~~district~~ may not
419 knowingly authorize a person who is not registered pursuant to
420 this section to lobby the entity ~~district~~.

421 (7) Upon receipt of a sworn complaint alleging that a
422 lobbyist or principal has failed to register with a governmental
423 entity ~~district~~ or has knowingly submitted false information in
424 a report or registration required under this section, the
425 commission shall investigate a lobbyist or principal pursuant to
426 the procedures established under s. 112.324. The commission
427 shall provide the Governor with a report of its findings and
428 recommendations in any investigation conducted pursuant to this
429 subsection. The Governor is authorized to enforce the
430 commission's findings and recommendations.

431 (8) A governmental entity ~~Water management districts~~ may
432 adopt rules to establish procedures to govern the registration
433 of lobbyists, including the adoption of forms and the
434 establishment of a lobbyist registration fee.

435 Section 8. Paragraph (c) of subsection (3) of section
436 129.03, Florida Statutes, is amended to read:

437 129.03 Preparation and adoption of budget.—

438 (3) The county budget officer, after tentatively
439 ascertaining the proposed fiscal policies of the board for the
440 next fiscal year, shall prepare and present to the board a
441 tentative budget for the next fiscal year for each of the funds
442 provided in this chapter, including all estimated receipts,
443 taxes to be levied, and balances expected to be brought forward
444 and all estimated expenditures, reserves, and balances to be
445 carried over at the end of the year.



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446 (c) The board shall hold public hearings to adopt tentative
447 and final budgets pursuant to s. 200.065. The hearings shall be
448 primarily for the purpose of hearing requests and complaints
449 from the public regarding the budgets and the proposed tax
450 levies and for explaining the budget and any proposed or adopted
451 amendments. The tentative budget must be posted on the county's
452 official website at least 2 days before the public hearing to
453 consider such budget and must remain on the website for at least
454 45 days. The final budget must be posted on the website within
455 30 days after adoption and must remain on the website for at
456 least 2 years. The tentative budgets, adopted tentative budgets,
457 and final budgets shall be filed in the office of the county
458 auditor as a public record. Sufficient reference in words and
459 figures to identify the particular transactions shall be made in
460 the minutes of the board to record its actions with reference to
461 the budgets.

462 Section 9. Paragraph (f) of subsection (2) of section
463 129.06, Florida Statutes, is amended to read:

464 129.06 Execution and amendment of budget.-

465 (2) The board at any time within a fiscal year may amend a
466 budget for that year, and may within the first 60 days of a
467 fiscal year amend the budget for the prior fiscal year, as
468 follows:

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

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



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475 but not more than 5 days, before the date of the hearing. The
476 advertisement must appear in a newspaper of paid general
477 circulation and must identify the name of the taxing authority,
478 the date, place, and time of the hearing, and the purpose of the
479 hearing. The advertisement must also identify each budgetary
480 fund to be amended, the source of the funds, the use of the
481 funds, and the total amount of each fund's appropriations.

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

486 Section 10. Subsections (3) and (5) of section 166.241,
487 Florida Statutes, are amended to read:

488 166.241 Fiscal years, budgets, and budget amendments.—

489 (3) The tentative budget must be posted on the
490 municipality's official website at least 2 days before the
491 budget hearing, held pursuant to s. 200.065 or other law, to
492 consider such budget, and must remain on the website for at
493 least 45 days. The final adopted budget must be posted on the
494 municipality's official website within 30 days after adoption
495 and must remain on the website for at least 2 years. If the
496 municipality does not operate an official website, the
497 municipality must, within a reasonable period of time as
498 established by the county or counties in which the municipality
499 is located, transmit the tentative budget and final budget to
500 the manager or administrator of such county or counties who
501 shall post the budgets on the county's website.

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



504 be posted on the official website of the municipality within 5
505 days after adoption and must remain on the website for at least
506 2 years. If the municipality does not operate an official
507 website, the municipality must, within a reasonable period of
508 time as established by the county or counties in which the
509 municipality is located, transmit the adopted amendment to the
510 manager or administrator of such county or counties who shall
511 post the adopted amendment on the county's website.

512 Section 11. Subsections (4) and (7) of section 189.016,
513 Florida Statutes, are amended to read:

514 189.016 Reports; budgets; audits.—

515 (4) The tentative budget must be posted on the special
516 district's official website at least 2 days before the budget
517 hearing, held pursuant to s. 200.065 or other law, to consider
518 such budget, and must remain on the website for at least 45
519 days. The final adopted budget must be posted on the special
520 district's official website within 30 days after adoption and
521 must remain on the website for at least 2 years. If the special
522 district does not operate an official website, the special
523 district must, within a reasonable period of time as established
524 by the local general-purpose government or governments in which
525 the special district is located or the local governing authority
526 to which the district is dependent, transmit the tentative
527 budget or final budget to the manager or administrator of the
528 local general-purpose government or the local governing
529 authority. The manager or administrator shall post the tentative
530 budget or final budget on the website of the local general-
531 purpose government or governing authority. This subsection and
532 subsection (3) do not apply to water management districts as



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533 defined in s. 373.019.

534 (7) If the governing body of a special district amends the
535 budget pursuant to paragraph (6)(c), the adopted amendment must
536 be posted on the official website of the special district within
537 5 days after adoption and must remain on the website for at
538 least 2 years. If the special district does not operate an
539 official website, the special district must, within a reasonable
540 period of time as established by the local general-purpose
541 government or governments in which the special district is
542 located or the local governing authority to which the district
543 is dependent, transmit the adopted amendment to the manager or
544 administrator of the local general-purpose government or
545 governing authority. The manager or administrator shall post the
546 adopted amendment on the website of the local general-purpose
547 government or governing authority.

548 Section 12. Present subsections (1) through (5) of section
549 215.425, Florida Statutes, are redesignated as subsections (2)
550 through (6), respectively, present subsection (2) and paragraph
551 (a) of subsection (4) of that section are amended, and a new
552 subsection (1) and subsections (7) through (12) are added to
553 that section, to read:

554 215.425 Extra compensation claims prohibited; bonuses;
555 severance pay.—

556 (1) As used in this section, the term "public funds" means
557 any taxes, tuition, grants, fines, fees, or other charges or any
558 other type of revenue collected by the state or any county,
559 municipality, special district, school district, Florida College
560 System institution, state university, or other separate unit of
561 government created pursuant to law, including any office,



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562 department, agency, division, subdivision, political
563 subdivision, board, bureau, commission, authority, or
564 institution of such entities.

565 (3)(2) This section does not apply to:

566 ~~(a)~~ a bonus or severance pay that is paid from sources
567 other than public funds ~~wholly from nontax revenues and~~
568 ~~nonstate appropriated funds, the payment and receipt of which~~
569 ~~does not otherwise violate part III of chapter 112, and which is~~
570 ~~paid to an officer, agent, employee, or contractor of a public~~
571 ~~hospital that is operated by a county or a special district; or~~

572 ~~(b)~~ a clothing and maintenance allowance given to
573 plainclothes deputies pursuant to s. 30.49.

574 (5) (a) (4) (a) ~~On or after July 1, 2011,~~ A unit of government
575 that enters into a contract or employment agreement, or renewal
576 or renegotiation of an existing contract or employment
577 agreement, that contains a provision for severance pay with an
578 officer, agent, employee, or contractor must include the
579 following provisions in the contract:

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

583 2. A prohibition of provision of severance pay paid from
584 public funds when the officer, agent, employee, or contractor
585 has been fired for misconduct, as defined in s. 443.036(29), by
586 the unit of government.

587 (7) Upon discovery or notification that a unit of
588 government has provided prohibited compensation to any officer,
589 agent, employee, or contractor in violation of this section,
590 such unit of government shall investigate and take all necessary



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591 action to recover the prohibited compensation.

592 (a) If the violation was unintentional, the unit of
593 government shall recover the prohibited compensation from the
594 individual receiving the prohibited compensation through normal
595 recovery methods for overpayments.

596 (b) If the violation was willful, the unit of government
597 shall recover the prohibited compensation from either the
598 individual receiving the prohibited compensation or the
599 individual or individuals responsible for approving the
600 prohibited compensation. Each individual determined to have
601 willfully violated this section is jointly and severally liable
602 for repayment of the prohibited compensation.

603 (8) A person who willfully violates this section commits a
604 misdemeanor of the first degree, punishable as provided in s.
605 775.082 or s. 775.083.

606 (9) An officer who exercises the powers and duties of a
607 state or county officer and willfully violates this section is
608 subject to the Governor's power under s. 7(a), Art. IV of the
609 State Constitution. An officer who exercises powers and duties
610 other than that of a state or county officer and willfully
611 violates this section is subject to the suspension and removal
612 procedures under s. 112.51.

613 (10) (a) A person who reports a violation of this section is
614 eligible for a reward of at least \$500, or the lesser of 10
615 percent of the funds recovered or \$10,000 per incident of a
616 prohibited compensation payment recovered by the unit of
617 government, depending upon the extent to which the person
618 substantially contributed to the discovery, notification, and
619 recovery of such prohibited payment.



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620 (b) In the event that the recovery of the prohibited
621 compensation is based primarily on disclosures of specific
622 information, other than information provided by such person,
623 relating to allegations or transactions in a criminal, civil, or
624 administrative hearing; a legislative, administrative, inspector
625 general, or other government report; auditor general report,
626 hearing, audit, or investigation; or from the news media, such
627 person is not eligible for a reward, or for an award of a
628 portion of the proceeds or payment of attorney fees and costs
629 pursuant to s. 68.085.

630 (c) If it is determined that the person who reported a
631 violation of this section was involved in the authorization,
632 approval, or receipt of the prohibited compensation or is
633 convicted of criminal conduct arising from his or her role in
634 the authorization, approval, or receipt of the prohibited
635 compensation, such person is not eligible for a reward, or for
636 an award of a portion of the proceeds or payment of attorney
637 fees and costs pursuant to s. 68.085.

638 (11) An employee who is discharged, demoted, suspended,
639 threatened, harassed, or in any manner discriminated against in
640 the terms and conditions of employment by his or her employer
641 because of lawful acts done by the employee on behalf of the
642 employee or others in furtherance of an action under this
643 section, including investigation for initiation of, testimony
644 for, or assistance in an action filed or to be filed under this
645 section, has a cause of action under s. 112.3187.

646 (12) If the unit of government fails to recover prohibited
647 compensation for a willful violation of this section upon
648 discovery and notification of such prohibited payment within 90



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649 days, a cause of action may be brought to:

650 (a) Recover state funds in accordance with ss. 68.082 and
651 68.083.

652 (b) Recover other funds by the Department of Legal Affairs
653 using the procedures set forth in ss. 68.082 and 68.083, except
654 that venue shall lie in the circuit court of the county in which
655 the unit of government is located.

656 (c) Recover other funds by a person using the procedures
657 set forth in ss. 68.082 and 68.083, except that venue shall lie
658 in the circuit court of the county in which the unit of
659 government is located.

660 Section 13. Section 215.86, Florida Statutes, is amended to
661 read:

662 215.86 Management systems and controls.—Each state agency
663 and the judicial branch as defined in s. 216.011 shall establish
664 and maintain management systems and internal controls designed
665 to:

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

667 (2) Promote and encourage compliance with applicable laws,
668 rules, contracts, grant agreements, and best practices.†

669 (3) Support economical and ~~economic,~~ efficient, ~~and~~
670 effective operations.†

671 (4) Ensure reliability of financial records and reports.†

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

675 Section 14. Paragraph (a) of subsection (2) of section
676 215.97, Florida Statutes, is amended to read:

677 215.97 Florida Single Audit Act.—



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678 (2) Definitions; as used in this section, the term:
679 (a) "Audit threshold" means the threshold amount used to
680 determine when a state single audit or project-specific audit of
681 a nonstate entity shall be conducted in accordance with this
682 section. Each nonstate entity that expends a total amount of
683 state financial assistance equal to or in excess of \$750,000
684 ~~\$500,000~~ in any fiscal year of such nonstate entity shall be
685 required to have a state single audit, or a project-specific
686 audit, for such fiscal year in accordance with the requirements
687 of this section. Periodically, ~~Every 2 years~~ the Auditor
688 General, after consulting with the Executive Office of the
689 Governor, the Department of Financial Services, and all state
690 awarding agencies, shall review the threshold amount for
691 requiring audits under this section and, if appropriate, may
692 recommend to the Legislature a statutory change to revise the
693 threshold amount in the annual report submitted pursuant to s.
694 11.45(7)(h) may adjust such threshold amount consistent with the
695 ~~purposes of this section.~~

696 Section 15. Subsection (11) of section 215.985, Florida
697 Statutes, is amended to read:

698 215.985 Transparency in government spending.—

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

704 Section 16. Paragraph (d) of subsection (1) and subsection
705 (2) of section 218.32, Florida Statutes, are amended to read:

706 218.32 Annual financial reports; local governmental



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707 entities.-

708 (1)

709 (d) Each local governmental entity that is required to
710 provide for an audit under s. 218.39(1) must submit a copy of
711 the audit report and annual financial report to the department
712 within 45 days after the completion of the audit report but no
713 later than 9 months after the end of the fiscal year. An
714 independent certified public accountant completing an audit of a
715 local governmental entity pursuant to s. 218.39 shall report, as
716 part of the audit, as to whether the entity's annual financial
717 report is in agreement with the audited financial statements.
718 The accountant's audit report must be supported by the same
719 level of detail as required for the annual financial report. If
720 the accountant's audit report is not in agreement with the
721 annual financial report, the accountant shall specify and
722 explain the significant differences that exist between the
723 annual financial report and the audit report.

724 (2) The department shall annually by December 1 file a
725 verified report with the Governor, the Legislature, the Auditor
726 General, and the Special District Accountability Program of the
727 Department of Economic Opportunity showing the revenues, both
728 locally derived and derived from intergovernmental transfers,
729 and the expenditures of each local governmental entity, regional
730 planning council, local government finance commission, and
731 municipal power corporation that is required to submit an annual
732 financial report. In preparing the verified report, the
733 department may request additional information from the local
734 governmental entity. The information requested must be provided
735 to the department within 45 days of the request. If the local



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736 governmental entity does not comply with the request, the
737 department shall notify the Legislative Auditing Committee,
738 which may take action pursuant to s. 11.40(2). The report must
739 include, but is not limited to:

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

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

748 Section 17. Present subsection (3) of section 218.33,
749 Florida Statutes, is redesignated as subsection (4), and a new
750 subsection (3) is added to that section, to read:

751 218.33 Local governmental entities; establishment of
752 uniform fiscal years and accounting practices and procedures.—

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

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

756 (b) Promote and encourage compliance with applicable laws,
757 rules, contracts, grant agreements, and best practices.

758 (c) Support economical and efficient operations.

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

760 (e) Safeguard assets.

761 Section 18. Present subsections (8) through (12) of section
762 218.39, Florida Statutes, are redesignated as subsections (9)
763 through (13), respectively, and a new subsection (8) is added to
764 that section, to read:



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765 218.39 Annual financial audit reports.-

766 (8) If the audit report includes a recommendation that was
767 previously included in the preceding financial audit report, the
768 governing body of the audited entity, within 60 days after the
769 delivery of the audit report to the governing body and during a
770 regularly scheduled public meeting, shall indicate its intent
771 regarding corrective action, the corrective action to be taken,
772 and when the corrective action will occur. If the governing body
773 does not intend to take corrective action, it shall explain why
774 such action will not be taken at the regularly scheduled public
775 meeting.

776 Section 19. Subsection (2) and paragraph (c) of subsection
777 (7) of section 218.391, Florida Statutes, are amended, and a new
778 subsection (9) is added to that section, to read:

779 218.391 Auditor selection procedures.-

780 (2) The governing body of a ~~charter~~ county, municipality,
781 special district, district school board, charter school, or
782 charter technical career center shall establish an audit
783 committee.

784 (a) For a county, the ~~Each noncharter county shall~~
785 establish an audit committee that, at a minimum, shall consist
786 of each of the county officers elected pursuant to the county
787 charter or s. 1(d), Art. VIII of the State Constitution, or a
788 designee, and one member of the board of county commissioners or
789 its designee.

790 (b) For a municipality, special district, district school
791 board, charter school, or charter technical career center, the
792 audit committee shall consist of at least three members. One
793 member of the audit committee must be a member of the governing



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794 body of an entity specified in this paragraph who shall also
795 serve as the chair of the committee.

796 (c) A member of the audit committee may not exercise
797 financial management responsibilities for the county,
798 municipality, special district, district school board, charter
799 school, or charter technical career center.

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

806 (7) Every procurement of audit services shall be evidenced
807 by a written contract embodying all provisions and conditions of
808 the procurement of such services. For purposes of this section,
809 an engagement letter signed and executed by both parties shall
810 constitute a written contract. The written contract shall, at a
811 minimum, include the following:

812 (c) A provision specifying the contract period, including
813 renewals, and conditions under which the contract may be
814 terminated or renewed. The contract period may not exceed 5
815 years. Upon conclusion of the contract, the contracting firm is
816 ineligible to conduct a financial audit of the entity pursuant
817 to s. 218.39 for a period of 2 years.

818 (9) An audit report submitted pursuant to s. 218.39 must
819 include an affidavit executed by the chair of the audit
820 committee affirming that the committee complied with the
821 requirements of subsections (3) through (6) in selecting an
822 auditor. If the Auditor General determines that an entity failed



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823 to comply with the requirements of subsections (3) through (6)
824 in selecting an auditor, the entity shall select a replacement
825 auditor in accordance with this section to conduct audits for
826 subsequent fiscal years if the original audit was performed
827 under a multiyear contract. If the replacement of an auditor
828 would preclude the entity from timely completing the annual
829 financial audit required by s. 218.39, the entity shall replace
830 an auditor in accordance with this section for the subsequent
831 annual financial audit. A multiyear contract between an entity
832 or an auditor may not prohibit or restrict an entity from
833 complying with this subsection.

834 Section 20. Paragraph (b) of subsection (2) of section
835 288.92, Florida Statutes, is amended to read:

836 288.92 Divisions of Enterprise Florida, Inc.—

837 (2)

838 (b)1. The following officers and board members are subject
839 to ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and
840 112.3143(2):

841 a. Officers and members of the board of directors of the
842 divisions of Enterprise Florida, Inc.

843 b. Officers and members of the board of directors of
844 subsidiaries of Enterprise Florida, Inc.

845 c. Officers and members of the board of directors of
846 corporations created to carry out the missions of Enterprise
847 Florida, Inc.

848 d. Officers and members of the board of directors of
849 corporations with which a division is required by law to
850 contract to carry out its missions.

851 2. The officers and board members specified in subparagraph



852 1. may not represent another person or entity for compensation
853 before Enterprise Florida, Inc., or a division, subsidiary, or
854 the board of directors of corporations created to carry out the
855 missions of Enterprise Florida, Inc., or with which a division
856 is required by law to contract to carry out its missions, for a
857 period of 2 years after retirement from or termination of
858 service to a division.

859 ~~3.2.~~ For purposes of applying ss. 112.313(1)-(8), (10),
860 (12), and (15); 112.3135; and 112.3143(2) to activities of the
861 officers and members of the board of directors specified in
862 subparagraph 1., those persons shall be considered public
863 officers or employees and the corporation shall be considered
864 their agency.

865 ~~4.3.~~ It is not a violation of s. 112.3143(2) or (4) for the
866 officers or members of the board of directors of the Florida
867 Tourism Industry Marketing Corporation to:

868 a. Vote on the 4-year marketing plan required under s.
869 288.923 or vote on any individual component of or amendment to
870 the plan.

871 b. Participate in the establishment or calculation of
872 payments related to the private match requirements of s.
873 288.904(3). The officer or member must file an annual disclosure
874 describing the nature of his or her interests or the interests
875 of his or her principals, including corporate parents and
876 subsidiaries of his or her principal, in the private match
877 requirements. This annual disclosure requirement satisfies the
878 disclosure requirement of s. 112.3143(4). This disclosure must
879 be placed either on the Florida Tourism Industry Marketing
880 Corporation's website or included in the minutes of each meeting



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881 of the Florida Tourism Industry Marketing Corporation's board of
882 directors at which the private match requirements are discussed
883 or voted upon.

884 Section 21. Paragraph (a) of subsection (3) of section
885 288.9604, Florida Statutes, is amended to read:

886 288.9604 Creation of the authority.—

887 (3) (a) 1. A director may not receive compensation for his or
888 her services, but is entitled to necessary expenses, including
889 travel expenses, incurred in the discharge of his or her duties.
890 Each director shall hold office until his or her successor has
891 been appointed.

892 2. Directors are subject to ss. 112.313(1)-(8), (10), (12),
893 and (15); 112.3135; and 112.3143(2). For purposes of applying
894 ss. 112.313(1)-(8), (10), (12), and (15); 112.3135; and
895 112.3143(2) to activities of directors, directors shall be
896 considered public officers and the corporation shall be
897 considered their agency.

898 3. A director of the board of directors of the corporation
899 may not represent another person or entity for compensation
900 before the corporation for a period of 2 years following his or
901 her service on the board of directors.

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

905 373.536 District budget and hearing thereon.—

906 (4) BUDGET CONTROLS; FINANCIAL INFORMATION.—

907 (e) ~~By September 1, 2012,~~ Each district shall provide a
908 monthly financial statement in the form and manner prescribed by
909 the Department of Financial Services to the district's governing



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910 board and make such monthly financial statement available for
911 public access on its website.

912 (5) TENTATIVE BUDGET CONTENTS AND SUBMISSION; REVIEW AND
913 APPROVAL.—

914 (d) Each district shall, by August 1 of each year, submit
915 for review a tentative budget and a description of any
916 significant changes from the preliminary budget submitted to the
917 Legislature pursuant to s. 373.535 to the Governor, the
918 President of the Senate, the Speaker of the House of
919 Representatives, the chairs of all legislative committees and
920 subcommittees having substantive or fiscal jurisdiction over
921 water management districts, as determined by the President of
922 the Senate or the Speaker of the House of Representatives, as
923 applicable, the secretary of the department, and the governing
924 body of each county in which the district has jurisdiction or
925 derives any funds for the operations of the district. The
926 tentative budget must be posted on the district's official
927 website at least 2 days before budget hearings held pursuant to
928 s. 200.065 or other law and must remain on the website for at
929 least 45 days.

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

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

935 Section 23. Paragraph (j) of subsection (9) of section
936 1002.33, Florida Statutes, is amended to read:

937 1002.33 Charter schools.—

938 (9) CHARTER SCHOOL REQUIREMENTS.—



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939 (j) The governing body of the charter school shall be
940 responsible for:

941 1. Establishing and maintaining internal controls designed
942 to:

943 a. Prevent and detect fraud, waste, and abuse.
944 b. Promote and encourage compliance with applicable laws,
945 rules, contracts, grant agreements, and best practices.
946 c. Support economical and efficient operations.
947 d. Ensure reliability of financial records and reports.
948 e. Safeguard assets.

949 ~~2.1.~~ Ensuring that the charter school has retained the
950 services of a certified public accountant or auditor for the
951 annual financial audit, pursuant to s. 1002.345(2), who shall
952 submit the report to the governing body.

953 ~~3.2.~~ Reviewing and approving the audit report, including
954 audit findings and recommendations for the financial recovery
955 plan.

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

958 b. Monitoring a financial recovery plan in order to ensure
959 compliance.

960 ~~5.4.~~ Participating in governance training approved by the
961 department which must include government in the sunshine,
962 conflicts of interest, ethics, and financial responsibility.

963 Section 24. Present subsections (6) through (10) of section
964 1002.37, Florida Statutes, are redesignated as subsections (7)
965 through (11), respectively, a new subsection (6) is added to
966 that section, and present subsections (6) and (11) of that
967 section are amended, to read:



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968 1002.37 The Florida Virtual School.—
969 (6) The Florida Virtual School shall have an annual
970 financial audit of its accounts and records completed by an
971 independent auditor who is a certified public accountant
972 licensed under chapter 473. The independent auditor shall
973 conduct the audit in accordance with rules adopted by the
974 Auditor General pursuant to s. 11.45 and, upon completion of the
975 audit, shall prepare an audit report in accordance with such
976 rules. The audit report must include a written statement of the
977 board of trustees describing corrective action to be taken in
978 response to each of the independent auditor's recommendations
979 included in the audit report. The independent auditor shall
980 submit the audit report to the board of trustees and the Auditor
981 General no later than 9 months after the end of the preceding
982 fiscal year.

983 (7)~~(6)~~ The board of trustees shall annually submit to the
984 Governor, the Legislature, the Commissioner of Education, and
985 the State Board of Education, the audit report prepared pursuant
986 to subsection (6) and a complete and detailed report setting
987 forth:

988 (a) The operations and accomplishments of the Florida
989 Virtual School within the state and those occurring outside the
990 state as Florida Virtual School Global.

991 (b) The marketing and operational plan for the Florida
992 Virtual School and Florida Virtual School Global, including
993 recommendations regarding methods for improving the delivery of
994 education through the Internet and other distance learning
995 technology.

996 (c) The assets and liabilities of the Florida Virtual



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997 School and Florida Virtual School Global at the end of the
998 fiscal year.

999 ~~(d) A copy of an annual financial audit of the accounts and
1000 records of the Florida Virtual School and Florida Virtual School
1001 Global, conducted by an independent certified public accountant
1002 and performed in accordance with rules adopted by the Auditor
1003 General.~~

1004 ~~(e)~~ Recommendations regarding the unit cost of providing
1005 services to students through the Florida Virtual School and
1006 Florida Virtual School Global. In order to most effectively
1007 develop public policy regarding any future funding of the
1008 Florida Virtual School, it is imperative that the cost of the
1009 program is accurately identified. The identified cost of the
1010 program must be based on reliable data.

1011 ~~(e)~~(e) Recommendations regarding an accountability
1012 mechanism to assess the effectiveness of the services provided
1013 by the Florida Virtual School and Florida Virtual School Global.

1014 ~~(11) The Auditor General shall conduct an operational audit
1015 of the Florida Virtual School, including Florida Virtual School
1016 Global. The scope of the audit shall include, but not be limited
1017 to, the administration of responsibilities relating to
1018 personnel; procurement and contracting; revenue production;
1019 school funds, including internal funds; student enrollment
1020 records; franchise agreements; information technology
1021 utilization, assets, and security; performance measures and
1022 standards; and accountability. The final report on the audit
1023 shall be submitted to the President of the Senate and the
1024 Speaker of the House of Representatives no later than January
1025 31, 2014.~~



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1026 Section 25. Subsection (5) is added to section 1010.01,
1027 Florida Statutes, to read:

1028 1010.01 Uniform records and accounts.—

1029 (5) Each school district, Florida College System
1030 institution, and state university shall establish and maintain
1031 internal controls designed to:

1032 (a) Prevent and detect fraud, waste, and abuse.

1033 (b) Promote and encourage compliance with applicable laws,
1034 rules, contracts, grant agreements, and best practices.

1035 (c) Support economical and efficient operations.

1036 (d) Ensure reliability of financial records and reports.

1037 (e) Safeguard assets.

1038 Section 26. Subsection (2) of section 1010.30, Florida
1039 Statutes, is amended to read:

1040 1010.30 Audits required.—

1041 (2) If a school district, Florida College System
1042 institution, or university audit report includes a
1043 recommendation that was previously included in the preceding
1044 financial audit report, ~~an audit contains a significant finding,~~
1045 the district school board, the Florida College System
1046 institution board of trustees, or the university board of
1047 trustees, within 60 days after the delivery of the audit report
1048 to the school district, Florida College System institution, or
1049 university and ~~shall conduct an audit overview~~ during a
1050 regularly scheduled public meeting, shall indicate its intent
1051 regarding corrective action, the corrective action to be taken,
1052 and when the corrective action will occur. If the district
1053 school board, Florida College System institution board of
1054 trustees, or university board of trustees does not intend to



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1055 take corrective action, it shall explain why such action will
1056 not be taken at the regularly scheduled public meeting.

1057 Section 27. Subsection (2) of section 68.082, Florida
1058 Statutes, is amended to read:

1059 68.082 False claims against the state; definitions;
1060 liability.—

1061 (2) Any person who:

1062 (a) Knowingly presents or causes to be presented a false or
1063 fraudulent claim for payment or approval;

1064 (b) Knowingly authorizes, approves, or receives payment of
1065 prohibited compensation in violation of s. 215.425;

1066 (c)~~(b)~~ Knowingly makes, uses, or causes to be made or used
1067 a false record or statement material to a false or fraudulent
1068 claim;

1069 (d)~~(e)~~ Conspires to commit a violation of this subsection;

1070 (e)~~(d)~~ Has possession, custody, or control of property or
1071 money used or to be used by the state and knowingly delivers or
1072 causes to be delivered less than all of that money or property;

1073 (f)~~(e)~~ Is authorized to make or deliver a document
1074 certifying receipt of property used or to be used by the state
1075 and, intending to defraud the state, makes or delivers the
1076 receipt without knowing that the information on the receipt is
1077 true;

1078 (g)~~(f)~~ Knowingly buys or receives, as a pledge of an
1079 obligation or a debt, public property from an officer or
1080 employee of the state who may not sell or pledge the property;
1081 or

1082 (h)~~(g)~~ Knowingly makes, uses, or causes to be made or used
1083 a false record or statement material to an obligation to pay or



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1084 transmit money or property to the state, or knowingly conceals
1085 or knowingly and improperly avoids or decreases an obligation to
1086 pay or transmit money or property to the state

1087
1088 is liable to the state for a civil penalty of not less than
1089 \$5,500 and not more than \$11,000 and for treble the amount of
1090 damages the state sustains because of the act of that person.

1091 Section 28. Subsection (1) of section 68.083, Florida
1092 Statutes, is amended to read:

1093 68.083 Civil actions for false claims.—

1094 (1) The department may diligently investigate a violation
1095 under s. 68.082. If the department finds that a person has
1096 violated or is violating s. 68.082, the department may bring a
1097 civil action under the Florida False Claims Act against the
1098 person. The Department of Financial Services may bring a civil
1099 action under this section if the action arises from an
1100 investigation by that department and the Department of Legal
1101 Affairs has not filed an action under this act. For a violation
1102 of s. 68.082 regarding prohibited compensation paid from state
1103 funds, the Department of Financial Services may bring a civil
1104 action under this section if the action arises from an
1105 investigation by that department concerning a violation of s.
1106 215.425 by the state and the Department of Legal Affairs has not
1107 filed an action under this act.

1108 Section 29. Subsection (3) of section 218.503, Florida
1109 Statutes, is amended to read:

1110 218.503 Determination of financial emergency.—

1111 (3) Upon notification that one or more of the conditions in
1112 subsection (1) have occurred or will occur if action is not



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1113 taken to assist the local governmental entity or district school
1114 board, the Governor or his or her designee shall contact the
1115 local governmental entity or the Commissioner of Education or
1116 his or her designee shall contact the district school board to
1117 determine what actions have been taken by the local governmental
1118 entity or the district school board to resolve or prevent the
1119 condition. The information requested must be provided within 45
1120 days after the date of the request. If the local governmental
1121 entity or the district school board does not comply with the
1122 request, the Governor or his or her designee or the Commissioner
1123 of Education or his or her designee shall notify ~~the members of~~
1124 the Legislative Auditing Committee, which ~~who~~ may take action
1125 pursuant to s. 11.40(2) ~~s. 11.40~~. The Governor or the
1126 Commissioner of Education, as appropriate, shall determine
1127 whether the local governmental entity or the district school
1128 board needs state assistance to resolve or prevent the
1129 condition. If state assistance is needed, the local governmental
1130 entity or district school board is considered to be in a state
1131 of financial emergency. The Governor or the Commissioner of
1132 Education, as appropriate, has the authority to implement
1133 measures as set forth in ss. 218.50-218.504 to assist the local
1134 governmental entity or district school board in resolving the
1135 financial emergency. Such measures may include, but are not
1136 limited to:

1137 (a) Requiring approval of the local governmental entity's
1138 budget by the Governor or approval of the district school
1139 board's budget by the Commissioner of Education.

1140 (b) Authorizing a state loan to a local governmental entity
1141 and providing for repayment of same.



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1142 (c) Prohibiting a local governmental entity or district
1143 school board from issuing bonds, notes, certificates of
1144 indebtedness, or any other form of debt until such time as it is
1145 no longer subject to this section.

1146 (d) Making such inspections and reviews of records,
1147 information, reports, and assets of the local governmental
1148 entity or district school board as are needed. The appropriate
1149 local officials shall cooperate in such inspections and reviews.

1150 (e) Consulting with officials and auditors of the local
1151 governmental entity or the district school board and the
1152 appropriate state officials regarding any steps necessary to
1153 bring the books of account, accounting systems, financial
1154 procedures, and reports into compliance with state requirements.

1155 (f) Providing technical assistance to the local
1156 governmental entity or the district school board.

1157 (g)1. Establishing a financial emergency board to oversee
1158 the activities of the local governmental entity or the district
1159 school board. If a financial emergency board is established for
1160 a local governmental entity, the Governor shall appoint board
1161 members and select a chair. If a financial emergency board is
1162 established for a district school board, the State Board of
1163 Education shall appoint board members and select a chair. The
1164 financial emergency board shall adopt such rules as are
1165 necessary for conducting board business. The board may:

1166 a. Make such reviews of records, reports, and assets of the
1167 local governmental entity or the district school board as are
1168 needed.

1169 b. Consult with officials and auditors of the local
1170 governmental entity or the district school board and the



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1171 appropriate state officials regarding any steps necessary to
1172 bring the books of account, accounting systems, financial
1173 procedures, and reports of the local governmental entity or the
1174 district school board into compliance with state requirements.

1175 c. Review the operations, management, efficiency,
1176 productivity, and financing of functions and operations of the
1177 local governmental entity or the district school board.

1178 d. Consult with other governmental entities for the
1179 consolidation of all administrative direction and support
1180 services, including, but not limited to, services for asset
1181 sales, economic and community development, building inspections,
1182 parks and recreation, facilities management, engineering and
1183 construction, insurance coverage, risk management, planning and
1184 zoning, information systems, fleet management, and purchasing.

1185 2. The recommendations and reports made by the financial
1186 emergency board must be submitted to the Governor for local
1187 governmental entities or to the Commissioner of Education and
1188 the State Board of Education for district school boards for
1189 appropriate action.

1190 (h) Requiring and approving a plan, to be prepared by
1191 officials of the local governmental entity or the district
1192 school board in consultation with the appropriate state
1193 officials, prescribing actions that will cause the local
1194 governmental entity or district school board to no longer be
1195 subject to this section. The plan must include, but need not be
1196 limited to:

1197 1. Provision for payment in full of obligations outlined in
1198 subsection (1), designated as priority items, which are
1199 currently due or will come due.



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1200 2. Establishment of priority budgeting or zero-based
1201 budgeting in order to eliminate items that are not affordable.

1202 3. The prohibition of a level of operations which can be
1203 sustained only with nonrecurring revenues.

1204 4. Provisions implementing the consolidation, sourcing, or
1205 discontinuance of all administrative direction and support
1206 services, including, but not limited to, services for asset
1207 sales, economic and community development, building inspections,
1208 parks and recreation, facilities management, engineering and
1209 construction, insurance coverage, risk management, planning and
1210 zoning, information systems, fleet management, and purchasing.

1211 Section 30. The Legislature finds that a proper and
1212 legitimate state purpose is served when internal controls are
1213 established to prevent and detect fraud, waste, and abuse and to
1214 safeguard and account for government funds and property.

1215 Therefore, the Legislature determines and declares that this act
1216 fulfills an important state interest.

1217 Section 31. This act shall take effect October 1, 2015.

1218
1219 ===== T I T L E A M E N D M E N T =====

1220 And the title is amended as follows:

1221 Delete everything before the enacting clause
1222 and insert:

1223 A bill to be entitled
1224 An act relating to government accountability; amending
1225 s. 11.40, F.S.; specifying that the Governor, the
1226 Commissioner of Education, or the designee of the
1227 Governor or of the Commissioner of Education may
1228 notify the Legislative Auditing Committee of an



1229 entity's failure to comply with certain auditing and
1230 financial reporting requirements; amending s. 11.45,
1231 F.S.; defining the terms "abuse", "fraud", and
1232 "waste"; revising the definition of the term "local
1233 governmental entity"; excluding water management
1234 districts from certain audit requirements; removing a
1235 cross-reference; authorizing the Auditor General to
1236 conduct audits of tourist development councils and
1237 county tourism promotion agencies; revising reporting
1238 requirements applicable to the Auditor General;
1239 amending s. 28.35, F.S.; revising reporting
1240 requirements applicable to the Florida Clerks of Court
1241 Operations Corporation; amending s. 43.16, F.S.;
1242 revising the responsibilities of the Justice
1243 Administrative Commission, each state attorney, each
1244 public defender, a criminal conflict and civil
1245 regional counsel, a capital collateral regional
1246 counsel, and the Guardian Ad Litem Program, to include
1247 the establishment and maintenance of certain internal
1248 controls; amending s. 112.31455, F.S.; authorizing the
1249 Chief Financial Officer or a governing body to
1250 withhold an amount of a fine owed and related
1251 administrative costs from public salary-related
1252 payments of certain individuals; authorizing the Chief
1253 Financial Officer or a governing body to reduce the
1254 amount withheld if certain individuals demonstrate a
1255 hardship; transferring a provision relating to the
1256 garnishment of wages of specified individuals;
1257 creating s. 112.31456, F.S.; authorizing the



1258 Commission on Ethics to seek wage garnishment of
1259 certain individuals to satisfy unpaid fines;
1260 authorizing the commission to refer unpaid fines to a
1261 collection agency; establishing a statute of
1262 limitations with respect to the collection of an
1263 unpaid fine; amending s. 112.3261, F.S.; revising
1264 terms to conform to changes made by the act; expanding
1265 the types of governmental entities that are subject to
1266 lobbyist registration requirements; amending ss.
1267 129.03, 129.06, 166.241, and 189.016, F.S.; requiring
1268 counties, municipalities, and special districts to
1269 maintain certain budget documents on the entities'
1270 websites for a specified period; amending s. 215.425,
1271 F.S.; defining the term "public funds"; requiring a
1272 unit of government to investigate and take necessary
1273 action to recover prohibited compensation; specifying
1274 methods of recovery and liability for unintentional
1275 and willful violations; providing a penalty;
1276 specifying applicability of procedures regarding
1277 suspension and removal of an officer who commits a
1278 willful violation; establishing eligibility criteria
1279 and amounts for rewards; specifying circumstances
1280 under which an employee has a cause of action under
1281 the Whistle-blower's Act; establishing causes of
1282 action if a unit of government fails to recover
1283 prohibited compensation within a certain timeframe;
1284 amending s. 215.86, F.S.; revising management systems
1285 and controls to be employed by each state agency and
1286 the judicial branch; amending s. 215.97, F.S.;



1287 revising the definition of the term "audit threshold";
1288 amending s. 215.985, F.S.; revising the requirements
1289 for a monthly financial statement provided by a water
1290 management district; amending s. 218.32, F.S.;
1291 revising the requirements of the annual financial
1292 audit report of a local governmental entity;
1293 authorizing the Department of Financial Services to
1294 request additional information from a local
1295 governmental entity; requiring a local governmental
1296 entity to respond to such requests within a specified
1297 timeframe; requiring the department to notify the
1298 Legislative Auditing Committee of noncompliance;
1299 amending s. 218.33, F.S.; requiring local governmental
1300 entities to establish and maintain internal controls;
1301 amending s. 218.39, F.S.; requiring an audited entity
1302 to respond to audit recommendations under specified
1303 circumstances; amending s. 218.391, F.S.; revising the
1304 composition of an audit committee; prohibiting an
1305 audit committee member from exercising financial
1306 management duties on behalf of the governmental
1307 entity; restricting the length of a contract period;
1308 requiring the chair of an audit committee to sign and
1309 execute an affidavit affirming compliance with auditor
1310 selection procedures; prescribing procedures in the
1311 event of noncompliance with auditor selection
1312 procedures; amending s. 288.92, F.S.; prohibiting
1313 specified officers and board members of Enterprise
1314 Florida, Inc., from representing a person or entity
1315 for compensation before Enterprise Florida, Inc., and



1316 associated entities thereof, for a specified
1317 timeframe; amending s. 288.9604, F.S.; prohibiting a
1318 director of the board of directors of the Florida
1319 Development Finance Corporation from representing a
1320 person or entity for compensation before the
1321 corporation for a specified timeframe; amending s.
1322 373.536, F.S.; deleting obsolete language; requiring
1323 water management districts to maintain certain budget
1324 documents on the districts' websites for a specified
1325 period; amending s. 1002.33, F.S.; revising the
1326 responsibilities of the governing board of a charter
1327 school to include the establishment and maintenance of
1328 internal controls; amending s. 1002.37, F.S.;
1329 requiring completion of an annual financial audit of
1330 the Florida Virtual School; specifying audit
1331 requirements; requiring an audit report to be
1332 submitted to the board of trustees of the Florida
1333 Virtual School and the Auditor General; removing an
1334 obsolete provision; amending s. 1010.01, F.S.;
1335 requiring each school district, Florida College System
1336 institution, and state university to establish and
1337 maintain certain internal controls; amending s.
1338 1010.30, F.S.; requiring a district school board,
1339 Florida College System institution board of trustees,
1340 or university board of trustees to respond to audit
1341 recommendations under certain circumstances; amending
1342 ss. 68.082, 68.083, and 218.503, F.S.; conforming
1343 provisions and cross-references to changes made by the
1344 act; declaring that the act fulfills an important



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state interest; providing an effective date.